



Ministry of Forests and  
Range and Minister  
Responsible for Housing    Office of the Minister

## MEMORANDUM

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DEC 14 2005

### BY EMAIL

To: Cindy Stern  
Regional Manager  
Coast Forest Region

From: The Honourable Rich Coleman  
Minister of Forests and Range  
and Minister Responsible for Housing

Re: **Amendment No. 8 to the *Coast Appraisal Manual***

I hereby approve Amendment No. 8 to the *Coast Appraisal Manual* and attach a copy for your use. The following section has been amended.



Section 7.2: Saw log stumpage rates for community forest agreements are set at the values listed in this section until December 31, 2006.

Section 7.3 to 7.7: Sections renumbered.

This amendment will come into force on January 1, 2006. Further amendments or revisions to this manual require my approval.

Rich Coleman  
Minister

Attachment

pc: Bill Howard, Director, Revenue Branch





**FOR FURTHER INFORMATION CONTACT:**

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**MANUAL TITLE**

Coast Appraisal Manual

**REVISION No.**

Amendment No. 8

**ISSUE DATE**

January 1, 2006

**MANUAL CO-ORDINATOR**

Judy Laton  
Revenue Branch

**AUTHORIZATION (Name, Title)**

W. Howard  
Director, Revenue Branch

Please make the following changes to your copy of the above Ministry manual. Please insert the following specified pages and **file this notice** immediately after the Amendments Tab.

| ACTION<br>(Remove/Insert) | (VOL.) CHAPTER-SECTION-SUBJECT    | PAGE(S)  | COMMENTS                    |
|---------------------------|-----------------------------------|----------|-----------------------------|
| REMOVE                    | Table of Contents                 | iii - iv | After Table of Contents Tab |
| INSERT                    |                                   | iii - iv |                             |
| REMOVE                    | Chapter 7                         | 3 - 10   | After Chapter 7 Tab         |
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## 7.2 Community Forest Agreements

1. For community forest agreements issued under sections 43.2, 43.4 or 43.51 of the *Act* and associated road permits, the coniferous sawlog stumpage rate for each species of timber will be:

|          |      |
|----------|------|
| Balsam   | 6.97 |
| Hemlock  | 6.14 |
| Cedar    | 8.51 |
| Cypress  | 8.00 |
| Fir      | 4.37 |
| Spruce   | 4.07 |
| All Pine | 6.47 |

This provision expires on December 31, 2006.

Section 7.3, 7.4, 7.4.1, 7.5 and 7.6 do not apply to community forest agreements and associated road permits.

### 7.3 Road Permits

1. Except as provided in subsection (2) of this section, the stumpage rate for a road permit will be determined using Ministry stumpage billing records.
2. The stumpage rate for a road permit issued in conjunction with a timber sale licence entered into under sections 20, 21 and 23 of the *Act* or a licence to cut entered into under Section 47.6 of the *Act* will be the stumpage rate applicable to the cutting authority that authorizes harvesting in the cutting authority area to which the road permit provides access.
3. For the purposes of this section, a stumpage billing history record of timber harvested under a timber licence, where the timber licence area is within a tree farm licence area will be included with and be considered the stumpage billing history record of timber harvested under the tree farm licence.
4.
  - a. Where the Ministry has a stumpage billing history record of timber harvested under a licence, the stumpage rate for a road permit is the weighted average sawlog stumpage rate of cutting authorities, other than a road permit, for cutting authority areas that are located in the same forest district as the area to which the road permit applies, and that are issued under the licence that entitles the licensee to apply for the road permit.
  - b. The weighted average stumpage rate is the sum of the stumpage billed for all coniferous sawlogs during the billing period referred to in paragraph (c) of this subsection, divided by the sum of the volume of those species and grades.
  - c. The billing period referred to in paragraph (b) of this subsection for a road permit appraisal or reappraisal, with an effective date between November 1, 2004 and January 31, 2005 is the twelve month billing period ending August 31, 2004. Thereafter, the billing period will be updated annually effective February 1st and will be the twelve month period ending November 30th.
5. Where there are no stumpage billing history records from which the stumpage rate may be determined under subsection 4, and the licence that the cutting authority is issued under does not provide for an allowable annual cut or has an allowable annual cut of Crown timber equal to or greater than 5 000 m<sup>3</sup>, the stumpage rate for a road permit is the weighted average sawlog stumpage rate of:
  - a. all cutting authorities, other than road permits, that are issued under the licence that entitles the licensee to apply for the road permit, or
  - b. where there is no volume in the stumpage billing history record, all the cutting authorities, other than road permits, that are for areas located in the same forest district as the area to which the road permit applies.

6. Where there are no stumpage billing history records from which the stumpage rate may be determined under 4, and the licence that the cutting authority is issued under has an allowable annual cut of Crown timber less than 5 000 m<sup>3</sup> per year the stumpage rate for a road permit is the weighted average sawlog stumpage rate of all the cutting authorities, other than road permits, that are for licences that have an allowable annual cut of less than 5 000 m<sup>3</sup> in the same forest district as the area to which the road permit applies.
7. The cost of a road constructed under a road permit may be eligible for inclusion as a tenure obligation adjustment under chapter 5 in the appraisal of the first tributary cutting authority.
8. All road permits will be reappraised in accordance with section 3.3.2.

## 7.4 Salvage Logging Stumpage Rates

1. The source of salvaged timber is:
  - a. Post Harvest Material:
    - i. wooden culverts and bridges, and
    - ii. post logging residue, and
  - b. Damaged Timber:
    - i. blowdown green and aged timber, and
    - ii. fire, disease, insect or physically damaged timber.
2. The qualifying criteria and methodology for calculating salvage logging stumpage rates for round logs is specified below:
  - a. post harvest material must not be combined in the same cutting authority area with timber damaged through natural events.
  - b. except where damage to adjacent or contiguous timber occurs after harvesting is completed on the adjacent primary logging cutting permit area and the harvesting equipment has been demobilized from the area, damaged timber salvage cutting authority areas must be scattered, and not adjacent or contiguous to an existing cutting authority area.
  - c. the total area of a salvage harvesting area shall not exceed 2 hectares.
  - d. only damaged trees and hazard trees as approved by the Ministry may be removed on a damaged timber salvage cutting permit.
  - e. post harvest salvage may only occur after primary logging has been satisfactorily completed and residue and waste assessments have been submitted to and accepted by the Ministry.
  - f. salvage can not occur on a road right-of-way which has an active timber mark associated with it.
  - g. the stumpage rate will be fixed for a period not exceeding one year.
3. Where the source of the salvaged timber is damaged timber, the stumpage rate for each species of the salvaged timber in a forest district will be determined using schedule of average sawlog stumpage rates for damaged timber approved by the Director.

4. Where the source of the salvaged timber is post harvest material, the stumpage rate for each species of timber in a forest district will be determined using the schedule of average sawlog stumpage rates for post-harvest material approved by the Director.
5. The salvage logging stumpage rate for any district and species shall not be less than \$4.00/m<sup>3</sup>.

#### **7.4.1 Levies for Salvage Forestry Licences to Cut Cutting Authorities**

1. An administration levy may be added to the reserve stumpage rate. The administration levy is equal to the district manager's cost estimate of administration provided by the Crown for preparing a Forestry Licence to Cut for salvage timber. An administration cost estimate is made for every cutting authority where the district office has to prepare all details of a Forestry Licence to Cut for salvage. No levy is applicable to professional applications.
2. A basic silviculture levy may be added to the reserve stumpage rate. The levy is equal to the district manager's cost estimate of silviculture liability to be incurred by the Crown.

## **7.5 Cutting Authority Area With Less than 2 500 m<sup>3</sup> of Timber Volume**

1. Where a cutting authority area has less than 2 500 m<sup>3</sup> of timber the stumpage rate may be determined:
  - a. by estimating the volume of each species of the timber in the cutting authority area appraised,
  - b. by using the stumpage rates that the Revenue Branch determines under section 7.1 for each of those species in the forest district in which the cutting area is located, and
  - c. by calculating the weighted average stumpage rate for all of the species of timber in the cutting authority area.
2. Where an estimate of the species volume has not been made, the species stumpage rate determined under section 7.1 must be used for the cutting authority area.
3. The stumpage rate calculated under this section is not adjusted quarterly.

## **7.6 Decked Timber**

In the case of decked timber, or timber which has been felled and bucked, such as on rights-of-way, and the volume exceeds 300 m<sup>3</sup>, an appraisal is completed on an “as is, where is” basis by using the procedures in section 7.5 to calculate the stumpage rate and adding to it the person who determines the stumpage rate's estimate of the costs of felling, bucking, yarding and decking.

## **7.7 Miscellaneous Stumpage Rates**

### **7.7.1 Miscellaneous Stumpage Rates**

Unless otherwise specified in a cutting authority, the stumpage rates for deciduous species, low grade logs and timber in specified areas listed in Table 7-1, are listed in Table 7-1.

### **7.7.2 Special Forest Products**

Unless otherwise specified in a cutting authority, Table 7-2 shall be used for determining stumpage rates for the specified products from all sources of Crown timber. The table in effect on the date of scale shall be used to determine the stumpage rate.

### **7.7.3 Marine Log Salvage**

#### **7.7.3.1 Beachcomb**

A beachcomb rate may apply to logs salvaged in the Vancouver log salvage district under Part 9 of the *Act*, and stray logs salvaged elsewhere in coastal waters.

The stumpage rate for beachcomb is listed in table 7-1.

#### **7.7.3.2 Root Buck**

A root buck rate may apply to any species where the roots are attached at the time stray logs are salvaged in coastal waters. Excludes logs salvaged from coastal waters within the boundaries of the North Coast and Kalum Forest Districts.

The rate for root buck is listed in table 7-1.

#### **7.7.3.3 Wahleach Island Catchment Basin**

The stumpage rate for logs salvaged at Wahleach Island catchment basin operated by B.C. Debris Control Board is listed in table 7-1.

#### **7.7.3.4 Deadhead Logs**

A deadhead rate may apply to deadhead logs as defined in the log salvage regulation, salvaged in coastal waters and subject to scaling requirements under part 6 of the *Act*.

The stumpage rate for deadhead logs is listed in table 7-1.

**Table 7-1: Miscellaneous Stumpage Rates**

| <b>Species</b> | <b>Region Product Code</b> | <b>Product</b>                  | <b>Stumpage Rate (\$/m<sup>3</sup>)</b> |
|----------------|----------------------------|---------------------------------|-----------------------------------------|
| Deciduous      | N/A                        | All (except grades 'Y', 'Z')    | \$1.00                                  |
| Yew            | N/A                        | All                             | \$0.25                                  |
| All Species    | N/A                        | Grade 'Y'                       | \$0.25                                  |
| All Species    | <b>BC</b>                  | Beachcomb                       | \$0.70                                  |
| All Species    | <b>RB</b>                  | Root buck                       | \$7.80                                  |
| All Species    | <b>DH</b>                  | Wahleach Island catchment basin | \$0.25                                  |
| All Species    | <b>DH</b>                  | Deadhead logs                   | \$0.25                                  |

**Table 7-2: Special Forest Products Stumpage Rates**

| <b>Species</b> | <b>Region Product Code</b> | <b>Product</b>                                                                                                                          | <b>Stumpage Rate (\$/m<sup>3</sup>)</b> |
|----------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| All Species    | <b>CA</b>                  | Cants (produced from dead and down post-logging residue)                                                                                | \$9.60                                  |
| All Species    | <b>FW</b>                  | Firewood (round or split) - maximum length 1.2 m                                                                                        | \$1.00                                  |
| Cedar          | <b>MT</b>                  | Mining Timbers - maximum length 2.4 m                                                                                                   | \$3.00                                  |
| All Species    | <b>PR</b>                  | Posts and Rails (split and round)                                                                                                       | \$1.20                                  |
| Cedar          | <b>PR</b>                  | Posts and Rails (split and round)                                                                                                       | \$3.00                                  |
| All Species    | <b>SB</b>                  | Shake and Shingle Bolts, Blocks and Blanks                                                                                              | \$5.30                                  |
| All Species    | <b>SK</b>                  | Shakes                                                                                                                                  | \$6.00                                  |
| All Species    | <b>SS</b>                  | Stakes and Sticks (Car Stakes, Grape Stakes, Hop Poles, Lagging (split, Orchard Props, Pickets and Palings, Stakes and Stocks (sticks)) | \$1.20                                  |
| All Species    | <b>XM</b>                  | Christmas Trees Less than 3 m -                                                                                                         | \$0.20                                  |
|                |                            | 3 m to 5 m -                                                                                                                            | \$1.00                                  |
|                |                            | greater than 5 m -                                                                                                                      | \$1.50                                  |

Cants are produced from dead and down post-logging material that would not make a sawlog as determined by the regional manager.

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