

**Tolko Manitoba Sustainable Forest Management Plan
Advisory Committee Meeting**

September 23, 2003 - 4:00 PM to 9:00 PM
September 24, 2003 - 8:00 AM to 2:30 PM

Place: Kikiwak Inn – OCN

Agenda Topics:

1. Welcome and Introductions (Doug Hunt/Sheldon McLeod)
2. Presentation on Annual Allowable Cut and Policy Underpinnings – Greg Carlson - Manitoba Conservation
3. Brief Overview of CSA and progress to-date. (Sheldon McLeod).
4. Review minutes from August 26/27 CSA meeting. (Sheldon McLeod & Doug Hunt)
5. Criterion 2 – Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
 - Element 2.1 – Forest Ecosystem Resilience
 - Element 2.2 – Forest Ecosystem Productivity
6. Criterion # 4 – Forest Ecosystem Contributions to Global Ecological Cycles
 - Element 4.1 – Carbon Uptake and Storage
 - Element 4.2 – Forest Land Conversion
7. Next CSA committee meeting – October 21 & 22, 2003 – Wescana Inn
8. Closing Comments (Sheldon McLeod/Doug Hunt)

Meeting Note: Supper on September 23 and lunch on September 24 will be provided at the Kikiwak Inn

Summary of Meeting
Tolko Industries Ltd. Manitoba Woodlands CSA Public Advisory Committee
September 23-24, 2003
Constant Room, Kikiwak Inn
Opaskwayak Cree Nation, Manitoba

Description

The meeting's purpose was to draft values, objectives, indicators and targets relating to CCFM Criteria 2 and 4 of CSA Sustainable Forest Management Standard Z809-02.

Attendance of committee members from the public at large and/or representing a range of organizations, together with Tolko staff, is recorded on Attachments 1 and 2. Sheldon McLeod of SLMcLeod Consulting facilitated the meeting. Avery Ascher of ASCHERWORDSMITH recorded the proceedings.

Introductions and Meeting Agenda

Following a roundtable introduction, McLeod reviewed the agenda for the September 23-24 meeting (Attachment 3).

Presentation of Annual Allowable Cut and Policy Underpinnings

Greg Carlson, Manager of Forest Inventory and Resource Analysis with the Manitoba Forestry Branch, gave a presentation on how Annual Allowable Cut is determined by the province (Attachment 4). He noted that forest inventory processes and wood supply determinations are now much more ecologically-driven than in the past, and start by setting resource management objectives. In addition, these processes include consultations with and input from many forest users. A Q&A session followed.

Development of Values, Objectives, Indicators and Targets Associated with CCFM Criterion 2

1. Committee members reviewed the Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 2.1 drafted by Doug Hunt.

Suggested changes are highlighted in bold and underlined in Attachment 5.

It was noted that the concept of complexity/biodiversity that came up during discussion be addressed when drafting Values, Objectives, Indicators and Targets for Criterion 1.

2. Committee members reviewed the first Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 2.2 drafted by Doug Hunt.

Suggested changes are highlighted in bold and underlined in Attachment 6.

It was noted that the concept of measuring/monitoring on a larger scale, in addition to permanent sample plots, be addressed when drafting Values, Objectives, Indicators and Targets for Criterion 1.

3. Committee members reviewed the second Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 2.2 drafted by Doug Hunt.

No changes were suggested.

Development of Values, Objectives, Indicators and Targets Associated with CCFM Criterion 4

1. Committee members reviewed the first Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 4.1 drafted by Doug Hunt.

Suggested changes are highlighted in bold and underlined in Attachment 7.

2. Committee members reviewed the second Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 4.1 drafted by Doug Hunt.

Suggested changes are highlighted in bold and underlined in Attachment 8.

3. Committee members reviewed the Value and associated Objective, Indicator, Target, Acceptable Level, Management Strategy, Forecast/Predicted Results of Outcome, Monitoring/Reporting and Implementation Schedule relating to CSA Element 4.2 drafted by Doug Hunt.

No changes were suggested.

Parking Lot Items

Several items were added to the cumulative "Parking Lot" list (Attachment 9; new items are highlighted in bold and underlined).

CSA SFM Public Advisory Committee Meeting Operating Ground Rules

The final version of the ground rules was distributed to meeting participants (Attachment 10).

Wrap-up and Minutes of August 26-27, 2003 CSA Public Advisory Committee Meeting

Sheldon McLeod reviewed committee progress to date. He requested that any feedback committee members receive from their constituent groups be brought back to the committee as soon as possible.

Committee members were asked for any feedback regarding minutes of the August 26-27, 2003 CSA Public Advisory Committee Meeting. It was noted that Garry Zamzow's name had been omitted from the attendance list, and that total attendance should be amended accordingly. Committee members approved the minutes with these changes. Doug Hunt distributed follow-up information relating to the minutes from the June 24-25, 2003 CSA Public Advisory Committee meeting (Attachment 11).

Members are to work on drafting Values, Objectives, Indicators and Targets relating to Criterion 1 at the October 21-22, 2003 CSA Public Advisory Committee meeting. Members are to provide draft values for Criterion 1 to Tolko no later than October 1st. Tentative agenda for the October 21-22nd meeting also includes:

- Revisiting Criterion 3
- Possible presentation on forest renewal standards
- Strategizing with respect to some of the Parking Lot items relating to government policy

Schedule for October 21st: 4:00 p.m. to 9:00 p.m. Schedule for October 22nd: 9:00 a.m. to 2:30 p.m. In addition, a meeting of Tolko's Forest Resources Advisory Committee (FRAC) is scheduled for 1:00 p.m. October 21st; all CSA Public Advisory Committee members are encouraged to attend.

Doug Hunt, Mike Molinski, Judy Head and Ron Spence are to bring a list of suggested speakers on cultural awareness and aboriginal and treaty rights for discussion at the October 21-22 meeting.

CSA SFM Committee

Questions raised at the August 24/25 meeting on the minutes from June 24/25 meeting.

1. Question Raised

The difference in the number of participants recorded in the minutes versus that noted on the attendance attachment should be reconciled.

Action Taken

The CSA committee membership list was also included with the June 24/25 attendance package. The number of members noted on the attendance sheet is in line with the sign in sheet. There may be some confusion if one compares the attendance number to the membership list.

2. Question Raised

Re the Action Item under “Miscellaneous Question/Concerns”; this item implies that every committee member represents an organization; this is not the case.

Action Taken

A statement to reflect “not every committee member represents an organization” has been added to the “Operating Ground rules”.

3. Question Raised

Re the question concerning “substantial agreement” under ‘Miscellaneous Questions/Concerns’: the word ‘quantified’ should read ‘qualified’.

Action Taken

June 24/25 minutes up dated to reflect the word ‘qualified’.

4. Question Raised

Re the question concerning “substantial agreement” under “Miscellaneous Questions/Concerns”: this should form part of the committee’s “Operating Ground Rules”.

Action Taken

“Substantial agreement” has been added to section 6 of the “Operating Ground Rules”.

5. Question Raised

Re the Targets identified relating to CSA Element 3.2, whether ephemeral drainages should be included in the list of relevant Tolko SOPs. Noted that ephemeral drainages are covered in the SOP dealing with water crossings.

Action Taken

Ephemeral drainage is noted in the following Company documents “Working Near Water Bodies” SOP, “Field Marking” SOP, and in the Forest Management Planning and Operating Practices Watercourse Classification and Protective Buffer Guidelines. Plus the Tailgate Meeting form and the Operations Inspection form cover the “protection of in-block drains”.

6. Question Raised

That the pages of the minutes should be numbered.

Action Taken

Minutes will be numbered, starting with the August 26/27 meeting.

SFM PERFORMANCE REQUIREMENTS FOR FML AREA #2

Criteria: 2 MAINTENANCE AND ENHANCEMENT OF FOREST ECOSYSTEM CONDITIONS AND PRODUCTIVITY

Element: 2.1 Forest Ecosystem Resilience

Conserve forest ecosystem condition and productivity by maintaining the health, vitality, rates of biological production.

Value: Renewal of harvested areas.

Objective: Renewal of harvested areas that result in similar stand conditions expected from natural disturbance, **giving consideration to soil and moisture conditions.**

Indicator	Target	Acceptable Level
<p>2.1.1 Harvested areas successfully reforested and certified as achieving provincial forest renewal objective.</p> <p><u>Percentage of regenerated blocks have 2 or more species identified in the regeneration surveys (second species must be at least 10% of stems).</u></p>	<p>(a) 100% of harvested areas successfully regenerated to provincial government stocking standards. (b) 100% of harvested areas successfully regenerated to provincial government free-to-grow standards. (c) <u>Leave 5-10 trees/ha.</u></p> <p><u>70% of regenerated blocks have 2 or more species identified in surveys.</u></p>	<p>97% government certified</p>

Management Strategy:

The company will implement forest renewal and stand management practices to ensure the continuing forest growth with site suitable species as good as, or better than the present forest on the FML Area.

Forecast, Predicted Results of Outcome

The Company will meet government standards for stocking and free-to-grow, 10 and 17 years respectively after a block has been harvested.

Monitoring/Reporting

A history file is initiated and maintained for each cut block created. The file is updated annually to reflect survey information or renewal treatment that may have occurred.

Implementation Schedule

Currently in place.

SFM PERFORMANCE REQUIREMENTS FOR FML AREA #2

Criteria: 2 MAINTENANCE AND ENHANCEMENT OF FOREST ECOSYSTEM CONDITIONS AND PRODUCTIVITY

Element: 2.2 Forest Ecosystem Productivity

Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species.

Value: Maintain forest ecosystem productivity and productive capacity.

Objective: Monitor how the characteristics of the forest change over time.

Indicator	Target	Acceptable Level
<p>2.2.1 Permanent sample plot measurements</p>	<p>Determine the productivity and productive capacity (growth & yield in m³/year) for the various forest working groups on the FML Area.</p> <p><u>Percentage of various working groups/cover types.</u></p>	<p>Information will be used in the 2010 long-term plan.</p> <p><u>Maintain forest types composition and age class distribution resulting from harvesting and natural disturbances within the historical natural range of variability.</u></p>

Management Strategy:

A permanent sample plot program was initiated on the FML Area in 1996. The majority of plots to-date have been located in natural stands of different age classes. The Company will continue to establish and remeasure plots in both natural and managed stands of all age class types.

Forecast, Predicted Results of Outcome

Information obtained from the permanent sample plot program will help develop a more accurate annual allowable cut calculation to cover both natural regeneration and plantations.

Monitoring/Reporting

Starting in 2004 an annual report will be completed that will summarize the permanent sample plot program with respect to new plots established and older plots remeasured.

Implementation Schedule

Permanent sample program currently in place.

SFM PERFORMANCE REQUIREMENTS FOR FML AREA #2.

Criteria: 2 MAINTENANCE AND ENHANCEMENT OF FOREST ECOSYSTEM CONDITION AND PRODUCTIVITY

Element: 2.2 Forest Ecosystem Productivity
Conserve ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species.

Value: Protect current ecosystem conditions.

Objective: Reduce forest productivity losses due to forest fires.

Indicator	Target	Acceptable Level
2.2.2 Human caused forest fires	Zero accidental forest fires and area burnt as a result of Company forest operation.	No fires.

Management Strategy

The Company currently has a forest fire program in place that consists an annual fire protection/suppression plan, initial attack crew, and contractor training in fire prevention/ suppression activities.

Forecast, Predicted Results or Outcome

Reduce the number of Company caused fires on FML Area

Monitoring/Reporting

Starting in 2004, the woodlands annual report will note for the FML Area the number of Company fires, the cause of each fire and area burned.

Implementation Schedule

2004

SFM PERFORMANCE REQUIREMENTS FOR FML AREA #2

Criteria: 4 FOREST ECOSYSTEM CONTRIBUTION TO GLOBAL ECOLOGICAL CYCLES

Element: 4.1 Carbon Uptake and Storage

Maintain the processes that take carbon from the atmosphere and store it

in forest ecosystems.

Value: Healthy forest making a positive contribution to global carbon balance.

Objective: Increase carbon storage.

Indicator	Target	Acceptable Level
4.1.1 Current area occupied by permanent logging roads	Over the next 5 years the company will encourage forest regeneration on 150 km of older logging roads no longer required.	<u>Plus or minus 10% of 150 km</u>

Management Strategy:

Currently the Company has identified 22 older permanent logging roads no longer required.

Forecast, Predicted Results of Outcome

If vehicle access is controlled the local vegetation will quickly fill the roadbed.

Monitoring/Reporting

Annual report will be completed to note the status of each road.

Implementation Schedule

Start in 2004.

SFM PERFORMANCE REQUIREMENTS FOR FML AREA #2.

Criteria: 4 FOREST ECOSYSTEM CONTRIBUTION TO GLOBAL ECOLOGICAL CYCLES

Element: 4.1 Carbon Uptake and Storage

Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems.

Value: Reduce the use of fossil fuels.

Objective: Minimize the amount of greenhouse gases produced to transport wood to the mills.

Indicator	Target	Acceptable Level
4.1.2 Percentage of wood hauled by truck versus train.	50% of the wood fibre required by The Pas mills will be transported by train.	<u>Plus or minus 10% (45-55% of wood fibre).</u>
<u>Time of vehicle idling.</u>	<u>Develop and implement a no-idling vehicles policy.</u>	

Management Strategy

The train currently moves all wood from the Nelson River forest section and a portion from the Highrock forest section.

Forecast, Predicted Results or Outcome

As long as Hudson Bay Railway maintains train service at a competitive rate the company will continue to utilize this service.

Monitoring/Reporting

The woodlands annual report outlines volume delivered from each forest section. This report will be expanded to show the amount of wood moved by both train and truck.

Implementation Schedule

Start in 2004.

**Tolko Industries Ltd. Manitoba Woodlands CSA Public Advisory Committee
Cumulative “Parking Lot” Items
September 24, 2003**

Note: items in bold and underlined were added September 23-24, 2003.

- stumpage revenues stay in the north
- can government maintain some selected Tolko-built roads
- AAC – sustaining ecosystem? Policy underpinnings?
- ideally no net gain in road km
- glossary or write out in full
- large tracts of forest minimally disturbed by humans
- **presentation on forest renewal standards**
- **target: 70% of regenerated blocks have 2 or more species identified in surveys**
- **processes for community consultation – mutually effective for communities and the company**
- **permanent sample plot in area to be herbicided?**
- **quicker response to contractors re: ability to work next day (e.g. fire hazard)**
- **Manitoba Hydro – selling into the grid; distribution**
- **forest conversion – other provincial decisions – hydro transmission lines**

CSA SFM Advisory Committee

Operating Ground Rules – September 23, 2003 Final Version

Background

Tolko Industries Ltd, Manitoba Solid Wood Division (Tolko Manitoba or the Company) is seeking to develop a Sustainable Forest Management plan (SFM) under Canada's national forest certification standard set by the Canadian Standards Association (CSA). The Company plans to certify to the CSA standard.

Purpose

The purpose of the operating ground rules is to define the goals, tasks, roles and procedures that will guide the development of the Tolko Manitoba Sustainable Forest Management Plan. The SFM Plan will be developed based on the CSA's Sustainable Forest Management Standard CSA-Z809-02 and will be complementary to the Company's 1997 to 2009 Forest Management Plan.

Objectives

The ground rules will attempt to ensure efficiency, simplicity and clarity to foster a smooth process with a clear understanding of potential outcomes and expectations. The terms of the Operating Ground Rules include the following sections:

1. Goals
2. Timelines
3. Communication
4. Resources
5. Roles, responsibilities & obligations
6. Decision-making process
7. Changes to the process
8. Information
9. Additional participation
10. Operating guidelines

1. Goals

The goals of the process are to develop an SFM plan in accordance with the CSA guidelines and develop procedures for monitoring the effectiveness of the SFM plan. The SFM Plan for Tolko Manitoba will comply with all existing legislation and policy and will be consistent with the strategic direction and intent in the Company's 1997 to 2009 FMP.

2. Timelines

The target date for completing the SFM Plan is November 30, 2003. The company will be responsible for producing a schedule of meeting dates to allow the process to reach a successful conclusion.

3. Communication

Agendas and meeting minutes will be prepared for each meeting. This material will be distributed to members of the SFM Advisory Committee, to the executive of the organizations represented on the committee and as requested to other interested members of the public.

4. Resources

SFM Advisory Committee members travelling from outside The Pas to attend meetings will be reimbursed for mileage (rate set by company), and meals/ accommodations (receipts required).

Expenses incurred in the development of this Plan will be the responsibility of the Company.

The Company will provide the meeting facilities and copies of required documentation, including the Z809-02 standard.

5. Roles and Responsibilities

The roles and responsibilities of participants in the process are to assist the Company in developing the SFM Plan by:

- identifying local values that relate to the Canadian Council of Forest Ministers (CCFM) SFM criteria and critical elements.
- developing objectives that describe a desired future state or condition for each value.
- selecting indicators to be used to assess progress in meeting objectives.
- establishing one or more targets for each indicator that provide a clear, specific statement of expected results.
- developing procedures for monitoring the effectiveness of the SFM Plan.
- communicating the progress of the committee to their constituents.

- attending meetings or selecting and briefing an alternate to represent them.

Participants will note their primary reason for involvement with the SFM Advisory Committee and their links to the Company or any other concerned organizations. By participating on the CSA Public Advisory Committee, it is not implied that the organization a committee member represents endorses one forest certification system over another. Committee members affiliated with particular organizations are participating due to their interest in and/or expertise relating to the CCFM criteria identified in CSA-Z809-02. It is not assumed that all committee members represent an organization.

A facilitator will be employed to assist the SFM Advisory Committee in its work. The role of the facilitator will be to:

- Facilitate/chair the SFM advisory committee meetings.
- Prepare agendas and review meeting minutes prior to distribution.
- Prepare a work plan and timetable for the process.
- Assist participants in developing recommendations for the SFM Plan.

6. Decision-making process

Participants in the SFM Plan will aim to reach decisions on the basis of consensus. Consensus is defined as substantial agreement reached by concerned interests. Consensus includes an attempt to remove all objections and implies that although participants may not agree with all aspects of the agreement, they are willing to accept the total package.

In negotiating to reach consensus, participants agree to:

- negotiate in good faith.
- state concerns openly and directly and as interests rather than positions*
- listen carefully, ask questions and educate themselves regarding the interest of others.
- share relevant information.

When consensus is reached, a written record of the agreement will be recorded in the meeting minutes.

If consensus or substantial agreement is not achieved, the facilitator will assist the participants in resolving their differences through the application of interest-based negotiation procedures. If consensus is still not achieved, the participants will agree to disagree and the options defined in the negotiation process as well as the underlying reason for dissent will be recorded in the meeting summary. The Company will consider all options in development of the final SFM Plan and will provide a written explanation for decisions taken where consensus was not achieved.

*interest are defined as the needs, wants, fears and concerns that are connected to an issue. Positions are defined as a predetermined solution to a problem without consideration for the interest of others.

7. Changes to the Process

The ground rules for the SFM Plan process may be changed at any time during the process in accordance with the decision making process described in section 6.

8. Information

The SFM Plan will be supported by relevant information including the CSA SFM guidelines and supporting reference documents, examples of other boreal forest based SFM Plans and the Company's 1997 to 2009 Forest Management Plan.

9. Additional participation

Interested groups not associated with the committee may make presentations or take part in discussions if desired. If requested by the committee the Company may arrange for participation by experts to discuss technical issues. The need for any outside experts at an upcoming working meeting should be noted at the previous meeting. It will be the responsibility of committee members to raise this at the appropriate time.

10. Operating Guidelines

The SFM Plan will be developed by Tolko Manitoba based on advice and recommendations provided by the SFM Advisory Committee. The SFM Advisory committee will include a cross-section of participants with varying interests and backgrounds. Participants in the process will:

- contribute to the development of the SFM Plan
- attend meetings on a regular basis
- consider the views of others in developing recommendations.
- aim to reach decisions on the basis of consensus.
- meetings of the SFM Advisory Committee will be open to the general public.

October 15, 2003

Dear Committee Member and Interested Citizens:

Re: Minutes from the CSA Committee Meeting – September 23 and 24, 2003 and Notice for the next CSA Meeting on October 21 and 22, 2003

Please find enclosed the following information as it relates to our September CSA committee meeting held at the Kikiwak Inn.

- September 23/24 CSA minutes
- September 23/24 CSA meeting agenda
- September 23/24 CSA meeting attendance
- Draft values, objectives, and indicators for CSA Criteria 2 and 4.
- Parking lot items
- Operating Ground Rules - September 23, 2003 – Final Version
- Follow up to June 24/25 CSA meeting
- Dan Soprovich values, objectives and indicators for CSA Criteria 1, 2 & 4.

The next CSA committee meeting will be held in the Wescana Inn and run from 4:00 PM until 9:00 PM on October 21 and resume on October 22 at 8:00 AM and finish around 2:30 PM. Dinner on October 21 and lunch on October 22 will be provided.

The meeting topic on October 21/22 will be Criterion 1 – Conservation of Biological Diversity. Some draft examples are attached for review. Please see the attached agenda for more details on the October meeting.

Just a reminder to all CSA committee members, you are welcome to attend the next Forest Resource Advisory Committee (FRAC) meeting, scheduled for November 12, 2003 in The Pas woodlands office, starting at 12:00 PM.

If you have any questions please call me at 204-623-8542.

Yours truly,

Doug Hunt
Divisional Forester

Tolko Industries Ltd. Manitoba Woodlands CSA Public Advisory Committee
Attendance
September 23, 2003

Dan Soprovich	T.R.E.E.
Ricky Pronteau	Thicket Portage Community Council
E.B. Johanson	The North
Bill Jonas	Manitoba Forestry Association
Robert Hanson	R.M. of Mountain
Troy Werstroh	Manitoba Conservation
M. Petryk	Petryk Bros. Ltd.
Greg Oulette	Manitoba Métis Federation
Joy Constant	OCN – Lands Dept.
Judy Head	OCN – BDA Coordinator
Bob Huck	Cranberry Portage
Ron D. Spence	Nelson House First Nation Trust Office
Robert McGillivray	OCN – Natural Resources Technician
Glenn McIvor	Wabowden (ICFN, MB)
Mike Molinski	INAC
Richard Gibbons	Tolko
Doug Hunt	Tolko

Tolko Industries Ltd. Manitoba Woodlands CSA Public Advisory Committee
Attendance
September 24, 2003

Dan Soprovich	T.R.E.E.
Ricky Pronteau	Thicket Portage Community Council
E.B. Johanson	The North
Bill Jonas	Manitoba Forestry Association
Robert Hanson	R.M. of Mountain
Troy Werstroh	Manitoba Conservation
M. Petryk	Petryk Bros. Ltd.
Greg Oulette	Manitoba Métis Federation
Joy Constant	OCN – Lands Dept.
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Mike Molinski	INAC
Garry Zamzow	Snow Lake
Richard Gibbons	Tolko
Doug Hunt	Tolko