



MANAGED  
FOREST  
COUNCIL

**Annual Report 2015 / 2016**



October 31, 2016

Honourable Steve Thomson  
Minister of Forests, Lands & Natural Resource Operations  
PO Box 9049, Stn. Prov. Govt.  
Victoria, BC V8W 9E2

Dear Minister:

With pleasure, I submit the 2015 / 2016 Annual Report of the **Managed Forest Council**. The report includes a summary of statutory requirements as outlined in Section 10(2) of the *Private Managed Forest Land Act* and commentary on Council and its various activities throughout the year.

Some highlights of 2015/16:

- **Community engagement with stakeholders across the Province** continued to build on Council strategic initiative of raising a broader awareness and understanding of Council's mandate and programs, including priorities for engaging stakeholders on a more regular basis; and
- **A comprehensive survey of owners and domestic water licensees.**

Yours sincerely,

A handwritten signature in black ink that reads "Rod Davis".

Rod Davis  
Chair

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*Public involvement with a local community group in the East Kootenay.*



## What We Do

The Private Managed Forest Land Council is an independent agency established under the *Private Managed Forest Land Act* (Act). The Act was passed in November 2003 by the provincial government and was fully implemented in August 2004. As of September 2014 the Private Managed Forest Land Council is known by its working name, the Managed Forest Council (Council).

The objective of Council is to encourage forest management practices on Private Managed Forest Land and to administer the Managed Forest Program. This includes the monitoring of forest practices and the protection of key public environmental values as established by regulation on private managed forest land.

Participation in the program is voluntary with 100% of Council yearly activities funded by private land owners.

### **Key public environmental values are:**



**Soil conservation:** to protect soil productivity.



**Water quality:** to protect human drinking water.



**Fish habitat:** to retain sufficient streamside mature trees and understory vegetation both during and after harvesting to protect fish habitat.



**Critical wildlife habitat:** to facilitate the long-term protection of that habitat.



**Reforestation:** to promptly regenerate the areas with a healthy commercially valuable stand of trees that are not impeded by vegetative competition.



*484 kilometres of road was constructed by private landowners in 2015 / 2016.*

## The Function of Council

In keeping with its objective Council is responsible for the administration of private managed forest land legislation. This includes four broad functions:

1. Strategic planning, reporting and program administration;
2. Establish and monitor forest practice standards for managed forest land;
3. Enforce standards and perform audits; and
4. Review landowner applications to enter managed forest land class.

This Annual Report covers the period from April 1, 2015 to March 31, 2016. It contains information Council considers relevant to the fulfillment of its objective in the exercise of its powers, performance, duties and functions under the Act.

## 2015 / 2016 Council

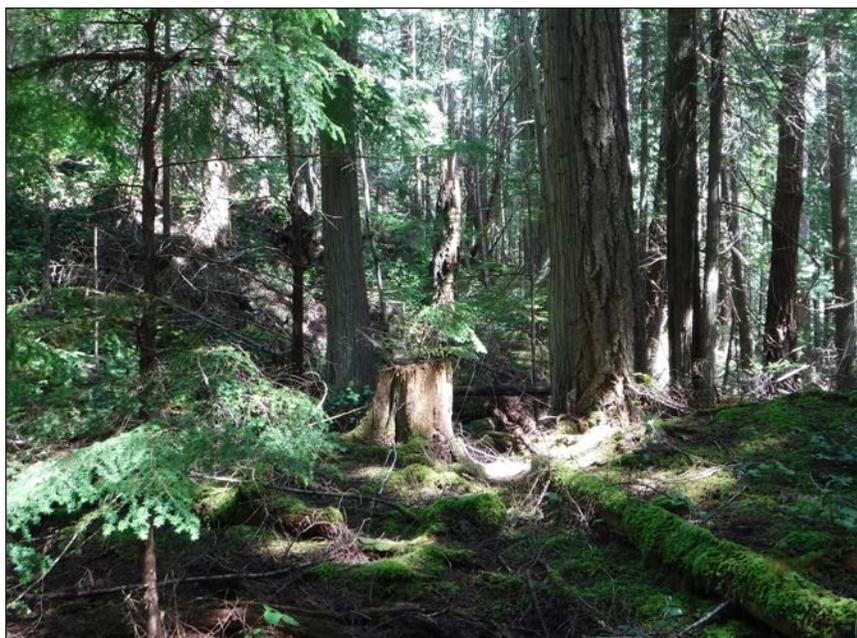
The Council is a partnership comprised of representatives from government and managed forest landowners:

- a chair who is jointly appointed by the four members of Council for a three-year term;
- two owner members elected for a three-year term by the private managed forest landowners; and
- two members appointed by the provincial government.

Council members report annually as to their compliance with the Council's established code of conduct. All council members declared that they have abided by the Code of Conduct as written in Section G of the Council Governance Policy for 2015.

### Current Council:

Chair: Rod Davis  
Owner Members: Will Pryhitko, MF 38 & Blair Robertson, MF 177  
Government Appointees: Rod Visser & Michael Alexander  
Executive Director: Phil O'Connor



*Older Coastal second growth stand*

## Council Biosketches

### **Rod Davis, *Chair***

Dr. Davis is a consultant with over 40 years experience working in fish and wildlife ecosystem conservation, forest and range practices, land use planning, environmental protection, and natural resources inventory and analysis. Prior to being appointed chair in 2012, he served on the Council from 2004 to 2011. He is a registered professional agrologist. Dr. Davis was reappointed as Chair for a new three-year term that started in January of 2015.

### **Will Pryhitko, *Owner member***

Mr. Pryhitko started work with the Beaumont Timber Company in 1984. He was appointed the President and Chief Executive officer in 1999 and acted in those positions until his retirement two years ago. He is currently a Director of the Company and sits on its Board. Mr. Pryhitko was involved extensively with various levels of government on a broad range of issues related to private forest land and worked closely with government and forest owners throughout the development of the Private Land Forest Practices Regulation. Mr. Pryhitko has been a Council member since July 2004.

### **Blair Robertson, *Owner member***

Mr. Robertson was first elected to the Managed Forest Council in 2010. He has been active in private forestry and land management on Vancouver Island since 1990. He is involved in the operation of his family-owned managed forest on southern Vancouver Island. From 1996 to 2004 he was the general manager of the Private Forest Landowners Association. Through his involvement in the Managed Forest Program since its inception he has accumulated substantial experience with local and provincial governments on a variety of resource and land management issues. He has a Bachelor of Commerce in Urban Land Economics and MBA from the University of British Columbia.

### **Rod Visser, *Government appointee***

Since 2009 Mr. Visser has been the principle of Middle Point Management, specializing in corporate development and negotiations for First Nations in the resource sector. From 2001 to 2005 he was the North Island MLA in the BC Legislature. He was a director of the Truck Loggers Association, the Pacific Salmon Foundation, and the Future of Forestry Task Force established by the City of Campbell River. He has extensive experience in working with First Nations and their relationships with public policy, board governance, and corporate and small business interests.

### **Michael Alexander, *Government appointee***

Mr. Alexander is a registered professional forester and a certified environmental professional. Since 2008 he has been Principal of Lindsay-Alexander Consulting, a small firm providing environmental management and sustainability services to industry and government. He previously led KPMG's Global Sustainability Group and was President of KPMG Performance Registrar Inc., providing sustainable forest management certification services. Prior to joining KPMG he spent 15 years with Canfor. His responsibilities there included management of corporate environmental issues and management of the company's private managed forest land near Sechelt.

### **Phil O'Connor, *Executive director***

A registered professional forester in BC for over twenty years, Mr. O'Connor's career has taken him to various locations with both government and the private sector. His government experience includes work as a planning forester on land use issues and timber supply on the central Coast and as regional revenue manager in Williams Lake. In the private sector he has worked as a field forester, as the manager of forestry resources in a coastal woodlands department and as administrative forester responsible for the management of a TFL and private lands. His career has taken him through all facets of the industry, from solid wood, to pulp and paper and the value added sector.

## 2015 – 2016 SUMMARY OF COUNCIL FUNCTIONS AND ACTIVITIES

### Program Administration

#### 2015 – 2016 Budget

- Council revenue is from two sources: an annual fee levied on managed forest owners, and retained surplus from the previous fiscal year. Revenue from the annual fee was \$ 513,793. The retained surplus was \$ 155,000.
- The annual fee levied on managed forest owners is made up of a general administration fee and a fee based on application of a mill rate to the bare land value of the property. Council established the mill rate for the 2015 / 2016 fiscal year at 0.645/\$ 1,000 of Bare Land Value. The general administration fee was \$ 120 for each managed forest. The 2015 / 2016 annual fee represents a 1.0 % increase in revenue from fees over the 2014 fiscal year.
- Council expenses for the 2015 / 2016 fiscal year were \$ 402,916, 19.6 % lower than those for the 2014 fiscal year.
- A Retained Surplus of \$ 110,000 was carried forward into the 2016 / 2017 fiscal year to help fund Council activities in 2016.
- Council has a policy of conducting a financial audit of its financial statements and activities for the previous year. This represents the most comprehensive of audits by an independent third-party auditor and includes the production of an audit report. The audit report for the 2014 / 2015 fiscal year was completed by LL Brougham Inc. and approved by Council at its September 2015 meeting

#### Management Commitments for Managed Forests

- Throughout the year Council receives numerous requests to amend management commitments of existing managed forests. The request may be to increase or decrease its size, it may reflect a change in use or it may represent the complete withdrawal of the managed forest from the program. Council has a policy to process these requests in a timely fashion. Council introduced a performance measure into its 2014 / 2015 Corporate Plan to ensure its objective of processing these requests within 30 days is achieved by Council staff.



*Owners restocked over 14,791 hectares of land in 2015 / 2016.*

- Council receives a number of new management commitments from new entrants to the program or from new owners who have purchased existing managed forest. New management commitments are evaluated and approved within timeframes established by Council. Staff work with the land owners to resolve errors or omissions with the submissions. To aid the processing of documents new entrants to the program are required to utilize a new digital management commitment form.

### **Council 2014 / 2015 Performance Measures**

The 2015 / 2016 Annual Report is the second year Council reports on a series of performance measures established within its 2014 / 2015 Corporate Plan. The performance measures were established to analyze and report on Council's performance in meeting its corporate goals in the delivery of its mandate

#### **Performance Measure # 1: Administrative Efficiency**

<b>Performance Measure</b>	<b>2015 / 2016 Stretch Target</b>	<b>2015 / 2016 Target</b>	<b>2016 / 2017 Proposed</b>	<b>2017 / 2018 Proposed</b>
# days to process MC applications and amendments	25	30	30	30

#### **Performance Measure # 1: Achieved**

*Discussion:* In 2015 Council office received 11 new Management Commitments and 12 Management Commitment Amendments. Of these new Management Commitments and Amendments 80% were processed and approved by Council within 30 days. The other twenty percent took longer than 30 days to process either because of their submission date relative to Council meeting dates, or they required significant revision prior to Council approval.

*Owners harvested over 4.7 million cubic metres of timber throughout the province in 2015 / 2016.*



**Performance Measure # 2: Inspections**

Performance Measure	2015 / 2016 Stretch Target	2015 / 2016 Target	2016 / 2017 Proposed	2017 / 2018 Proposed
# of inspections	70	60	60	60

**Performance Measure # 2: Achieved**

*Discussion:* During spring and early summer of 2015 council staff and contract inspectors completed 62 inspections of managed forests throughout BC. Achievement of this performance measure was 100%. Efficiencies introduced through the use of Council's new inspection form introduced in 2014 contributed to the achievement of this target.

**Performance Measure # 3: Training**

Performance Measure	2015 / 2016 Stretch Target	2015 / 2016 Target	2016 / 2017 Proposed	2017 / 2018 Proposed
Training opportunities per person or for the group	2	1	1	1

**Performance Measure # 3: Achieved**

*Discussion:* In March of 2016 Council staff completed a one week Investigators training workshop through the Justice Institute in Victoria. Achievement of the performance measure around training was 100%.

**Performance Measure # 4: Meeting Attendance**

Performance Measure	2015 / 2016 Stretch Target	2015 / 2016 Target	2016 / 2017 Proposed	2017 / 2018 Proposed
Meeting attendance minimum 80%	90%	80%	80%	80%

**Performance Measure # 4: Achieved**

*Discussion:* Council is comprised of four members and a chair and meets once a month throughout the year. An 80 % attendance record represents a total of 48 person days. This year Council attendance at monthly meetings represented 54 person days, 11% above the targeted performance measure for 2015, and 2% less than the stretch target.

**Performance Measure # 5: Stakeholder Engagements**

Performance Measure	2015 / 2016 Stretch Target	2015 / 2016 Target	2016 / 2017 Proposed	2017 / 2018 Proposed
# of stakeholder engagements	14	10	10	10

**Performance Measure # 5: Achieved**

*Discussion:* Increased stakeholder engagement is a key component of Council communication strategy launched in 2014. For the 2015 fiscal year a performance measure of 10 engagements was established. This measure was achieved with a total of 10 engagements with various stakeholders throughout the year. These engagements included attending the Private Forest Landowners AGM, presentations to the Nanaimo and Sunshine Coast Regional Districts, Cities of Sparwood, Fernie and Elkford, meeting with BC Assessment and producing a Fall and Spring Newsletter for stakeholders.

## Strategic Planning

### Water Study of Managed Forest Owners and Water Licensees

- Council initiated a water study in 2015. The goal of the study is to provide Council with an overview of the risk assessments and field practices employed by MF owners in protecting drinking water resources downstream of their managed forest. The study is intended to form part of the basis for Council to assess the effectiveness of its current regulatory framework for the protection of water quality on private managed forest lands.

### Communications

- Communications with stakeholders remained a key strategic initiative for Council throughout 2015 as it moves to distinguish itself as the regulator of forest management on private managed forest land.

## Compliance Reporting

### Inspections

- The Inspection Program is designed to assess owners' compliance with the Council regulations.
- Each year Council engages a team of independent registered forest professionals to complete inspections of selected managed forests. This year Council staff increased its participation in the field component of the inspection program. These inspections are an important component of the Managed Forest Program and Council's function in monitoring the implementation of forest practices on managed forest land. Of the 62 managed forests inspected in 2015, 24 were in the Interior of the province and 38 were on the Coast. This sample represents approximately 22.5% of managed forests in the program and was comprised of a series of small, medium and large size properties.



*Exceptional growth on regenerating Douglas-fir, southern Gulf Islands.*

- As well as the regular inspection program, an internal review initiated by Council in 2014 is looking at forest management activities in relation to water quality in a large coastal watershed.

During each inspection discussions are held with the owners regarding their recent forest management activities. Owners are provided an opportunity to discuss Council regulation and bring forward questions or concerns they have regarding the program. A sample of the owner activities are inspected. The sample may include recent harvesting, an owner's practices with respect to protecting fish habitat, the condition of newly constructed or maintained roads, and the regeneration status of both older and more recent cutblocks.

The 2015 inspection program indicated that overall owners are managing their properties in accordance with their management commitments and the regulatory requirements of the *Private Managed Forest Land Act*. No significant contraventions of Council Regulations were identified through the inspection program. Recommendations were made to some owners suggesting they monitor the status of regenerating cutblocks to ensure they comply with reforestation requirements within the legislated timeframe.

### **Investigations and Determinations**

- Council conducts investigations into various regulatory aspects of the managed forest program. Investigations by Council are initiated in a variety of ways. They may be initiated through a concern or inquiry from the public, a non-compliance issue identified through its inspection program, or from the legally required reporting of landslides or debris flows from an owner of private managed forest land. Council may also initiate an investigation on its own into any area or aspect of the program.
- The Act and regulations place many requirements on owners of private forest land. The Act also establishes several mechanisms that may be used to ensure compliance with the owner's requirements. Four mechanisms exist for Council consideration in making a determination: consent agreements, stop work orders, administrative contravention determinations and offences.
- During the 2015/16 reporting period, Council received notification of nine (9) debris flows or slides into streams. These owner-reported debris flow/ slide reports are reported in accordance with Section 26 of Council regulation. Each report is assigned an investigation number and assessed for probable cause. An owner follow-up and proposed mitigation actions are reviewed as part of the initial investigation. Based on Council internal review and its review of the owner follow-up reports no further actions or site visits were scheduled for seven of the nine slide reports.



*A recently harvested block and associated riparian reserve.*

- Investigation 1501: Through their lawyer a local environmental organization in Powell River registered a complaint against an owner working within the city limits of Powell River. The complaint was that fish habitat had been impacted by the owner's action of driving logging equipment through a known fish creek. Council initiated a field review and received a comprehensive report from a fisheries biologist into the alleged actions by the owner. The report was clear, at no time had the owner driven equipment through the creek and that the creeks associated with the owner's activity had been classified accordingly. The report concluded recreational activity associated with ATV had impacted the fish creek. The full report is available on our website.
- Investigation 1504: A stakeholder called to complain an owner had not ditched his logging road and water flowing down the road had impacted his property. An onsite review was conducted by our office. The owner was aware of his neighbors' concerns and hired the services of a local contractor to establish more permanent drainage structures to address the water flowing down the running surface of his access road. A follow-up was conducted with the owner and the file was closed.
- Investigation 1512: An owner reported a slide in fill material associated with a road west of Campbell River. Our office reviewed the owners initial slide report. Based on this review our office hired a geotechnical consultant to complete a field review of the circumstances surrounding this slide report. The geotechnical report provided no evidence the owner had demonstrated a lack of due diligence leading to the slide. Based on the lack of evidence the investigation was closed.
- Investigation 1513: A stakeholder called to complain his domestic water quality had been compromised through the actions of a managed forest owner. Our office conducted a field review with the stakeholder to review their concerns. We also interviewed the owner and talked about their ongoing efforts to protect the water quality of the downstream water licensee. As part of our investigation our office reviewed the spatial database of domestic water licensees in the area of the complaint. The intake of concern was associated with a water license for irrigation and stock watering purposes. It was not licensed for domestic use. Our office informed the stakeholder of this discrepancy. As Council has no authority to enforce water quality standards on licenses used for irrigation / stock watering the investigation was closed.



*Tree retention along  
a Class A stream reach.*

## ACTIVITIES SUMMARY

Section 10(2) of the Act requires Council to report on managed forest owner and administrative penalty data. The data for 2015 / 2016 is reported in the following table.

SECTION	DESCRIPTION	STATUS	COMMENT
a)	Number of owners subject to the Act	276 278	As of April 1, 2015 As of March 31, 2016
b)	Number of hectares subject to the Act	822,081 822,767	As of April 1, 2015 As of March 31, 2016
c)	Number of management commitments withdrawn	2	
d)	Number and nature of inspections performed	7 62	Field reviews Routine inspections
e)	Number and nature of consent agreements	0	
f)	Amount of penalties collected and owing	\$3,500.00	1 penalty outstanding
g)	Number and nature of remediation orders made	0	
h)	Number and nature of stop work orders made	0	None issued
i)	New regulations enacted by Council	0	

***The Council's objective is to encourage forest management practices on private managed forest land, taking into account the social, environmental and economic benefits of those practices.***



*Skidder harvesting on the Coast.*

## SUMMARY OF ANNUAL DECLARATIONS

By May 1 of each year, owners of private managed forest land are required to submit to the Council a declaration of the operations completed in the previous reporting period. The reporting period is January 1 to December 31 for owners on the Coast, and April 1 to March 31 for owners in the Interior. The following table provides a summary of information provided in the owners' 2015 annual declarations.

	Total # Owners	No Activity	Harvest Activity	Destroyed Timber	Road Construction	Road Deactivation	Reforestation	
							Restocked	Successfully Regenerated
<b>Coast</b>	192	150 owners	33 owners 7,905 ha 4,054,785 m <sup>3</sup>	4 owners 18.0 ha	19 owners 493.3 km	7 owners 32.6 km	28 owners 13,717 ha	21 owners 10,199 ha
<b>Interior</b>	84	62 owners	18 owners 3,038 ha 649,814 m <sup>3</sup>	1 owner 10.0 ha	9 owners 44.7 km	4 owners 48.9 km	12 owners 1,074 ha	6 owners 513 ha
<b>TOTAL</b>	276*	212 owners	51 owners 10,943 ha 4,704,599 m <sup>3</sup>	5 owners 28.0 ha**	28 owners 484.0 km	11 owners 81.5 km	40 owners 14,791 ha	27 owners 10,712 ha

\* Total number of owners does not equal the sum of no activity owners and owners reporting activity due to differing combinations of activities by some owners.

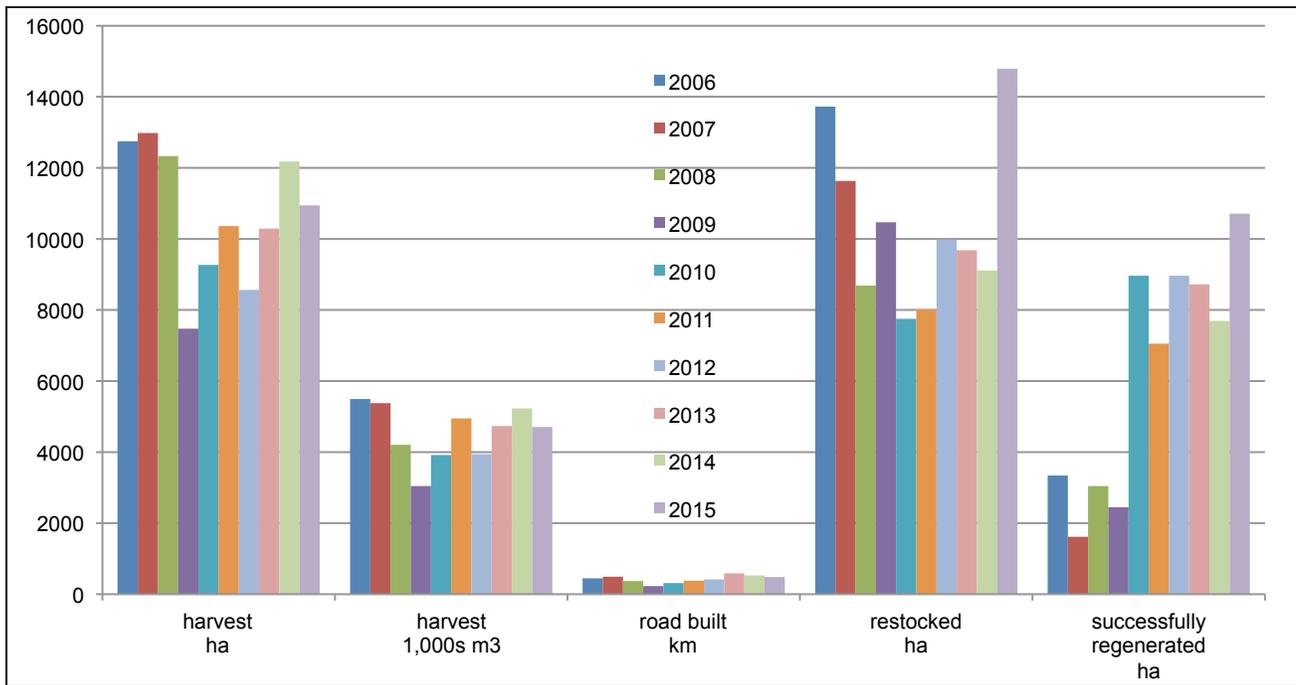
\*\* Cause of destroyed timber is wildfire and blowdown.

The volume of 4.7 million m<sup>3</sup> was harvested by approximately 18.5% of all owners. It is important to note that the specific areas reported as being subject to timber harvesting activity (10,943 hectares) may not be the same specific areas reported as being restocked (14,791 hectares). Section 31 (3) of the Council Regulation requires an owner to reforest areas that have been harvested within five years.

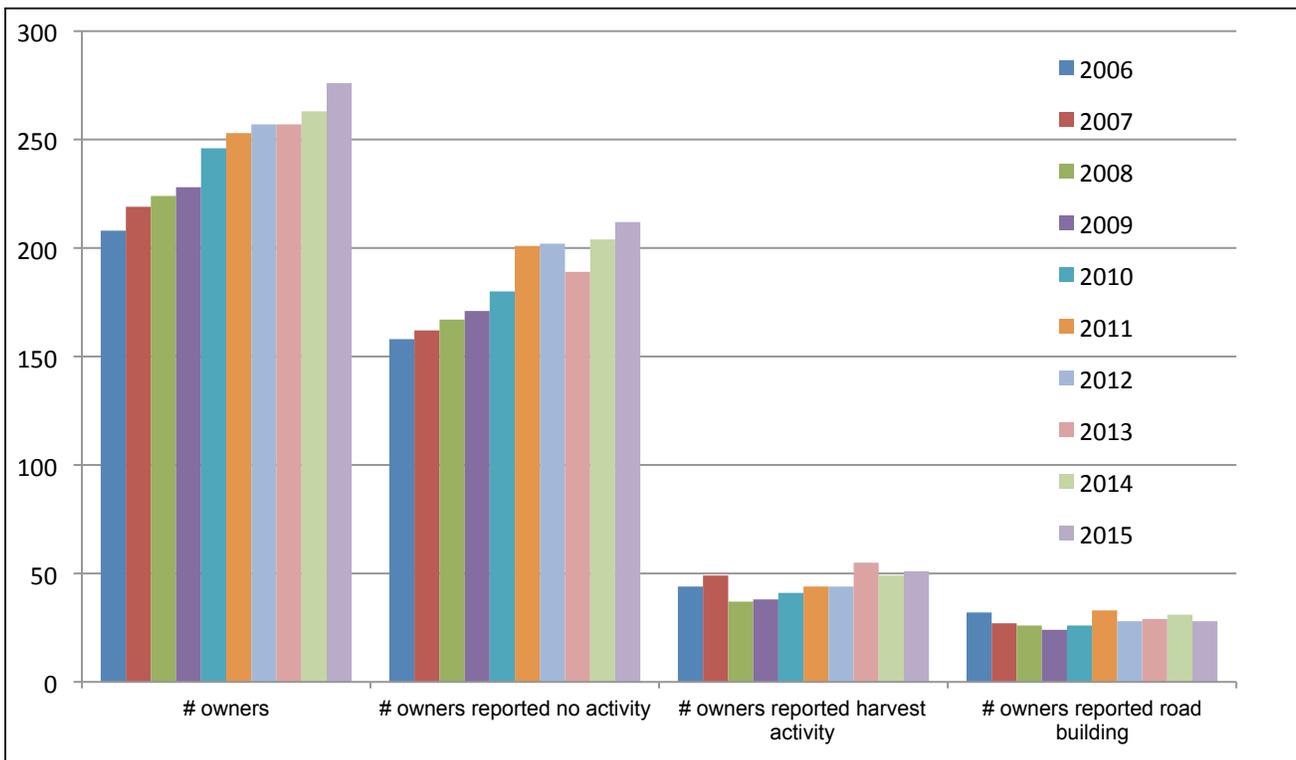


*Successfully regenerated mixed stand of larch, pine and spruce.*

## ANNUAL ACTIVITY LEVEL COMPARISON 2006 – 2015



The volume harvested decreased by 10% in 2015 compared to 2014. The areas reported restocked and successfully regenerated increased significantly, by 62% and 39% respectively.



The number of owners increased by approximately 4% from 2014, with a corresponding increase in the number of owners that reported activity.



# MANAGED FOREST COUNCIL

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