



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

36 Cedar Avenue West
PO Box 198
Port Clements, BC
V0T1R0
OFFICE: 250-557-4295
Public Works: 250-557-4295
FAX: 250-557-4568
Email: office@portclements.ca
Web: www.portclements.ca

7:00 p.m. Regular Meeting of Council Monday September 19, 2016

AGENDA

1. **ADOPT AGENDA**
2. **PETITIONS, DELEGATIONS & OPENING OF SEALED TENDERS**
3. **MINUTES**
 - M-1 – August 22, 2016 Committee of the Whole minutes
 - M-2 – September 6, 2016 Regular Council meeting minutes
4. **BUSINESS ARISING FROM THE MINUTES & UNFINISHED BUSINESS**
 - UB-1 – Trail Project Options
5. **ORIGINAL CORRESPONDENCE**
 - C-1 – Peter Bookmyer – Response Letter & Clarification Documents
6. **GOVERNMENT**
7. **FINANCE**
 - F-1 – CIBC Visa Statement
 - F-2 – Northern Savings Credit Union Statement
 - F-3 – Cheque Listing to September 14, 2016
8. **NEW BUSINESS**
 - NB-1 – The Offer of a Community Forest for MIEDS Report
 - NB-2 – Trail Project Options
9. **REPORTS & DISCUSSIONS**
10. **ACTION ITEMS**
11. **QUESTIONS FROM THE PUBLIC & PRESS**

Motion for Council to move to In-Camera per CC90(1)(c)
12. **ADOURNMENT**



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Minutes of the Committee of the Whole meeting held August 22, 2016 in Council Chambers.

Present:

Mayor Gould
Councilor Daugert
Councilor Cunningham
Councilor O'Brien Anderson
Councilor Gaspar

CAO Kim Mushynsky
Deputy Clerk Ruby Saunders
Public Works Superintendent Sean O'Donoghue

16 members of the public were in attendance.

Mayor Gould called the meeting to order at 7p.m.

Mayor Gould advised that this was a single topic meeting to discuss the Trail Extension project only.

Administrator Kim Mushynsky gave a very brief explanation of the origin of the trail extension project which has been on the books since 2008. Mayor Gould opened the floor to comments from the public. Several members of public raised concerns, questions and support for the project. Mayor Gould also requested feedback from Council members in regards to their questions, concerns or support and as it related to responses to questions from the public. After some debate in regards to the route the path would take, the alternate route on the "Falcon Street" portion of the trail, turning at Cedar Avenue West rather than continuing down Falcon to Bayview, seemed to be the more appealing option to those present at the meeting for that leg of the path. The Alder Avenue portion received the most attention and there was no consensus reached on this leg of the path.

Mayor Gould concluded the meeting by indicating that no decision was being made at this meeting, it was simply held to discuss options. Mayor Gould directed Administration to bring forth some options to the September 6th Regular Council meeting for a decision.

ADJOURNMENT

The meeting was adjourned at 8:20pm.

Ian Gould
Mayor

Kim Mushynsky
CAO



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Minutes of the regular meeting of the Port Clements Council held September 6, 2016 in Council Chambers.

Present:

Mayor Gould
Councilor Daugert
Councilor Cunningham
Councilor O'Brien Anderson
Councilor Gaspar

CAO Kim Mushynsky
Deputy Clerk Ruby Decock

Mayor Gould called the meeting to order at 7:02 p.m.

1. ADOPT AGENDA.

2016-217 – Moved by Councilor Gaspar, seconded by Councilor Daugert
THAT Council adopts the agenda just changing the order so that NB-1 is the first item dealt with.
CARRIED

NB-1 – Trail Extension – project options

There was some general discussion between Council and residents in attendance regarding trail options. However new information came to the attention of the Administrator the morning of September 6th and she has not been able to confirm the details.

2016-218 – Moved by Councilor Daugert, seconded by Councilor Gaspar
THAT given that all details are not currently available this item be tabled.
CARRIED

2. PETITIONS, DELEGATIONS & OPENING OF SEALED TENDERS.

D-1 – Weight Room Ideas – presented by Ruth Bellamy

Ruth Bellamy presented her ideas; Councilor O'Brien Anderson will work with Ruth to create a larger concept for Council to consider for the next Council meeting. In the mean time staff was directed to purchase Olympic bar collars for safety reasons.

3. MINUTES.

M-1 – August 15, 2016 Regular Council Meeting

2016-219 – Moved by Councilor Cunningham, seconded by Councilor Gaspar
THAT Council adopts the August 15, 2016 Regular Council meeting minutes as presented.
CARRIED

4. BUSINESS ARISING FROM THE MINUTES & UNFINISHED BUSINESS.

5. ORIGINAL CORRESPONDENCE

C-1 – Eagle Transit – Proposed Rate Change

2016-220 – Moved by Councilor Gaspar, seconded by Councilor O'Brien Anderson
THAT Council receives the information provided by Eagle Transit.

CARRIED

C-2 – SQCRD Meeting Highlights

2016-221 – Moved by Councilor Cunningham, seconded by Councilor O'Brien Anderson
THAT Council receives the SQCRD Meeting Highlights.

CARRIED

C-3 – Jennifer Rice, MLA – Acknowledgement letter for Canada Days

2016-222 – Moved by Councilor Daugert, seconded by Councilor Cunningham
THAT Council receives the acknowledgment letter.

CARRIED

C-4 – Statistics Canada – Acknowledgement of assistance

2016-223 – Moved by Councilor Daugert, seconded by Councilor Gaspar
THAT Council receives the Statistics Canada acknowledgement letter.

CARRIED

6. GOVERNMENT

G-1 – Bylaw #434, 2016 Amendment to the Dangerous Dog Bylaw

2016-224 – Moved by Councilor Gaspar, seconded by Councilor Cunningham
THAT Council Reconsiders and Adopts Bylaw #434, 2016 – Amendment to the Dangerous Dog Bylaw

CARRIED

G-2 – Bylaw #435, 2016 Ticket Information Bylaw

2016-225 – Moved by Councilor Gaspar, seconded by Councilor Daugert
THAT Council Reconsiders and Adopts Bylaw #435, 2016 – Ticket Information Bylaw

CARRIED

7. FINANCE

F-1 – Cheque Listing to August 31, 2016

2016 – 226 - Moved by Councilor Cunningham, seconded by Councilor O'Brien Anderson
THAT Council receives the cheque listing Report.

CARRIED

8. NEW BUSINESS

NB-2 – Zoning, Building and Sub-Division Bylaw Review

2016-227 – Moved by Councilor Daugert, seconded by Councilor Gaspar
THAT Council authorizes the issuance of a joint RFP with the Village of Queen Charlotte regarding Bylaw review.

CARRIED

9. REPORTS & DISCUSSIONS

Mayor Gould – John Colton arrived & invitation to meet & discuss tourism issues

Councilor Daugert – Community Hall repairs update, Community Hall Society mtg Thursday

Councilor Cunningham – upcoming VIRL mtg unable to attend

Councilor O'Brien Anderson – NDIT teleconference

Councilor Gaspar – COW mtg

CAO Mushynsky – update on PW Assistant position, transportation grant success, mural project

Deputy Decock – enjoying training in her new position

10. ACTION ITEMS

11. QUESTIONS FROM THE PUBLIC & PRESS

ADJOURNMENT

2016-228 – Moved by Councilor Gaspar, seconded by Councilor Cunningham
THAT the meeting be adjourned at 8:20pm.

CARRIED

Ian Gould
Mayor

Kim Mushynsky
CAO

M-



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REPORT TO COUNCIL

Author: Kim Mushynsky

Date: August 31, 2016 – updated Sept. 14, 2016 - Alder Avenue was never gazetted. Highways and the Village were having discussions in 1982/83 about doing that but it was never actually done.

Re: Trail Project Options

Background: Anecdotally the trail extension path, as discussed at the Committee of the Whole meeting on August 22, 2016, has been around since the late 1990's. However, specifically, I found reference to it as a part of a more encompassing plan from 2008 when a Council Committee held public meetings and sent out surveys to residents.

At the request of Council, a Committee of the Whole meeting was held August 22, 2016 to discuss the trail project. There were approximately 16 members of the public who attended and participated in that meeting. Direction was given to staff to come back to the September 6 Council meeting with some options based on the discussions at the Committee of the Whole meeting.

As I see there are 5 options available to Council. They are itemized and then compared below.

1. Do nothing – specifically scrap the trail project altogether
2. Proceed with the trail project as initially presented – the only change being to a portion of the Falcon Street piece that it turns at Cedar Avenue West rather than running straight down Falcon.
3. Proceed with the trail project running it up between Beachy and Reindl's property which would make the trail come out at the far end of the mud bog area of the Community Park and then proceed with the remainder of the trail as outlined in option 2.
4. Proceed with the trail on Alder Avenue but acquire the additional 33 feet of the Alder Avenue Road allowance from Mr. Beachy and proceed with the path on the southern most edge of the road allowance to allow for future development of a road if that becomes necessary, without impacting the value put into the trail, and then proceed with the remainder of the trail as outlined in option 2.

5. Proceed with the trail but extend the portion along Bayview until it reaches Cedar Avenue West and then create a sidewalk up Cedar Avenue West and then down Park Street to connect to the Community Park and then proceed with the remainder of the trail as outlined in option 2.

Option 1 – Do nothing – scrap the project.

This option would concede that there is no value in proceeding with the trail project in any format and we would advise Gwaii Trust that we are returning their grant to them and we would repurpose the provincial funds to a different project. Pros – this option is quick and easy. Cons – we suffer some reputational risk with Gwaii Trust as this is the second time we would be returning funding to them for a trail project – the possibility exists that this may mean we would not get funding in the future from them for a trail project. This option also means that residents and tourists would not have access to additional trails within our community. Finally there is potential financial risk given that the tender has already been awarded.

Option 2 – Proceed with the only change being a turn on Falcon to exit off of Cedar Avenue West. There appeared to be good consensus on changing the path on the second portion of the trail extension due to topography concerns going down Falcon. Changing this portion of the path marginally does not change the overall concept of the trail project as it would still come out across from the Museum thereby linking three of our major parks/attractions in Port Clements. Pros – this minor change does not require any additional reporting/authorizations from any of the funders and does not change the overall length of the trail so it does not impact the tender that has already been awarded. Cons – this change does not address the concerns raised about the Alder Avenue portion of the trail.

Option 3 – Proceed with the trail running up between Reindl and Beachy's property to come out at the back end of the mud bog in the Community Park. Pros – this addresses the concerns raised in regards to the Alder Avenue portion of the trail. Cons – this would require us to purchase a strip of land from Beachy or the Province as we do not own a road allowance in that area and the Reindl property has a panhandle which does not leave enough space for us to purchase property from that owner for this purpose. I have confirmed that there is a 10 meter strip of land between the two properties which is Crown Land. This strip of land was left as an access to the large piece of Crown land that is behind the Bayview acreage lots. There would be substantial delay in the project (approximately a year) if we need to negotiate a Crown lease to create the trail in this spot. This option would not see the Village building a path along Bayview around the corner where visibility is poor and we would like to allow for pedestrians to walk off the shoulder of Bayview.

Option 4 – Proceed with the trail running up Alder Avenue but acquire the remaining 33 feet of road allowance from Mr. Beachy and have the trail run on the southern side of the road allowance. Pros – this should address the concerns raised by property owners along the Alder Avenue right of way as it would move the path approximately 23 feet further south from the survey stakes recently placed along Alder Avenue. This option would mean that instead of a path being created in what would be the middle of a road, should Alder Avenue ever be developed into a road, it would instead be created in the portion of the road that is allotted for sidewalks so we would not lose the value of works put into creating the trail by the potential future creation of a road. Cons – there would be additional costs incurred for the project as this portion of land would need to be purchased and surveyed and registered with Land Titles. However initial discussions have occurred with Mr. Beachy and as there are some existing water line issues associated with the Alder Avenue right of way, this option would also address those issues.

Option 5 – Proceed with the trail but extend the Bayview portion of the trail all the way to Cedar Avenue West and then proceed up Cedar Avenue west and then down Park Street to the Community Park. Pros – this should address the concerns raised by property owners along the Alder Avenue right of way. Another positive is that it would extend the walkable area along Bayview. Cons – I have spoken with Gwaii Trust and this alteration would require us to send written request to them for permission to amend our initial application – we do not have any guarantees that this amendment would be approved until they meet and make that decision as a group. The two key points of our initial application which were relevant in it getting approved were that they liked the fact that we were connecting park/tourist attraction areas of our community with this trail project and that it was a trail as opposed to “sidewalks”. A “sidewalk” is a path alongside a road – there is no relevance as to whether it is concrete or crushed rock or paving stones – it is the location rather than the materials of construction that identify it as a sidewalk. A trail is considered to be something that runs through a more natural environment. This alternative is also materially different from the original one and may require a re-tender of the project and therefore some potential risk due to the fact that we have already awarded the tender for this project.

Of relevance to all but option 1, we are heading into the wet season which makes trail building more challenging. Our target would be to have the project finished by yearend. This isn't an absolute date as Gwaii Trust has often granted extensions to projects, especially if substantial work has already commenced, but there is the possibility that it could negatively impact any applications to Gwaii Trust in January 2017 for the next Major Infrastructure program call if we have an unfinished project on the books.

Another consideration is that all options except 1 & 3 will require us to get a permit from the Ministry of Transportation in regards to the portion of the trail that runs along Bayview in the Highway right of way. We started that process after our meeting with Highways on August 17.

September 1st, 2016

To: Mayor and Council / Village of Port Clements
From: Peter Bookmyer / 21 Yakoun Lane, Port Clements

To whom it may concern,

I am writing in response to the bully tactics, the accusations and the outright lies bordering on legal slander that was sent via registered mail to me. Enclosed was a photo of part of the lot #21 Yakoun Lane. In this letter, ignorant, small-minded individuals accused me of having an "outdoor toilet facility". What absolute, total, mentally-manufactured [REDACTED]

Excuse me if you don't like my language. In this case, [REDACTED] is appropriate.

Also, I was told to remove "everything to the landfill" by July 30th "or else". First of all, I never received the bully letter until August 3rd. (No, I don't check the mail every day.)

I was told I had "bags of garbage lying out in the alley." Wrong, I have never had garbage anywhere but in a garbage can. The "bags of garbage" referred to were bags of lawn clippings that I use as organic material for building soil to grow food. Why would any sane person in this day and age send it to a landfill?

Everything in referred to "nuisance report" has a specific reusable and recyclable value. None of the material was toxic. It is not dangerous and does not smell or occupy any public space.

Shame on you. Shame on all of you.

I respect the earth and all nature provides. Nature does not need humans to survive, but she doesn't need the endless onslaught of garbage just casually discarded.

As mentioned, there is no garbage on the property of 21 Yakoun Lane.

In your threatening and bully letter, you refer to "discarded plywood." Excuse me? How can it be discarded if I salvaged it, brought it home, pulled the nails and stacked it neatly for future use? That's not discarded.

That's a conscientious citizen taking the extra time and effort to reuse and recycle.

I realize many people would never so called "stoop" to recycle a piece of wood. Nope, they can afford to get into their vehicle and burn some more fossil fuel to go the store and buy it. In a free country, it is law that we be allowed to pursue a life of happiness, peace of mind and to use the resources available as we need them in a safe, clean manner.

I don't understand how one member of the community (or two, or ten for that matter) can demand the Village of Port Clements Council single a person out for harassment because [REDACTED] or any other hypocrite feels like harassing someone with lies and ridiculous accusations. 21 Yakoun Lane has full, indoor toilet facilities. Why would [REDACTED] think someone is defecating outside?

Your letter states, amongst other things, "A property is not allowed any standing water". Well, too bad. I can't stop a puddle from forming. I am not allowed standing water?? It's been raining for three days. There is standing, sitting and running water everywhere. There are puddles all down Yakoun Lane. Why doesn't someone call the cops? Does a dog's water dish constitute standing water? Who makes the call?

Just like any citizens of Port Clements, I pay my taxes and utility bills; some of the hard earned money that goes to pay the wages of the people threatening me with "immediate action". Bully me with a registered letter, when a simple phone call would have sufficed.

I am a peaceful man. I survive alone and by doing everything myself. No partners or assistance from anyone.

My work entails lawn care, garden care, cleaning everything from toilets to brush piles...to other people's garbage. Every day, no matter what I am doing, at the end of my work day, I have left the community and the world, in a cleaner, more pristine state than when I started. That's accomplished with my sweat and labor...and blood too.

Also, my labors and activities are accomplished despite my severe arthritis, a completely fused spine and neck, two artificial hips and constant pain. Some days I'm too tired from other jobs to accomplish everything I want to do. If you want medical records, ask me.

Despite my physical challenges, I am a man, not a mouse. I am not a coward to be bullied by strangers spewing outrageous lies.

Yes, if it is the entire VOPC Council against Peter Bookmyer, well, as they say, "Bring it on". I don't back down from bullies, win or lose.

Anyone is welcome to come and talk or listen, excepting the [REDACTED] anytime.

I could continue, but I must get to work. I hope I've made a few points. I could expand on other issues regarding this letter, but I like to start my day with good vibrations and a peaceful mind, thinking of my loved ones, far and away. Not wasting my time and mind on this petty [REDACTED]

Sincerely,

Peter Bookmyer

P.S. I hope I did not offend anyone, but I meant every word of it.



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Author: Kim Mushynsky
Date: September 13, 2016
Re: #21 Yakoun Lane

Clarification for some points regarding the letter from Mr. Bookmyer submitted to Council September 1, 2016:

Registered letter mailed July 20, 2016 picked up by Mr. Bookmyer August 2, 2016 (copy of letter and applicable section of the Community Charter referenced in the letter attached – a copy of the Community Charter reference was also included in the letter to Mr. Bookmyer)

Section 74 of the Community Charter lists a number of things that could be contained in a yard which may be a nuisance (including standing water). Our letter was in reference to the debris in the yard and was not related to water.

If a Municipality wishes to declare something a nuisance, under the law, there are 16 steps laid out which follow a specific timeline. It is a requirement to either personally serve or send notices by Registered mail because this provides proof that the owner has been made aware of the situation and provides a date for the timeline which must be adhered to.



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July 20, 2016

To: Wesley Leonard Hennigar – Registered Owner
Peter Bookmyer – Tenant

Re: Lot 12, Block 48, Plan 1079

As a result of complaints received in our office regarding your property located at #21 Yakoun Street, we inspected the premises and observed copious amounts of dimensional lumber scraps, discarded bits of building structures, bags of garbage, a toilet structure and sheets of used/damaged plywood.

Under Division 12 of Part 3, Section 74 of the Community Charter, Council has the authority to declare such situations a nuisance, and to direct that they be remedied. A copy of Division 12, of Part 3, of the Community Charter is enclosed.

I therefore serve this notice and request that you remove all the garbage from your yard to the landfill station on or before midnight of July 31st, 2016.

In the event that you fail to comply with this notice by midnight of July 31, 2016 I must forthwith file a report with the Council for their attention and further action.

I trust that you will cooperate with the Municipality in this regard and see that this matter is resolved to the satisfaction of all concerned.

Sincerely,

COPY

Kim Mushynsky, CAO
Village of Port Clements

C-1

- (i) the owner or lessee of the matter or thing, and
 - (ii) the owner or occupier of the land on which it is located, and
- (b) may require the person to
- (i) remove or demolish the matter or thing,
 - (ii) fill it in, cover it over or alter it,
 - (iii) bring it up to a standard specified by bylaw, or
 - (iv) otherwise deal with it in accordance with the directions of council or a person authorized by council.
- (3) In the case of circumstances referred to in section 75, a remedial action requirement
- (a) may be imposed on the person referred to in that section, and
 - (b) may require the person to undertake restoration work in accordance with the directions of council or a person authorized by council.

2003-26-72.

Hazardous conditions

73. (1) Subject to subsection (2), a council may impose a remedial action requirement in relation to any of the following:

- (a) a building or other structure, an erection of any kind, or a similar matter or thing;
 - (b) a natural or artificial opening in the ground, or a similar matter or thing;
 - (c) a tree;
 - (d) wires, cables, or similar matters or things, that are on, in, over, under or along a highway;
 - (e) matters or things that are attached to a structure, erection or other matter or thing referred to in paragraph (a) that is on, in, over, under or along a highway.
- (2) A council may only impose the remedial action requirement if
- (a) the council considers that the matter or thing is in or creates an unsafe condition, or
 - (b) the matter or thing contravenes the Provincial building regulations or a bylaw under section 8
- (3) (1) [*spheres of authority – buildings and other structures*] or Division 8 [*Building Regulation*] of this Part.

2003-26-73.

Declared nuisances

74. (1) A council may declare that any of the following is a nuisance and may impose a remedial action requirement in relation to the declared nuisance:

- (a) a building or other structure, an erection of any kind, or a similar matter or thing;
- (b) a natural or artificial opening in the ground, or a similar matter or thing;
- (c) a drain, ditch, watercourse, pond, surface water, or a similar matter or thing;
- (d) a matter or thing that is in or about any matter or thing referred to in paragraphs (a) to (c).

(2) Subsection (1) also applies in relation to a thing that council considers is so dilapidated or unclean as to be offensive to the community.

2003-26-74.



CIBC Account Statement

VILLAGE OF PORT CLEMENTS

For Aug 1 to Aug 31, 2016

Account number

Branch transit number
00180

The names shown are based on our current records, as of September 3, 2016. This statement does not reflect any changes in account holders and account holder names that may have occurred prior to this date.

Account summary

Opening balance on Aug 1, 2016		\$152,171.36
Withdrawals	-	39.00
Deposits	+	10,997.99
Closing balance on Aug 31, 2016	=	\$163,130.35

Your authorized overdraft limit: \$179,500.00

Contact information

☎ **1 800 465 CIBC (2422)**

Contact us by phone for questions on this update, change of personal information, and general inquiries, 24 hours a day, 7 days a week.

TTY hearing impaired
1 800 465 7401

Outside Canada and the U.S.
1 902 420 CIBC (2422)

🌐 www.cibc.com

Transaction details

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Aug 1	Opening balance			\$152,171.36
Aug 2	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		100.00	152,271.36
	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		100.00	152,371.36
	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		60.00	152,431.36
	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		47.00	152,478.36
	DEBIT MEMO CHARGE FOR JUL CIBC EFT SERVICE CHARGE	39.00		152,439.36
Aug 3	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		100.00	152,539.36
	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		179.25	152,718.61

(continued on next page)

F-1

CIBC Account Statement

Aug 1 to Aug 31, 2016
 Account number: [REDACTED]
 Branch transit number: 00180

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Aug 3	Balance forward			\$152,718.61
Aug 5	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		317.25	153,035.86
Aug 8	CREDIT MEMO CREDIT UNION CENTRAL OF B.C. DEPOSIT 00520 6TH & 6TH BANKING CENTRE CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		1,034.25 2,440.92 533.85	154,070.11 156,511.03 157,044.88
Aug 9	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		138.00	157,182.88
Aug 10	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		600.00	157,782.88
Aug 11	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		733.30	158,516.18
Aug 15	CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		797.00 179.25 465.75	159,313.18 159,492.43 159,958.18
Aug 17	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		251.25	160,209.43
Aug 18	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		179.25	160,388.68
Aug 22	CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		500.00 496.50 450.00 179.25	160,888.68 161,385.18 161,835.18 162,014.43
Aug 23	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		179.25	162,193.68
Aug 25	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		138.00	162,331.68
Aug 26	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		179.25	162,510.93
Aug 29	CREDIT MEMO CREDIT UNION CENTRAL OF B.C. CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		161.67 179.25	162,672.60 162,851.85
Aug 30	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		100.00	162,951.85

(continued on next page)

F 1

CIBC Account Statement

Aug 1 to Aug 31, 2016

Account number: [REDACTED]

Branch transit number: 00180

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Aug 30	Balance forward			\$162,951.85
Aug 31	CREDIT MEMO CREDIT UNION CENTRAL OF B.C.		178.50	163,130.35
	Closing balance			\$163,130.35

Important: This statement will be considered correct if you do not report errors, omissions or irregularities in entries and balances to CIBC in writing within 30 days from last date of the statement period covered by a previously issued regular statement where such period included the date the entry was, or should have been, posted.

This rule does not apply to improper credits to your account. Your rights under your business account operation agreement to verify and notify CIBC of account errors, omissions or irregularities do not apply to this statement which is for information or replacement purposes only.

*Foreign Currency Conversion Fee:

If you withdraw foreign currency from a bank machine located outside Canada, you are charged the same conversion rate CIBC is required to pay plus an administration fee, which is disclosed in the CIBC's current *Business Account Service Fees* brochure, a copy of which is available at any CIBC branch in Canada (this is in addition to any transaction fee applicable to the withdrawal and the network fee).

TM Trademark of CIBC

® Registered trademark of CIBC

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NORTHERN SAVINGS
CREDIT UNION

Village Of Port Clements
PO BOX 198
Port Clements BC V0T 1R0

STATEMENT OF ACCOUNTS

PO Box 94
Masset BC V0T 1M0

MASSET BRANCH 250-626-5231
MEMBER NUMBER [REDACTED]
STATEMENT DATE August 31, 2016
PAGE 1 of 10

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DEMAND ACCOUNTS

Date	Description	Number	Withdrawals	Deposits	Balance
Business 75					
31Jul2016	Balance Forward				277,437.26
01Aug2016	Pre-Authorized Credit - VANCOUVER ISLAND REGIONAL APSO			892.50	278,329.76
02Aug2016	Pre-Authorized Credit - PROVINCE OF B.C			742.67	279,072.43
02Aug2016	Clearing Cheque	160370	740.00		278,332.43
02Aug2016	Clearing Cheque	160376	1,175.00		277,157.43
02Aug2016	Clearing Cheque	160373	2,184.53		274,972.90
02Aug2016	Clearing Cheque	160356	8,646.40		266,326.50
02Aug2016	Transfer in from sav			190,000.00	456,326.50
02Aug2016	Incoming Interac Email Money Transfer	2016080		300.00	456,626.50
03Aug2016	Clearing Cheque	160342	6.06		456,620.44
03Aug2016	Clearing Cheque	160372	2,800.00		453,820.44
03Aug2016	Clearing Cheque	16068	3,541.02		450,279.42
03Aug2016	Clearing Cheque	160348	305.98		449,973.44
04Aug2016	Clearing Cheque	160269	572.25		449,401.19
05Aug2016	Withdrawal	22	5,303.20		444,097.99
05Aug2016	Clearing Cheque	160377	280.00		443,817.99
05Aug2016	Clearing Cheque	160374	1,599.92		442,218.07
05Aug2016	Deposit			1,229.85	443,447.92
05Aug2016	Deposit			2,921.36	446,369.28
08Aug2016	Clearing Cheque	160360	21.00		446,348.28
08Aug2016	Clearing Cheque	160375	3,185.00		443,163.28
08Aug2016	Pre-Authorized Debit - Municipal Pensi		1,023.76		442,139.52
08Aug2016	Pre-Authorized Credit - ELAVON MERCH SVCS			30.00	442,169.52
08Aug2016	Pre-Authorized Credit - ELAVON MERCH SVCS			10.00	442,179.52
09Aug2016	Pre-Authorized Credit - UNION OF BC MUNICIPALITIES			34,222.90	476,402.42
09Aug2016	Clearing Cheque	160358	1,041.45		475,360.97
10Aug2016	Clearing Cheque	160371	26.57		475,334.40
10Aug2016	Clearing Cheque	160378	219.41		475,114.99
10Aug2016	Clearing Cheque	160381	30.00		475,084.99
10Aug2016	Clearing Cheque	160380	65.52		475,019.47

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Village Of Port Clements

STATEMENT OF ACCOUNTS

PO Box 94
Masset BC V0T 1M0

MASSET BRANCH 250-626-5231
MEMBER NUMBER [REDACTED]
STATEMENT DATE August 31, 2016
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Date	Description	Number	Withdrawals	Deposits	Balance
Business 75					
10Aug2016	Clearing Cheque	160393	742.70		474,276.77
10Aug2016	Clearing Cheque	160353	2,361.83		471,914.94
10Aug2016	Pre-Authorized Credit - SCHOOL DISTRICT 50			501.00	472,415.94
10Aug2016	Clearing Cheque	160383	309,225.00		163,190.94
12Aug2016	Clearing Cheque	160391	410.60		162,780.34
12Aug2016	Clearing Cheque	160394	415.80		162,364.54
12Aug2016	Clearing Cheque	160379	1,028.12		161,336.42
15Aug2016	Clearing Cheque	160357	100.00		161,236.42
15Aug2016	Clearing Cheque	160392	520.83		160,715.59
15Aug2016	Clearing Cheque	160396	546.00		160,169.59
15Aug2016	Bill Payment BC Hydro 2328675 Vendor Confirmation: 684688	615607	2,580.47		157,589.12
15Aug2016	Bill Payment CIBC VISA 4503386141757010 Vendor Confirmation: 685689	615725	107.34		157,481.78
15Aug2016	Bill Payment Credit Union MasterCard 5527497140094880 Vendor Confirmation: 686990	615803	480.06		157,001.72
15Aug2016	Bill Payment Telus Communications 2285720649 Vendor Confirmation: 687991	615910	1,291.56		155,710.16
17Aug2016	Clearing Cheque	160295	1,195.86		154,514.30
17Aug2016	Clearing Cheque	160398	10,500.00		144,014.30
18Aug2016	Clearing Cheque	160390	304.54		143,709.76
18Aug2016	Pre-Authorized Credit - ELAVON MERCH SVCS			15.00	143,724.76
19Aug2016	Withdrawal	22	6,034.46		137,690.30
19Aug2016	Clearing Cheque	160397	171.55		137,518.75
19Aug2016	Deposit			1,114.16	138,632.91
20Aug2016	Clearing Cheque	160382	900.00		137,732.91
22Aug2016	Pre-Authorized Debit - Municipal Pensi		1,153.88		136,579.03
23Aug2016	Pre-Authorized Credit - PROVINCE OF B.C			34.76	136,613.79
23Aug2016	Clearing Cheque	160418	280.00		136,333.79
24Aug2016	Deposit			10,891.89	147,225.68
24Aug2016	Clearing Cheque	160414	6,840.00		140,385.68
24Aug2016	Pre-Authorized Credit - ELAVON MERCH SVCS			60.00	140,445.68

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Village Of Port Clements

STATEMENT OF ACCOUNTS

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MASSET BRANCH 250-626-5231

MEMBER NUMBER [REDACTED]

STATEMENT DATE August 31, 2016

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Date	Description	Number	Withdrawals	Deposits	Balance
Business 75					
26Aug2016	Deposit			4,258.80	144,704.48
27Aug2016	Transfer in from 643734 Masset cheq			250.00	144,954.48
29Aug2016	Clearing Cheque	160409	31.35		144,923.13
29Aug2016	Clearing Cheque	160421	63.08		144,860.05
30Aug2016	Clearing Cheque	160411	150.00		144,710.05
30Aug2016	Clearing Cheque	160416	171.36		144,538.69
31Aug2016	Clearing Cheque	160408	145.07		144,393.62
31Aug2016	Clearing Cheque	160420	694.40		143,699.22
31Aug2016	Pre-Authorized Credit - ELAVON MERCH SVCS			977.72	144,676.94
31Aug2016	Credit Interest			195.54	144,872.48
31Aug2016	Monthly Service Fee		55.00		144,817.48
Total Withdrawals and Deposits			381,267.93	248,648.15	

Number of Cheques 40

Membership Shares

31Jul2016	Balance Forward				38.37
Total Withdrawals and Deposits			.00	.00	

Business Simply Savings

31Jul2016	Balance Forward				591,135.77
02Aug2016	Transfer out to cheq		190,000.00		401,135.77
31Aug2016	Credit Interest			328.60	401,464.37
Total Withdrawals and Deposits			190,000.00	328.60	

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Village Of Port Clements

STATEMENT OF ACCOUNTS

PO Box 94
Masset BC V0T 1M0

MASSET BRANCH 250-626-5231

MEMBER NUMBER ██████████

STATEMENT DATE August 31, 2016

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TERM DEPOSITS

Date	Description	Withdrawals	Deposits	Balance
Term 7: 12 - 60 Month Term -				
31Jul2016	Balance Forward			266,474.17
Start 13Feb2016 - Rate 1.5000% - NextInt 13Feb2017 - Matures 13Feb2019				
Term 10: 3 Year Harvest Term -				
31Jul2016	Balance Forward			773,415.00
Start 21Nov2013 - Rate 3.6500% - NextInt 21Nov2016 - Matures 21Nov2016				
Term 12: 12 - 60 Month Term -				
31Jul2016	Balance Forward			307,258.44
Start 04Jan2016 - Rate 1.0500% - NextInt 04Jan2017 - Matures 04Jul2017				
Term 16: 3 Year Harvest Term -				
31Jul2016	Balance Forward			11,424.93
Start 01Nov2015 - Rate 1.0000% - NextInt 01Nov2016 - Matures 01Nov2018				
Term 17: Short Term GSP (30 - 364 Days) -				
31Jul2016	Balance Forward			56,044.28
Start 10Jun2016 - Rate 0.7500% - NextInt 31Dec2016 - Matures 31Dec2016				
Term 18: 12 - 60 Month Term -				
31Jul2016	Balance Forward			325,000.00
Start 30Jun2016 - Rate 1.0000% - NextInt 30Jun2017 - Matures 30Jun2017				

continued...



Village Of Port Clements

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STATEMENT DATE August 31, 2016

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Assets	Canadian Dollars	US Dollars
Chequing	144,817.48	.00
Savings	401,464.37	.00
Terms	1,739,616.82	.00
Registered Plans	.00	.00
Shares	38.37	.00
Total Assets	2,285,937.04	.00
Liabilities	Canadian Dollars	US Dollars
Line of Credit	.00	.00
Over limit LOC/overdraft	.00	.00
Loans	.00	.00
Mortgage	.00	.00
Total Liabilities	.00	.00
	.00	.00

Over limit Lines of Credit / Overdrafts interest rate is 24.0000

continued...

VILLAGE OF PORT CLEMENTS

Cheque Listing For Council

2016-Sep-14
10:51:39AM

Cheque #	Date	Vendor Name	Invoice #	Invoice Description	Invoice Amount	Cheque Amount
160436	2016-09-06	Fleming, Amber Marie D	REPL-160435 REPL-160435	Replacement Cheque Replacement Cheque	776.96	776.96
160437	2016-09-08	Angela's Place-Social Cafe & Fuel Station	20160831	PAYMENT FUEL	530.26	530.26
160438	2016-09-08	BC HYDRO	20160822	PAYMENT ELECTRICAL CHARGES	4,863.64	4,863.64
160439	2016-09-08	BLUE CROSS	388623	PAYMENT GROUP HEALTH & DENTAL	1,028.12	1,028.12
160440	2016-09-08	C. AND C. BEACHY CONTRACTING LTD	10265	PAYMENT BRUSH/MOW INDUSTRIAL PARK	1,029.00	1,029.00
160441	2016-09-08	CIBC VISA	20160821	PAYMENT INTEREST PAYMENT ON VISA	2.05	2.05
160442	2016-09-08	CORPORATE EXPRESS	42247989	PAYMENT OFFICE SUPPLIES	239.80	239.80
160444	2016-09-08	MARRS, SHANE	20160907	PAYMENT FIREWOOD FOR SUNSET PARK	150.00	150.00
160445	2016-09-08	Northern Communications	32318-09012016	PAYMENT FIRE DEPARTMENT DISPATCH	171.55	171.55
160446	2016-09-08	Northern Savings Insurance Services Ltd.	99971	PAYMENT ACCIDENT & SICKNESS POLICY	825.00	825.00
160447	2016-09-08	ROCKY MOUNTAIN Phoenix	IN014797 IN98529	PAYMENT PCVFD SCBA FLOW TESTING MASK BAG BLACK	1,522.49 222.60	1,745.09
160448	2016-09-08	BIG RED ENTERPRISES	16011	PAYMENT WEEKLY CONTAINER SERVICE	283.76	283.76
160449	2016-09-08	Haida Gwaii Trader, Shellene Van der Beke	2330A	PAYMENT ADVERTISING	325.00	325.00

Total 11,970.23

*** End of Report ***

F:

The Offer of a Community Forest for MIEDS

Information, Evaluation, Options for Decision and Next
Steps

EXECUTIVE SUMMARY

Prepared for MIEDS Directors

By

Keith Moore RPF

Moore Resource Management

August 15, 2016

Executive Summary

This Executive Summary provides a relatively short summary of a complex situation for the MIEDS directors. More detail on each of the points raised in this Summary is provided in the Full Report.

The Offer in Front of MIEDS

The commitment to offer MIEDS a Community Forest is precisely defined. It is not likely to change in any significant way under the current expectation and management direction in MOFLNRO and BCTS. The offer is outlined in 5 separate documents sent to MIEDS between 2010 and 2013. These are described in Section 2.1 in the Full Report.

The offer has the 3 basic and essential parts.

- The tenure – It is an area-based tenure, called a Community Forest Agreement (CFA) that will be awarded in a direct award to MIEDS. Under the Forest Act legislation, a CFA is the only form of forestry tenure that can be directly awarded to MIEDS. An area-based tenure means an exclusive right to manage and use a defined geographical area of land. A volume-based tenure only conveys a right to harvest a defined volume of timber.
- The anticipated area and volume – The area identified for the CFA will be a specific, mapped geographical area, or areas, large enough to support an annual harvest of 80,000 m³ based on current forest inventory and management practices. The specific locations are currently being identified.
- Partnership with BC Timber Sales (BCTS) – There is a requirement that 100% of the timber volume harvested from this tenure must be managed in partnership with BCTS to support market pricing related to the Softwood Lumber Agreement (SLA) between the United States and Canada.

These are the three basic elements of the offer. They are unlikely to change, but many details remain to be discussed and worked out.

The Legislation

The award of a CFA is governed by sections of the Forest Act and the Community Tenures Regulation. These are identified and described in Section 2.2 in the full report.

Delegated Decision Maker

The authority to offer and award a CFA has been delegated to the Regional Executive Director (ED) of Ministry of Forests, Lands and Natural Resource Operations (MoFLNRO) in Nanaimo, Sharon Hadway. She is familiar with Haida Gwaii through her position on the Haida Gwaii Management Council. With this delegation she can make most, if not all, of the decisions related to the CFA. However, since the terms of the offer have been so clearly communicated, the Regional ED has said she has little latitude to deviate from those conditions. Any substantial changes from the existing offer will require going back to the Minister.

The Tenure

The tenure will be a Community Forest Agreement. This is a geographically defined, spatially explicit, mapped area or group of areas. It is not a volume-based tenure in any way. A CFA will be a separate and distinct forest management unit on Haida Gwaii and gives MIEDS exclusive rights to manage that land area and to carry out timber harvesting and other activities (recreational infrastructure or restoration projects, for example) within that area.

It has an initial term of 25 years and is the only kind of tenure that can be directly awarded to MIEDS. MIEDS is required to prepare a management plan for the area, and based on the forest inventory and the management objectives set out in the plan, MIEDS will propose an AAC for approval.

The Area, Location and Volume

The CFA is expected to be approximately 30,000 to 35,000 ha in size¹, or roughly equivalent to the entire area of the Tlell River watershed. This area will be large enough to support a harvest volume of 80,000 m³. This volume is equivalent to an annual harvest of approximately 200 ha per year or about 10 cutblocks per year.² It is approximately 8.5% of the AAC on Haida Gwaii.

The locations for the CFA are being worked on now by MoFLNRO staff and will be available soon. The areas will likely be similar to the areas shown on an earlier map. The CFA will include some or all of several discrete blocks – a large area along the highway

¹ This is a rough estimate, based on information about the size of an area required to provide the target 80,000 m³.

² These estimates are based on an average Haida Gwaii harvest of 400 m³ per hectare, and an average cutblock size of 20 ha.

from Masset to Port Clements, a smaller area near Tlell, an area above Queen Charlotte and in the Honna, Tarundl and Slatechuck areas, an area near Skidegate Lake, an area south of Cumshewa Inlet/Moresby Camp and possibly more remote areas in Rennell Sound or Sewell Inlet.

The areas will certainly include a diversity of valuable cedar, hemlock and spruce, and areas of second-growth forest as well as some important recreational, cultural, watershed and viewscape values. It is a relatively large CFA - the 2nd largest on the coast and in terms of volume expected to be cut and the 3rd largest in area.

The Partnership with BCTS

The third requirement - the partnership with BCTS - is the most complicated part of the offer and the least clear at this point. The legal basis is new and thus, there are no precedents. There are also no good examples of such an arrangement for comparison.

The government intention for “partnership” is being set out in documents being developed by BCTS and MoFLNRO with input from the BC Community Forest Association (BCCFA). The stated intention is to be flexible and to set out the details of “partnership” in Memoranda of Understanding that will be negotiated for each tenure. The current objective is “to keep the legislation, regulation, and policies to a minimum to allow for flexibility in these agreements, so that many details are left up to negotiation”. “No two MoUs are exactly the same, as all circumstances are different.”³

The partnership with MIEDS will almost certainly involve 100% of the volume for the full term of the tenure. There is very little latitude to even discuss this. A sunset clause to bring the partnership to an end at a set time is also very unlikely. It may be possible to introduce a provision to review the partnership at the time of renewal of the tenure in ten years.

The draft government documents are clear that the intention is to provide flexibility in negotiating the details in an MoU specific to MIEDS. Until there is a process to really sit down and discuss and negotiate the MoU with BCTS, it will be very difficult to know exactly what partnership really means.

³ Quotes from a draft document prepared by MoFLNRO and BCTS “Reduced Volume Condition (RVC) Licence Guidance”

The Potential Benefits of Partnership

The following potential benefits are discussed in more detail in Section 3.4 in the Full Report:

- There is a significant amount of potential revenue.
- The CFA is a relatively low risk, low investment, and low annual cost opportunity for the MIEDS communities and there are minimal needs for employees, staff or consultants retained by MIEDS in a partnership with BCTS.
- MIEDS has an opportunity to determine both the annual revenues and the costs by participating in the management decisions.
- BCTS would collect the revenues from timber sales and pay the development costs. This avoids risks to MIEDS associated with non-payment or delayed payment on sales and large contracts.
- MIEDS has some control over where harvesting occurs and under what type of management guidelines because MIEDS sets the actual level of harvest, and other things in a Management Plan, to be approved by the Regional ED.
- MIEDS has access to the expertise, experience, and management systems of BCTS in managing all development work related to valuing and selling timber, silviculture, administration etc.
- There is an opportunity for certification of MIEDS choice, or to join BCTS existing SFI certification.
- MIEDS, or local contractors can provide some management services on contract back to BCTS if desired.

The Potential Limitations of Partnership

There are also some potential limitations associated with the partnership relative to the opportunities in other Community Forests in BC that do not have a partnership requirement. All of these limitations relate to the opportunities to support long-term local manufacturing and business development or local work opportunities. However, it appears that most of these could be discussed and negotiated with BCTS and some of them might be mitigated or resolved at least to some degree in a Memorandum of Understanding (MoU). They are also discussed in more detail in the Full Report.

- Services will be procured by BCTS following normal provincial procurement policy related to competition and lowest qualified bidders. This may limit opportunities for locally-based contractors or to support long-term local business development or local work opportunities.
- Sales are sold to the highest bidder in a competitive process. This may limit opportunities to seek to direct supply to local manufacturers, value added, or very small local craft/artisan etc or to support or stimulate their development.
- The size of sales might be determined by efficiency or external parameters, such as barging requirements – not the capacity or needs of local manufacturers.
- MIEDS might not be allowed to bid on its own wood. Therefore, there would not be an opportunity to log and own the wood for resale on a log yard or other local sale.
- MIEDS could not enter long-term wood supply agreements with local mills.

Two points may be important in addressing the limitations.

First, the CFA is a discrete management unit, entirely on Haida Gwaii. Thus contracts for work might be let for this Haida Gwaii CFA unit not the larger unit managed by BCTS. This could remove some of the disadvantages placed on locally resident businesses and individuals and create some advantages.

Second, BCTS would not carry out the work itself. Thus, under the scenario above, it could potentially enter an agreement through a competitive bid process with another local entity, Taan Forest Products or others, for example, to provide some of the services currently provided to BCTS on the island by off-island contractors. This might address a significant interest and concern of the CHN.

The Potential Revenues and Costs

Potential revenues and costs are very difficult to project and depend on many factors. A detailed financial assessment is not possible.

In a CFA, the revenue share with BCTS will be set out in Regulation and is expected to be a 50/50 share of the net revenue earned. The annual revenues will be highly dependent on the market, the species and grades of timber put up for sale, the location of the sales, the volume actually sold, the limitations on bidders, any tariffs imposed by the USA and

other factors. For example, the MIEDS revenues from the 3 timber sales offered under the interim FLTC and NRFL arrangements averaged approximately \$4/m³ over the three sales but the range was huge. The third sale made almost 12 times more per m³ sold than the first sale.

As a rough guide, BCTS estimates that the average revenue to MIEDS from timber sales under the 50/50 formula in a partnership agreement could be in the range of \$200,000 to \$500,000 annually, with lower revenue in some years and higher in others. MIEDS will not be forced to sell sales that lose money, and will have some control and input into how much of what species and grades it chooses to sell in a given year. Much more detailed analysis would be required to provide a better estimate, but it would still be very dependent on many unknown factors and the decisions made by MIEDS as the CFA manager.

There may also be an opportunity to sell carbon credits for not harvesting some areas within the CFA. The Cheakamus Community Forest in the Whistler area already does this and the revenue from carbon exceeds the direct revenue from logging.

The costs of managing the CFA will depend on how much effort MIEDS chooses to put into management of the CFA but could be minimal. Many CFA operate with no staff and no assets, and MIEDS could be similar. In a partnership BCTS and the consultants it retained would look after a substantial amount of the work. All of this operating cost would be covered by BCTS and subtracted from the gross revenue from a timber sale to determine the 50/50 share of revenue.

There are some limited annual costs and MIEDS would be wise to have at least a part-time consulting forester and a part-time book-keeper administrator. But, as with revenue, MIEDS would be able to make decisions that would control most costs and in many ways, annual costs would depend on how much involvement and direction MIEDS wanted to put into management. The estimated costs would be likely be less than \$50,000 per year.

There are one-time start-up costs associated with developing the governance model, establishing the legal entity, and preparing the business plan and the management plan and other documents to meet the requirements for an application.

Objectives are also very important. Some community forests are managed to provide significant revenue to the community shareholders and do so; others are managed to provide a wide range of social and local employment benefits and seek to only break even. Much depends on the community objectives and the decisions made.

Aspirations of the MIEDS communities

Despite differences expressed, all communities share the following general aspirations for the Community Forest:

- To make use of an opportunity for significant revenue that can be used for community infrastructure or other purposes.
- To minimize risks and investment needs related to obtaining this revenue.
- To gain more local community control over forest operations.
- To demonstrate a strong commitment to local values to use resources sustainably and with cultural sensitivity.
- To have an opportunity to improve recreational opportunities.
- To maximize local employment in forest operations.
- To make a regular flow of wood available for small local mills and value-added, possibly through a log sort or direct sales program.
- To provide for building capacity and training opportunities for local residents and businesses.
- To bring forest management into a larger economic development strategy.
- To provide an opportunity to enter partnerships with the Haida Nation.
- To do local management for local benefit.

Aspirations of the Council of the Haida Nation

The Council of the Haida Nation is interested in the concept of a community forest for MIEDS and is ready to discuss and offer support in principle for a community forest. The CHN's position is that nothing has changed for them since 2015. Their support expressed in a draft Memorandum of Understanding between the CHN and MIEDS in September 2015 still stands.

The CHN has expressed a desire to participate in initiatives on Haida Gwaii that bring forest management under more local control and offer benefits to all communities and the CFA is part of this bigger picture.

A Window of Opportunity

The 2010 offer is very specific and initiated a process potentially leading to a CFA for MIEDS. However in legal terms, the process has not yet even formally begun. Since late 2015, communications between the various parties have been stalled.

A window of opportunity is now open. All parties consulted during this process expressed an interest and willingness to come together soon to work on moving forward with a CFA. The key issues that led to this stalled process have been, or are now being, addressed.

The legislation that allowed the three interim sales to be delivered for MIEDS can no longer be used and there is no further legal avenues to allow any more interim sales for MIEDS. The interim stream of revenue has ended. This creates an incentive for MIEDS as well.

Four Options for MIEDS

The 2010 offer has three specific elements and is still the offer on the table. While there appears to be little or no opportunity to change these three fundamental parts, there is an opportunity to negotiate the details and to address potential limitations. There are four options open to MIEDS over the coming months. More detail on these options is in Section 6.0 of the Full Report

Option 1. Abandon the effort to secure a Community Forest. MIEDS could choose this option if the Board feels it is too complicated, too difficult or too risky or not satisfactory in terms of community aspirations and not likely to change.

Option 2. Continue with the current process to fully explore opportunities to negotiate and complete an application for a CFA within the terms offered. This Option allows MIEDS to see the final proposed area for a CFA, to negotiate extensively with BCTS, to seek CHN support and to better understand the various costs and the financial and non-financial benefits involved.

Option 3. Reject the current offer. MIEDS could seek some fundamental changes to the offer from the Minister through a political process.

Option 4. Delay. MIEDS could delay a response to see if the upcoming election, potential changes to the Softwood Lumber agreement, or other factors might allow MIEDS to change the offer.

Option 2 is recommended. It provides an approach that can seek to achieve the MIEDS community aspirations and that keeps the opportunity to achieve the benefits alive and available, while MIEDS negotiates to see if it is possible to address the potential limitations and concerns.

The relative costs, benefits and opportunities will not be clear until there is significantly more information and understanding. Proceeding with Option 2 does not foreclose moving to the other Options - 1, 3 or 4 - after there is significantly more information and clarity than at present, if the offer turns out not to be acceptable to MIEDS.

The Next Steps in the Process

If MIEDS selects Option 2, the next step in the process is a formal invitation from the Regional ED to MIEDS to apply for a CFA. Then, once there is an invitation to apply, MIEDS will need to prepare a formal detailed application. This will take time.

In the meantime, five steps or tasks are necessary. They are all intertwined as part of the process of moving forward. They involve different parties – government (BCTS and MoFLNRO), MIEDS, CHN and possibly others. MIEDS can be active and influential in moving all of them forward.

The Five Immediate Tasks

1. MoFLNRO needs to identify an area that is large enough to support a projected annual volume of 80,000 m³ and acceptable to the Regional ED. This work is underway and MIEDS could seek to participate in this process.
2. MoFLNRO needs to discuss and formally consult with the CHN prior to being in a position to offer MIEDS a CFA. MIEDS should re-start discussions with the CHN and could encourage MoFLNRO to start a dialogue with the CHN.
3. MIEDS needs to develop a strategic vision for a CFA with a well-defined, realistic set of priorities and objectives in order to enter a negotiation with BCTS.
4. MIEDS will need to agree on a governance structure for an entity that will apply for, receive and ultimately manage a CFA.
5. MIEDS will need to engage with BCTS to explore and negotiate the arrangements that can be agreed in a Memorandum of Understanding. This negotiation could be very detailed and complex involving significant engagement by MIEDS. It is important to also keep the CHN informed.