



**VILLAGE OF SAYWARD  
COUNCIL MEETING AGENDA  
April 3, 2019 – 7:00 PM  
KELSEY CENTRE GYMNASIUM**

**1. Called to Order**

**2. Public Input (maximum 30 minutes)**

Mayor: "Public Input is for the purpose of permitting people in the gallery to provide input and shall be no longer than 30 minutes unless approved by majority vote of Council; each speaker may provide respectful comment on any topic they deem appropriate and not necessarily on the topics on the Agenda of the meeting; the public input opportunity is meant for input and questions and answers. Each speaker may not speak longer than 2 minutes but may have a second opportunity if time permits. Each speaker must not be allowed to speak regarding a bylaw in respect of which a public hearing has been held. For the record please state your name and address."

**3. Approval of Agenda.**

Recommended Resolution:

*THAT the agenda for the Regular Meeting of Council for April 3, 2019 be approved.*

**4. Minutes of Previous Meetings**

Recommended Resolution:

*THAT the minutes from the Regular Meeting of Council held on March 19, 2019 be adopted.*

**5. Petitions and Delegations - None**

**6. Correspondence**

Recommended Resolution:

*THAT the following correspondence be received,*

- a) 2018 Sustainability Report – Western Forest Products
- b) Promoting Local Economic Development – UBCM
- c) City of Victoria (Resolution) – Protection of Old Growth Forests
- d) Secret Santa Donation Request - Tessa Ballentine

**7. Council Reports – None**

**8. Committee Member Reports – None**

**9. Mayor's Report**

- a) Mayors Report – April 4, 2019

**10. Staff Reports**

- a) Strategic Plan and Projects update (April 2019)– Report by CAO

Recommended Resolution,

*THAT the Strategic Plan and Projects Update Report for April 2019 prepared by the CAO be received for information.*

**11. Old Business - None**

**12. Bylaws**

- a) Five Year Financial Plan Bylaw No. 447, 2019

Recommended Resolution,

*THAT Five Year Financial Plan Bylaw No. 447, 2019 be given fourth and final reading.*

**13. Financial - None**

**14. New Business - None**

**15. Public Question Period (maximum 15 minutes)**

**Mayor:** “The purpose of the public question period is to permit people in the gallery to ask questions about the issues discussed by Council during the meeting. Speakers will be allowed to ask one question each. If time permits, after everyone has had an opportunity to ask questions, speakers will be allowed to ask a second question. For the record, please state your name and address.”

**16. In-Camera - None**

**17. Rise**

**18. Adjournment**

Recommended Resolution:

*THAT the Regular Meeting of Council for April 3, 2019 be adjourned.*



**VILLAGE OF SAYWARD  
MINUTES  
REGULAR COUNCIL MEETING  
March 19, 2019 – 7:00 PM  
KELSEY CENTRE GYMNASIUM**

**Present:** Mayor John MacDonald  
Councillor Joyce Ellis  
Councillor Norm Kirschner  
Councillor Wes Cragg

**In Attendance:** Paul Carver, Chief Administrative Officer  
Lisa Clark, Chief Financial Officer

**1. Call to Order**

Meeting was called to order at 7:00 PM

**2. Public Input (maximum 30 minutes) – None**

**3. Approval of Agenda**

**MOTION R19/57**

**MOVED AND SECONDED**

THAT the agenda for the Regular Meeting of Council for March 19, 2019 be approved as amended.

**CARRIED**

**4. Minutes of Previous Meetings**

**MOTION R19/58**

**MOVED AND SECONDED**

THAT the minutes from the Regular Meeting of Council held on March 5, 2019 be adopted as amended.

**CARRIED**

**5. Petitions and Delegations**

**Delegation:** Chan Nowosad Boates Chartered Professional Accountants  
Presentation - Audited Financial Statements 2018 (available at meeting)

**MOTION R19/59**

**MOVED AND SECONDED**

THAT the Audited Financial Statements 2018 prepared by Chan Nowosad Boates Chartered Professional Accountants be received.

**CARRIED**

**MOTION R19/60**  
**MOVED AND SECONDED**

THAT the Audited Financial Statements 2018 prepared by Chan Nowosad Boates Chartered Professional Accountants be approved.

**CARRIED**

**6. Correspondence**

**MOTION R19/61**  
**MOVED AND SECONDED**

THAT the following correspondence be received,

- a) City of Victoria – Resolution letters to Premier Horgan
  - i. Recovering municipal costs arising from climate change
  - ii. Extension of vacancy taxation authority to local governments
  - iii. Permanent residents to vote in BC municipal elections
  - iv. Provincial universal school food program

**CARRIED**

**7. Council Reports**

**MOTION R19/62**  
**MOVED AND SECONDED**

THAT Councillor Ives verbal report be received.

**CARRIED**

**8. Committee Member Reports – None**

**9. Mayor’s Report – None**

**10. Staff Reports**

- a) Climate Action Revenue Incentive Program (CARIP) – Report by CFO

**MOTION R19/63**  
**MOVED AND SECONDED**

THAT Council receive the CFO’s report on the Climate Action Revenue Incentive Program for information and discussion; and

THAT Staff be directed to implement a GHG measuring system and report on potential carbon reducing projects for 2019; and

FURTHER THAT \$10,000 be added to the 2019 budget for the costs of carbon reducing projects.

**CARRIED**

**11. Old Business**

- a) Financial Plan 2019-2023 Final – Report by CFO

**MOTION R19/64**  
**MOVED AND SECONDED**

THAT the Financial Plan 2019-2023 (Final) be received for information and discussion; and

THAT Council approves the Financial Plan 2019-2023.

**CARRIED**

**12. Bylaws**

- a) Business Licence Bylaw No. 444, 2019

**MOTION R19/65**

**MOVED AND SECONDED**

THAT Business Bylaw No. 444, 2019 be given fourth and final reading.

**CARRIED**

- b) Five Year Financial Plan Bylaw No. 447, 2019

**MOTION R19/66**

**MOVED AND SECONDED**

THAT Five Year Financial Plan Bylaw No. 447, 2019 be given first, second and third reading.

**CARRIED**

**13. Financial – None**

**14. New Business**

- a) Rental Booking for Kelsey Recreation Centre Gymnasium – Sayward Futures Society

**MOTION R19/67**

**MOVED AND SECONDED**

THAT the Kelsey Centre’s gymnasium rental fees be waived for a Seminar “Better Together” and Trade Show for local businesses, entrepreneurs and self-employed persons to showcase the wealth of services available in the area.

**CARRIED**

- b) Community Kitchen for Seniors - Sayward Community Health Society

**MOTION R19/68**

**MOVED AND SECONDED**

THAT the Kelsey Centre’s kitchen rental fees be waived for the “Community Kitchen for Seniors” program to be run by the Sayward Community Health Society.

**CARRIED**

**15. Public Question Period (maximum of 15 minutes) – None**

**16. In-Camera – 8:30 PM**

**MOTION R19/69**

**MOVED AND SECONDED**

THAT in accordance with Section 92 of the *Community Charter*, this Council meeting will be closed to the public at this time in order that Council may give consideration to matters in accordance with Section 90 (1)(c) of the *Community Charter* to discuss labour relations or other employee relations.

**CARRIED**

**17. Reconvene – 9:27 PM**

**18. Rise**

**19. Adjournment**

**MOTION R19/70**

**MOVED AND SECONDED**

That the Regular Council Meeting of March 19, 2019 be adjourned.

**CARRIED**

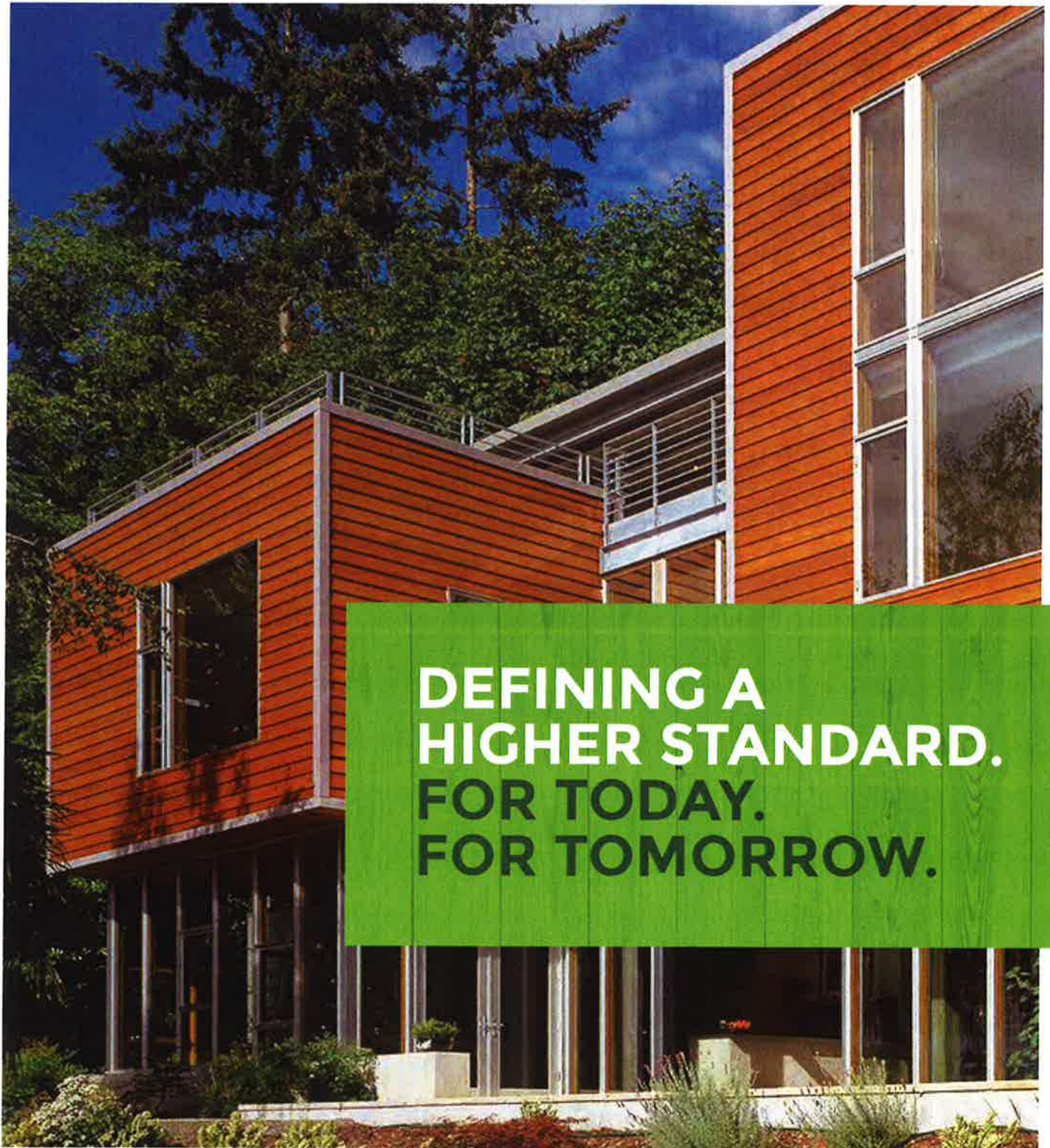
**The meeting was adjourned at 9:28 PM.**

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Mayor John MacDonald

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Chief Administrative Officer



**DEFINING A  
HIGHER STANDARD.  
FOR TODAY.  
FOR TOMORROW.**



**Western Forest Products**  
DEFINING A HIGHER STANDARD™

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## Forward-looking Statements

This report contains statements that may constitute forward-looking statements under the applicable securities laws. Readers are cautioned against placing undue reliance on forward-looking statements. All statements herein, other than statements of historical fact, may be forward-looking statements and can be identified by the use of words such as "estimate", "expect", "plan", "target", "goal", "believe", "seek", "should", "may", "can", "will" and similar references to future periods. Forward-looking statements in this report include, but are not limited to, statements relating to our sustainability goals, targets and plans and our expectations regarding those goals, targets and plans. Although such statements reflect management's current reasonable beliefs, expectations and assumptions there can be no assurance that forward-looking statements are accurate, and actual results, achievements and performance may materially vary. Many factors could cause our actual results, achievements or performance to be materially different including: general economic conditions, international demand for lumber, competition and selling prices, international trade disputes, changes in foreign currency exchange rates, labour disruptions, natural disasters, relations with First Nations groups, changes in laws, the availability of allowable annual cut, changes in regulations or public policy affecting the forest industry, changes in opportunities and other factors set out herein and in our management's discussion and analysis for the year ended December 31, 2018. The foregoing list is not exhaustive, as other factors could adversely affect our actual results, achievements and performance. Forward-looking statements are based only on information currently available to us and refer only as of the date hereof. Except as required by law, we undertake no obligation to update forward-looking statements.



## About this report:

This is the first Sustainability Report from Western Forest Products. This report was published in March 2019.



## A MESSAGE FROM THE PRESIDENT AND CEO



At Western, we have an opportunity to build on a legacy that supports our people and our customers, our community, our shareholders and our planet. We strive to do this by sustainably managing the forests in our care and supplying the most sustainable building products on the planet - creating a better world today, and tomorrow.

It is an exciting time to be in the wood products business. Architects and builders are recognizing Western's products for their superior environmental benefits. Customers appreciate that wood products consume less energy to make, and also capture and store carbon, helping to fight climate change. In addition, this beautiful material is infinitely renewable, with Western replanting trees in line with its 250-year sustainable forest management plan.

For Western, sustainability also means being a successful business. By working to remain profitable through normal market cycles, we're better able to create jobs, pay taxes, invest in growth, support our communities and reward shareholders. In short, by building a business based on sustainable products and sustainable business principles, everyone benefits for the long term.

This is Western's first sustainability report, and it marks the next milestone in our journey. Among the 2018 highlights, we:

- Built a 3D model of our Individual Tree Inventory through the use of LiDAR technology, protecting what is unique and improving the management of what we harvest;
- Enhanced our robust Health & Safety Management System, to better protect those who work for and with us;
- Advanced coastal First Nations partnerships, including selling an ownership interest in one of our forest operations to the Huu-ay-aht First Nations;
- Launched Western Learning, our online training system, to support our people's growth; and
- Initiated a wide-ranging internal conversation to identify the issues most important on our sustainability journey, and began to engage stakeholders in this process.

While sustainable practices have always defined who we are, this report marks a shift. We're embarking on a more formal process of disclosure: pledging to set goals, track progress and report on key performance measures. Simply put, it's not enough to do the right thing: we must also prove it by being fully transparent about our performance. This is why in 2019 we will invite more external stakeholders into the conversation, to help us define the most important issues we should address.

Western was built by the people who live and work in our communities, by the customers who choose our products and investors who fuel our business. I want to thank them all – especially our employees, whose tremendous efforts to deliver sustainable value ultimately makes us a better company. Together, we are defining a higher standard.

Don Demens  
President and CEO

# WESTERN AT A GLANCE

A Canadian company operating on the coast of British Columbia and in Washington State, Western serves customers around the world. At Western, the imperatives of business and sustainability are closely integrated and reflected in our vision to produce the most sustainable building materials on the planet. By staying true to our vision, we create value that supports our shareholders, employees, First Nations, local communities and other stakeholders. This fuels our ability to invest in the business, attract talented people and respond to the broader context of society's evolving economic, environmental and social needs.

At Western, we make a wide range of sustainable building materials, in recent years sharpening our focus on value-added, specialty wood products. By executing our specialty-focused strategy, we are now generating more than 70% of revenues from non-commodity markets, where customers expect Western's higher standards in quality and performance. As society increasingly favours low-carbon building materials from sustainably-harvested forests, customers are rewarding us with their business.

Western's sustainable practices also include an uncompromising commitment to the health and safety of employees. Our goal is to achieve a zero-incident workplace, because we believe that there is no business objective that comes before the safety of our people. Everyone who works for or with us has the right to return home at the end of every day, safe and sound.



**3.17**  
Medical Incident Rate



**\$1.2 Billion**  
Sales value of economic activity generated in local economies



**~3,700**  
Direct and contract employees



**\$213 Million**  
Direct employee wages and benefits



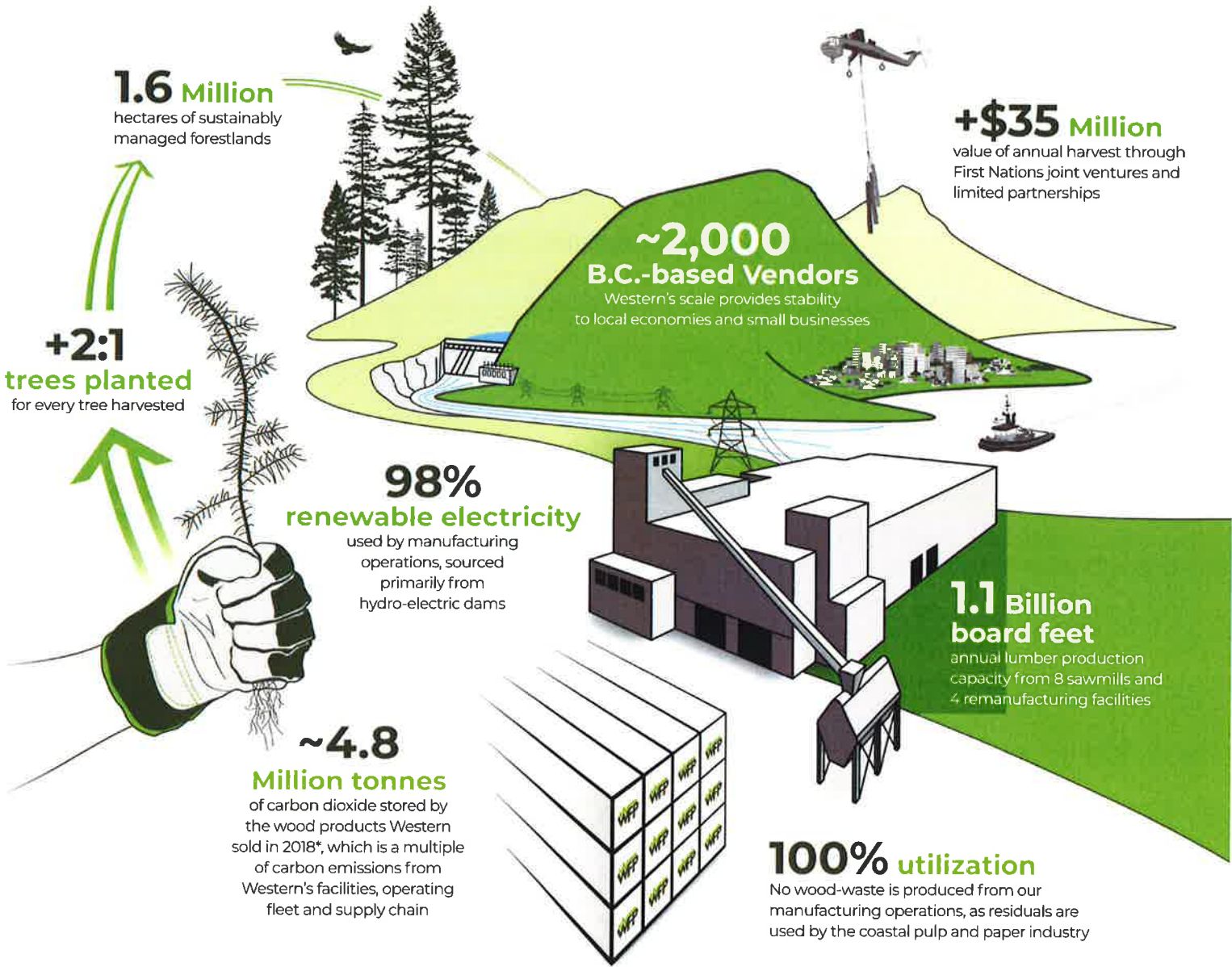
**\$73 Million**  
Stumpage and tax contributions in the Province of British Columbia



**\$69 Million**  
Net income



# WESTERN AT A GLANCE



\* Estimate calculated by applying third-party volume-to-carbon conversion factors, by species, to Western's sales volumes by product.

# THE WORLD'S MOST SUSTAINABLE BUILDING MATERIAL

Architects, builders and home-owners appreciate the many benefits of Western's building products. Wood is a natural, renewable and sustainable building material. Relative to its weight, it is stronger than other building materials, making it uniquely suited to customers who care about the environment, and about their living spaces.

## Wood is renewable

Wood is a natural and endlessly renewable resource. As part of our sustainable forestry practices, we regrow the same species mix as were harvested from our forest tenures and closely manage their growth, so there will always be an abundant supply of renewable wood.

## Wood fights climate change

Forests remove carbon from the atmosphere and store it in the wood, where it may stay for the life of a wood product. Meanwhile, newly-planted and growing trees capture additional carbon – keeping it out of the atmosphere and fighting climate change. Western's wood products

sold in 2018 sequestered an estimated 4.8M tonnes of carbon dioxide from the atmosphere. This is greater than the annual greenhouse gas emissions of 1 million vehicles – more than all the vehicles licensed on Vancouver Island, where the majority of our operations are located.

## Wood is less energy-intensive

Compared to building materials such as steel, concrete and brick, the manufacturing of wood products uses far less energy, giving wood a smaller carbon footprint. By replacing one cubic metre of concrete or brick with one cubic metre of wood, you're preventing one metric tonne of carbon dioxide from entering the atmosphere.

## Wood means less waste

No part of the log used in our manufacturing process is sent to landfills. Biomass from our sawmills is used to generate low-impact energy, paper and other products.



# ACCOUNTABILITY AND GOVERNANCE

At Western we strive to be a leader in corporate governance. Our commitment to strong and ethical governance practices helps us define a higher standard.

## Governance starts at the top

Our commitment to strong governance begins with our Board of Directors: our Board is responsible for our overall stewardship and

serves the interests of our shareholders and stakeholders.

In order to provide effective oversight, we ensure that our Board is composed of a majority of independent directors. In 2018, five out of seven of our directors were considered independent in accordance with securities laws and applicable TSX policies. In early 2019, two additional independent directors were appointed such that 75% of our Board is considered independent.

## Our values guide us in Defining a Higher Standard

- We are committed to personal safety, sustainable management and environmental stewardship.
- We behave with integrity, passion and transparency.
- We seek mutually beneficial relationships.
- We are dedicated to a culture of accountability and continuous improvement.



# ACCOUNTABILITY AND GOVERNANCE

Our directors participate in four committees:

- The Environmental, Health and Safety Committee, which is responsible for overseeing our commitment to a safe and healthful workplace and ensuring that we have proper systems in place for compliance with safety and environmental legislation;
- The Audit Committee, which is responsible for our disclosure, reporting systems, auditors and risk management;
- The Nominating and Corporate Governance Committee, which is responsible for developing and reviewing our corporate governance principles and practices; and
- The Management Resources and Compensation Committee, which is responsible for overseeing the administration of our compensation and benefit plans and human resource policies.

Our Board and committees meet regularly to review corporate governance practices and implement any changes as the need may arise.

Our Board and each of our committees are guided by their respective charters, which are reviewed annually. In order to ensure a well-functioning governance system, the Board and its committees also regularly reviews their size, composition, independence, skills and experience, and continuing education.

In order to ensure our corporate governance commitment is maintained throughout the organization, we've adopted a Code of Business Conduct and Ethics. Our Code applies to our directors, officers and employees and addresses conflicts of interests, confidentiality,

fair dealings, and regulatory compliance. Our Code also provides guidance on what steps to take if there is a violation of the Code (including how to access our confidential hotline) and prohibits any retaliation when such concerns are raised in good faith. We also require that our directors, officers and salaried employees review and certify understanding of and compliance with the Code annually.

In addition to our Code we also rely on the following policies to help create a strong governance framework:

- Our Employee Health & Safety [Policy](#) confirms safety as one of our core values and supports our zero-incident workplace target;
- Our Anti-Bribery and Anti-Corruption [Policy](#) reaffirms that we do not tolerate bribery or corruption and provides a guiding framework for our employees, officers and directors on how to address conflicts of interest (including bribery and corruption);
- Our Human Rights [Policy](#) affirms our commitment to respecting and protecting human rights;
- Our Insider Trading Policy sets requirements around transacting in our securities and supports compliance with securities laws; and
- Our Corporate Communications and Disclosure Policy ensures that all material information is timely and factually communicated in accordance with legal requirements.

We actively monitor compliance with these and other policies through our internal audit function.



# OUR PEOPLE

## ENHANCING OUR EXCELLENCE

At Western, the quality of our people is critical to our success. We work to maintain a productive and healthy organization, employ and develop talented people, strengthen our leadership, and enhance employee performance through strong engagement.

As at February 1, 2019, we employed 2,282 people in Canada, the United States, Japan and China, with the majority of our workforce located on Vancouver Island, British Columbia. We strive to maintain strong workplace relations and encourage direct dialogue between management and employees. In 2018, Western senior leaders engaged all salaried and hourly employees in a series of face-to-face employee engagement sessions. The purpose of these sessions was to share Western's strategy and vision, in addition to health and safety and operational performance outcomes, and to solicit feedback on issues that matter to employees.



~3,700

Direct and contract employees



35%

Of the Board and executive management team are women



# OUR PEOPLE

## ENHANCING OUR EXCELLENCE

### Health & Safety

Every Western team member, from employees and managers to contractors and visitors, shares a responsibility to uphold the highest safety standards. Safety is embedded in everything we do. We believe that safety is more important than any job, and that every Western employee should return home safely at the end of each workday.

In 2018, we launched an enhanced Health & Safety Management System. It has 13 key elements including 52 corporate safety standards encompassing everything from the right to refuse unsafe work to working in confined spaces. The Health & Safety Management System complies with ISO45001 and U.S. Voluntary Protection Program health and safety standards. All of Western's Canadian operations are externally audited and SAFE certified through the BC Forest Safety Council (BCSFC). In 2018, Western achieved an overall Health & Safety audit score of 94%, an improvement from 89% in 2017.

To measure proactive health and safety performance, in 2018 we developed the Western Safety Accreditation (WSA) program, with an

overall company average score of 86%. WSA scoring consists of four proactive safety key performance indicators: Health & Management System inspections, Operation Annual Safety Improvement Plans, corrective action completion rates, and safety leadership training completion.

Our medical incident rate in 2018 was 3.17 and marked our first year of reporting under Occupational Safety and Health Administration reporting guidelines.

To maintain our focus on proactively identifying and mitigating risks to reduce incidents, and help ensure ongoing regulatory compliance, Western's operational management was instrumental in adopting, implementing and/or completing:

- Western Life Saving Rules
- Contractor Health & Safety Improvement Plans for underperforming contractors
- Standardized Health & Safety orientation for employees, contractors and visitors
- Use of Personal Field Level Hazard Assessments
- Leadership Health & Safety training
- Health & Safety compliance training





# OUR PEOPLE

## ENHANCING OUR EXCELLENCE

### Investing in our people

Fostering a culture of continuous learning and development is pivotal to building a safe and engaged workforce. Providing effective training, including recurrent training, is essential in the forestry industry.

#### Western Learning

In 2018, we launched Western Learning, our online learning management system. Western Learning allows us to simplify, standardize and streamline learning and development processes, including the enrollment, tracking and reporting of completed training for all salaried employees. In the three months ending 2018, our salaried employees completed a total of 2,172 hours of safety training through Western Learning.

#### Log truck drivers pilot program

Recognizing a need to improve log truck safety performance and training, Western partnered with the BC Forest Safety Council and Vancouver Island University to develop a standard curriculum for training and assessing log truck drivers. The seven-week program, which includes four weeks of mentoring on the road, is based on BCFSC competencies. The pilot program was run in 2018 for 11 Western drivers.

#### New employee onboarding sessions

To drive engagement and retention of new hires, all new employees are invited to a day-long new employee onboarding session. These sessions are facilitated by senior management and introduce employees to Western's strategy, vision, core values and policies.

#### Fundamentals of Forestry - Harvesting Practices

Western recognizes that the forestry industry is facing an aging workforce. That's why we have partnered with educational institutions to attract new and young workers into the industry. In 2018, we partnered with Vancouver Island University to deliver the 12-week forestry fundamentals program, which develops the foundational skills for logging as set out by the BCFSC and ensures a pipeline for well-trained talent for our industry. Western sponsored half of the seats for the program and actively recruits graduates into our business.

#### Forestry summer program

Our forestry summer program hosts on average 30 university forestry students each year. Students are provided with real world experience, working alongside and receiving coaching and mentoring from experienced Registered Professional Foresters. Western makes employment offers to six to ten graduating students annually to ensure we have a healthy talent pipeline of forestry professionals.

#### Western Management Trainee program

We also work closely with the UBC Wood Products Processing and Masters in Management programs, to attract new leaders to our manufacturing operations. We host four to eight month co-op terms and actively hire new graduates finishing these programs into the Western Management Trainee program. New recruits are provided with real jobs from day one, along with active coaching and mentoring by experienced leaders, with the goal of moving them into junior supervisory roles within six to twelve months.



# OUR PEOPLE

## ENHANCING OUR EXCELLENCE

### Diversity

At Western, we understand that a diverse workforce and an inclusive environment that respects and nurtures people can contribute to improving our safety and business performance. Our approach to diversity focuses on hiring, developing and retaining the best talent.

We provide equal opportunity in recruitment, career development, promotion, training and rewards for all employees. We are committed to taking steps that will lead to increased representation of women, as well as Indigenous people and minorities in our workforce. In 2018, Western introduced a Parental Leave Top Up Policy to support Western families during this important life event, and to encourage women in our workforce to continue their careers with us.

In 2018, 30% of our executive management positions were held by women and in 2019, we increased the female representation on our Board of Directors to 38%. Our forestry operations team is seeing more women entering the industry, with 35% female forestry summer students – a number that's expected to increase annually.

### Workforce\*

As at Feb 1, 2019	Salaried			Hourly			Total
	Male	Female	Unspecified	Male	Female	Unspecified	
<b>Canada</b>	331	175	4	1,543	97	14	2,164
<b>United States</b>	22	5	0	81	3	0	111
<b>Japan &amp; China</b>	3	4	0	0	0	0	7
<b>Total</b>	356	184	4	1,624	100	14	<b>2,282</b>

\*excludes contract employees

### Total rewards

To attract, retain and motivate our valued employees, Western provides a competitive total rewards package that has a strong focus on paying for performance.

Key elements of our rewards package include a market competitive salary, performance-based bonus, extended health benefits, and a fully employer-funded pension plan for salaried employees. Hourly employees participate in an employer-funded industry pension plan. As part of their package, our employees also have access to an employee and family assistance program, which provides voluntary, confidential, professional counselling to employees and their families to help resolve problems that may affect their personal lives and, in some cases, their job performance.

### Collective agreements

Western respects employees' rights to collective bargaining and endeavours to work respectfully with labour unions. Approximately 75% of the employees working for Western's Canadian operations are covered by collective agreements with United Steelworkers (USW) and Public and Private Workers of Canada (PPWC).

# ENVIRONMENT

## SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

At Western, we recognize that forests are more than a source of wood: forests are our heritage and our future. To protect them for the long term, we're guided by Western's [Environmental Policy](#) and [Sustainable Forest Management Statement](#). At the strategic level, we follow the Western Stewardship and Conservation Plan; [CSA Sustainable Forest Management Plans](#); [SFI® Forest Management Standard](#); and [Tree Farm Licence Management Plans](#). The Tree Farm Licence Management Plans have a planning horizon of 250 years, protecting this essential renewable resource today and for generations to come.

Bringing it all together, and putting these plans into action, are more than 100 Western forestry professionals and biologists who are passionate about their role as stewards of the forestlands under our management.

Western works to some of the most stringent forest management standards in the world, as regulated by the Government of British Columbia. We engage with First Nations and other communities on a regular basis. We regrow trees on every hectare we harvest. Western's harvest levels are consistent with the allowable annual cut (AAC) established by the provincial government. We also protect the biodiversity that ensures healthy and robust ecosystems. And, as we endeavour to be "part of the solution," we work to reduce our own carbon and waste footprint across our operations.

### First Nations treaty rights and Indigenous interests

Western recognizes and respects established treaty rights and Indigenous interests in the areas where it operates, and provides opportunities to Indigenous groups to participate in information sharing with respect to Western's activities within their traditional territories. While government-to-government engagement is ultimately required, as a company operating on lands over which Indigenous rights, title and interests exist, Western understands that by working with First Nations we can play an important role in reconciliation.



# ENVIRONMENT

## SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

### Regenerating forests

Western is among the most progressive forest managers in British Columbia. Through our Canadian Standards Association (CSA) certified forests, we set specific performance goals for climate change, carbon footprint reduction, biodiversity, silviculture, public engagement, and water. As we are committed to defining a higher standard, our goals and practices are under continuous revision as we integrate new science, greater consultation and more robust planning. Some of Western's innovations are detailed below.

**We practice variable retention.** This means we plan our harvest on each site by first determining what trees to retain. In each harvest area we plan around significant features such as bear dens, wetlands, streams, large trees and cultural heritage features. In practicing variable retention we retain patches of standing mature trees internal to our harvest areas which create shade for open areas and enhances habitat for birds, mammals and amphibians. Practicing variable retention means we don't do the same thing everywhere. We have specific targets for the amount of retention and forest influence that must be maintained in each cutblock, which varies by ecosystem type in accordance with scientifically and provincially established biogeoclimatic zones.

**We maximize value from the full profile of the forest,** as we align seed, tree nursery and manufacturing capacity with long-term timber supply. In this way, we invest in the complete forest management cycle.

**We protect big trees** in the forests we manage. These exceptional trees, predominantly Western Red cedar, Yellow cedar, coastal Douglas-fir and Sitka spruce, are essential to our province's biological and cultural heritage. Planners and fallers working in our forests are trained in deploying Western's standard operating procedures for big tree retention, which sets a maximum harvest diameter for each of the species to protect these unique trees. We protect all trees that are greater than 50% of the largest diameter in the British Columbia Big Tree Registry, a listing of field-verified and protected big trees. Among them is a 94-metre Douglas fir, the tallest in our inventory of protected trees. Big trees serve as biological anchors in the design of our variable retention harvesting, integrating safety, wind-throw hazard, topography and other resource values. We'll be enhancing and strengthening our conservation of big trees in 2019.

**We operate a seed orchard and tree nursery,** and have done so at the Saanich Forestry Centre since 1964. This makes us the only B.C. forestry company that is invested in the complete forest management cycle from harvesting forests through to growing the seedlings to replant our forests. Owning a seed orchard and a nursery enables us to align with the leading edge of the Province of B.C.'s Climate Based Seed Transfer, while being able to control seed quantity and quality. Our Saanich Forestry Centre produces enough seed annually to grow nearly seven million seedlings, while the nursery produces approximately 3.3 million seedlings each year. This equates to about half of our annual seedling requirements.



# ENVIRONMENT

## SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

In addition to our Environmental Management System, which conforms to ISO 14001:2004 standards in our timberlands, we have multiple and overlapping local and regional plans to ensure every hectare of forestland and waterway is well looked after, and that our site-level plans align with the landscape. They include:

### Forest Stewardship Plans (FSPs)

Consistent with the Forest Planning and Practices Regulation, Western's FSPs detail the results and strategies that guide the design of each road development and timber harvesting site. The FSPs ensure that all of our timber harvesting and road construction activities are consistent with the B.C. government's objectives for resource values such as wildlife, water, fish, cultural heritage, and recreation.

### Site Plans

These plans are developed for each road development or harvesting site undertaken by Western, and provide the site-specific details of how the requirements outlined in the FSPs are being applied. To ensure that our Site Plans are implemented successfully, we then provide detailed implementation instructions to our road construction, harvesting, and silviculture teams.

## Independent certifications

Almost all (99.6%) of the forestlands under our care – more than 1.6 million hectares – are independently certified according to the following globally recognized standards. Certification assures customers and partners that the wood entering our mills comes from sustainably managed sources.

### CSA Z809 Sustainable Forest Management

certification covers close to 850,000 hectares of our coastal timberlands operations. CSA is a highly rigorous certification system requiring forest managers to follow six criteria developed by the Canadian Council of Forest Ministers, and requires a significant level of local participation in the form of [public advisory groups](#). The independent members of these advisory groups share our passion for public forestlands, join in field inspections, meet several times annually and issue annual performance reports.

### SFI® Forest Management Certification

covers nearly 800,000 hectares of our coastal timberlands operations. Sustainable Forestry Initiative® (SFI) certification is widely used across North America and integrates principles that protect water quality, biodiversity, wildlife habitat, species at risk, and forests with exceptional conservation value.

### SFI® Fiber Sourcing Certification

ensures that wood entering our mills is from legal and responsible sources.

### Chain-of-Custody Certification

enables customers to reliably track the forest products they buy from Western, assuring them that these products come from responsibly managed, legally-harvested forestlands. We are certified to the most widely respected international standards, by the Programme for the Endorsement of Forest Certification (PEFC™) and Forest Stewardship Council® (FSC®).



# ENVIRONMENT

## SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

### Conserving biodiversity

At Western, when we look at a forest, we see beyond the trees. We see a fine web of animal, bird, insect and plant life that depends on healthy forests to flourish. We also see local communities that rely on forests for economic benefit and recreation.

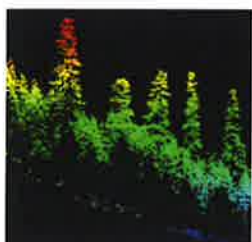
Western's biologists and forest professionals manage the biodiversity program based on available science. The program is certified to Sustainable Forest Management standards and helps guide our actions in 10 key areas:

- Retention silviculture system
- Stand level retention
- Big trees
- Habitats for species at risk
- Habitats for significant species of concern
- Species not at risk
- Old forest
- Interior forest conditions
- Ecosystem representation
- Rare ecosystems

**Species at risk habitats.** We actively manage and conserve habitats for selected focal species, including species at risk. These include the northern goshawk, marbled murrelet, great blue heron, red-legged frog and old growth specklebelly lichen. Professionals ensure that our practices for identifying and conserving suitable habitat align with recognized federal and provincial strategies.

**Ungulate winter range.** During particularly snowy winters, ungulates such as elk, deer and goats can have difficulty finding enough food. Their survival may depend on access to specific winter habitats with sufficient forest cover. Winter ranges are therefore established and maintained at the elevation and aspects necessary to provide the necessary shelter, forage and snow interception.

**Old forest management areas.** Western maintains a vast network of old forest management areas, ensuring old forest is protected across the areas we manage. In addition to this network, we also protect big trees as part of our detailed harvest planning, using techniques such as retention harvesting.



### Sustainable planning with LiDAR

One of Western's key planning tools for sustainable forest management, Light Detection and Ranging (LiDAR), is an aircraft-mounted technology that uses laser pulses to create a 3D model of the landscape. Our forest professionals have developed proprietary software that further enhances LiDAR, enabling us to capture the height and characterization of individual trees. We use this invaluable data to plan more accurately, maintaining safe, productive and sustainable forest management practices.

In 2018, Western's enhanced LiDAR enabled us to build a vast Individual Tree Inventory, as well as to identify more old forest and rare wildlife reserves, including habitat for the marbled murrelet.

## ENVIRONMENT

### SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

**Hatching plans for salmon.** Our forestry and biodiversity plans extend protection to waterways, including rivers where British Columbia's iconic salmon spawn. Through our work at coastal hatcheries, we're helping to support the province's historic salmon runs.

Western works with local volunteers to operate the Cordy Creek hatchery in Holberg, which produces up to 80,000 coho and chum salmon annually.

On the Marble River in Port McNeill, a second volunteer-run hatchery produces up to 850,000 chinook salmon. We've been supporting this hatchery since 1981 with volunteers and other resources.

Western-supported hatcheries are licensed by Fisheries and Oceans Canada.



Deb Anderson, Marble River Hatchery Volunteer

[see her story here](#)

# ENVIRONMENT

## SAFEGUARDING RESOURCES FOR FUTURE GENERATIONS

### Addressing climate change

We base our reforestation practices on climate change science. Western chairs the Coastal Technical Advisory Committee that supports the Forest Genetics Council of British Columbia, and is a member of the provincial government's Climate-Based Seed Transfer Stakeholder Advisory Group. Our products and practices align with growing consumer awareness of sustainable products and building trends, and present an opportunity for Western to contribute positively to addressing climate change risk through the execution of our business strategy.

Ultimately, we believe our business is good for society's efforts to combat climate change. Trees capture carbon dioxide (CO<sub>2</sub>, a greenhouse gas) from the atmosphere, store the carbon in the wood and release the oxygen back into the atmosphere. The carbon remains in the wood even after we make wood products. When we replant the harvested areas, the new trees begin the cycle over again, capturing and storing more carbon. In fact, as young forests grow, they absorb more CO<sub>2</sub> each year than do old forests.

### Managing emissions

While we're not an energy-intensive company, we nevertheless generate greenhouse gases as we operate our sawmills, logging trucks, machinery and vehicles, and as we heat and cool our buildings. We participate in energy conservation programs, such as Strategic Energy Management with the provincial utility, BC Hydro, and use alternative energy such as recycled steam to lessen our

potential emissions. And, while we do not yet track emissions in detail, we reduce our impact by choosing, purchasing and maintaining emission-compliant equipment and machinery. Reducing Western's carbon footprint is good for the planet and our bottom line, as it also shrinks our energy bill.

### Managing water

We recognize that water is a key part of a functioning ecosystem. We are not an intensive user of water, but our forest professionals understand how water and seasonal patterns shape the landscape. Accordingly, our sustainable forestry plans include measures to maintain water quality, quantity and natural flow patterns. And, we are committed to introducing improved water conservation and recycling practices in our operations where possible. We recognize the right of water as a fundamental human right.

### Minimizing waste

At Western, we use 100% of the harvested log. After the log is transformed into useful products in our mills, we ship the remaining biomass, including sawdust, chips and bark, to pulp and paper manufacturers and bioenergy generating partners. Following sustainable forest management practices, we may leave some bio-residue on the forest floor. This residue decays naturally, making its nutrients available to the next generation of trees we plant, and acts as a growth medium for fungi, while also providing food and shelter for insects and birds.





# FIRST NATIONS

## BUILDING TRUST THROUGH RESPECT

Western operates in the traditional territories of more than 45 First Nations. We respect the treaty and Indigenous rights of First Nations and are committed to open and meaningful dialogue so that we can all benefit from the forest that we manage. By following the principles of sustainability, future generations will enjoy working forests that provide jobs, recreation and carbon management, while preserving cultural elements and ecosystems.

Informed by the spirit of reconciliation, Western works closely with First Nations. We are doing more with these partners to grow business capacity at timberland and manufacturing sites. By working together, we can all do our part in building a stronger and more prosperous shared future.



**+\$35 Million**  
Value of annual harvest through First Nation joint ventures and limited partnerships



**>45**  
First Nations traditional territories in which Western operates

### Fostering mutually beneficial relationships

Western has 16 active agreements with First Nations or First Nations associations. These range from business-to-business arrangements through to limited partnerships, where the parties generally pool equal amounts of volume from their respective tenures to support joint harvesting and profit-sharing based on respective volume contribution. We're continuing to develop relationships in the form of supplier contracts and job creation. Through voluntary disclosure, 75 Western employees self-identify as having Indigenous ancestry.

Western's long-term relationships with local First Nations include:

**Joint Ventures** for logging and forest management with Heiltsuk Nation and Kitsoo/Xai'xias First Nation.

**Limited Partnerships (LP)** in logging and forest management with the Quatsino First Nation and 'Namgis First Nation. Our Quatern LP with the Quatsino First Nation has been recognized with Indigenous Business Awards for its shared successes.



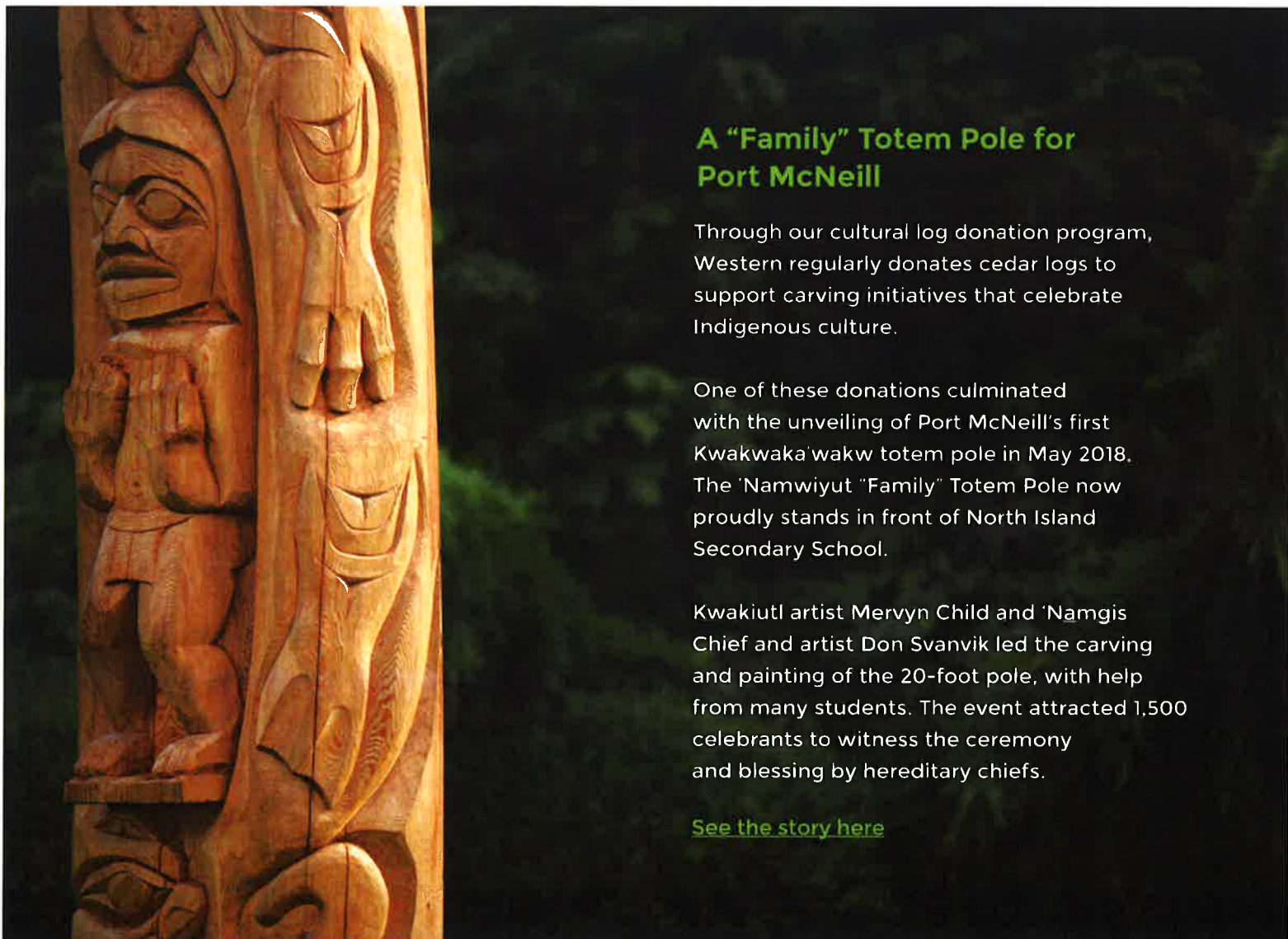
# FIRST NATIONS

## BUILDING TRUST THROUGH RESPECT

**Our Reconciliation Protocol Agreement** with the Huu-ay-aht First Nations sets a framework for a shared path to reconciliation and a joint vision for a safe and competitive forest sector in the Alberni Valley. Our partnership has resulted in a suite of agreements since 2017, including the sale of our former Sarita Dryland Sort, employment and training agreements, and a pending transaction for the sale of a 7% ownership interest in our Port Alberni Forest Operation.

**Burleith Dryland Sort** is a facility that Western leases from the Stz'uminus Nation. We have committed to resourcing the site with at least 50% Stz'uminus Nation members. That figure currently sits at approximately 68%, with some employees having worked at this site for more than 40 years.

**Saanich Forestry Centre.** Ten Indigenous people from neighboring communities are core seasonal employees, including several who have worked at this facility for 30 years.



### A “Family” Totem Pole for Port McNeill

Through our cultural log donation program, Western regularly donates cedar logs to support carving initiatives that celebrate Indigenous culture.

One of these donations culminated with the unveiling of Port McNeill's first Kwakwaka'wakw totem pole in May 2018. The 'Namwiyut “Family” Totem Pole now proudly stands in front of North Island Secondary School.

Kwakiutl artist Mervyn Child and 'Namgis Chief and artist Don Svanvik led the carving and painting of the 20-foot pole, with help from many students. The event attracted 1,500 celebrants to witness the ceremony and blessing by hereditary chiefs.

[See the story here](#)

# NEIGHBOURS

## CONTRIBUTING TO LOCAL COMMUNITIES

Like any good neighbour, Western understands the importance of supporting the communities where our people live, play and work. We recognize that the better our relations with communities are the more sustainable our business will be.

To forge these positive connections, we focus our support on initiatives that promote cultural works, educational opportunity, physical activity and healthy living, or the awareness of our sustainable practices, including an understanding of the working forests and the environment. We provide in kind donations of employee volunteer time during work hours and the use of company equipment. Depending on the initiative, we may also donate funds and materials, including logs or lumber. All of these actions support one goal – to help vibrant, healthy and sustainable communities to flourish.

### Sharing the natural wealth

While Western holds the logging rights to many forestlands, most of these lands are public. We

welcome the opportunity to safely share the public areas we are entrusted to manage with those who enjoy the outdoors.

Western works with Recreation Sites and Trails BC to maintain 34 sites where local residents and tourists can enjoy majestic forests and waterways within British Columbia's working forests and outside the province's parks and protected areas. Western employees maintain trails, build docks, staircases and shelters so that the sites are safe and accessible. We even post a downloadable map, along with safety tips for sharing the road with logging trucks. As well, we maintain a website and Twitter account to provide up-to-date road information. We want to ensure that people who use our roads are as safe as possible. Through social media channels, the public can also contribute information, creating a community of safety that benefits everyone.



**\$500,000+**  
Targeted annual  
community donations



**\$150,000+**  
Funds raised through  
employee community  
initiatives



Harvey Seymour, 52-year employee

[see his story here](#)

# NEIGHBOURS

## CONTRIBUTING TO LOCAL COMMUNITIES

### Forests Forever: Innovation in Modern Forestry

Scheduled for its grand opening in 2019, the immersive and interactive exhibition, *Forests Forever: Innovation in Modern Forestry*, will inform and inspire. Located at the BC Forest Discovery Centre in Duncan, the exhibition profiles British Columbia's unique forestlands and how our industry sustainably manages a valuable and precious resource so everyone benefits. Recognizing the exhibition's educational value, Western was an enthusiastic early supporter and lead sponsor.

### Supporting forestry education

A 28-year veteran Western employee and passionate champion of the coastal forestry industry, the late Ray Robazza, RPF is not forgotten. In fact, we named our lead education award in memory of the man who mentored countless young foresters and engineers. To honour Ray's legacy, we offer two educational awards for the next generation of foresters, at Vancouver Island University and the University of British Columbia.

### Contributing to local economy

Western generates significant value in the areas in which we operate, including through tax payments, job creation, community contributions and the purchase of local goods and services.

Our partnerships with suppliers, contractors and services providers support local community economic development and employment across a wide base of industries. In 2018, our local procurement included the purchase of light vehicles, forestry and mobile equipment from dealers in Port Hardy, Campbell River and Nanaimo.



### Supporting logger sports

Many people in the communities where we operate are avid fans and competitors in traditional logger sports, and Western often supports their passion. We supply funds and volunteers, as well as wood, poles and athletes eager to test their skills.

In Port McNeill, Holberg, Campbell River, Powell River, Port Alberni, and Ladysmith, major competitions draw hundreds of athletes from across North America and around the world.





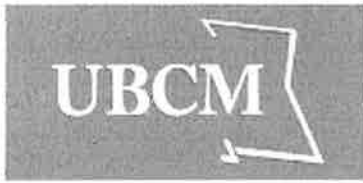
**Western Forest Products**  
DEFINING A HIGHER STANDARD™

**Please tell us what you think.**

This is the first Sustainability Report from Western Forest Products. As we advance on our journey, our reports will grow in scope, depth and detail.

[info@westernforest.com](mailto:info@westernforest.com)





## Promoting Local Economic Development

Mar. 27, 2019

Are you a community with a population under 75,000 and interested in attracting foreign entrepreneurs? The new BC Provincial Nominee Program (BC PNP) Entrepreneur Immigration – Regional Pilot may be of interest to your community.

The pilot is focused on attracting entrepreneurs to establish businesses in smaller communities. Participating communities will refer immigrant entrepreneurs to the BC PNP whose business concept aligns with the community's economic priorities. To date, over 30 communities are enrolled in the two-year pilot.

The program is open to communities until **May 1, 2019**. Communities enrolled by this date will be invited to an in-person orientation/training workshop that will take place in May/June 2019. Communities who enrol, complete the workshop and confirm their enrolment will be added to the list of participating communities and be able to make referrals to the BC PNP.

If you have any questions about enrolment, please contact the BC PNP.

### Follow Us On

- Twitter: @ubcm

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THE CITY OF VICTORIA



OFFICE OF THE MAYOR

March 13, 2019,

To Association of Vancouver Island and Coastal Communities Members,

I am writing on behalf of Victoria City Council, requesting favourable consideration and resolutions of support for the protection of old growth forests.

At the January 31, 2019 Council Meeting, Council approved the following resolution:

WHEREAS old-growth forest has significant economic, social and environmental value as wildlife habitat, tourism resource, carbon sink, drinking watersheds and much more;

AND WHEREAS old-growth forest is increasingly rare on Vancouver Island and current plans on provincial Crown land call for logging the last remaining old-growth forest, outside of protected areas, Old-Growth Management Areas, and similar reserves, over the next 10-20 years;

THEREFORE BE IT RESOLVED THAT the old-growth forest on provincial Crown Land on Vancouver Island be protected from logging, beginning with a moratorium and followed by amendments to the Vancouver Island Land Use Plan;

AND BE IT FURTHER RESOLVED THAT the Provincial government work with First Nations, local communities, labour organizations and industry to pursue a just transition and expanded economic opportunities through sustainable management of second-growth forests and value-added production of forest products.

We eagerly look forward to your support on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Helps".

Lisa Helps  
Victoria Mayor

cc. The Association of Vancouver Island and Coastal Communities (AVICC) Annual Convention

MARCH 25, 2019

To Mayor's Council  
Village of Hayward..

Secret Santa is a non profit, that provides assistance to local families, in the village and valley, during the Christmas season.. last year we helped out about 24 families.. Every year the need seem to increase..

I am writing to ask, as you go into budget deliberation, to consider Secret Santa for a donation..

Thank you

Sincerely

J Ballant

Tessa Ballentine

Hayward Secret Santa  
250-282-5564



## MAYORS REPORT – 04 Apr 19

As Mayor, I have a duty to Council, staff and the Village of Sayward. My duty to the VOS is at all times to do my best to represent VOS, and work for the good of VOS thru my dealings with the federal and provincial governments, other organizations, committees and staff.

I am not to be considered as the authority at Council meetings. My role is to lead (not dictate) and to be part of the decision-making process, where I will draw upon my experience and knowledge. I encourage all members of Council to bring forward (in writing) their ideas, visions and hopes for the VOS and Sayward Community as a whole.

If you want something on the agenda, please forward it to the CAO for the next available agenda. As chair of Council meetings, my role is to be your leader, maintain order, present information, and liaise with staff ensuring that Council's directions are followed. Policies and bylaws are submitted by staff at Council meeting and upon an affirmative vote, come to be the official Policies and Bylaws of the Village of Sayward. I have personally seen bylaws sent back to staff many times over the years before being approved by a Council or Board. Once Council adopts a bylaw or policy, it becomes staff's responsibility to monitor and enforce them.

There have been some items which I have not followed up on with staff. I have talked with staff and have come to conclude (with staff input) that the best way to have action items monitored for follow up, is to put things down as a motion and not as a directive staff. The reason being is that in accordance with Roberts Rules of Order, those items may not show in the official meeting minutes. Having said this, I would like the following motions brought forward and be part of the paper trail.

- 1) THAT staff liaise with Island Timberlands and create an MOU for VOS to use any and all Island Timberlands Forest service roads in a time of a called emergency for evacuation of the Sayward Community. This MOU was mentioned in the Projects Status Report prepared by our CAO and presented to Council at the March 5<sup>th</sup> regular meeting.
- 2) THAT staff liaise with Mid Island Co-op, Island Timberlands, Western Forest Products and Mainroad Inc, to create individual MOUs' for provision of fuel to VOS (Emergency Vehicles Only) during a time of a called emergency.

### A STORE

We should look at advertising internationally, as per presentation by Councillor Ives, and bring someone to our community to own and operate a Grocery Store/Coffee Shop in the Village. Waiting for the present owner is futile. I would like the following motion presented for discussion.

- 1) THAT in accordance with the Community Charter and other applicable provincial legislation, the Village of Sayward donate land (site to be determined) for an entrepreneur to build and operate a grocery store in the Village; and

THAT Council consider waiving certain fees and charges in place at the time in support of the project; and

THAT should Council be successful finding an individual to build and operate a store in the Village, that a Contract with that entrepreneur be put in place providing the entrepreneur with a timeline to get the store up and running; and

FURTHER THAT the Contract provide in principle certain conditions to ensure the continual operation of the business over a certain number of years, to be determined by Council.

#### ATV Bylaw

Over the past few months there has been much discussion on ATVs coming into our community and the ED/Tourism benefits that would result. A bylaw is required for safe operation of ATVs within the Village of Sayward.

It is not Council's responsibility to prepare Bylaws; having said that, it is most certainly Council's duty to pass along any information that would be of benefit for the production of a bylaw. I believe an ATV bylaw is needed and should be in place prior to the summer season; therefore, I would like the following motion put forward:

- 1) THAT staff prepare an ATV bylaw for the use of ATVs within municipal boundaries, and that the draft bylaw be presented to Council for discussion at the May 7, 2019 regular Council meeting.

#### COW

There needs to be a discussion by Council to ensure that not all tasks are falling upon one member of Council. Thru consultation with Councillor Ives, it is my opinion that we need a COW to work thru the initiatives presented to Council, and a quick review of our strategic priorities. I am convinced it will not take more than half a day. We could schedule a COW for maybe four - five hours to come up with some conclusions, review VOS strategic priorities and then invite Tourism Committee, SFS Board to attend for their input. I feel any day of the week, including a weekend would suffice. We would have lunch catered. I would like the following motion put forward.

- 1) THAT an In-Camera "Committee of the Whole" meeting be scheduled for \_\_\_\_\_ and that following rise and report of the in-camera, Sayward Tourism Committee Chair and Sayward Futures Board chair be invited to attend for their input.

John MacDonald

Mayor



## **CAO REPORT Regular Meeting**

**Prepared by:** Paul Carver, CAO

**Subject:** Strategic Plan and Projects Update – April 2019

**Meeting date:** April 3, 2019

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### **BACKGROUND**

Council should receive regular updates on strategic plan progress and municipal projects. This is the Progress Report for April 2019.

### **DISCUSSION**

The first section deals with Strategic Plan projects and includes who is to compete the project, how the project is measured and timelines. The second section outlines other projects which the CAO should keep Council apprised of and the final section deals with minor projects.

The work load column gives a general idea of work to be done, it should also give clues to where Staff time is being spent. Therefore, as new projects come up, consideration should be given to what is already approved and in the work plan. Said differently, the plate size is set unless we buy a bigger plate.

### **ATTACHMENTS**

- Strategic Plan and Project Update data spreadsheet (April 2019).

### **FINANCIAL CONSIDERATIONS**

In accordance with this report and attachment(s).

### **SPECIAL STATEMENT**

The data provided on the attached spreadsheet is not meant to be inclusive of all activities and projects on the plate of the CAO, nor does the list factor in the day to day operations of the CAO, nor include tasks that should not be made available in the public domain.

**RECOMMENDATION**

THAT the Strategic Plan and Projects Update Report for April 2019 prepared by the CAO be received for information.

Respectfully prepared,

A handwritten signature in black ink, appearing to read "Paul R. Carver". The signature is fluid and cursive, with a horizontal line drawn underneath it.

Paul R. Carver  
Chief Administrative Officer

Strategic Goals	Description	Lead	Measures	Progress	Priority	Work
1	<p>Work on building a strong co-operative relationship with residents of Sayward Valley (Village and Valley).</p> <p>a) Involve Area Director in service delivery issues for all valley residents.</p> <p>b) Mayor and Council to submit monthly update to Sayward News to help keep residents apprised of Village initiatives and goals.</p> <p>c) Work on improving our relationship with the K'omoks First Nation, regular communications, and ways and means to jointly promote Sayward.</p> <p>d) Work with the SRD on funding services jointly used by valley residents (recreation, fire and health).</p>	<p>Council, CAO and Staff - Invite Area Director to budget meetings and supply budget materials. Council committees engage all residents in meetings, tourism, trails plan and other projects.</p> <p><b>Council committees</b> - engage all residents in meetings, tourism, Trails Plan, WWP issues.</p> <p>Mayor, staff</p> <p>Mayor, Council, staff and K'omoks First Nation.</p> <p>Staff, SRD Staff, Council and Board SRD .</p> <p>Council, staff, valley, residents, TVI, Area Director, etc.....</p> <p>Tourism Committee, staff, valley, residents, TVI, Area Director, etc.....</p> <p>Council, CAO</p>	<p>Meetings invited and attended, info sent out, input received on all valley issues.</p> <p>Engagement opportunities, meetings attended.</p> <p>Staff to coordinate with Mayor and Council to disseminate information to the community.</p> <p>Engage and invite K'omoks First Nation to Council meetings. Organize a community to community forum.....</p> <p>New agreements which reflect fair share for valley and Village</p> <p>Progress made on identified issues.</p> <p>Progress made on identified issues.</p> <p>Progress made on identified issues.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>High</p> <p>Medium</p> <p>High</p> <p>High</p> <p>High</p> <p>High</p> <p>High</p> <p>High</p>	<p>Low</p> <p>Low</p> <p>Medium</p> <p>Medium</p> <p>High</p> <p>Medium</p> <p>High</p>
2	<p>a) Assist and support prospective businesses interested in locating in the Sayward Area</p> <p>b) Work with local organizations and the Tourism Committee to promote tourism and attract business investment to the Sayward area.</p> <p>c) Support and assist the owner of the Sayward Mall with the opening of the grocery store.</p>					

3	Infrastructure Upgrades & Asset Management	Be cognizant of Asset Management Plan and use it to identify projects for the Financial Plan.	CAO, CFO	Progress made on identified issues.	Ongoing 2019 and beyond	High	Medium
	Roads, Sewer and Water	a) Reapply for road grant (Kelsey Way & H'Kusam).	CAO	Projects completed.	0%	Low	Medium
		<b>Timing: Fall 2019</b>					
		b) Apply for grant for generators for lift stations and reapply if necessary	CAO, CFO	Grant application submitted.	100%	High	Medium
		<b>Timing: Spring 2019 - done</b>					
		c) Design, construct and complete dam decommissioning project. Grant funding has been secured for this project	CAO	Project completed	25%	High	High
	Equipment, vehicles	Identify issues from AMP reports	CAO, staff	Projects completed	75%	High	Medium
		<b>Timing: Spring 2019</b>					
	Recreation & other buildings	Identify short and long-term projects for Kelsey Centre and include in budget discussions	CAO, CFO, staff	Projects completed		Medium	Medium
		<b>Timing: All of 2019</b>					

	Approve reserve policy and update bylaw and integrate into financial plan	Adopt a formal reserve policy and include in future Financial Plan. Update reserve reserve bylaw. Recognize the need to plan for capital asset replacements in accordance with the Asset Management Plan.	CAO, CFO	Completion of policy and approval of bylaw.	5%	High	Medium
	<b>Timing: Summer 2019</b>						
4	<b>Living green</b>	a) Continue to pursue the goal of becoming a carbon neutral community.	CAO, CFO	Projects completed	Ongoing	Medium	High
		b) Continue to work with the Provincial Government and K'omoks First Nation to secure a community forest.	Council, CAO, KFN	Projects completed	5%	Medium	High
		c) Continue to develop the Village trail system.	CAO	Projects completed	Ongoing	Medium	Medium
		d) Continue to expand the Community Garden and flower gardens throughout community	CAO, Staff	Projects completed	Ongoing	Low	Low
	<b>Timing: All of 2019</b>						
5	<b>Staff Professional Development</b>	a) Ensure staff and Village volunteers receive adequate emergency management training and the Village has an emergency response plan in place.	CAO, CFO	Professional development taken and training attended.	Ongoing	Medium	Low

		b) Continue staff and volunteer professional development through various municipal and professional associations ensuring the Village continues to receive good value for the resources expended.	CAO		Professional development taken and training attended.	Ongoing	Medium	Low
		c) Institute a new employee performance evaluation system.	CAO		Professional development taken and training attended.	5%	Medium	Low
		<b>Timing: All of 2019</b>						
<b>6</b>	<b>Tourism Development</b>	a) Continue the Village beautification program, including upgrading signage, cleaning and painting Village buildings and structures, and enhancing the Village gardens.	CAO, staff		New signage and other projects completed. Repainting of Kelsey Centre and Fire Hall #1 planned for 2019.	Ongoing	Medium	Low
		b) Work with local organizations and the Regional District to enhance signage and the way finding in Sayward.	CAO, staff		New signage and other projects completed.	Ongoing	Medium	Medium
		c) Support and work with Tourism Committee.	Council, CAO		Projects completed.	Ongoing	Medium	Medium
		d) Research funding sources to dredge, aerate and rehabilitate the Village pond.	CAO		Project completed.	5%	Medium	High
		<b>Timing: All of 2019</b>						



7	<b>Village Operations</b>	a) Review and update Village internal policies and procedures. There are several policy and bylaw updates that need to be completed. Policies include: Personnel Benefits, Conflict of Interest, Criminal Record Search, Hiring, Annual Tax Sale, Permissive Tax Exemption, Respectful Workplace, Procurement, Bylaws include: Building, Zoning (cannabis), Reserves.	Staff for development, Council for approval	Policy and Bylaw approval. New Fees and Charges Bylaw and Business Bylaw completed.	10%	Medium	Medium
		b) Review the Village fees structure to ensure it is up to date and equitable including water, sewer, recreation, and other Fees and charges. New Fees and Charges Bylaw to be brought before Council.	Staff for development, Council for approval	New Fees and Charges Bylaw completed, which incorporate updated fees and charges for commonly used municipal services. Bylaw has been adopted by Council.	100%	Complete	Complete
<b>Timing: All of 2019</b>							
<b>Other/Past Issues/Projects</b>							
#	<b>Description</b>	<b>Comments</b>	<b>Progress</b>	<b>Complete</b>	<b>Priority</b>	<b>Work</b>	
1	Water Treatment Plant and Reservoir Project	Part one of Sayward's most important Village projects. This project is required to satisfy Island Health's 4-3-2-1 potable water requirements. Project budget 2.5 million.	Project under construction. Construction is expected to be completed by the end of March 2019. Statutory rights-of-way are in place with Island Timberlands. Awaiting invoice from Island Timberlands (25k) for the value of land covered under the terms of the right-of-way agreement and an invoice to reimburse Island Timberlands for their legal fees up to \$5,000.	85%	High	High	

2	Newcastle Creek Dam Decommissioning and Water System Improvements	The second part of Sayward's most important projects. This project is required to eliminate the seismic risk of the aging dam and to provide the new water treatment plant and reservoir with a defined water source. Owners of dam are required to do a Dam Safety Review once every 10 years.	Design complete. Awaiting permits from outside agencies. Require KFN approval. Meeting with KFN scheduled for April 10, 2019. Staff currently reviewing an unsolicited proposal for the construction work from a qualified contractor. Project has also been put out for public tender.	25%	High	High
3	2018 Financial Plan	Budget process underway and in discussion phase with senior administration.	Recreation Centre budget approved. Overall budget approved. Five Year Financial Plan and Tax rate Bylaws must be adopted by May 15, 2019.	50%	High	High
4	Sayward Volunteer Fire Department	Recruitment is a big issue and Review operating styles.	Work with Fire Chief on management issues. Volunteer numbers are down and need to be brought up. Will work with Fire Chief to achieve increased numbers.	Ongoing	Medium	Medium
5	Village Website	Website is fairly new with ongoing development.	Facebook page is complete and is being used on a consistent basis.	90%	Low	Low
6	Personnel File Set Up review	Secure personnel files in CAO Office.	Reorganize files for personnel, JD's, PA's, Offers of Employment etc. Rewrite JD's.	0%	Low	Medium
7	Mall Project	Revitalization tax credit was cancelled in 2018.	Remain in contact with mall owner and continue to work towards the opening of a grocery store.	Ongoing	Medium	Low
8	Infrastructure Intakes	Be aware of new funding intakes.	Identify and set priorities where/when required. Keep Council updated.	Ongoing	High	High
9	LGDE & CARIP	Complete annual reporting.	Plan to have LGDE complete by the end April, and CARIP by the end of May. LGDE must be in to province by May 15 each year.		High	Medium

		Community Forest	Details are many, process is well defined.	Project currently on hold. No funding in 2019 budget.	On hold	Low	High
10							
11		Working Waterfront Project	Village funding and grants in place - 2019. Total project budget \$517,500.	Project separated into two components, "Trail" and "Structures", with each component having its own contract with a separate contractor. Trail component is 95% complete. Structures component now underway, with completion by the April 2019.	70%	High	High
12		Cannabis Bylaw	Start process to complete a Cannabis Bylaw, involve community, get Council Direction	Background information compiled. Report will be presented to Council in April.	10%	Medium	Medium
13		Building Bylaw	Start process to complete Building Bylaw. Current bylaw is fairly new, but needs update.	Have reached out to Gold River and SRD to start the process, file created with draft bylaws. Need coordination to reduce legal costs and get synergy between SRD and our bylaw. Building permit and related fees have been updated and are now located in the Fees and Charges Bylaw.	5%	Medium	Medium
14		Annual Report	Produce Annual Report.	Complete report by the end of June and make available to the residents of the Village.	0%	High	High
15		Statement of Financial Information Report (SOFI)	Produce Annual Report - Deadline May 15, 2019.	Complete report and submit to the province by May 15, 2019.	0%	High	High
16		Local Government Data Entry Report (LGDE)	Produce Annual Report - Deadline May 15, 2019.	Complete report and submit to the Province by May 15, 2019.	0%	High	High
17		Policy Updates	Update Village policies.	Ongoing project.	Ongoing	Medium	Medium

18	Bylaw Updates/replacements	Update and replace Village bylaws.	Ongoing project.	Ongoing	Medium	Medium
19	Solid Waste Contract	Contract with Waste Management Services expired on December 31, 2019. Review and renew.		10%	High	Medium
20	Asset Management Review - Phase 2	Outside funding in the amount of \$30,000 (UBCM) is in place to complete Phase 2 of our asset management planning (buildings and equipment).	Project nearing completion. Draft Kelsey Centre, buildings and equipment assessment reports have been received. A final report will be presented to Council upon completion of project.	75%	High	High
21	Bylaw Enforcement	Enforcement of Village bylaws.	Ongoing project. Unsightly premises will be monitored heading into spring and summer.	Ongoing	Low	Low
22	Traffic Regulation Bylaw	Update of outdated Village bylaw.	Review unadopted bylaw, make changes as required, refer to MoTi for their approval. Then bring before Council for adoption.	15%	Low	Low
23	Fees and Charges Bylaw (new)		Bylaw completed and adopted.	100%	High	High
24	Business Licence Bylaw (replacement)		Bylaw completed and adopted.	100%	High	High
25	Ticketing Bylaw	Create new enforcement tool.	Review unadopted bylaw, make changes as required, then bring before Council for consideration.	15%	Low	Low

<b>26</b>	Sayward Road Vehicle Speed Reduction	The reduction of vehicular speeds on Sayward Road, between Kelsey Way and the Marina.	MoTi confirmed their approval is required prior to changing out speed control signage. Speed reduction approval has "now" obtained. Project has now been referred to MoTi's traffic department for implementation.	90%	Medium	Medium
<b>27</b>	Long-term Parking Concerns on Sayward Road	The elimination of overnight/long-term parking on Sayward Road, between Kelsey Way and the Marina. It is believed that long-term parking is having a detrimental impact on tourism along the waterfront.	MoTi confirmed their approval is required prior to installing new signage (no overnight parking). CAO has made that official request. Awaiting completion of MoTi's review.	25%	High	Medium
<b>28</b>	Sayward Road Watermain Extension	Following the devastating December 2018 major wind event which seriously damaged a private waterline serving a few large acreage properties along Sayward Road, Council was approached by several of those land owners at the January 22, 2019 regular meeting requesting to be provided with municipal water. Council instructed staff to report back with options.	Staff presented a report to Council on March 5, 2019. Letters have now been issued to subject property owners requesting written responses by April 15th to advise if they intend to proceed with the project.	75%	High	Medium
<b>29</b>	Public Nuisance Bylaw	Bylaw is currently sitting at third reading awaiting a review by staff of the noise component of the bylaw.	That review is underway.	60%	High	High
<b>30</b>	Log Sort Noise Complaints	Following a special council meeting last fall with representatives of Western Forest Products in attendance to answer questions, Western Forest Products was requested to take some of the ideas generated from this meeting back with them to see what could be done to reduce the amount of after-hours noise being generated from their operation.	After considerable follow-up contact with WFP, a letter was finally received from them. That letter was included on the agenda for the March 5, 2019 regular meeting of Council.	100%	High	Medium
<b>31</b>	Salmon Main Road	Work with the owner of the road to obtain a M.O.U. for use of the road in the event of a local emergency, such as what was experienced following the December 2018 major wind event.	Correspondence being prepared.	5%	Medium	High

32	Financial Software Conversion	The Village made the decision in 2018 to replace the current problematic financial software with a program called Mais. Mais is one of the top two software programs being used in local Government in BC. The other is Vadim. Funding for this conversion was included in the 2018 budget.	Project is nearing completion. It has however taken more time than was anticipated. Our CFO is coordinating this project.	90%	High	High
33	Community to Community Forum (C2C)	Locate outside funding options to schedule a Community to Community forum with the K'omoks First Nation.	Monitor outside funding programs.	0%	Medium	Medium
34	ICET Funding Agreement Extension - WWP Project	Obtain an extension of the funding agreement to the end of April to facilitate the completion of the structures component of the project.	Completed.	100%	High	Medium
35	Emergency Fuel Supply	Work with Mid Island Co-op, Island Timberlands, Western Forest Products and Mainroad Inc. to create individual MOU's for provision of fuel to VOS (emergency vehicles only) during a time of called emergencies.		0%	Medium	High
	Minor Capital Projects					
	Admin	Admin Office - Carpet and counter	Modify counter to better accommodate computer gear, carpets need replacement, may be mould.	On hold	Medium	Low
	Parks	Gazebo	Benches and concrete ramp.	On hold	Low	Low
	Parks	Trail Survey	This one can be rethought on best way to approach Sayward's trail issues, including asking for participation and funding from Area Director to produce a plan for whole valley/Sayward.	0%	Medium	Medium
	Parks	Trails Plan	As above	0%	Medium	Medium
	Works	MacMillan Camera work	Water intrusion into sewer lines.	0%	Medium	Low



**VILLAGE OF SAYWARD**  
**BYLAW NO. 447**

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**A BYLAW TO CONFIRM AND ADOPT THE 2019 – 2023 FINANCIAL PLAN**

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**WHEREAS** under section 165 of the Community Charter the Council for the Village of Sayward is required to adopt a financial plan before the annual property tax bylaw is adopted.

**NOW THEREFORE** the Council of the Village of Sayward, in open meeting assembled, enacts as follows:

1. CITATION: This bylaw may be cited as **“Five Year Financial Plan Bylaw No. 447, 2019”**.
2. Schedule "A" attached hereto and forming part of this Bylaw is hereby adopted and is the Financial Plan for the Village of Sayward for the period 2019-Jan-01 to 2023-Dec-31.
3. The expenditures set forth in Schedule “A” are hereby authorized.
4. Schedule “B” attached hereto and forming part of this Bylaw is hereby adopted and is the Financial Plan Objectives and Policies for Funding Sources and Distribution of Property Value Taxes.
5. Bylaw No. 437 cited as “Five Year Financial Plan Bylaw No. 437, 2018” is hereby repealed.

READ a first time on the 5<sup>th</sup> day of March 2019.

READ a second time on the 5<sup>th</sup> day of March 2019.

READ a third time on the 5<sup>th</sup> day of March 2019.

ADOPTED on the \_\_\_ day of \_\_\_\_\_ 2019.

Certified a true copy of Bylaw  
No. 447 this \_\_\_ day of \_\_\_\_\_,  
2019

\_\_\_\_\_  
Chief Administrative Officer  
Village of Sayward

\_\_\_\_\_  
Mayor John MacDonald

\_\_\_\_\_  
Paul Carver, Chief Administrative Officer

**Village of Sayward**  
**2019 – 2023 Five Year Financial Plan Bylaw No. 447, 2019**  
**Schedule A**

	2019	2020	2021	2022	2023
<b>REVENUES</b>					
<b>Taxation</b>					
Property Value Taxes	329,170	337,399	345,834	354,480	363,342
Parcel Taxes	8,910	8,910	8,910	8,910	8,910
Utilities/Payments in Lieu of Taxes	11,908	12,419	12,667	12,920	13,179
<b>Total Taxation</b>	<b>349,987</b>	<b>358,727</b>	<b>367,411</b>	<b>376,310</b>	<b>385,430</b>
<b>Fees and Charges</b>					
Recreation	28,170	28,414	28,663	28,917	29,176
Licences/Permits	2,500	2,500	2,500	2,500	2,500
Sewer Utility	64,272	66,511	68,829	71,227	73,710
Water Utility	110,157	117,819	126,018	134,790	144,176
Solid Waste Fees	33,807	35,497	37,272	39,135	41,092
Other Revenue	88,058	81,688	82,028	82,378	82,739
<b>Total Fees and Charges</b>	<b>326,964</b>	<b>332,430</b>	<b>345,309</b>	<b>358,948</b>	<b>373,393</b>
<b>Other Revenue</b>					
Federal Government Grants	70,515	71,925	73,363	74,831	76,327
Provincial Government Grants	392,000	399,840	407,837	415,994	424,313
Capital Asset Grants	2,501,260	1,800,000	250,000	100,000	30,000
Other Grants	64,425	5,000	5,000	5,000	5,000
<b>Total Other Revenue</b>	<b>3,028,200</b>	<b>2,276,765</b>	<b>736,200</b>	<b>595,824</b>	<b>535,641</b>
<b>Proceeds From Borrowing</b>	0	0	0	0	0
<b>Transfers Between Funds</b>					
Statutory Reserve Funds	0	0	0	0	0
Surplus/Reserve Accounts	705,344	20,000	160,000	0	0
<b>TOTAL REVENUE</b>	<b>4,410,495</b>	<b>2,987,922</b>	<b>1,608,920</b>	<b>1,331,082</b>	<b>1,294,464</b>
<b>EXPENSES</b>					
<b>Municipal Purposes</b>					
General Government Services	410,358	395,492	370,872	376,606	382,500
Fire, Emergency & Protective Services	81,401	50,335	48,808	50,157	50,107
Public Works, Roads, Drainage	99,646	101,501	113,424	105,418	107,489
Parks & Recreation	277,399	282,048	288,448	295,116	302,070
Sewer Utility	61,405	64,226	65,326	66,455	67,615
Water Utility	101,429	108,952	113,403	115,453	117,609
Solid Waste Operations	44,000	44,790	45,596	46,418	47,256
Interest Payment on Municipal Debt	2,930	2,930	2,930	2,930	2,930
Amortization	112,532	112,532	112,532	112,532	112,532
<b>Annual Surplus/(Deficit)</b>	<b>3,219,396</b>	<b>1,825,116</b>	<b>447,581</b>	<b>159,996</b>	<b>104,355</b>



**Village of Sayward  
2019 – 2023 Five Year Financial Plan Bylaw No. 447, 2019  
Schedule A, cont.**

<b>Capital Expenditures</b>					
General Capital Expenditures	104,750	1,425,000	410,000	100,000	30,000
Sewer Capital Expenditures	270,000	0	0	0	0
Water Capital Expenditures	2,821,854	395,000	0	0	0
<b>Principal Payment on Municipal Debt</b>	5,980	5,980	5,980	5,980	5,980
<b>Adjustment for Non-Cash Items (Amortization)</b>	-112,532	-112,532	-112,532	-112,532	-112,532
<b>Transfers Between Funds</b>					
Statutory Reserve Funds	0	0	0	0	0
Surplus/Reserve Accounts	129,344	111,668	144,133	166,548	180,907
<b>FINANCIAL PLAN BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Village of Sayward**  
**2019 – 2023 Five Year Financial Plan Bylaw No. 447, 2019**  
**Schedule B**

**Financial Plan Objectives and Policies for Funding Sources and Distribution of Property Value Taxes**

**A. Funding Sources**

Over the term of the plan funding sources as defined in S(165)(7) of the Community Charter are derived as shown in Table 1; amounts and proportions shown for fiscal 2019.

Table 1: Funding Sources, Fiscal 2019

Taxation	\$	349,987	7.94%
Fees, Charges & Other Revenue	\$	326,964	7.41%
Federal & Provincial Grants	\$	3,028,200	68.66%
Appropriation from Surplus/Reserves	\$	705,344	15.99%
	\$	4,410,495	100.00%

**Objectives and Policies:**

- Seek and identify alternative revenue sources.
- Reduce dependancy on taxation.
- Annually review proportion of revenue that is received from user fees and charges and increase rates as required.

**B. Distribution of Municipal Property Taxes Across Property Classes**

Over the term of the plan municipal property taxes are distributed across eight property tax classes as shown in Table 2; approximate amounts and proportions shown for fiscal 2019.

Table 2: Distribution of Municipal Property Taxes, Fiscal 2019

Class 1 - Residential		195,270	59.322%
Class 2 - Utilities		1,406	0.427%
Class 4 - Major Industry		-	0.000%
Class 5 - Light Industry		103,807	31.536%
Class 6 - Business & Other		20,738	6.300%
Class 7 - Managed Forest		4,645	1.411%
Class 8 - Recreation/Non-Profit		3,308	1.005%
Class 9 - Farm		-	0.000%
	\$	329,170	100.00%

**Objectives and Policies:**

- Tax rates are fully adjusted to eliminate the impact of changes in assessment due only to market changes as identified by the BC Assessment Authority.
- Attract and sustain commercial and industrial development to/in the Village.
- Maintain property tax rates at a level that attracts families and retirees to the Village.
- Council will continue to encourage economic development initiatives designed to attract more businesses to the area.
- Regularly review and compare the Village's distribution of tax burden relative to other small BC municipalities.

**C. Permissive Tax Exemptions**

The Village of Sayward believes that Permissive Tax Exemptions are an appropriate way to recognize the value of the services provided to the community by non-profit organizations. Exemptions are granted by Bylaw and are reviewed annually.

**Objectives and Policies:**

- Continue to provide permissive tax exemptions to non-profit societies that contribute social, economic and cultural benefits to the community.