
MINUTES

Forest Genetics Council—Meeting March 14, 2007

Location: Sandman Hotel - St Edwards Dr - Richmond BC

Attending: Sally Aitken, Mike Carlson, Dale Draper, John Elmslie, Frank Gundersen, Chris Hawkins, Gary Hogan, Scott King, Al McDonald, Bruce McNicol, John Phillips

Regrets: Mike Madill, Alvin Yanchuk, Joe Leblanc

Others: Roger Painter, Keith Thomas, Jack Woods

Guests: Brian Barber, Glen Dunsworth, Dave Kolotelo, Gerry Still, Michael Stoehr

Action Items

Responsibility	Action
Jack	Request input from TACS and researchers on forest genetics research priorities, and circulate a draft list to the FGC for comment. Give the final list to the FSB
Jack, Dale	Draft a letter to Jim Snetsinger recommending that he appoint Annette to Council
Jack, Dale, John E.	Bring a workable membership plan to the June FGC meeting for discussion.
Jack, Brian Barber	Send the Challenge Dialogue document to councilors for input and comment prior to next step in process

Summary of Motions Carried

1. **MOVED** (King / Hawkins): Minutes of the meeting held December 13, 2006 are hereby approved. CARRIED
2. **MOVED** (Hawkins / Carlson): Council accepts the CTAC recommendation to appoint Annette van Niejenhuis as CTAC chair, and will in turn make a recommendation to the Provincial Chief Forester for her immediate appointment to Council as CTAC representative. CARRIED.
3. **MOVED** (King / Draper): The GCTAC mandate is approved as presented. CARRIED.
4. **MOVED** (Hawkins / Gundersen): The FGC recommends that SelectSeed not move forward with the new orchard developments at this time, and that the SelectSeed budget have adequate funds for propagation for 550 ramets of Fdi PG and 2500 ramets of Pli PG low (from NE-high sources) that can be used for facilitated migration in the future. CARRIED.
5. **MOVED** (Draper / Hogan) that the 2007/08 FIA Tree Improvement Budget is approved as presented (in the above table). CARRIED.

Meeting called to order at 9:15 A.M. by John Elmslie (Co-Chair)

Agenda adopted as presented

1. Minutes December 13, 2006

1. **MOVED** (King / Hawkins): Amended minutes of the meeting held December 13, 2006 are hereby approved. **CARRIED**

2. Old Business and Action Items from December 13, 2006

Presentation on FGC to the Forest Science Board – see next item

3. Forest Science Board and / FGC interactions – Dale Draper

On behalf of FGC, Dale and Jack made a presentation to the Forest Science Board (FSB) in February. There were two primary objectives: 1) Information on FGC programs, and 2) Discussion on the process for developing genetics research priorities that may be appropriate for the Forest Science Program.

The FSB recognized the merits of the FGC providing them with research priorities that could be considered as part of their process of setting annual priorities. Information should be directed to the Timber and Sustainability Program Advisory Committee chairs. The applied nature of the FGC program was stressed, as was the point that life-science research is not be funded by the FGC, and is more the purview of the FSB.

Action Items: Request input from TACS and researchers on forest genetics research priorities, and circulate a draft list to the FGC for comment. Give the final list to the FSB (Jack).

4. FGC Membership (CTAC and First Nations) – Dale Draper, Jack Woods

a) CTAC Membership – Jack Woods

After seven years of capable leadership of the Coastal TAC, Dr. Sally Aitken has decided to step down from the position. The CTAC Chair is a voting member of Council who, appointed by the Provincial Chief Forester. It is up to Council to recommend a person to the Chief Forester. At the CTAC meeting of February 21, 2007, the CTAC unanimously passed a motion nominating Annette van Niejenhuis as the new CTAC Chair. Annette has kindly accepted the nomination, and is willing to take on the role of CTAC Chair.

2. **MOVED** (Hawkins / Carlson): Council accepts the CTAC recommendation to appoint Annette van Niejenhuis as CTAC chair, and will in turn make a recommendation to the Provincial Chief Forester for her immediate appointment to Council as CTAC representative. **CARRIED**.

Action: Jack and Dale to draft a letter to Jim Snetsinger recommending that he appoint Annette to Council.

b) First Nations - Dale Draper

On January 22, 2007, Deputy Minister Doug Konkin sent a letter to Chief David Walkem of the First Nations Forestry Council (FNFC), extending an invitation for FNFC participation on the FGC. The FNFC was formally established late in 2006, and hired a CEO (Linda Simon) in January of 2007. To date, the FNFC has been occupied with staffing and structural issues, and has not responded to the Deputies request. The Forest Science Board has actively pursued FN

membership over the last year, and currently has two FN members. A Dialogue Session between FN leaders and FSB members was held in Vancouver on February 27, 2007 (Jack attended). At this time we don't know if the FNFC will be interested in FGC membership. However, informal discussions between Jack and several FN representatives at the Dialogue Session suggest they will be interested once the FNFC is fully functioning.

Action: Dale, John E. and Jack to bring a workable membership plan to the June FGC meeting for discussion.

5. Genetic Conservation Subprogram Plan – Dave Kolotelo

The Genetic Conservation TAC (GCTAC) is developing a genetic conservation plan, as requested by Council in December, 2006. Progress has been made, but the complexity of the task requires more time. As there are no budget issues requiring immediate approval, it was felt that it would best to proceed in steps, and seek initial approval of a mandate that will provide a more clear scope for plan development.

The following mandate is proposed:

GCTAC Mandate:

1. Provide guidance and recommendations to the FGC on genetic conservation issues of indigenous forest trees.
2. Lead development of genetic conservation strategies and programs.
3. Provide guidance to the UBC Centre for Forest Genetic Conservation and to receive and review reports from the Centre.
4. Make recommendations regarding budget requests for the genetic conservation of indigenous tree species.
5. Bring together a wide range of expertise to address issues in genetic conservation.
6. Develop genetic conservation measures.

The GCTAC has also further developed the responsibility matrix that was presented at the Dec. 13, 2006 FGC meeting.

Performance measures are an important component of a plan, and should likely include linkage to genetic conservation status (e.g. % of Species * BEC zone combinations adequately protected) and/or some reporting of activities performed annually to increase genetic conservation. GCTAC also considered whether there should be different measures for 'commercial' and 'non-commercial' species. Michael Carlson suggested a third category; species that may not currently have commercial value but may be of value in the future. The potential for species that may have other social values not captured by the traditional commercial-non-commercial value was also discussed.

Ex-Situ Conservation

The GCTAC believes that ex-situ conservation measures are a needed and effective "insurance that must be coordinated with in-situ measures. At the present time, the Provincial Seed Centre has a dedicated gene conservation seed bank with over 8,000 samples. As 2007 is expected to be an exceptional seed production year in most of BC, a budget of \$25,000 is proposed for the 2007/08 fiscal year. Seed bank collection activities will be coordinated through the Provincial Seed Centre and guided by the GCTAC. There are some clear needs for ex-situ seed collections now (i.e. whitebark pine).

GCTAC activities carried out:

- a. Expanded membership to 10, and increased cross-committee input,
- b. operational component of plan developed,
- c. redefined mandate,
- d. assisting in developing a whitebark pine workshop and genetic conservation poster.

3. MOVED (King / Draper): The GCTAC mandate is approved as presented. CARRIED.

6. Response from Select Seed Board Regarding the FGC request for further orchard development - Glen Dunsworth (Board Chair) and Jack Woods

At the December 13, 2006 meeting, the FGC passed the following motion:

That orchard development recommendations proposed for SelectSeed Company Ltd. be forwarded to the SelectSeed Board of Directors with the recommendation that they add these new orchards to the SelectSeed Business Plan for 2007 / 08.

The following actions have taken place since December 13th:

1. Motion forwarded to the SelectSeed Board,
2. Business analysis on the three new orchards carried out,
3. Business plan and cost/revenue forecasts developed,
4. Board meeting to discuss the Business Plan and expansion of SelectSeeds orchard portfolio,
5. Orchard lists developed, scion collection carried out, rootstock obtained, and propagation agreements reached for about 9700 ramets for the three new orchards.

The SelectSeed Board conditionally approved the SelectSeed Business Plan presented to them by Jack Woods (SelectSeed CEO). The Board added the following note to the Business Plan:

At the February 26, 2007 meeting of the SelectSeed Board of Directors the following conclusions were reached regarding this Business Plan and the request of the Forest Genetics Council for SelectSeed to develop three additional seed orchards as described in the "Straw Dog"1 report:

1. *The new orchard developments requested by Council are a departure from the SelectSeed business objectives to achieve positive net revenue by 2012 and a positive return on capital employed by 2025.*
2. *The new orchard developments will increase investment risk for SelectSeed due to uncertainty associated with long-term seed demand.*
3. *The additional risk associated with these investments has the potential to place other FGC programs at greater risk (i.e. breeding programs), as the return of capital will be delayed and less certain.*
4. *The MoFR decision to establish additional orchards adds risk to orchard developments undertaken by SelectSeed in some seed planning units.*

As a result, the SelectSeed Board approved this Business Plan with the following conditions:

1. *The SelectSeed Board will communicate concerns to shareholders (the Forest Genetics Council), and advise Council that these new investments substantially change the investment risk for SelectSeed, delay the time at which SelectSeed will achieve positive net revenue, and increase the probability that SelectSeed will not be able to meet investment objectives.*
2. *SelectSeed will proceed with propagation for the new orchards, as this work is time limited and delays will even further increase investment risk, however, Council must understand that some or all of the propagation investment may be lost should a decision be reached to not proceed with the new orchards.*
3. *The SelectSeed Board will approve proceeding with the additional three orchard developments if clearly requested by Council, and if Council acknowledges and accepts that these new developments will increase investment risk*

for SelectSeed, may result in SelectSeed not achieving a positive return on capital employed, and have the potential to increase risk to other FGC programs.

Jack provided an overview of SelectSeed Co. Ltd. (SCL) for new FGC members, and highlighted financial forecasts with and without the proposed new orchards. The proposed new orchards would delay financial independence by 2 years to about 2014. In addition, budget draw from FGC-led FIA funds would increase for the next 7 years, potentially reducing funds available for other subprograms.

Glen Dunsworth reiterated these concerns, and added that the SCL Board felt investments in an uncertain future seed need were risky; particularly if wild seed is available. He stressed that it is the Board's role is to flag issues and concerns to its shareholder (FGC).

The cost of deferring the orchard expansion decision for one year would be maximum of \$65 000 for grafting that may not be needed.

Glen and Jack excused themselves from the room.

Michael Carlson commented that another year to better understand facilitated migration would be helpful. Chris Hawkins pointed out that seed-need will be informed in the next year by research on natural and advanced regeneration in MPB-killed stands.

4. **MOVED** (Hawkins / Gundersen) The FGC recommends that SelectSeed not move forward with the new orchard developments at this time, and that the SelectSeed budget have adequate funds for propagation for 550 ramets of Fdi PG and 2500 ramets of Pli PG low (from NE-high sources) that can be used for facilitated migration in the future.
CARRIED.

The FGC thanks SCL for their analysis of the orchards and values their input into the discussions. The FGC will continue analysis of the information brought forward by SCL to allow more informed discussion at a future FGC meeting.

Jack Woods rejoined the meeting

7. Subprogram Budgets and Business planning for the 2007/08 (FIA ongoing, and Incremental)

FIC expectations and process:

The FIA allocation from the Forest Investment Council (FIC) for the 2007/08 fiscal year is \$5.67 million. This is a \$200,000 reduction from 2006/07. The budget is subdivided as follows:

\$4.37 million Ongoing

\$1.3 million Mountain Pine Beetle Incremental

Budget allocations shown below include requested amounts and final approved amounts (if different). Agenda handouts contain more detailed information on subprogram budgets. Also see the budget table below.

a. SelectSeed :

The SelectSeed annual business plan was reviewed and conditionally approved by the SelectSeed Board on February 26, 2007.

Projects:

See pages 10 and 11 of the Business Plan for long-term cash flow forecasts. Work includes:

- contract management of 14 seed orchards
- management services for the FGC

- business and financial obligations for SelectSeed Company, and for the BC Forest Genetics Society

SelectSeed budget request for 2007/08 is:

FIA funded amount (Ongoing plus Incremental)	\$869,000
Seed sale and investment income	63,000
Total planned expenditures	\$932 000

b. Genetic Conservation – Dave Kolotelo and Sally Aitken

Sally provided an overview and fiscal 07/08 budget request of \$300,000, including \$220,000 for CFGC activities, \$30,000 for ex situ seed collections, and \$50,000 for a study on seedlot response to climate variables. This budget request was previously approved by the Gene Conservation TAC. A total budget of \$295,000 was approved.

c. Operational Tree Improvement Program – Roger Painter

103 OTIP proposals were received province-wide; 89 were approved by review committees. Some projects had budgets reduced. Total recommended budget is \$869,763 less \$44,000 (risk managed) = \$825,763. This budget was approved.

d. Pest Management – Jack Woods (for Robb Bennett)

Jack Woods presented the program and the budget request previously approved by the Pest Management TAC. The original request was for \$405,120; approval was given for \$401,000.

e. Gene Resource Information Management – Brian Barber

Brian Barber provided an overview and a budget request totaling \$140,000, including \$30,000 for the GRM Challenge Dialogue. This was reduced to \$130,000, with the Challenge Dialogue component remaining at \$30,000.

f. Tree Breeding Michael Stoehr (for Alvin Yanchuk)

Michael provided a summary of breeding program budget needs. Program highlights include selections for 3rd generation orchards in coastal Douglas-fir, and work to develop deer-resistant redcedar. A total budget request of \$2.525 million was subsequently reduced to an approved budget of \$2.403 million, including a salary component of \$1.124M.

g. Extension – Roger Painter

An Extension budget presented by Roger Painter was previously approved by the Extension TAC. The original request of \$126,000 was reduced to \$122,000 by the FGC, and includes a salary component of \$85,000.

h. Incremental Projects – Jack Woods

Incremental projects not included in budget items listed above are as follows. Process is also summarized.

Project	Process	Budget (\$x1000) requested/approved
Applied Tree improvement and Biotechnology (UBC)	Steering Committee approval	\$266.8 / \$257
Cone induction and Crop enhancement (UVIC)	Steering Committee approval	\$143.4 / \$143.4
UNBC Post Doctoral Fellowships	FGC Subcommittee	\$150 / \$150
Multi-Species Trial Michael Carlson	MoFR breeder review	\$25 / \$19
		\$585.2 / 569.4

8. Overall FIA Budget Discussion and Recommendations – Jack Woods

Following discussions the following final budget was approved.

Final approved 2007- 2008 budget recommendations (\$ x 1000). Ongoing FIA funding support is listed separately from Incremental MPB FIA funding support.

Program	Ongoing	Incremental	\$ (1000's)
Orchard expansion (SelectSeed)	835	34	869
Genetic Conservation	250	45	295
Operation Tree Improvement Program	732	93	825
Pest Management TAC	300	101	401
Gene Resource Information Mgt.	50	80	130
Tree Breeding	2,038	365.6	2403.6
Extension	122	0	122
Incremental Projects (see table above)	0	569.4	569.4
Admin	43	12	55
TOTAL	\$4,370	\$1,300	\$5,670

5. **MOVED** (Draper / Hogan) that the 2007/08 FIA Tree Improvement Budget is approved as presented (in the above table). **CARRIED.**

9. MoFR Orchard Seed Pricing – Dale Draper

Dale reported that the Ministry will not initiate a price change increase during the 2007/08 fiscal year, and reiterated that the MoFR does wish to be a price leader with respect to tree seed.

10. Challenge Dialogue Update – Brian Barber

Brian Barber presented an update on the Genetic Resource Management Challenge Dialogue.

Sponsor:

- Jim Snetsinger, Chief Forester, MoFR

Co-champions:

- Dale Draper, Director, Tree Improvement Br.
- Alvin Yanchuk, Mgr, Forest Genetics, Res. Br.
- John Elmslie, Industry Co-chair, FGC
(represented by Jack Woods)

Project Management & Support

- Brian Barber, TIB
- Keith Jones and Associates

Purpose: to have a dialogue with GRM Community of Practice (COP) and stakeholders to create a collective vision and strategy for GRM that is consistent with sustainable forest management (SFM) and aligned with the Chief Forester’s Stewardship Framework.

Expected outcomes

1. Better understanding of GRM in SFM among the COP and stakeholders.
2. Identification of gaps and opportunities to respond (and support) current and future issues and SFM initiatives.
3. Alignment and shared ownership of GRM vision and goals.
4. Improved partnerships and strengthened leadership within and between MOFR, FGC and other key GRM stakeholders.

Next Steps

- Solicit feedback
- Consolidate and summarize comments
- FGC/COP workshop
- GRM Vision and Strategy – June 12
- Establish linkages with other initiatives (FFEI, Coast Strategy, etc.)
- Address other issues raised by COP

Action: Brian Barber and Jack Woods to send the Challenge Dialogue document to councilors for input and comment prior to next step in the process

11. Coastal Futures Strategy – Brian Barber**Purpose:**

- Increase cost competitiveness and investment in the coast forest industry
- Facilitate transition from old growth to second growth
- Explore options – tenure, AAC partitions, silviculture

Terms of Reference:

- Determine productive capacity of the coastal THLB.
- Determine potential volume and economic gains thru Tree Improvement, Fertilization and other treatments.
- Develop options for intensively managing second growth stands (with a positive ROI)
- Develop a transition strategy from current 2nd growth stands to a future desired state.

Results and Direction:

- \$400k/yr FIA funds approved for at least 3 yrs. for incremental TI activities.
- Administered by TIB - in accordance with a “FGC strategy”
- Funding and expenditures to be tracked and reported separately from other MoFR and FGC programs (e.g. FIA Tree Improvement Program)
- Will be used for increasing capacity (e.g. MoFR salaries) as well as operations

Brian will continue to draw upon the expertise of FGC members and committees, and keep the FGC informed on how the initiative progresses.

12. New business - None

Meeting was adjourned at 4:05 P.M.

Next meeting: June 13, 2007

Minutes recorded by Keith Thomas and prepared by Jack Woods

