

**Minutes of Community Information Forum (CIF) Meeting
North Coast Convention Centre
Wednesday, April 26 2017
5:00 p.m. – 6:30 p.m.**

Members present

Sarah Dantzer
Luanne Roth
Mark Rudderham
Ken Shaw
Brian Musgrave
Christine Danroth
Dan Harris
Sheila Gordon-Payne
Harry Young
Bill Mounce

PRPA staff Present

Ken Veldman
Charlene Hamilton
Brittany Pederson

Regrets

Don Scott
Michal Sluka
Ken Lippett
Peter Freeman
Bob Payette
Henry Clifton
Ralph Weick
Dan Harris
Mike Slubowski
Richard Mellis
Sebastian Paquet

1. Call to Order

Ken Veldman called the meeting to order at 5:04 PM.

2. Last Meeting

- **Minutes**

The March 29, 2017 minutes were circulated and accepted as presented.

Business arising from the minutes:

- **PNW LNG/Lelu Island:** Shell has abandoned their project on Ridley Island, and PNW LNG is considering different berthing options on Ridley, but have not made a decision to advance a formal site investigation program as part of their capital review at this time.
- **Port of Prince Rupert Environmental Programs:** Jason Scherr presented at the last meeting on the Port of Prince Rupert's Environmental Programs.

Q: Nitrous Oxide emissions and the annual inventory for POPR. How can a reduction by 31% of Nitrous oxide be possible?

A: In the period referenced, tonnage increased, and intensity of emissions per tonne decreased. Vessels are carrying more, so emissions per tonne are going down. There was also a decrease in rail Nitrous Oxide emissions which contributed to this overall decrease in percentage.

Q: At the Westview Wood Pellet Terminal, ships are loading 24/7: Can the port supply how much emissions are let go in that facility? A lot of fuel is burned per day, is that true? It's concerning how close it is to a residential area.

A: Individual terminal emissions are not monitored. Annual inventories record broader emissions view instead of per ship, per terminal. While shore power would reduce emissions related to fuel consumption, bulk vessels aren't utilizing that technology.

Q: Is there anyone using shore power yet?

A: Yes, at the container terminal. Shore power is not currently functional during expansion but will be recommissioned after.

Q: Are any of the new container ships powered by LNG?

A: While some domestic carriers (i.e. BC Ferries) are considering LNG, the global container fleet is not using LNG, and implementation would require a new fueling infrastructure being put in place globally.

- **RayMont Logistics:** Raymont is establishing a container stuffing facility for Canadian agriculture foods (soybeans, lentils, peas, etc.) and specialty crops on

Ridley Island, and represents an activity with high growth potential (i.e. “value added” logistics service at the port). This terminal will expand upon our logistics services, export opportunities, and transloading opportunities. This will be our fourth logistics facility established in Prince Rupert. The terminal will employ around 40 people in the community, and will help to expand our market reach into other areas in BC as well as Western Canada.

Q: What is the associated timeline with this terminal?

A: They expect to be up and running by September, 2017.

Q: What does investment, and labour look like for a terminal of this size?

A: Raymont’s capital investment is relatively low, likely less than \$10. There will be a seasonal aspect to the labour force that coincides with the agriculture harvest season, but will employ around 40 terminal operators.

Q: How much acreage are they using for this facility?

A: This terminal will be relatively small, about half the footprint of Westview, for example. It is located on the South end of the RRUC loop on Ridley Island.

- **Cruise season:** First cruise call is May 19th. It will be a busy season with 25 vessels, and 15,000 passengers this year. The vessels stopping will be higher end vessels, with around 6-800 passengers, and are a good fit for our Shore excursion programs and our operators. The last call of the year is October 1st.

5. **New Business Roundtable:**

- a) **Fairview oil sheen reports:** The Northern View reported that a public source had identified a sheen of oil in the Fairview Terminal area, with speculation that the source was the Fairview Expansion site. Coast Guard investigation determined that the source was not the construction site, but rather a repeat offender from a derelict vessel at the Small Craft Harbour marina. The spillage was estimated to be half a litre of fuel into the water, creating the sheen, and was responded to with absorbent pads.
- b) **AltaGas Propane Export project update:** The demolition of the Sulphur tanks at the Altagas propane export terminal site is underway, and the the first storage tank has been successfully removed. The labour camp for this project in Port Edward, operated by Land Sea, is expected to be open May 1st. The camp can host approximately 200 workers at capacity. AltaGas is launching an "Operator Training Program" to target the varying occupations they will require for their terminal, and to provide local jobs as much as possible.

- c) **Fairview Container Terminal Expansion Update:** The 3 Malacca Max cranes for the container terminal expansion are expected to arrive in the mid-May. (Malacca Max are cranes that can service a 20,000 TEU vessel as opposed to what we currently have which can handle 12-13,000 TEU vessels).

Q: Does the group think there would be a lot of interest/appetite in the community for this?

A: From a student perspective there might be a lot of interest. This would bring some positive exposure to the terminal and the Port as a whole, to show that expansion and growth is happening right now. Live cameras would be a great element, as far down as Mariners Park. If the Port could charter the Inside Passage from WCL to bring students down to the terminal along the water, that would be an interesting element.

Q: Will public interest in the arrival (and pleasure craft viewing) impact harbour traffic and would that impact the whales and marine mammal life?

A: Harbour policies and procedures will apply but will follow up to ensure that potential is considered.

Q: Is there interest in the whole story of the cranes (ie: how do they get here, unloaded, onto the dock and assembled?) The arrival of the crane symbolizes the almost completion of the expansion, and the celebratory event to follow (Fairview 10 year anniversary and expansion community celebration)

A: There would be interest if it's done right. If it's done on a larger scale, it will bring good profile and publicity to our terminal. It's a good news story worth sharing. Perhaps involving media is appropriate also.

Q: It is reported there is construction happening on the South end of the dock, what is that for?

A: From Sarah Dantzer of FRPD-BEL: Site prep is ongoing to give the boats more space for when there are 2 vessels alongside and to get it ready if the Southern expansion were to proceed. Since the contractors are there and available to start right now, the work has begun in the event that it should proceed in the future.

- d) **Atlin Terminal Office Expansion:** The Atlin Terminal expansion and renovations will be beginning soon. POPR will be expanding its offices into the area currently leased to the Ice House Gallery and Bell Media. One of the project's objectives will be to accommodate the growing Port staff in one location (currently have teams at Royal Plant and soon at Ocean Centre.) We will be breaking ground in early October.

The tenants have been notified, although the project has not been announced publicly. The Ice House has been in the building for many years, and we've discussed how we can facilitate the Artists Coop move to a new location. Our team is split into 3 or 4 different locations, so creation of one centralized office space is essential for our organization and will assist in bringing us all together.

Q: Why is the Port using prime space (ie: waterfront) for office space (when it could be used for retail) instead of using existing office space in the City?

A: Multiple locations were investigated as alternatives (including 3rd Avenue and building new in Cow Bay), and this was deemed to be our best and most cost effective option. In the larger context, the Port's Cow Bay development plan would add multiple areas for retail space and public access. The Atlin Terminal parking lot beautification is an example of investing into this concept. In addition, ensuring the Gallery is operating through this summer's cruise season was taken into consideration in the project construction timeline.

Q: Will the parking lot be designated strictly for Port employee parking?

A: No, it will remain much the same as it has been, and will provide parking for public patrons of Cow Bay.

Q: Can the Ice House return when renovation is complete?

A: It is possible they could return to Atlin Terminal, although perhaps not the same space. That will likely be a decision for Artists Coop after they have established in a new location, but we have discussed that potential with them.

Q: Will the Interpretive Centre and Visitor Centre move as well?

A: Not at this time. We will be refreshing that space now that we know we are staying in the area for a few more years to come, at least. It's a good fit for us, over 20,000 people were hosted in that space last year alone. This year we are expanding our visitor services in and outside of the centre (including a mobile visitor team to be out in the community during events and the busier days in Prince Rupert).

e) Local Government Taxation

Q: What is the Port's response to the Mayor's speech at the last Chamber luncheon regarding the property tax cap on terminals?

A: The property port tax cap was put in place by the Provincial government over 10 years ago to ensure mill rates on port terminals were competitive. (The tax cap only applies to terminals, not logistics services or unleased port property). The province compensated affected municipalities through an annual grant equal to the gap in tax

revenue at that time. While the City has seen the overall industrial tax base and associated revenues grow over the last decade, they have expressed its frustration with the impact the cap on mill rates have had on their financial planning—i.e. industrial assessments tend to decline with depreciation and mill rates can't be raised to keep dollars constant in that situation.

f) **Ridley Connector Road**

Q: Are there any updates on the Ridley Connector Road?

A: There are no updates at this time. The final criteria for the federal government's Build Canada Infrastructure fund likely won't be in place until the fall. However, we are confident the project will meet criteria, and are ensuring the project is "shovel ready" when that time comes. We still hope to break ground before the end of the year, if circumstances allow.

g) **Softwood Lumber Agreement and Thermal Coal**

Q: The Softwood lumber issue is active again, as well as the Province of BC proposing to not allow thermal coal from the US to be exported through the ports. How will that affect us?

A: The Premier has asked the federal government to consider a ban on shipping thermal coal as a retaliatory measure for softwood lumber tariffs. Prince Rupert has not shipped US based coal (through RTI) since 2014, but we currently export about 2 million tonnes of Canadian thermal coal on an annual basis. It's traditionally a smaller percentage of coal exports when metallurgical coal is active, but in down cycles like the last two years it has represented an alternative volume that has kept RTI operating. We're continuing to monitor reaction to that policy suggestion.

h) **Propane Exports**

Q: Is the propane all rail based, for AltaGas?

A: Yes. The only current pipeline projects in our portfolio are the proposed LNG projects.

i) **Future Container Terminal Expansion**

Q: Is the port considering a northern expansion of Fairview Container Terminal into the harbour instead of southern?

A: DP world is currently assessing future market demand before they determine incremental future expansion plans and specific project design related to that. It's possible that northern expansion could be accommodated subject to a variety of conditions, but the bulk of future expansion would still be expected to be south.

6. Next Meeting

a) **Next meeting date** – Wednesday, May 24 2017 at the North Coast Convention Centre. (Note: Subsequently moved to May 31 2017)

Meeting adjourned at 6:33 pm.

DR