

**Minutes of Community Information Forum (CIF) Meeting  
Breakers Pub Loft  
Wednesday, September 16th, 2015  
5:00 p.m. – 6:30 p.m.**

**Members present**

Brian Musgrave  
Luanne Roth  
Ken Shaw  
Michal Sluka  
Sheila Gordon-Payne  
Dan Harris  
Ken Lippett  
Richard Mellis  
Mike Slubowski  
Harry Young  
Bill Mounce  
Don Scott

**PRPA staff Present**

Ken Veldman  
Char Hamilton

**Regrets**

Ken Minette  
Ross Wilson  
Henry Clifton  
Nancy Wilson  
Bob Payette  
Bob Blain  
Peter Freeman

**1. Call to Order**

Ken Veldman called the meeting to order at 5:00 PM.

**2. Last Meeting**

- **Minutes**  
The June 24<sup>th</sup>, 2015 minutes were circulated and accepted.
  
- **Business arising from the minutes**

- i. In followup to security conversation, Members noted the new website does not have an easily accessible 24/7 emergency phone number that is easily found. Veldman agreed with its value and committed to ensuring it was added.

**RECOMMENDATION: That a 24/7 emergency phone number be added to the front page of the website.**

- ii. It was noted that Members' question from last meeting regarding a vessel in the vicinity of Westview sounding its horn (around June 22) has been answered in the minutes (i.e. close quarters situation with fishing vessel, but without incident).

### 3. Roundtable

- **FAIRVIEW TERMINAL SALE TO DP WORLD**
- Veldman noted that Industry Canada has noted its approval of the sale from Deutsche Bank to DP World on its website. PRPA expects that there will be little change to operations in the near future.
  
- **INTRODUCTION OF MAERSK TO PORT OF PRINCE RUPERT**
- Veldman noted that Maersk Shipping will be introducing its 'TP8' container shipping service to Fairview Container Terminal as of the end of September. This is the first non-CKYH alliance vessel to commit to Prince Rupert service and is a very positive addition to the Cosco and Hanjin services. Notably, the TP8 will expand Prince Rupert intermodal market reach into several new Asian destinations for imports and exports, including Malaysia, Russia, Hong Kong and Singapore. The service's volume will be limited until Fairview Expansion construction is complete in 2017.
  
- **FAIRVIEW EXPANSION – CONTRACTING DISPUTE**
- Veldman noted that local First Nations joint ventures have not been awarded any subcontracts to date related to Fairview Expansion, in spite of their preferred contracting status. Unfortunately, the bids from local First Nations joint ventures have been found uncompetitive, and the FRPD-Bel JV (Fairview prime contractor) has elected to award the contracts to date to other contractors (including northwest BC company Bear Creek Contracting.) Local First Nations have contended that the Fairview Benefit Agreement has not been applied properly, and their concerns remain an ongoing issue of disagreement (although public demonstrations related to the issue have ceased.)
- Members noted that many local First Nations people firmly believed that the contracting work was guaranteed, and their depth of conviction had led them to make plans to take advantage of that, such as job training.

- Members expressed concern that this contracting issue has the potential to harm the larger relationship with local First Nations, which may impact their participation in future port developments. Concern was also expressed that disputes related to First Nations also have potential to harm the region's ability to attract future investment.
- In further discussion regarding the benefit agreement, Veldman noted that preferred contracting relating to Fairview expansion were just one part of the larger benefit agreement, which also included the sole source contracting opportunity related to the RRUC (among others). The goal of the benefits agreement is to ensure that First Nations interests are accommodated through sharing a direct commensurate benefit in the expansion beyond just employment opportunities for First Nations members. PRPA remains committed to that goal, and will continue to discuss alternative ways to achieve that in a manner that also maintains overall port competitiveness.

- **PNW LNG PROJECT/LELU ISLAND OCCUPATION**

- Veldman noted that PNW LNG continues its site investigations as part of its project planning work, including a fall program that will involve borehole drilling for core samples, environmental work, and other data. All (elected) local first nations have been engaged in consultation, have approved the investigatory work, and will be engaged in monitoring the work. PRPA, as per its mandate, has approved the work to proceed (noting it is not the beginning of construction.)
- An occupation of Lelu Island has started that appears to be in opposition to the PNW LNG project. PRPA's primary role is ensuring that protest activities do not endanger contractors' or protestors' lives or properties. In spite of a few reckless activities that have occurred, investigatory work is continuing.
- Members expressed concern as to how the occupation and related activities could impact the effective process of the environmental assessment.
- Members expressed concern regarding the ability of the regulatory agencies to ably assess the validity of scientific and technical information as it applies to the project and the surrounding marine environment. Veldman agreed to provide additional background information as it applies to the background research.
- Members expressed interest in the practical potential of PNW LNG to find alternative sites. Veldman noted that PRPA does not have alternative available federal crown land within its jurisdiction that would be available and suitable for LNG development. BG Group's rights to develop an LNG site on Ridley are secured for a significant period of time, and are not available to be summarily transferred by PRPA or any government. It was noted that alternative project sites would likely

constitute a new project, and would likely require a restart of the project development process and environmental assessment process.

- **HIGHWAY 16 INFRASTRUCTURE INVESTMENTS**

- Members' expressed interest in PRPA's view of the July announcement to eliminate the Highway 16 grade-level rail crossing between Terrace and Prince Rupert. Veldman indicated that the intersection had not proved to be a major rail fluidity issue currently, but investment into future corridor capacity is considered to be a positive impact for cargo flows and vehicle safety.

- **PORT SHORE RADAR INVESTMENT**

- Veldman noted that the federal government committed \$3 million to invest into shore radar for the north coast. PRPA will provide the remaining required investment funds. The system will be installed and operated by the Canadian Coast Guard. This investment will provide a significant upgrade to both navigational safety and port security, especially when considered in combination with the existing Automated Identification Society (AIS). Shore radar is considered by the Port to be its top priority for improving navigational safety of approaches and harbour, and is a key part of future planning on the marine side.
- Members expressed interest in potential employment impacts of the shore radar system (e.g. Coast Guard, RCMP). It was noted that employment impacts would likely be minimal as they directly relate to the system, but the shipping volume it contributes to enabling is the primary driver of employment needs. (It was also noted that Coast Guard has recently grown its local employment significantly, due to the consolidation of MCTS stations on the mid and north coast from Tofino and Comox to Prince Rupert.)

- **RRUC RETURN ON INVESTMENT/CANPOTEX**

- Members expressed concern regarding the development of the RRUC and its expected use by future terminals. Veldman noted that the delay of the Canpotex terminal investment has impacted the initial utility of the RRUC, and all of the RRUC's investors would like to have seen a more immediate uptake of the RRUC. It was noted that the RRUC is being used as part of the project cargo offloading facility's operations, as well as a storage area for CN assets. However, the primary role of the RRUC is to facilitate the planned, practical future development of Ridley Island as a whole, which it will do as Port growth continues, and timeline risks are recognized as a part of that.
- Members discussed the potential of Canadian potash capacity expansion and its potential impact on Canpotex terminal sitings.

#### **4. Next Meeting**

- a) **Next meeting date** - Wednesday, October 21, 2015
- b) **Fall meeting dates (Note: Beginning in December, the meeting venue will cease to be Breakers Pub Loft.)**
  - a. Wednesday, November 18, 2015
  - b. Wednesday, December 16, 2015
- c) **Potential Fall Meeting Topics**
  - a. DP World introduction
  - b. Public Waterfront development
  - c. Environment Canada overview of roles and responsibilities

Meeting adjourned at 6:37 pm.