



Staff Report to Council - for Direction

Title: 10-Year County Forest Inventory - Financial Request

From: Adam Stanley, Director of Transportation and Environmental Services

Date: May 2, 2024

Staff Recommendation:

That Council approve the transfer of funds from the Tax Stabilization Reserve to fund the 10-year Bruce County Forest Inventory in the amount of \$120,000.00; And

That Staff be authorized to enter into an Agreement with FSmith Consulting Inc. to undertake a 10-year forest inventory of Bruce County owned forests.

Report Summary:

The County Forest Management Plans, which had a 20-year duration, lapsed in 2021, necessitating the development of new plans. Some work has been completed but the plan requires a comprehensive forest inventory to assess the health and economic value of the timber resources, which are essential to the long-term sustainability of our forests.

Through a recently completed Request For Proposal (RFP), staff evaluated four (4) bid submissions.

Through the evaluation process FSmith Consulting Inc ranked as the second highest compliant bidder but had the lowest price of \$95,905.28 plus applicable taxes. Given the close ranking and the potential cost savings, staff are recommending that FSmith Consulting be awarded the work.

Background:

The County is responsible for the care of over 11,000 acres of forests that are separated in varying tract sizes and are located throughout the County. Prior to the year 2000, County forests were managed by the Ministry of Natural Resources and Forestry (MNR) and then subsequently shifted back to the County to manage and maintain. In 2001, 20-year Forest Management Plans were developed that would guide staff to manage forests in a sustainable manner.

New Forest Management Plans were due in 2021 and staff are working to update the plan. Approximately 35% was completed in 2023 as reported on the 2023 Q4 Business Plan update. A pivotal component of the plan requires a comprehensive undertaking of a 10-year forest

inventory to assess the health and economic value of the timber resources. This inventory will serve as a foundational component feeding into the 10-year harvesting operations plan. The rationale behind the full-scale inventory lies in the recognition of the gap since the last assessment, spanning almost 25 years. This extended timeframe, coupled with the imminent threat posed by invasive species and other forest conditions prompted the need for an updated inventory to determine the ecological health of the forest, which will be an important tool for ensuring the long-term sustainability of the forest ecosystem.

A report recommending that the forest inventory be completed through a single source was presented to the Council on March 7, 2024, and defeated. At the direction of Council, staff were tasked with exploring alternative options to complete the work utilizing a competitive bid process. To facilitate this, a request for proposal (RFP) was initiated by County staff to determine costs associated with the inventory. Over a three-week period, a total of four bids were received, each highlighting their respective abilities to successfully complete the work.

This investment is deemed necessary for acquiring data essential for forest management strategies. Postponing the inventory for an additional year would have a notable effect on forest revenues, leading to potential losses in revenue in the coming years. This is the reasoning behind the urgency to address this matter within the 2024 budget cycle.

The County originally took on ownership of these lands in the 1930s as “agreement forests”. The Bruce County Agreement Forest has its roots in the Counties Reforestation Act of 1927. Under this Act, the Counties purchased lands with the assistance of the province and the Department of Lands and Forests (currently the Ministry of Natural Resources and Forestry) provided professional forest management expertise until the year 2000. This was a significant milestone for the County when it took over the management of its own forest tracts. Subsequently, comprehensive 20-year forest management plans were devised to effectively oversee these wooded areas.

Since the inception of the Forestry Program, the County has implemented a Trails Program that has been instrumental in transforming the county's natural landscape into a haven for outdoor enthusiasts, nature lovers, and recreational seekers alike. The department has successfully added an impressive 80 kilometers of well-designed and carefully maintained forest wilderness trails over the past 20 years, that also serve beyond the realm of recreation.

A recent visitor experience survey, led by the Bruce County Planning and Economic Department shows that more than 50% of the estimated 2.5 million annual visitors to Bruce County engaged in outdoor activities such as hiking, cycling, and nature appreciation. This equates to approximately \$231 million spent within Bruce County annually. The Ontario Trails Council estimates that trails contribute at least \$2 billion annually to the provincial economy.

The increased accessibility to forested areas has facilitated educational opportunities, enabling schools and environmental organizations to organize informative nature walks and workshops. This educational component contributes to a greater understanding of our

managed forests and local ecosystems, fostering environmental stewardship and a sense of responsibility towards the county's natural resources.

Financial/Staffing/Legal/IT Considerations:

The projected Tax Stabilization Reserve balance at the end of 2024 is \$3,166,018.42. The anticipated Transportation and Environmental Services surplus for 2023, largely generated with reduced winter control expenditures, is more than sufficient to reimburse the \$120,000 being requested from the tax stabilization reserve once the year end statements are finalized.

Table 2. Proposed Budget	
Project Description	Recommended Budget
FSmith Inc. Pricing	\$95,905.28
Contingency Allowance ~10.5%	\$10,094.72
Contract Administration	\$10,000.00
HST	\$2,041.60
Total:	\$120,000.00

The annual forestry operations budget includes approximately \$60,000 of generated revenues through annual harvesting activities. To allow harvesting to continue in 2025, the inventory and forest management plan must be completed. By not completing the forest inventory it would have multi-year revenue impacts.

Interdepartmental Consultation:

Consultation with Corporate Services and the Office of the CAO.

Link to Strategic Goals and Objectives:

Environment and Climate Change - Build capacity to adapt to and mitigate the impacts of climate change

Link to Departmental Plan Goals and Objectives, if any:

2023 Business Plan - Major Initiative 5 - Forest Management Plan Update

Report Author:

Andrew Beumer, Manager of Environmental Services

Departmental Approval:

Adam Stanley, Director of Transportation and Environmental Services

Approved for Submission:

Claire Dodds, Commissioner Community Development