City of Kenora

Minutes Of a Committee of the Whole of Council February 15, 2011 12:00 noon iLevel Weyerhaeuser Plant

City Representatives Present:

Councillor C. Drinkwalter, Councillor R. Lunny, Councillor L. Roussin, Councillor S. Smith, Jennifer Findlay, Economic Development Officer, Heather Kasprick, Deputy Clerk

Regrets:

Mayor David Canfield, Councillor R. McKay, Councillor R. McMillan, Karen Brown, CAO

Weyerhaeuser Representatives Present:

Mike Dietsch, Timberlands Manager, Bill Candline, General Manger, Wayne Roznowsky, Manager of Public Affairs Canada

A. Public Information Notices N/A

B. Declaration of Pecuniary Interest & the General Nature thereof

On Today's Agenda

2) From a Meeting at which a Member was not in Attendance

None Declared.

1. Meeting of Senior Management at Weyerhaeuser and Plant Tour

Council was provided an overview of the Kenora Timber Strand Plant and highlighted the facts of the facility. The facility was a \$300 Million dollar investment and the first billet was produced in October of 2002. They are one of two operational LSL plants in the world. 75% of their products are destined for the US housing market, and the balance goes into the Canadian housing market as well as 10-15\$ of the product into Industrial products as well as Japan. They hold an excellent safety and environmental record including winning a Recycling Council of Ontario Waste Minimization Gold Award in 2010. They produce a timber strand lumber product for housing materials such as structural framing products as well as they are the largest supplier of bowling lane material in the USA. Some industrial products made include window components, lock blocks, door rails, doors and upholstered furniture frames.

The plant's economic impact includes employing 147 hourly and staff employees (200 at full operation) with a diverse workplace including 21% aboriginal employees, 20% female and have less than a 2% voluntary turnover rate. They also have 30 logging/trucking contractors with 250 employees (400 at full operation) for a total of direct and indirect jobs of 1,500 in the community and surrounding area.

Forestry Operations – the plant consumes 675,000m3 of wood when fully running using primarily poplar and lower levels of birch trees. 60% of wood supply is from

Kenora and the Whiskey Jack Forests and other supplies come from Dryden, Red Lake, Sioux Lookout and Manitoba.

Weyerhaeuser was instrumental in setting up the first cooperative SFL that has equal First Nations and Industry ownership called Miitigoog. The Kenora forest is certified under the Sustainable Forest Initiative through Miitigoog.

The record high Canadian dollar along with the rapid deterioration of the US housing market has affected the plant, however, they are currently operating 4 days per week and have only two planned shut downs for 2011.

Members present at the meeting were then escorted through the plant on a guided tour at 1:30 p.m. which was completed at 2:30 p.m.

The meeting was completed at 2:30 p.m. and City representatives left the plant.