

# Union County Economic Development Corporation

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## Minutes May 21, 2009

Monthly Meeting: 6:00 p.m. at UCEDC Office, 102 Depot Street, La Grande, OR  
Meeting Facilitator: Howard Perry, President  
Board Reporter: Janis Bozarth, Administrative Assistant  
Interim  
Executive Director: Mike Sanford

Members Present: Howard Perry, John Howard, Gary Lillard, Robert Strope, Mark Davidson, Jeff Puckett, Dale Case, Bill Rosholt,

Absentees: Mike Poe, Steve Anderson, Bill Whittemore, Tim Seydel, Janet Hume-Schwarz  
Visitors: Jim Mollerstrom

The meeting was called to order at 6:00 p.m. by Howard Perry, President.

*Howard called for a motion to approve the February minutes. Dale Case moved that the April minutes be approved. Seconded by Gary Lillard. The motion carried.*

### OLD BUSINESS:

#### **Alicel Update** – Mike Sanford

**Railroad Bids** - Mike reported that the railroad bids were in. Three bids were received and the bid from Railworks Track System was selected. The project should be completed by July 31. Idaho Pacific Northern has signed the revised agreement.

**Submission of Second Invoice to ODOT** – The second invoice to ODOT was submitted May 6. We are waiting to receive a check from the State.

**Letter from Lyle Davidson** – A letter was received from Lyle Davidson expressing his concern that the PGG project was not advertised locally. Copies were distributed to board members. Mike reported he met with Lyle and prepared a letter to send to Lyle thanking him for his concern and expressing that UCEDC will make sure that future projects will be advertised locally and state-wide.

Dale Case said that the Union County Crops Tour is scheduled for June 17 and that one of the stops will be at Alicel. Mark mentioned that there is a group meeting to organize a forestry tour and possibly UCEDC may want to help sponsor that. Mark will keep the board updated on this. Mike stated that Rod McKee, the project representative on the Alicel Project, has done a tremendous job, helping with invoices, etc.

#### **MOU/Business Park Signs** – Robert Strope

Robert reported that the MOU is finished. Mike stated that the agreement hadn't been signed. Robert stated that the Council and UCEDC had both approved the agreement, and he would get a signed copy to UCEDC. He reported that he had received some costs on the business sign and he would get together with Mike on these. Howard asked Robert if he had any additional information on the funding from the City. Robert reported that, at the June 17 Urban Renewal meeting, he planned to ask that the amount be raised from the \$28,000, that came out of the budget hearings, to \$30,000. Howard asked about the amount for last year's funding. That amount was \$35,000. The MOU states \$35,000 for 2009. Robert's feeling is that the MOU figure of \$35,000 is for this current year, and the \$30,000 figure would be for 2010. Howard asked if there was a reason the City couldn't fund the difference out of the Urban Renewal funds. UCEDC's budget was based on receiving \$35,000 from the City. Discussion followed on how UCEDC's

budget would need to be adjusted to make up for the \$5,000 difference. Jeff said we need clarification from the City regarding the amount in the MOU and if we're committed to that we need to see if the City will make any adjustments on the MOU or the funding itself. Howard suggested one thing that could be done would be to scale back on the cost of the sign. Robert said it would be helpful for Howard to attend the Urban Renewal meeting on June 17<sup>th</sup> to make a request to the Urban Renewal District. Howard said no commitments would be made on the sign until after they've met with the budget committee to see what they would be willing to do.

### **Strategic Plan** – Mike Sanford

Mike reported the Steering Committee had a conference call earlier in the day. The Blue Mountain Conference Center has been reserved at a reduced rate, thanks to Jeff Puckett. The sessions will take place Thursday evening, 5 to 9 p.m., and Friday afternoon from 1 to 5, May 28 and 29. He reported there was a good article in last night's paper. Invitations are being sent out, and reservations are starting to come in. Mike reported that the Chamber sent out invitations to the Chamber members. Mark suggested that fliers be put around town. Light food will be provided on Friday night and will be ordered based on the number of people who will attend. Jeff asked about the fact that in the paper the same night as the article on UCEDC's strategic plan, he saw that the City is doing its own strategic plan. Robert stated that there would be some overlap. Discussion followed on the two plans. Howard feels it's important for people to realize that both groups are working together – that everyone knows that the strategic plan UCEDC is working on is a joint project. It was suggested that a community comment be put in the paper. Robert will have Charlie work on this.

### **2009-2010 Goals** – Howard Perry

Howard recommended everyone look at the Goals and Outcomes for 2009-2010 and see if there is anything that needs to be modified, added, or deleted. Discussion followed on the various goals. On Goal 2, regarding promoting the retention and awareness of existing Primary industries, Robert reported that during a business meeting with Don Waldrop this topic came up. Part of the conversation centered around doing things to benefit retail. Discussion followed on this topic. Robert suggested that after the strategic planning process, we may want to revisit whether or not we want to expand our base to include more of a retail focus and try to get members from retail. Mark's feeling is that retail should be left to the Chamber and Downtown Association. Howard feels that the objective of our plan is to define our overall economic strategy and then decide what groups will take what portion of that strategy to have primary responsibility for. All three would support each other whenever help is needed. Dale asked if we might be a little premature in reviewing these goals because there could be a change that comes out of the strategic plan. Howard feels we always want to be able to amend the goals as appropriate but he doesn't want to be working on old goals that need adjusting. Discussion followed on what goals should be added. Mark and Robert both felt a business model needed to be developed that will make UCEDC financially stable and independent. Other new goals to be added include investigating industrial lands that come up for purchase in the County, and to be an advocate to assist communities in rezoning for development of industrial land.

Other suggestions, but not added as goals, included: (Jeff) Investigating the incubator building or other project after the PGG project is finished. (Robert) asked if we always wanted to have one active project that we're working on. Jeff feels we don't want to have too many irons in the fire at one time. Howard suggested forming a committee to develop a business plan. Howard asked Mike and Janis to draft up the goals to be added for review. He feels these are good goals and if these could be accomplished plus the strategic plan, that would be a good thing. Howard commented he thought the strategic plan should be added as a goal. Mike responded that this was included in the list of Specific Tasks.

## **REPORTS**

### **Finance Committee** – Mike Poe

No report. Janis said that a copy of the approved budget had been put in everyone's notebook. Mike reported that Mike Poe had gotten internet access with U.S. Bank for the PGG construction accounts.

**Property Committee** – Dale Case

Dale reported that the Property Committee had met this week and discussed several items as follows:

**Landmark Industries** – Property on Pierce Lane that had been sold to Martins. Martins approached UCEDC to sell one acre of property. The Property Committee’s recommendation is that UCEDC allow Landmark Industries to sell the property. Jeff gave an explanation on the process. Martins would like to close on the sale next week. Jeff will work with Duane Martin and Eastern Oregon Title in getting this accomplished. The contract will not be paid ahead. Payments will still be paid as agreed. The interest rate will remain the same. The legal description will be confirmed. Request for Partial Reconveyance will be prepared. There will be no expenditures to UCEDC.

**Robert moved that UCEDC go forward with the transaction. Dale seconded. Motion carried.**

**OTEC Request** – OTEC had a piece of property they wanted to do some work on next to Bi-Mart. They needed access off Hwy. 30 and thought UCEDC had access. It was determined that UCEDC does not have access, so they were told UCEDC could not accommodate them.

**Ron Larvik Offer** – UCEDC received another offer from Ron Larvik. They wanted to put in a chemical recycle center for household hazardous waste. They wanted the same two acres as before and a 60’ easement off the edge of the property. The committee turned the offer down. The offer was low and the proposal was not compatible with the intent of the Business Park. The committee felt it would negatively impact the use of the property. Mike spoke with Phil Burling and told him that UCEDC was not interested in making the sale to Larvik. Phil asked that we sign the proposal and return it even though we’re not accepting the offer.

**Twenty Acres Adjacent to Terry Industries** – There is interest in acquiring additional ground at the Baum Industrial Park.

**Communications/Marketing** – Mike Sanford

Mike passed out copies of Steve Anderson’s report to the board re: communications/marketing. He reported that brochures were sent out to the membership. Copies were delivered by committee members to key businesses that the committee had interviewed. Mike passed around examples of a boiler plate format that has been developed to send along with the brochure showing different properties with a map on the reverse side that shows where the properties are located in the county.

**Membership Committee** – Bill Rosholt

Bill reported that we need to identify who we want as members. He plans on having the first membership meeting by e-mail, around the first week of June. Mike said that Bill had recommended having a business after-hours for UCEDC in June but because of Mike’s surgery and other events, it wasn’t possible to do in June. Bill and Mike said we would hold the business after-hours in July and, in conjunction with the after-hours, UCEDC will hold a membership drive.

**EOU** – Tim Seydel

No report.

**Administrative Report** – Janis Bozarth

Janis reported that the February minutes were sent out to membership. The financial reports for April were given to Mike Poe for the financial report. A copy of the approved budget was put into the board notebooks. The membership list has been updated through April. Invoices and letters for May membership renewals were sent out. Thank you letters and membership certificates were prepared and sent to the renewed members. Renewed members for April were: The Observer, Wheatland Insurance, and Pendleton Grain Growers. Letters were sent out to the membership with copies of brochures.

**Executive Report** – Mike Sanford

Mike reported UCEDC is working closely with the new operation at the Fleetwood Plant, called Outdoor

RV Industries. Mike received a copy of their business plan, and he forwarded that to the key funding sources he has been talking with. The business plan was complete and looked good. Mike also reported he has been in contact with a renewable energy company out of the Willamette Valley that may be interested in putting in a plant in La Grande. Mike will follow up on this lead. He also reported that he and John Howard did a presentation at the college on May 24 that went very well, and working on the strategic plan and keeping Alicel on track has kept him busy.

Jeff Puckett asked if Mike was still Interim Executive Director, or what his official title was. Mike answered that he felt this was a question for the Board to answer. Much discussion followed on this topic. It was generally felt that Mike was doing an excellent job and represented the corporation very well and, if he was willing, should be made Executive Director and have "Interim" removed from his title.

## **EXECUTIVE SESSION**

The Board went into Executive Session.

When the Board came out of Executive Session,

*Robert moved that the E-Board negotiate an employment agreement with Mike Sanford to be the UCEDC Executive Director by the June meeting. John Howard seconded the motion. Motion carried.*

## **NEW BUSINESS**

**Annual Report** – Mike Sanford

Mike reported that copies of the Annual Report that was prepared for the City had been put into the Board packets. Howard asked if there were comments from the Council. Robert reported that some of the Council members had read it, but he hasn't received any specific comments from them.

## **FOR THE GOOD OF THE ORDER**

Robert reported that the City advertised for participation in a downtown facade improvement grant the City received in the amount of \$7,000. The deadline was May 21, and the City ended up receiving 9 applicants for 12 projects associated with 10 buildings. The City was pleased with the interest in this. Robert reported that some of these projects will also be eligible for the program that the City is planning on doing for a 50/50 match for facades.

Gary reported that, as a result of information received from Mark Davidson, it was found that there is no legal conflict of interest with Gary serving on the UCEDC Board of Directors while also serving as a City Councilor, so Gary Lillard will remain on the UCEDC Board of Directors.

*John Howard moved the meeting be adjourned. Bill Rosholt seconded. Motion carried.*

The meeting was adjourned at 7:40 p.m.

Respectfully submitted by:  
Janis Bozarth, Administrative Assistant

**Note:**

**Next Board Meeting:** Thursday June 18, 2009 at 6:00 p.m.  
UCEDC Office at 102 Depot St.

**Executive Meeting:** Tuesday, June 9, 2009 at 7:30 a.m.  
UCEDC Office at 102 Depot St.