

Union County Economic Development Corporation

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Minutes March 18, 2010

Monthly Meeting: 6:00 p.m. at UCEDC Office, 102 Depot Street, La Grande Oregon
Meeting Facilitator: John Howard, President
Board Reporter: Janis Bozarth, Administrative Assistant
Executive Director: Mike Sanford
Members Present: John Howard, Howard Perry, Mark Davidson, Bill Rosholt, Robert Strope, Mike Poe, Dale Case, Jeff Puckett, Jim Mollerstrom, Bill Whittemore, Steve Anderson, Tim Seydel,
Absentees: Gary Lillard
Visitors: Charlie Mitchell

APPROVAL OF MINUTES

John Howard called for a motion to approve the February minutes. *Mark Davidson moved that the February minutes be approved. Seconded by Robert Strope. Motion carried.*

OLD BUSINESS

Horizon Wind Energy Support Letter – John Howard

Mike Sanford passed out copies of the draft support letter for Horizon that was prepared. After additional discussion on the support letter, *Robert Strope moved that the Board reconsider its earlier decision to submit a support letter for the Wind Farm. Seconded by Jim Mollerstrom. Motion carried.*

Mark Davidson abstained from voting on the motion.

Mike Sanford was asked to contact Valerie Franklin at Horizon and tell her that the Board isn't comfortable going forward with the letter because of the fact that some of our membership has different opinions.

Managing the Strategic Plan – Board Discussion

Steve Anderson presented a revised Business Cultivation Plan and Business Recruitment plan. He reported that the Marketing Committee in their meeting felt their committee could handle the tasks outlined in these plans. The plans were tailored to match what was in the Strategic Plan as well as what the committee is already doing. He said though the Business Cultivation Plan was tailored to match what was in the strategic plan, it isn't something the committee is already doing, but they are prepared to do. Steve indicated the committee had also talked about the Business Retention and Expansion Plan. What he put together earlier fit into what the committee was already doing, but that strategic plan task had been assigned to the Chamber. Their committee discussed the fact of them doing this task rather than the Chamber, who is struggling with problems they have. Discussion followed on the Business Retention and Expansion Plan. Robert feels it would be beneficial to figure out how UCEDC can use Charlie's skills and if we want to continue to ask the Chamber to fulfill their commitment to fill that leadership role. How do we define what UCEDC's role as a Board is in this, not just for our members but for the region, and what role could Charlie play? Charlie spoke on how Business Retention and Expansion works. Charlie has experience in this area in the past. He initially tried to work with the Chamber here in La Grande last year. Even though he thought they had support, it didn't take off. He feels first the decision needs to be made on who the lead agency is going to be. Charlie doesn't feel it matters who this would be – whoever is willing to do the work. His feeling is

that to be effective, you need to step beyond the membership. If UCEDC is willing to take this on, they will need to look beyond their membership in order to be effective. There are two ways to do this type of program: 1) Professionally – you use your staff to do the work; 2) Volunteer-based - you use your staff but also augment your staff with volunteers, professional volunteers (not taking people off the street). It really comes down to capacity; do you have more capacity with your staff or with rounding up volunteers? The real benefit and value of this type of effort is not gathering the data, but what you do with the data after. What needs to be determined before doing anything is who the lead agency is going to be. The chamber is identified in the plan, but it is unclear whether the Chamber can fulfill that role. A possibility could be to form a partnership between the two entities, but it would need to be formalized. Charlie's feeling is that if UCEDC is the lead on Business Recruitment and Business Cultivation, it would make sense for them to also be the lead on Business Expansion since there is a lot of cross over with all three. Discussion then followed on what the next step should be. Charlie is willing to help with this effort – to be a resource, and the Board concurs with this.

Howard Perry asked if UCEDC could switch a couple of tasks with the Chamber, but the general feeling was that the other two tasks would not be the best fit for the Chamber to take on.

Charlie feels there is a way to use the Chamber without them being the lead agency, and use some of the Chamber Board members to offer assistance.

The next step will be for Mike Sanford to approach the Chamber about UCEDC taking over the leadership role for the Retention and Expansion and keep them involved as a partner. Jeff Puckett asked Steve Anderson if he felt it would work for his committee to take on all three of these strategies. Steve indicated he thought it would work, but they would need to expand the Marketing Committee by bringing in Charlie and invite a couple of individuals from the Chamber. Bill Rosholt feels that the Membership Committee should also be included in this effort.

Charlie offered some comments to think about: the concept of a multi-county marketing cooperative. April 23 has been set for a meeting to be hosted by EOU at the University, to try and get all of the economic development practitioners in the region together. The idea is to pool resources together and be a more competitive force. He suggested keeping this in mind in looking at our recruitment strategies. Discussion followed on this concept and the size the area coop should be – three-county (Union, Wallowa, Baker), or the size of ODOT's Region 5. Charlie talked about how Union County will always be limited by the resources available here, and in order to change this, we will need to bring in other partners. Mark Davidson indicated he would like to see some type of plan and budget to try and see how much money it takes to do some of these things that are being done in larger areas, and then figure out if we can do it on our own, or if we need to partner up. Charlie indicated he would attempt to put some figures together – figure out a threshold.

Forensics Lab and Water Lab Updates – Mike Sanford

Mike Sanford reported that the Lab Director from Pendleton came over and visited the Business Park. Tim Seydel set up a tour with the head of the Science Department at EOU that went very well. The Lab Director left feeling informed and appreciative. Mike has heard from him since, and feels he is comfortable with the La Grande location. Mike has spoken with Lt. Wampler and gave him some numbers that Mike received from Banner Bank regarding what the monthly payments would be if the project was done today for 10- 15- and 20-years. The Lab Director indicated he now needed to figure out how to fund the project. Dale Case asked if this project included the potential of moving the State Police out to the Business Park also, and Mike indicated it did not. With the space requirements of the State Police, the project would be almost double in cost. Mike reported that in Pendleton, someone has acquired an academy building that they are in the process of remodeling and the Patrol Office is moving there. The lab is being pressured to move there also, but this would require a great deal of remodeling. Mike was asked about the timeline, and he indicated the Ontario office lease expires in December 2011, so they need to make a decision fairly soon on what they are going to do. Charlie indicated that there seems to be low morale with the employees, because the project doesn't seem to

be moving along and they don't know if they will need to relocate to Union County or move into an older building in Pendleton. Mike reported the lab had just hired a recent EOU Chemistry graduate to work at the Pendleton lab. Mike indicated he would follow up with a phone call.

Regarding the Water Lab, Mike reported he had talked with the owner to see if she had made contact with the SBA and NEODD. She said she is teaching at a Water Treatment Certification Short Course in Ontario in May. At this course, there will be treatment operators from all over the region. She will visit with them to see how many of them would be interested in doing business with her if she opened up a lab in La Grande. She asked Mike to contact her the first part of June.

Another Old Business Item that was not on the Agenda concerned the Strategic Plan work session March 11 that was cancelled. Another work session needs to be scheduled. Discussion followed on what needed to be accomplished during this work session. April 13 at 6:00 p.m. was the date selected for the work session. John Howard indicated he will send out an agenda. Robert recommended that specific tasks be included in the agenda and specific chapters to be covered during the work session. The process of what needs to be done needs to be formalized. John Howard asked Charlie to be the facilitator at the work session and coordinate his efforts with Mike Sanford. Robert will check on the availability of a room at City Hall and if none is available Mark Davidson will check at the County.

Video Marketing Committee – John Howard

John reported that the committee has met and they have chosen a vendor to help with the video marketing – Valley Video. What they plan is to pattern it after the City of Boise's. They are looking at doing about 9 different profiles. They will be 90-second spots. They will try and solicit some dollars from the private sector and also plan on applying to the County for some discretionary funds. The clips could be used on different web sites, such as the hospital, City, County. It will be user-friendly and simple to use – and no specific advertisement, i.e., for a specific realtor, contractor, etc. The intent is that this will be a county-wide benefit and will be available to anyone wanting to take advantage of it. The committee discussed who should do the talking for the Welcome, and it was felt that this should be someone who is a good speaker, not controversial, and not tied to any specific group, such as the City, County, etc. The timeline for completion is estimated to be about three months. Robert asked for permission from the Board to apply to the County for discretionary funds.

Steve Anderson moved that the committee be authorized to apply to Union County for discretionary funds. Jeff Puckett seconded.

Discussion followed on whether UCEDC had any funds in the budget for marketing and if those funds should be used for this. Howard Perry suggested possibly sending a letter to members asking for a donation to help with the cost. The committee reported they had talked to a few members who have indicated they would donate funds. Mark Davidson indicated that if UCEDC could come up with 20 percent of the cost, that would be very helpful when applying to the County for discretionary funds.

Motion carried.

Bill Rosholt reported on another Old Business item that wasn't on the agenda. He was in contact with Jim Mattes at Grande Ronde Hospital and set up a meeting for the Membership Committee to meet with him April 9 at 9:00 a.m. in the Mt. Harris Room at the hospital to discuss the future of health care in Union County.

REPORTS

Finance Committee – Mike Poe

Mike Poe reported that the PGG accounting seems to be working well now. He asked that the staff look at the membership dues, because they are down from last year. Janis said there are outstanding invoices and second notices need to be sent out. She will check further on this.

Property Committee – Dale Case

Dale reported that the property committee has not met. He did pose a question to Mike Sanford about the Business Park being “shovel-ready.” Mike reported that it’s being worked on. He reported a delineation still needs to be done on the wetlands. The recertification will not be granted until that is done – May or June. Mark Davidson asked about whether there were 25 contiguous acres at the park – if Mike had verified with the State that we meet that requirement before going to the expense of performing the delineation. Mike reported he had visited with Mike Williams from the State, and he sent Mike Williams a map with the roads in place. UCEDC still has the 25 acres, and Charlie confirmed this was his understanding. Mike indicated that Mike Williams suggested that UCEDC apply for Special Public Works Funds. Charlie said he had never seen these funds used for this type of application, so this should be looked into and verified. Howard Perry asked Mike to call him on Monday and possibly AP could donate this work if it wasn’t a huge expense. Mike indicated the only other things that will be needed for the recertification process will be a new cover page on the original application and a letter of support from the Mayor.

Communications/Marketing – Steve Anderson

Steve presented the 2010 work tasks for the committee. Twelve meetings are scheduled for the year. He stressed the importance of committee members following up with the businesses interviewed. He modified the meeting format to include the Business Cultivation, beginning to put some of the tasks from the Strategic Plan into the committee’s list of tasks. He feels that if UCEDC gets into the larger Business and Recruitment, and if there is an expanded number of people on the committee, he would like to double the number of businesses contacted. If that happens, more members will be needed to go out to these interviews with the businesses.

Membership – Bill Rosholt

No report.

EOU – Tim Seydel

Tim reported that the University finished this term with just under 4,000 students, and they are looking at an increase of 30% in applications for next fall, compared to last year. They attended the Nationals last week in Branson, MO. They are making progress on the construction at Inlow Hall, and are on track to have it ready by fall. This week Bob Davies is in Portland doing interviews for Provost/V.P., and should have finalists on campus in April.

Administrative Report – Janis Bozarth

January minutes were sent out to the membership.

The financial reports were balanced and prepared for Mike Poe and copies put in the Board notebooks.

The Board Member lists were updated and are in the Board notebooks under Board Members.

The membership list was updated through February. One renewed member for February, and that was the City of La Grande.

The newsletter has been prepared, and copies placed in the Board notebooks and are being mailed to the membership.

Executive Report – Mike Sanford

Mike reported the Chamber Banquet went well and thanked Janis, Violet, and his wife, Cathy for their work on the table. The table looked great and was full. Last month, a group of Board members met with Banner Bank representatives and a representative of the USDA and received assurances that the USDA program would work as either an 80 or 90 loan guarantee for the State Police Lab. Mike met with the Lab Director from Pendleton. He attended a La Grande Main Street meeting for economic restructuring. Last Friday he attended the Oregon Economic Development Association’s spring meeting. He went to the Marketing meeting this week and last week attended a meeting on Attracting Entrepreneurs that Lisa Dawson from NEODD is leading. He went to a Chamber networking lunch on Social Media – covering Face Book, Twitter, etc. This was also discussed in the Marketing meeting and they will look further into this to see if UCEDC has the resources to keep a Face Book going for

UCEDC. He met with the Video Marketing Committee, and did some updating on UCEDC's property listings with Oregon Prospector. Mike then reported on and passed around copies of a letter and invoice from Idaho Northern on the Alicel project, and his response, requesting additional funds on the Alicel project which was closed out sometime ago.

NEW BUSINESS

EXECUTIVE SESSION

No Executive Session.

FOR THE GOOD OF THE ORDER

Robert shared with the Board information on the City budget and how it might impact UCEDC. The City will be putting together a budget that includes reducing the amount of money they levy for Urban Renewal funds by about \$240,000 in an effort to put about \$100,000 into the general fund. The money that would normally go into the Urban Renewal fund would go to the school district, but the school district won't really receive any benefit because the State will reduce the amount of money they pay. The only beneficiaries besides the City's general fund are the smaller taxing districts -- the cemetery district, 4-H, etc. Also, Union County would receive about \$37,000, and what the City would like to do, and this would be done on a year-by-year basis, would be talk to the County about putting those dollars that would have otherwise gone to the County, as the City's contribution to UCEDC.

Steve Anderson requested that the date for the April Board meeting be changed from April 15 to April 22. There seemed to be no opposition to this request. To recap April meetings:

April 13, Work Session at 6:00 p.m.

April 9, Membership Committee meeting at the hospital, 9:00 a.m.

April 22, Board Meeting at 6:00 p.m.

Mike Poe said that the Finance Committee will be working on the UCEDC budget and that committees should get any funding requests to Mike Sanford.

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

Respectfully submitted by:

Janis Bozarth, Administrative Assistant

Note:

Next Board Meeting: Thursday April 22, 2010 at 6:00 p.m.

UCEDC Office at 102 Depot St.

Executive Meeting: Tuesday, April 6, 2010 at 7:30 a.m.