

Union County Economic Development Corporation

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Minutes September 17, 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
Executive Director: Mike Sanford
Members Present: Howard Perry, John Howard, Gary Lillard, Robert Strope, Mark Davidson,
Dale Case, Bill Rosholt, Bill Whittemore, Tim Seydel,
Absentees: Steve Anderson, Janet Hume-Schwarz, Jeff Puckett, Mike Poe

The meeting was called to order at 6:00 p.m. by Howard Perry, President. After the roll call, Robert said that he had received a letter of resignation from Janet Hume-Schwarz and to take her off the Board member list. Robert indicated that the City would begin advertising for a replacement, and that they probably wouldn't have a replacement prior to November.

Howard called for a motion to approve the July minutes. Mark Davidson moved that the July minutes be approved. Seconded by Robert Strope. The motion carried.

OLD BUSINESS:

Alicel Project – Mike Sanford

Mike reported that the Alicel project is in the final stages. There are a couple of minor problems that need to be corrected and a little bit of painting that will be done once they are through dumping grain. Rod McKee, the Project Representative, is putting together a final spreadsheet and that should be finished by the first of next week. Dale said that they have put more grain in these silos than they've ever had and the silos are full with additional grain on the ground. This has been a successful project.

Business Park Signs/Business Park Sidewalk – Mike Sanford

Mike reported that the retaining wall is in for the sign and it looks nice. He has spoken with Mat Barber and he indicated the sign would be finished by the date set out in the agreement – October 15. In the process of building the retaining wall, when the sidewalk was swept it was discovered that the sidewalk was badly broken. In speaking with All-Phase they said that it must have been when the wall was built, but in speaking with EONL, they said they had used a rubber-tired skidder. Mike met again with All-Phase and they agreed that it must have happened with concrete trucks coming into All Phase, and they agreed to repair the damage. Mike also spoke with All-Phase about the possibility of bringing power and water to the sign and have them pay for whatever UCEDC does for lighting on the sign. In exchange for that, UCEDC would give them a right of way through the access to the flag lot. That would mean they would put in the curb cut and the road to the end of their property. They indicated this might be workable. Howard Perry asked what happen if that didn't work. Mike replied a meter would need to put in. Mark Davidson asked about solar powered lights being an option. This seemed to be a good idea and Mike will look into this.

Strategic Plan – Mike Sanford

Mike reported that on Monday, 9/21, the Steering Committee is meeting to go through the draft strategic plan. He has looked through it and reported it looks pretty good. Howard asked if there was a good Executive Summary so they wouldn't have to read the entire document (105 pages). The goal is that the committee will review the draft plan and then after they've made their comments and suggestions, the committee will present it to the Board for review. The Board will be provided a copy ahead of time to review. This should happen in October or November.

Administrative Assistant Position – Mike Sanford

Mike reported that someone had been hired to replace Janis, but she called the weekend before she was to start training to say she had been offered and accepted a full-time position with benefits. After some discussion, Janis and Violet agreed to job share. Violet will do the bookkeeping and Janis will do the board tasks, including attending board meetings. Robert asked if this was a permanent arrangement. Mike said that the plan is to continue to look and if someone comes along that is a good fit for the position, a job offer would be made. Robert indicated that the City is advertising for a half-time finance position with no benefits and have had several applicants. He will get more information on this position and get together with Mike.

REPORTS

Finance Committee – Howard Perry/Mike Sanford

Howard reported that the Board had asked Mike and the Finance Committee, in response to questions from Mark Davidson, to review the budget and make some adjustments to determine where UCEDC might be financially. This revised budget shows an adjustment from an \$8,500 projected shortfall to \$250. Mike reported that Advertising had been reduced, Dues and Subscriptions had been reduced, Training and Seminars was eliminated, Property Maintenance was reduced, and the budgeted amount for the sign at the Business Park was reduced by almost half. Mark noted that the interest income from property sales contracts had been added in under Income. He also noted that the budgeted amount of \$35,000 from the County should actually be more than that. This correction will be made to the budget. Mark expressed appreciation to the Finance Committee for addressing the concerns regarding the budget.

Property Committee – Dale Case

No report. There has been no activity from the property committee.

Communications/Marketing – Gary Lillard

Gary reported that there hasn't been much going on with Communications/Marketing. Steve sent out an e-mail to committee members reminding them to complete their business interviews. Mike reported that some of the committee members recently met with Valerie Franklin from Horizon Wind. The meeting was very informative; Valerie brought them up to speed on the Antelope Ridge Project. It has the potential of being three times the size of Elkhorn. John Howard feels that UCEDC should get involved in supporting this project. Discussion followed on how UCEDC could support the wind farm project in the area of maintenance and how to find out who their suppliers are. Mark recommended UCEDC seriously consider a proactive recruiting effort to try and bring businesses, established or start-up, that could benefit from our position in the Columbia Basin. Howard recommended talking with someone from Elkhorn, and other wind farms in the area, to find out what kind of services and support they contract out. John said there are also smaller turbines that are appearing in the valley and another contact that could be made would be to contact Ryan Dela, who is trying to get a wind turbine business going in Baker City. Howard asked Mike to make some calls and see what he can find out before the next Board meeting. Also mentioned was subscribing to the North American Wind Energy Assn. magazine and possibly having Mike or someone else attend the Wind Power conference this spring. Robert indicated that Valerie had said it wouldn't be appropriate for her to take UCEDC materials to this conference. Howard's feeling is to attend the conference as a participant just to obtain additional knowledge.

Membership Committee – Bill Rosholt

Bill reminded the Board that in August he e-mailed a draft letter to Board members that will be sent to potential members. He received comments back from a couple Board members. The letter is now ready to go, and the committee is identifying who the letter will go out to. They have met with Judy Hector at the Chamber and are working with her on some ideas. A business after-hours is tentatively scheduled for October 22. Mike reported that Judy Hector is checking on the October 22 date and will confirm if it is available. Mark said that we need to promote the business after-hours to all the UCEDC

membership in addition to chamber membership. Mike said the committee talked about having a 30-day membership campaign starting at the business after-hours and challenge each Board member to recruit one new membership. Howard asked if there were any board positions that are membership based that come due this year. Mike reported that there was one term that is up at the end of the year – Bill Whittemore. Howard reminded the members that anyone can make a nomination. We need to invite the membership to make nominations. The goal is to notify the membership, have an election, and have the individual ready to serve by the first of January.

EOU – Tim Seydel

Tim asked about the University using their lot at the Business Park for staging. If anyone saw any problem with that. Robert suggested that Tim call Mike Boquist at the City to make sure there wouldn't be a zoning issue. Howard said that if their lot wasn't large enough, they could use one of UCEDC's lots as long as the lot was cleaned up. Howard said we wouldn't want a lot of debris and waste materials there. Tim indicated that it would be mostly supplies.

Tim reported that he and Mike have talked about having the Board up to the University for a walk-through at the campus and to meet the new President, Rob Davies. A date has been set for this – October 29. Mark suggested having the Board meeting on the normal night, and the walk-through at a separate time. After discussion, it was decided to have the walk-through and the Board meeting on the same day – October 29. The walk-through would be early in the day, 3:00 to 5:00 p.m., with the Board meeting to follow. Tim will arrange for a room to hold the Board meeting and a light snack after the walk-through, prior to the Board meeting.

Administrative Report – Janis Bozarth

June minutes were sent to the membership;

Financial Reports through August were given to Mike Poe for the Financial Report;

The membership list is updated through the month of August;

Invoices and letters for September membership renewals were sent out;

Thank you letters and Membership certificates were prepared and delivered to renewed members;

Renewed members of UCEDC for July and August are:

**Anderson-Perry & Associates; Sterling Savings Bank; Valley Realty;
EONI; Horizon Wind; Bill Whittemore**

A work schedule for the month of October was worked out with Violet.

Executive Report – Mike Sanford

1. Mike reported that on September 22, Rick Minster from Business Oregon, the new name for the State of Oregon Economic and Community Development Department, would be in the UCEDC office for a Meet and Greet. After that a group will take him around to meet some other business members and the Chamber Director. Rick is replacing Jill Miles who has been promoted and moved to Portland.
2. Mike met with Deb Gargalis and Annette-Shelton Tiederman from the Employment Office. Mike was asked if he would serve as a member of their Work Source Board. He agreed to do this.
3. Mike reported that the weeds were cut on the berm and in front of the old sign at the Business Park.
4. On September 23, Mike will be attending a renewable energy workshop in La Grande.
5. The Easement from OTEC has been received in the office and recorded, so the easement is now off the Business Park properties. Howard reminded the Board that there was a blanket easement on the property that showed up on title reports whenever there was a transaction.
6. Mike thanked everyone for their support during the past couple of months.

Dale asked if the fiber optics access we have would be an attraction for businesses locating at the Business Park. Mike responded that the conduit is there, but there isn't any actual fiber optics in there.

Mark said that we could get fiber to the park if it was needed.

EXECUTIVE SESSION

No Executive Session

NEW BUSINESS

Election of Board Member – Howard Perry

Howard reported that he and Mike had met and the recommendation is to send a letter out to the membership setting a timeline for nominations and a timeline for when the election would be held. The goal is to have an individual identified and elected by December. Howard recommended that an announcement be put in the newsletter with a timeline. The newsletter will be sent out the week of September 28th. Nominations will close October 23. The nominations can then be reviewed at the October Board meeting, and ballots will be sent out in November.

Howard asked how many members from the City would need to be replaced and Mike said the only board member to be replaced was Janet Hume-Schwarz who resigned her position on the board. As Robert reported earlier in the meeting, the City will begin advertising for her replacement. Mark said that the board rotation seemed to be off. There should be three new members elected every year, so this needs to be looked at and corrected.

FOR THE GOOD OF THE ORDER

Howard reminded Mike about the thank-you letter that needs to be sent to the parties involved in the Alicel Project – PGG, Rod McKee, etc.

Howard wanted to make the Board aware that the note that UCEDC has with U.S. Bank for the PGG project requires a balloon payment at the end of five years. UCEDC wasn't aware of this until they went to sign the note. If UCEDC meets their payments during the period of the note, the bank will consider renegotiating a new note after the five years. The interest rate is lower now than what it originally was going to be. At the end of the five years, interest rates could be higher. The agreement with PGG allows UCEDC to renegotiate terms with them to cover additional costs.

Mark asked about the Money Market account that was set up as a holding mechanism on the PGG Project, the money that came out of the CD. Is this going back into a long-term investment account? And what will happen to the Disbursement account. Mike answered that it hasn't been determined what to do with the money that came out of the CD account, but it may be going back into a long-term investment account. Mike will check on this. The Disbursement Account for the PGG Project will be closed. Dale suggested keeping the funds from the CD in a money market account in case the funds are needed in the near future. Mark recommended putting it wherever it gets the best liquidity with the best return.

The meeting was adjourned at 7:15 p.m.

Respectfully submitted by:

Janis Bozarth, Administrative Assistant

Note:

Next Board Meeting: Thursday October 29, 2009 at 5:30 p.m.
UCEDC Office at 102 Depot St.

Executive Meeting: Tuesday, October 13, 2009 at 7:30 a.m.
UCEDC Office at 102 Depot St.