

Union County Economic Development Corporation

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Minutes February 15, 2007

Monthly Meeting: 6:00 p.m. at UCEDC Office 1119 Washington Avenue,
La Grande

Meeting Facilitator: Howard Perry, Vice-President
Board Reporter: Violet Trapp, Administrative Assistant
Executive Director: Craig Thompson
Members Present: Janet Hume-Schwarz, Sheri McDonald, Bill Whitemore, John Howard,
Dale Case, Dennis Spray and Howard Perry, Lori Hines, Lee Lindsey,
and Mike Poe

Absentees: Russell Lester and Tim Seydel

Visitors: Bill Rautenstrauch, The Observer

The meeting was called to order at 5:59 p.m. by Howard Perry, Vice-President.

Howard welcomed the guest, Bill Rautenstrauch

Howard Perry asked for a motion to approve the January Minutes.

Dale Case moved that the board accepts the minutes as written. Dennis Spray seconded the motion. The motion was approved.

OLD BUSINESS:

Baum Industrial Park Land – Drainage Issues: - Howard Perry /Craig Thompson

Howard Perry asked Craig to give some background concerning the drainage in the park.

Craig: This subject was discussed in the Property Committee Meeting and the Executive Board

Meeting. The matter of the drainage issue has come up again due to an inquiry to purchase the remaining 11 acres in Baum Park. Terry Fisher of Fleetwood Manufacturing was invited to the Property Committee Meeting to discuss the issue because one of the options for directing the water flow involves Fleetwood's property. The surface water management plan was drawn several years ago when Sustainable Energy purchased land in Baum Park. Craig said he received a phone call from Terry Fisher stating that Terry Trailer's GM is not interested in participating in the project. The thought now is that perhaps UCEDC should consider making a drainage easement on the 11 acres before selling the land. Craig gave the floor to Howard Perry.

Howard: The reason for bringing up the drainage issue is to decide what should be disclosed to the potential purchaser. In 2002, at the time Sustainable Energy was negotiating to purchase 60 acres in Baum Park, UCEDC contracted with Anderson-Perry to draw up a water management plan to be submitted as part of the site plan to the City of La Grande to identify how surface water would be managed as part of Sustainable Energy's project. The majority of Baum Park is subject to standing high water from the Grande Ronde River. Pierce Road, located on the east side of the park, creates a barrier to the natural flow of the high water. The road was constructed with two low areas to allow the water to flow over onto the east side of the road. The areas on the map are not designated as flood plain areas but water does back up onto the Baum Park. Anderson-Perry designed two alternatives to address the water issue to determine what can or cannot or should or should not be done in building on the sites. The item that is critical for UCEDC at this time is the 11 acres which is in the main direction of the flow channels. If the property is sold the purchaser needs to be informed that the land is subject to flooding and if the elevation of the land is raised it will effect the neighboring businesses in how the water will flow to get across Pierce Road. There are two options that were proposed.

- Option 1: to dig a channel that is 100 feet wide by 18 inches deep that will channel the water to flow over Pierce Road allowing raising the elevation of the 11 acres without affecting the rest of the park.
- Option 2: to reconstruct Pierce Road to lower Pierce Road at another location so the water would not have to go north to the present low areas of the road.

These are two options that UCEDC could go in the land sale.

- Option 1: to sell the land as is letting the buyer know the situation and take the risk
- Option 2: put an easement on the 11 acres for the present time. The suggestion is to place a 100 foot easement on the east and south boundaries of the 11 acres. Perhaps at some point in time the channel could be constructed. It will take Fleetwood to agree with the project and at this time they have said no.

John Howard mentioned there is the possibility of using the land in the easements for parking space.

Janet Hume-Schwarz asked for the update on the farm deferral status before the board takes action on the land sale. Craig said the application for the deferral was submitted last week to the Assessor's Office.

Lori Hines asked about the selling price. John answered that it is listed at \$15,000 per acre.

Howard Perry said that since this land is not in the designated flood area there are no restrictions on where to build. But, the practicality is that should an elevation of the land take place, there will be a significant issue for a number of businesses in the park. Putting in the easements is not required but is a practical thing for UCEDC to do.

Janet Hume-Schwarz moved that UCEDC proceeds with the easement on the 11 acres in Baum Park and to proceed marketing the property with disclosure. Mike Poe seconded the motion. Motion carried. John Howard and Dale Case abstained.

Election of Officers / Committee Appointments– Dale Case

The nominating committee met and nominated a slate of officers. The nominees are:

President Tim Seydel	Vice-President Howard Perry	Secretary John Howard Janet Hume-Schwarz	Treasurer Michael Poe
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Dale welcomed nominations from the floor and said that the names can be written on the ballot to be voted on by the board members. Janet said that everyone should have received her email stating that she is not happy with the nominations. Janet asked some questions directed to the nominating committee. The committee said that she could nominate whomever she wanted including herself but Janet chose not to do so.

The voting was done by ballot. The ballots were counted and the officers for the year of 2007 are:

President – Tim Seydel

Vice-President – Howard Perry

Secretary – John Howard

Treasurer – Michael Poe

Past President – Dale Case

Farm Deferral Status - Baum Industrial Park - Craig Thompson

As reported earlier under the drainage issue, last week Craig submitted the application for farm deferral status for the 11 acres to the Assessor's Office.

By-laws – Howard Perry

The Executive Board recommends putting the by-law revision on hold until the study group meetings are completed. The board agreed.

Study Group: Selection of UCEDC Representatives – Howard Perry

Howard Perry read the e-mail that he received from Tim Seydel. Tim contacted Sheri McDonald and Dale Case and they agreed to represent UCEDC along with Tim Seydel on the group study. The City of La Grande has three representatives and Union County and the LGIDC Board will be invited to be a part of the group. Tim asked for the board's approval of the three chosen. Upon the board's approval UCEDC will contact the city and the other two partners to arrange a meeting at the earliest possible convenience.

Howard asked for a motion from the floor.

Bill Whitemore moved that the board accepts Tim Seydel, Sheri McDonald and Dale Case to represent UCEDC on the Study Group. Lee Lindsey seconded the motion. The motion carried.

Web Site Enhancement Update - Craig Thompson/John Howard

The work on the web site enhancement has begun. There are several draft web site designs and an outline of the various contents. Violet and Craig, along with John Howard and Tim Seydel, have been working on gathering information and compiling the contents. The community page will feature highlights of each of the cities in Union County. The information on the business and industrial parks is getting updated. Craig showed the four options for the opening page.

Dennis Spray moved that UCEDC accept option #2 for the opening page of the web site. Lori Hines seconded the motion. Motion approved.

Craig asked Bill Whittemore if he has new information from the Discretionary Fund Committee concerning the \$3,000 grant application UCEDC submitted for partial payment of the cost of the web site redesign. Bill said he was on vacation when a meeting was called and does not know if a meeting was held. The next meeting is in March so should have some information at that time.

REPORTS:

Finance Committee: - Janet Hume-Schwarz

No report

Property Committee: - Mark Davidson

The Committee met. One item of discussion was presented earlier under the drainage issue. The second item will be discussed in Executive Session.

Communications/Marketing Committee: – Tim Seydel

Craig said the center page of the marketing brochure was updated with a map of the La Grande Business & Technology Park Plat. 100 copies of the brochure were printed. The marketing of the business park is continuing.

Membership Committee – Janet Hume-Schwarz

No report

Executive Director: – Craig Thompson

- Craig shared with the board a flyer that he received inviting UCEDC to an open house and presentation by the U.S. Corps of Engineers, Portland District, Operations Division, Regulatory Program at the La Grande Field Office. The event is scheduled Wednesday, March 14, 2007, 9:00 a.m. to 12:00 noon at the U.S. Forest Service, La Grande Ranger District Office, Conference Room, 3502 Highway 30, La Grande, OR. Topics for presentation are: Update on Federal Regulatory Program Changes, New Nationwide Permits, Regional General Permits, Anticipated Revisions of SLOPES IV, Appendix C Interim Guidance, Corps Organization, New Mitigation Rules, and more.
- Craig also received an invitation to the 100 year party celebrating the Grande Ronde Hospital's 100th anniversary. Open House is March 3, 10:00 a.m. to 1:00 p.m. at 900 Sunset Drive.
- John Collins from Ranch and Home Realty came to the office (Feb. 15th) to talk with Craig about an individual who is interested in acquiring the water right that UCEDC owns on the 49 acres in the LGB&T Park. Dale Case recommended that this go to the Property Committee.

Administrative Assistant Report – Violet Trapp

- December Minutes were sent to the membership and partnerships.
- Financial Reports (Balance Sheet, Profit & Loss Statement and the Budget vs Actual), through January were given to Janet for the Financial Report.
- The board member list is updated and in the binders. The second list will be updated following tonight's meeting due to the elections.
- The membership list is updated through the month of January.
- All the board member binders are updated for the February Board Meeting.
- Invoices and letters for February membership renewals were sent.
- Thank you letters and membership certificates were prepared and were delivered to the renewed members.

- The renewed members of UCEDC for January are:
Ed Staub & Sons Petroleum, Inc. and Oregon Trail Seeds, Inc.
- The publishing of the UCEDC Raconteur (Newsletter) was completed and mailed to all membership on January 31.
- Violet helped Craig get information together for the web site redesigning and updating.

Howard Perry encourages the non-board membership to participate in the committees.

NEW BUSINESS:

Business Park Land Sale Process - Craig Thompson

A prospective buyer for a parcel of land in the LGB&T Park met with the Property Committee to present his plans of a building on the property. Following the presentation and the prospective buyer's departure, the committee discussed establishing a procedure for selling land on the park. Craig said this has nothing to do with the pricing guidelines. As an example, if someone was to inquire and met the requirements of job creation, it is known what the price per acre will be. If for some reason a deal was to move quickly UCEDC needs to have an alternative procedure put in place rather than to meet with the board every month for approval. The Property Committee discussed that if everything followed all the guidelines then the committee could move forward with a deal. If there is anything that is unusual then the committee would come to the board for approval or refusal.

Howard Perry summed up that there are two ideas on the table.

1. The board could give the Property Committee and Executive Director the authority to move forward on a sale if it meets all the criteria.
2. When that opportunity comes, an e-mail notice will be sent to all the board members for a straw vote consensus before action is taken.

Janet Hume-Schwarz asked "Who is on the Property Committee?" Craig said the present committee members are Dale Case, Tim Seydel, Howard Perry, John Howard, Russell Lester. Don Waldrop was invited to the last committee meeting.

Janet moved that basically for any Property Committee decision that an e-mail vote to the board would be acceptable as a vote of the board with a 24 hour response.

Mike Poe said he is not so sure that an email vote is the way to go due to the fact that an open discussion is good to hear other views and e-mail does not lend to that.

Bill Whittemore said that a special meeting should be called with the full board to discuss and make any necessary decision. Lori Hines spoke in agreement.

Janet withdrew her motion.

Bill Whittemore moved that for any quick sale of land that the officers call a special meeting for all property transitions to be handled by the full board. Dale Case seconded the motion. Motion carried unanimously.

Howard Perry called for an item of business that is not on the agenda. Howard asked Craig to give an update on what was done regarding the Northeast Oregon Economic

Development project list.

Craig said Lisa Dawson sent an e-mail requesting an economic project that could be put into the Community Economic Development Strategy that is used for identifying projects for Economic Development Administration funding. Craig discussed this with Howard and it was decided to list the Alicel Project (grain storage). The information given to Lisa was taken from the application that was submitted last year to Connect Oregon.

Dale reported that he was in Salem this week and the Connect Oregon II is in the legislature process. There is the potential of resubmitting the application for the Alicel Project.

Business Park – Land Purchase Offer – Craig Thompson/John Howard
Went to Executive Session

EXECUTIVE SESSION:

The board came out of Executive Session

Dennis Spray moved that UCEDC sell the front commercial lots in LGB&T Park at the price of \$55,000 with no job creation required and that building procedure started within 2 years or sell the land back to UCEDC at the purchased price. Bill Whittemore seconded the motion. The motion carried.

FOR THE GOOD OF THE ORDER

Meeting Adjourned 7:42 p.m.

Respectfully Submitted by:
Violet Trapp
Administrative Assistant

Note:

Next Board Meeting: **Thursday March 15, 2007 at 6:00 p.m.**
UCEDC Office at 1119 Washington Avenue

Executive Meeting: **Tuesday, March 6, 2007 at 7:30 a.m.**
UCEDC Office at 1119 Washington Avenue