



DOUGLAS COUNTY INDUSTRIAL DEVELOPMENT BOARD

744 S.E. Rose Street - Roseburg, Oregon 97470
(541) 672-6728 Fax (541) 672-7011

Douglas County Industrial Development Board (DCIDB) Meeting Minutes November 18, 2008 UT & E Roseburg, Oregon

Welcome

Lynn Herbert called the meeting to order. Please refer to attachment A for the list of members and guests that attended the meeting.

Approval of Minutes

Lynn requested a motion to approve the minutes of the October 21, 2008 board meeting. Norm Gershon moved to approve the minutes. Perry Murray seconded the motion. The motion passed unanimously.

New Business

Perry Murray led a discussion regarding the impact on local contractor opportunities if the LNG project is approved. He said that the project has approximately 1200 contractor and construction related jobs in the area. He explained that there would probably be many outside contractors, but there would be plenty of opportunities for local contractors, if they were prepared. Perry explained that Williams would have stringent qualification requirements related to safety and training for its contractors and that it would be wise to plan ways to help contractors prepare for both the qualifications and the application process. Perry provided a list of types of opportunities that may be available for the prepared contractors (see attached) and that the IDB's help with the preparation may provide leverage for contractors when they apply.

Eric Swanson commented that having local contractors on the project might ease community concerns about safety and create some goodwill.

Blaine Nisson explained that UCC has already started working with Williams to adapt the welding program to create skilled stainless steel welders.

Helga Conrad suggested that it would be wise to bring the Small Business Development Center on board to help with training for the application process.

Norm Gershon suggested that members of the IDB meet with Williams to find out what Williams will really need in regards to contractors and contractor qualifications so target programs and training could be developed.

Perry again stressed that safety training and records would be a large portion of Williams contractor considerations and Blaine Nisson said the college would be willing to work at bringing the OSHA certification courses on line as quickly as possible.

Lynn Herbert asked Perry to develop the committee of IDB members and pursue the meeting with Williams. He asked Perry and his committee to bring ideas and recommendations back to the IDB so a plan could be developed. Lynn complimented Perry on bringing a good and proactive idea to the IDB.

Reports

- A. Helga Conrad updated the IDB on the Partnership's activities (see attached report). Helga commented that the Partnership had an increase in requests for proposals, especially in the area of solar related manufacturing. She asked the IDB to be open to the idea of "virtual buildings". She said that this seems to be the direction that companies are looking to when considering relocation and the IDB may need to be up to speed to be competitive. Helga went on to thank Dave Sabala for all his help with the recent RFP's. Helga commented that RIO Communications was in the process of applying for a grant to start an incubator.

Lynn said that Robb Paul was working with the parks department to develop wetland areas. Georgia suggested that Robb work with the Board of Realtors to develop other wetland options.

- B. Eric Swanson provided an update on the progress of the State Veteran's Home being pursued by the County. Eric explained that the State had determined that there was a need for 400 additional beds for Veterans. The County is trying to get Roseburg chosen as the location for the new facility. He explained that the facility would be similar to a retirement home, would have a minimum of 200 beds and would provide various levels of care. He explained that the facility would not compete with existing local facilities for patients and would be hiring a contract provider for personnel. He said that 65% of the funding for the facility would be from Federal funds, but 35% would have to come from local sources. He also explained that the project had support from the County, City, Tribe, Ford Foundation and others which means it is a true partnership.

Blaine explained that the college would be ramping up the nursing program and had received approval to begin a Practical Nursing program. The college has community funding for the new program and would launch in the summer of 2009. Blaine also informed the IDB that Allied Health was considering Roseburg for a facility and the Allied Health building was third on a list to receive capital funding from the state.

Lynn said that the payroll for a 200 bed facility would be close to \$20 million and there would be a 1.5 to 1.75 multiplier for indirect jobs created. There is a potential for the Veteran's Home to account for 5% of Douglas County employment.

Eric said there would be a meeting with the EDA on December 4th to see if there is an availability of funds to help with issues created by the closing of Bayliner and other employment losses in the area. He also announced that there would be a meeting to discuss the switchyard and rail situation on November 19.

- C. **Off Agenda Item** – Helga introduced Paul Daily of Oregon Western Lumber (OWL) to give an overview of the project being proposed for Bolon Island. Mr. Daily explained the steps that OWL had been through to reach the point where they were looking for an actual location for the

pellet mill. He explained that the mill planned on employing 9 laborers and 3 office staff in the first year and expected the mill to have a 100 ton capacity. Mr. Daily said that they were at a point in the business development process where securing land was key to continuing the process.

Kim Chickering (Chick), Mr. Daily's associate explained that acquisition of land would secure equity and that Business Energy Tax Credits (BETC) would be a crucial portion of financial operations.

Dave Sabala inquired about the BETC qualifiers. Chick explained that OWL was using barrels of oil and expects use of pellets to offset 100 barrels of heating oil used.

Dave then asked about the species of wood to be used. Mr. Daily explained that the mill planned to use Douglas Fir and hardwoods depending on the seasons.

Patrick Starnes asked the IDB if there would be an interview process involved in the decision process for the IDB vacancy. Georgia said the Nominating Committee was in the process of reviewing the applicants and resumes and would bring information to the IDB in December.

Adjourn to executive session

Pursuant to ORS 192.660(2) (e) for the DCIDB to discuss with persons designated by the DCIDB (Kathleen Johnson and Helga Conrad) to negotiate real property transactions concerning the Oregon Western Lumber proposal.

Adjourn Back to Regular Session

Norm Gershon moved to direct Helga Conrad and Kathleen Johnson to prepare some criteria for Oregon Western Lumber so that they can prepare a new proposal. Georgia Stiles seconded the motion. Lynn called the question. The motion passed unanimously.

Adjournment

There being no further business, the meeting was adjourned.

Respectfully submitted,

Douglas County Industrial Development Board

Tania Korpi,
Staff

Lynn Herbert, Chair

A Tape Of The Meeting Is Available At The CCD Office.

Attachment A

The following is the list of DCIDB members who attended the meeting:

Lynn Herbert, Norm Gershon, Lauren Young, Georgia Stiles, Tommy Ursry, Dave Sabala, Perry Murray, Eric Swanson, John Loosley, Blaine Nisson, Charmaine Vitek

Staff:

Wayne Luzier, CCD Business Development; Tania Korpi, CCD Business Development; Tracy Loomis, CCD Business Development; Helga Conrad, UEDP; Liz Thompson, UEDP and Kathleen Johnson, County Counsel.

Guests:

Paul Daily, Oregon Western Lumber; Kim Chickering; John Ayer; Patrick Starnes