



**DOUGLAS COUNTY
INDUSTRIAL DEVELOPMENT BOARD**

744 S.E. Rose Street - Roseburg, Oregon 97470

(541) 672-6728 Fax (541) 672-7011

Minutes

December 20, 2011

10:30-11:30

Umpqua Room

Roseburg Public Safety Center

700 SE Douglas

Roseburg, OR 97470

I. Welcome & introductions

A. Self Introductions

Vicki Howren from Tri City Water & Sanitary Authority thanked the board for their letter of support in regards to their application for a grant with Oregon Water Resources.

II. New Business:

A. Approval of Previous Minutes – November 15, 2011

Ron Doan made a motion to approve the minutes of the November 15, 2011 meeting. Alex Palm seconded. The motion passed unanimously.

III. Reports/Discussion

A. DCIDB Appointments- Perry Murray

Perry Murray stated he had gone to the commissioners meeting with the IDB recommendation for reappointing Alex Palm, Perry Murray, and Ron Doan and appointing Russ Noah and Fred Jacquot. The Commissioners approved the recommendation.

B. Review of Action Items Recommended in 2011 Still Pending

1. Debt Reduction

Susan Morgan stated that the Bolon Island (109K) has a prepayment penalty until the year 2014 ends. She said the County is looking at all IDB debt contract details and is going to pay down higher interest debts first.

2. Alpha Leisure Property Reacquisition Discussion

There has been no progress. There was renewed discussion about the value of trying to buy back the land or the option, but no conclusions were made.

3. South Umpqua Valley Industrial Park Brush Removal on 14 Acres

Susan said that the wet spring caused schedule problems with the public works crews. She said that they will be performing mowing at no charge to the IDB as weather and schedules allow. The "For Sale" is being considered for removal. Robb Paul said the parole and probation crews will do the brush removal and then spray in the spring.

4. Oak Creek Industrial Park

a. Mitigate three small patches of wetlands

Susan explained that the State wetlands regulations do not allow mitigation until there is a proposal. Lauren asked how long it would take once there was someone interested. Rob explained since Corp and DSL already agreed to do the offsite mitigation, it would be about

120 to 180 days. Susan explained that there are available mitigation credits at the Sutherlin Industrial Park. The one side of the mill ponds that haven't yet been used for mitigation is available to mitigate anything except for Bolon Island due to the geographical separation. She said we could use the credits from that for any other development on any of the County's industrial parks and that Corp and DSL have agreed that the wetlands bank is applicable.

b. Commission geotechnical report

Rob explained that the geotechnical report has not been done yet. Some information is available from the building of the pump station. They have cored the site plus have the wet wells and soil samples. He said there will be a \$5K to \$8K cost to finish the geotechnical report. Perry Murray asked Russ from R.E. Noah if he had any information and he said they may have a report on file to share.

5. Award of Contract to Re-delineate Winchester Park Wetland

Rob said that they are waiting until March to re-delineate the Winchester Park Wetland. The County has a standing contract with Land & Water Environmental Services. Based on the soil sample Kirk had done and the new Western Oregon Reporting Manual, there is a possibility of freeing up close to 15 acres.

6. Sutherlin Industrial Park Technical Assistance (TA) Grant for Industrial Park

All the grant documentation and information is back. The DCIDB is now ready to do a RFP or RFQ for infrastructure engineering. Perry asked about the in-kind contribution. Rob said that we will probably do engineering and public works could do some of the survey work and give that to the consultant. He said that they would use that as the in-kind contribution. The grant is \$39K and the in-kind contribution is \$6K. He said that the TA grant should help prepare for the water line extension from Orenco to Page Road so that Sutherlin could apply for a grant.

Susan recommended that the Land Committee meet to discuss the transportation and infrastructure needs for proper park development.

Rob said the public works plans to re-do Hastings Road next summer to hook Highway 99 to Taylor Street and complete that project. He explained that the whole road moves to the south about 15 feet and Lauren Young owns a piece of property there. He has agreed to give 15 feet to the south and we would give him 15 feet to the north to make the right of way work. Rob said Javier from the old GP plant has agreed to donate 15 feet to the south in exchange for a rebuilt fence, curb, gutter and sidewalk. The funding for this will come out of the public works road funds.

Georgia Stiles thought Javier had sold the property and there were concerns about him passing on this agreement. It was said that it didn't appear to have been closed and they would present this same offer to the new owners if and when Javier did sell. Susan stated the road improvement would help the circulation in the industrial park and be more attractive for business within the park.

7. Spec Building Recommendation Status

Susan suggested possibly using the TA grant to get infrastructure done, then wait for there to be an interested business to help create jobs. She said doing that would change the funding formula for the Spec Building. She explained without having an interested business would be more costly and there was concern expressed about making this investment without having anyone interested, however they want to get as close as they possibly could to being able to put up the walls. Perry stated he had talked to Bruce Laird and it was suggested that they look into a virtual building to deal with all the issues up until the point of construction. Susan said that the work that Perry had done with the architectural drawings and potential lay out of the site would be a great marketing tool. She said the TA grant would allow them to plan the lay out of the water and sewer lines, electrical lines, fire systems and the roads. Ron Doan asked if the TA grant was for putting in the infrastructure or just the design. She explained the TA grant is for planning and the actual funding would change considerably if they had a tenant in hand. They would then have access to state and federal funding programs. Perry said he would like something in writing with some positive feedback from DSL. Rob stated it is part of the site certification process and the documents are in the binder. Perry said that there is no wetland to mitigate there and suggested a list to be better prepared to answer questions for a site selector. He asked about the arsenic level and if we had documentation. Rob said that letters from DEQ regarding the arsenic levels are included in the site certification. He explained that their main concern was making sure there was not a daycare there and once there is concrete laid there really was no issue. He said when it came to digging they would

probably want a filter fabric down to distinguish the good from the bad soil. If soil was removed it would have to have some remediation before it could be re-homed. Perry recommended looking into a virtual building project rather than investing hard capital. The Land Committee has been asked to work with Bruce Laird on learning more about virtual building.

General Discussion

Kelly Morgan opened a discussion about the Rail America property. The IDB revisited the idea of whether or not they had an interest in supporting the project and what kind of support. Eric Swanson said that the City is getting a Brownsfields grant for the phase II survey. The IDB decided to re-discuss their interest after the environmental report estimated to be done in March of 2012.

Kelly Morgan and Georgia Stiles suggested the IDB ask for mini reports from the Ex-Officio members to see if they could assist or help support different projects through-out the county.

C. Redesign of Industrial Park Brochures

Alex Campbell asked to be updated and wants some direction. Perry said some of the statements are misleading about project-ready acreage. Susan asked if the brochures could be more user friendly and aimed at site selectors. Kelly said from Alex's reports they can see there are many issues with the properties and that they are not ready to market. Perry agreed and said that the mitigation cost exceeds the land value by double or more. Susan explained that mitigation credits can be used so essentially they do have shovel-ready sites. She said the barriers would be the process of going through the mitigation. Rob Paul said that are currently 23 credits. 11 at the Sutherlin site, 7 at the Oak Creek site, and 5 open for other sites. Susan said the expense has already been invested in doing all the work to set the credits up. Rob said the delineation would be the physical portion of moving the water, dirt and plants which would be estimated at about \$40k an acre, opposed to the \$80K to start from scratch. He said that there are 3 sites that are certified, meaning it has already been decided where re-delineation for the wetlands will go. He said the 14 acres by Alpha-Leisure do not have wetlands. He said that the South Umpqua Industrial Park, 25 acres at Oak Creek Industrial Park, and the Sutherlin Industrial park have sites certified that are under County ownership that can be marketed and have the 120-180 day time frame for construction. He said the reason for going through the expense for doing the certifications is so they would have land that is ready to go. He said the Wilbur Industrial site was not certified due to not having a place for the 20 plus acres of wetlands to go. There was no action or direction.

D. Solicit Realtors proposal to sell County Park Land

Perry asked if the IDB wanted to revisit the idea. Georgia stated if you inform the realtor what the boundaries and conditions are, they could put it together. She said maybe then they would pick up an interested party. Susan said the concern is the reimbursement to the realtor. She said maybe they could do a bounty type situation or a percentage of the appraised value. Alex Palm said there is 5 acres in South County that the County owns free and clear and could be easily marketed. He explained there are 3 pieces that have potential to market. Discussion ensued. Georgia Stiles moved to have the Land and Finance Committee to look at updating the existing brochures to accurately reflect marketable sites and developing some ideas of how to pay a realtor for services. Fred Jacquot seconded. The motion passed unanimously.

E. Senate Bill 766, Strategic Investment Zone

There was no discussion.

F. UCC Truck Driving School – Susan Morgan

Susan explained that there is a company interested in locating a trucking pony express in Roseburg. She spoke about the cost of a training program and possibly creating a tuition pool to aid potential workers with the application, training and hiring process. Perry explained that they have been working on this for approximately 6 months. He went on to explain that there is an ongoing need for unemployed workers and underemployed that do qualify and are unable to afford the cost of the program and that this would be a great opportunity. He said the college does an outstanding job with their truck driving training program and has a high success rate of placement. Lauren asked how they plan to keep the workers here locally. Susan explained there is no control over where the employees work, but that the college works closely with local employers. She said part of the process requirement is having a letter of intent to hire, and the current retraining program through UT&E has placed the graduates in Douglas County jobs. She said they track these workers for a year and the 85% that Perry was talking about is the percentage of workers remaining in Douglas County jobs. There was discussion revolving around the demand for

truck drivers in Douglas County, the lack of qualified drivers now, and the opportunities this program would bring to workers obtaining and remaining in family wage jobs. It was said that family wage jobs would help keep the workers and their families in Douglas County. The IDB is referring a \$50K commitment to the finance committee for review.

General Discussion

Eric Swanson stated he had recently gone to a talk put on by Bruce Hannah in regards to land issues. He requested that maybe the IDB draft a letter to why the DSL/DEQ and Corp both need to be involved with wetlands, duplicating the issues. Susan suggested Eric draft something and send it for approval.

IV. Adjourn DCIDB Business Meeting

Respectfully submitted,

Douglas County Industrial Development Board

Satania Korpi, Staff

Perry Murray, President

Attachment A

A recording of the meeting is available at the CCD office, 744 SE Rose, Roseburg, Oregon.

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

Russ Noah, Lauren Young, Ron Doan, Alex Palm, Georgia Stiles, Fred Jacquot, Perry Murray, and Kelly Morgan

The following is the list of attending DCIDB Ex-officio members:

Eric Swanson, Brian Davis, Charmaine Vitek, Mike Baker, Scott Somers, Patricia Klassen, and Rob Paul

County Representatives:

Commissioner Susan Morgan, Paul Meyer

Staff:

Satania Korpi, CCD Staff; Alex Campbell, The Partnership; Liz Thomason, The Partnership

Ad Hoc Committee Members:

Cindy Kent

Guests:

Loran Waldron, Land & water Env. Svcs; Alan Paulson, Roberts Creek Water Dist; Kay Huff, Green Sanitary Dist.; Vicki Howren, Tri City Water & Sanitary