

Combined NOEA Board/Col-Pac EDD Meeting

February 2, 2007

Jesse May Community Center
North Plains, Oregon

The following members and guests attended:

Joyce Aho, Col-Pac	Jeff King, City of Forest Grove
Mike Avent, Col-Pac	Mark Labhart, NOEA/Col-Pac
Don Bacon, Col-Pac	Don McDaniel, NOEA/Col-Pac
Phil Barlow, Col-Pac	Van Moe, NOEA/Col-Pac
Andy Duyck, Col-Pac	Mike Navarro, Col-Pac
Bruce Eaton, Col-Pac	Sam Patrick, NOEA/Col-Pac
Val Folkema, NOEA	Paul Pulliam, NOEA/Col-Pac
Julie Gassner, Col-Pac	Peter Roscoe, Col-Pac
Mark Gervasi, Col-Pac	Christy Vail, Col-Pac
Dennie Houle, OECD	Elena Uhing,
Tony Hyde, NOEA/Col-Pac	Dave Waffle, Col-Pac
Shirley Kalkhoven, NOEA/Col-Pac	Janet Wright, Col-Pac/NOEA
Karen Kent, Col-Pac	

AGENDA ITEM 1 – Welcome and Introductions

The joint meeting was called to order by NOEA Vice-Chair, Don McDaniel. Attendees introduced themselves.

AGENDA ITEM 2 – NOEA Business

Val Folkema called the NOEA portion of the meeting to order.

- Approval of December 1, 2006 Minutes – Unanimously approved. (SK, PP)
- January Financial Statement – 2003 – 2005 funds should close out by the end of June. Approximately \$358,600 remains uncommitted from 2005 – 07 funding.
- NOEA 2005 – 2006 Audit – Mary handed out. No material weaknesses found by the auditor.
- NOEA Contracting/Project Updates
 - USIA – Currently have \$34,500 committed to USIA in St Helens to underwrite a portion of the costs for the company to implement LEAN manufacturing techniques. When visiting with the company to finalize the contract, the owner noted that their immediate problem is cash flow, as they have taken on a multi-million dollar military order for dry suits. They have asked whether short term (3 year) financing might be available to assist them ramp up to produce the additional product. Board discussion – Several years ago, NOEA got out of the loan business, with Col-Pac taking the lead on small business lending. However, in this situation, Col-Pac can't provide timely enough financing to meet their immediate cash flow needs as their loans must go through USDA approval. Rick Cook, Col-Pac's loan officer would still do all the due diligence on the loan, but it would be financed out of NOEA funds.

Motion – Van moved/Paul seconded to reaffirm decision that NOEA not do loans. Paul, Van, Janet voted yes. Shirley, Val, Don voted no. Thus the motion failed. The Board agreed that NOEA may need to relook at its policy not to provide loans. Another issue raised was whether their may be alternative financing, eg, factoring receivables or working with another bank. The Board agreed to have staff look further into USIA's financing needs, including other options for financing, and conference call a decision within 30 days.

- OECD Biennial Report – NOEA for the 2003 – 2005 biennium have exceeded leverage goal by over \$2 million and are 2 jobs short of the 93.6 jobs proposed.
- Legislative Update – Regional/Rural Investment Funds have been submitted at \$11.5 million this year, up from \$7.5 million has in the current year. The additional funds will not be tied to jobs, but be available

for economic development capacity building. Example used was being unable to spend planning funds on an urban renewal district for the Steinfield facility, which ended up becoming housing.

- Federal Timber Receipts – Senator Wyden’s office is setting up a weekly conference call on the timber sales safety net legislation, which was not re-authorized. Oregon’s counties will be losing \$250 million, a significant portion of their road and general funds. Columbia and Tillamook counties will be impacted in NW Oregon. Short-term, looking at reauthorizing for another year until a new solution can be figured out. There is also a \$66 million being cut for schools, which impacts all counties within the State.

AGENDA ITEM 3 – Col-Pac Business

Mark Labhart called the Col-Pac meeting to order. Columbia County has a new city Board member, Phillip Barlow – St Helens City Councilor, and Washington County added Steve Heinrich (new mayor of Cornelius) and Dave Waffle (Cornelius City Manager) as City alternates and Bruce Eaton as a Washington County private sector member. Welcome new Board members.

- Approval of December 1, 2006 Minutes – Unanimously approved. (JA, PR)
- January Financial Statement – Year end projections show a positive cash flow for both the General and Revolving Loan funds.
- Col-Pac 2005 – 2006 Audit – In progress, will have for the next Board meeting.
- Directors and Officers Liability Insurance – When renewing the Col-Pac policy, one of the questions asked was whether or not Col-Pac staff was salaried. The Board discussed the pros and cons of having exempt or not exempt staff, without reaching a conclusion. Mary will research and present findings to the Board at the next meeting.
- Program Updates
 - NW Oregon Works (NOW) – A \$50,000 application is being prepared to submit to the Governor’s Strategic Workforce Training Fund, to partner with NW Oregon on implementing cluster-based rural business development.
 - Coordinated Transit Plans – Interim Plans have been prepared for Sunset Empire Transit (Clatsop County), Columbia County Transportation, and Tillamook County Transportation. Surveys with special needs bus riders are being conducted in Columbia County, and will also be done in Clatsop and Tillamook counties.
 - Revolving Loan Fund Workplan Amendment – Currently, Col-Pac’s Loan Fund Workplan indicates a cap of \$150,000 on maximum loan size. USDA regulations allow up to \$250,000. Rich is working with one client which may potentially need up to \$250,000, and thus the request to amend the workplan to allow up to \$250,000 loans. The Board unanimously approved the request, but noted for the record that the preference is to fund more, smaller loans for businesses. (EU, TH)

AGENDA ITEM 4 – NW Oregon Regional Partnership

Shirley Kalkhoven called the Partnership meeting to order.

- February 12th Rural Day – Mary handed out a proclamation. She will be attending. Shirley noted that every day is a something day at the Legislature – to be really effective, it is important to take a task to your legislator, eg, a written statement around Regional and Rural Investment and specifically say that you really want s/he to put this in their budget portfolio. Mary will draft a Regional/Rural Investment letter and send it out to the NOEA/Col-Pac boards and will then drop it off at each legislator’s office.
- Spring Forum – April 13th. Will be held in Astoria to kick-off the NW Oregon Works (NOW) initiative. Mary will work with Dennie, Julie and Joyce on an agenda.

Val Folkema, NOEA -Chair

Mark Labhartl, Col-Pac President

Shirley Kalkhoven, NW Regional Partnership Chair

Recorded: Mary McArthur, Executive Director