

Bay Area Chamber of Commerce
Board of Directors
July 2, 2008
Red Lion Hotel-7am

Board Members present: Ken Croes, KCBY; Sam Roth, Century 21 Best Realty; Ray Penny, All State Real Estate; Matt LeDoux, Fishermen's Wharf; Jenny Bream, Brian Bream Screw Machine/Gunnell Insurance; Mel Campbell, Campbell Vacation Apts/Charleston; Margery Whitmer, Betty Kay Charters; Pam deJong, HOLM; Sherry Yarbrough, Umpqua Bank; Eric Farm, Menasha; Brandy Thompson, Cardinal Services; Karl Bender, 3 B's Nursery.

Others Present: Timm Slater, Bay Area Chamber of Commerce, Ron Opitz, South Coast Business Development; Judith Hansen, Southwestern Oregon Community College; Chris Christopher, Sterling Savings Bank; Chuck Freeman, City of Coos Bay; Martin Callery, Oregon International Port of Coos Bay; Rob Schab, Coos Bay-North Bend Waterboard; Pam Cottrell, Bay Area Chamber of Commerce.

President Ken Croes called the meeting to order. Introductions were made around the table. Minutes were approved.

President's Report- Ken reports that June's Business After Hours was at Bay Cities Ambulance. It was well attended. I was impressed with Bay Cities Ambulance, they have done some expansion work on their building. I was impressed that they had donated classroom space to the college for training EMT's. Their investment in the community is pretty impressive. I got to tour the building; it was a lot of fun. At the Executive Board meeting we discussed a membership drive for September and our Board retreat that will take place in October.

Executive director's Report- Timm reports that after looking at the Chamber By-laws, we are to hold our Board elections in August. This means that we will put together a nominating committee. The nominating committee is comprised of two board members and one general member. These people will come up with a slate of candidates for the director spots. If you would like to participate on the nominating committee, let Ken know this next week. We have four spots to fill. The people currently in those spots are Eric Farm, Hank Hickox, Mark Mattecheck and Ray Penny. The spots are three year terms. You are able to serve two, three year terms. All four of these people are eligible to serve another term.

We are getting ready for a membership drive. The economic times are interesting. Some different things have gone on with larger corporate businesses. Safeway has decided not to renew. Not a local decision, but a corporate decision. I will be working on having Safeway return. There are many good reasons to be a member and be involved with the Chamber. You all know that.

The first thing you think of when you talk about a membership drive, is a call center. Sherry shared her idea of a people to people approach. Sherry explained that the bank calls it Handshake marketing. Instead of a call center approach, it would be nice to do a person to person visit. We can do this by getting a group of people together and hit the streets. We will visit businesses. We will invite them to become Chamber members, leave a packet with them. If they are interested we will do a call back. We will make a list of businesses that are non members. Break up into groups of 3-4 people, spend a couple of hours visiting those businesses.

Judith suggest that making appointments ahead of time. This might be a good idea to be sure to be able to meet with the person who can make the decision to become a member.

Timm added that it would be nice for each of us to make a list of businesses that you know, that ought to be Chamber members. September 18th is the date tentatively picked. The hope is not only will we get some new members, but we will have some fun while we are doing it.

There have been some great events going on. The Mill Casino Hotel opening was on June 26th. The conference rooms and break out rooms are really sharp. Each one is wired and set for multimedia

screen and projector. Then we went to the 7th floor and toured the executive suites. They are very well appointed with conference table, stone fireplace, large window looking south across the Bay. A well equipped kitchen. A master bedroom and private bath with walk in shower. The other suite was equally impressive with a balcony looking east and another large window looking north.

The opening of the Airport terminal, even in our challenging times, was well celebrated. What an impressive facility. There is a great deal of optimism from those who are involved in this project. There are many market niches, depending on the size. Sky West's focus is on this size of a market.

We have not set a date for the October planning session yet. We like the fact that our committees look at themselves and plan their goals for the upcoming year. We have been using a Show n Tell type format and we will keep some of that. This past week we found a product that focuses specifically on Chamber of Commerce. What they do is, in the last five years, they have conducted a nation wide survey of Chambers. They use running statistics and from that effort, put together planning seminars. It has been so successful that they now offer the information is a, "Board Retreat in a Box". We will fill out a survey. They will take the information, compile it to a power point presentation. The outcome will be focused on what we want to see happen. Once the information is compiled and focus areas identified, team leaders will be chosen. We will break into groups and come up with an action plan on who is going to do what. Our focus will be on what do our members want and how are we going to achieve that.

Director chats are important to me to hear what you have to say. I will be calling to schedule time with each of you this month.

Treasurer Report- Sherry reports that our current balance is \$ 134,933.12. About \$9500 of that is in the Ambassadors fund. Money they have raised with their fund raisers for their convention in October. We are alive and well.

IBO- Dick reports that "Timm and I are working on filling the speaker spots for the coming up IBO's. We want to focus on business. We are moving along and will get together in July to focus on putting things together."

Transportation- Martin reports that the last transportation committee meeting was a briefing from ODOT. They spoke on the projects that are under construction currently or will be shortly, that will likely expend into the fall. It has been reported in The World, some possible delays or detours. Mark Usselman will come back later in the fall and update us on the completion of some of those projects and the progress of some of the others that are lined up for early winter or next fall. The committee will be taking July and August off. Next meeting is set for September.

Pam deJong reports that she attended the Transportation meeting and picked up flyers on the road project. They are at the Chamber if you are interested and would like to pick one up.

Martin adds that information is on the ODOT web site.

Economic Development-Chris reports that they did not meet in June. A meeting is planned for July.

Government Affairs-Timm reports the next meeting will be October 29th, focusing on County government. I do anticipate a candidate forum in October as well.

Four Star Awards- Sherry reports this has been the best quarter we have had for nominations. We have six businesses that we will be awarding Four Star Awards to. We will have a list of those business announced after the awards have been presented. We will be contacting the Ambassadors next week to help present the awards. Please if you have received excellent customer service, please pick up a form or e-mail Timm with the information. We want to be sure to recognize great service. They bring the tourist back to us.

Ambassadors- Jenny reports that the Ambassadors have been very busy with Ribbon Cuttings and focusing on the Convention. We are receiving many donations from local businesses. The planning is going very well. The Ambassadors will be at the Airport opening next week.

Tourism- Margery reports the Tall Ships drew a good crowd. The demonstrations were a good idea. They included work with marlin spikes and the Coast Guard using signal flags. Kites, sponsored by the tourism committee, were sold. There was an increase in visitor count, maybe due to the shipwreck that was uncovered this winter. Of course the New Carrissa brings tourism to our area. Travel Oregon is planning a commercial to promote the Coast. The committee will not meet in July. Our next meeting will be in August.

Forestry & Fisheries-Eric reports Lumberjack competition was last Saturday. The attendance was around 1500-2000 people. Timm and the Ambassadors volunteered to time events. One solution to County Timber payments would be to ask Congress for welfare money. The better answer is to start working our forests. Support the BLM new management plan. The final version should be coming out this year. These are resources that can be managed. The new BLM management plan could replace the County timber payment dole.

Chuck asked the Chamber's position on the County and Tribe plan for the Coos Bay Wagon Road lands. Is this part of the BLM plan?

Eric responded that it is not part of the BLM plan, but a separate proposal. It would be a good way to circumvent some gridlock. The Coquille Tribe has been very successful in their forest. The tribe has about 5-8 thousand acres in that territory. The Tribe need to follow federal rules, but have less litigation to go through. They are splitting the revenues 50/50 with the county, with cost coming out of their half. Eric states that his position is that he would strongly support that.

Timm adds that as the plan moves forward the Chamber will take a stand. My advice is similar to Eric's, the Coquille's have done a marvelous job of managing their land and managing to the Northwest Forest Plan standard, utilizing the resource, which otherwise has been bound in litigation. The Northwest Forest Plan promised a certain level of production, which has never happened. Our focus does need to be put toward the new BLM plan. That is the baseline. This is the way out, and it creates real money to go towards the federal debt and to be shared with the county. It is the most logical and most responsible answer. BLM is the opportunity, unfortunately the Forest service is not. They have a different set of regulations. The Coquille plan is innovative thinking. We will see if the county continues with that. I will be checking on leverage points and report next month.

Eric finishes by reminding everyone that the next meeting will be July 18th.

Margery adds that representative Wayne Krieger met with fishermen on the wild fish policy. Issues are being put to the legislators and game officials. It has been conservative management. There is healthy stock out there in rock fish. Salmon is off a little bit. It could all improve.

Leadership Coos- Pam reports that the steering committee met on June 24th. We are planning the new session coming up. Three new committee members were added this year. Yearbooks are being printed now and will be mailed shortly. Applications have been mailed to the people on the waiting list for next year. Fifty- four applications were mailed to fill the thirty open positions. She encourages the board to have interested parties contact her.

Sherry added if your business can and if everyone you know has been through Leadership Coos, you may consider a sponsorship for someone you can't go. There are businesses out there that can't afford the tuition. If some of us could help with a scholarship so that those businesses could go through the program.

Dick asked the question that if there are 54 people on the waiting list and 30 spots to fill, had it been considered to add a second group.

Pam replied that it had been discussed. The committee felt that we maybe spread too thin to do the program justice. The decision was made to continue with the program as it stands.

Port of Coos Bay- Martin reports that the container project has been put on hiatus. The company, who I am now, allowed to say their name APM Terminals of North America. They are still interested in this project. We continue to work with them. Because of their on going commitment, we have met the

criteria of the legislation. We were paid the 5 million dollars for the analysis and environmental impact statement requirement for channel modification. This means that if this project moves forward the channel meets the requirements of the Army Corp of Engineers. We received the first portion of those funds on June 30th. We will be moving forward, at a slower pace than we anticipated, with the section 404 process on the channel on the lower bay.

Martin wanted to make it clear that the Channel modifications are not linked with LNG. LNG can use the current Coos Bay channel. A deeper and wider channel would benefit all commerce. It would benefit the commercial fishing industry. The deeper the channel and the deeper the entrance, the safer The Channel is. The Coast Guard has completed the initial waterways suitability report. In the report it says, while there are gaps in requirements to safely and effectively operate LNG tankers, none of the resource gaps are deal killers. The purposed safety zone around the vessel as it transits the channel will be 500 yards up to the shoreline, but will not extend onto the land side. It is a moving zone, so as that vessel moves up the channel that zone moves up the channel. Also in that report, if an individual boat is in the channel, they have to give way to the tanker. If you were a commercial or residential boat that wanted to cross the bar to go out to sea, there could be a 15-20 minutes delay if a tanker is in the channel at that time. When the vessel is in the moorage, there will be a 125 yard safety zone around the vessel. That will not extend into the navigation channel. These are similar restrictions as if a military or commercial vessel was in the channel.

Martin responded that there is a process for public input. If you come up with a legitimate concern with some aspect of what they have authority over, it will be considered.

Karl asked if there is any truth to a 3 mile blast zone.

Martin responded that there is no truth to any kind of blast zone. LNG tankers are not explosive or flammable. It is only when the LNG is vaporized into gas that it becomes a flammable commodity.

Matt added that he is with the North Bend Fire Department, they have done some research. There is very little danger of explosion.

Karl asked if there is an information packet available to the public.

Martin reminds everyone that the Port does not manage the Jordon Cove project. Jordon Cove website has many links on it, which provides information, both pro and con on natural gas. Google Jordon Cove Energy and you will come to their website.

The Chamber has taken a position of pro process for the LNG site.

Ron added that if you take a drive to Newport, to the right across the bridge there is a green tank. IT has been there for 34 years. There is little to no risk.

Dick asked if there has been any interest in Hydro project on the North Spit.

Martin said that he can not answer, if there are any companies that may be working with Jordon Cove in co-locating with the LNG. We know that there has been interest from many different types of firms.

You would like to co-locate and use the opportunity that natural gas provides.

South Coast Development Council- Ron reports that things are going well. The opening of The Mill's new hotel rivals anything outside of downtown Portland. It is a jewel and asset to the community. The airport terminal is a tremendous facility. We are looking forward to SkyWest beginning their flights to San Francisco on July 7th. We do have an issue with Horizon. There will be discussions and meetings with the president of Horizon Air. We are going to find out what we need to do to keep them active in our community. We need to be proactive for Horizon to continue.

Oregon Resources just made a large purchase of materials for their plant. They have all the pilings on site. They are working with Cardinal Services. We are looking at 70-75 jobs with benefits; it is a tremendous asset to this community.

In tough times we need to focus on the positive. We are working on outside businesses moving to our area. We need to keep our attitude good and focus on the good things we have happening.

South Western Oregon Community College- Judith reports that the college is doing well. We had the largest graduating class ever. We are focusing on keeping students, as well recruiting new students. Last year, we began giving students a test called "cap test". We test sophomores on math, communications, writing skills and critical thinking. We ran our first test last year and placed in the 50 percentile nationally. This year we tested focusing on the writing and increased by a 20 percentile. We have an exceptional college attendance. We will continue working with the Tribe management, in the hopes to bring back some kind of a Forestry program. We think that we will have a kick off course beginning this fall. The state approved our Paramedic program. The program will start this fall. Without the cooperation of our local Bay Area Ambulance service, we would not be able to do what we are doing. In two weeks we are interviewing for a new Director for the University Center. In one more year the students that are earning their Bachelor Degrees, will be able to earn it on line. There are some great opportunities for careers on the South Coast, because of the collaborations we are developing.

City of Coos Bay- Chuck reports we are looking at a system rate change for the area. On July 15th at 6pm we will be with a rate consultant. How to find Waste Water? The consultant has looked at our project, since we have not gone into debt with our project, we have paid cash as we go, and this pushes the project out. In doing that the cost of construction rises at 6% per year. The plan that is coming out, is to go into debt, do the construction now. How that affects the rates is that Coos Bay is looking at a 25% construction rate increase this year. So going into debt, stabilizes your rates. So we are under 6% per year in the conceivable future. Now is the time to get vested.

Our engineer is reading the transportation report. There are some questions that need to be answered. A percentage of your gas tax needs to go toward bike paths and pedestrian pathways each year. The City elected to enroll in the Oregon Main Street Program. This program provides training for business to focus on their businesses and needs. The focus for the City is to discuss the health of our local businesses. We need to detail the growth of business, what they need. Joyce and I have taken a look at what her new roll will be, as downtown revitalization manger. She will be talking with businesses. Finding out what their needs are. We can see how the City can help and the college provide the training.

Projects that the City is working on are in the beginning design stages of enlarging the Boat Basin, the Visitor Center and the Hollering Place. That process kicks off July 16 & 17th, at the Hollering Place. A partnership is being developed and it has been decided to make that site larger at the Hollering Place. Our code is in the final stages of an over haul and update. We have many code restraints in Coos Bay, that make it harder than necessary. This will be about an eighteen month process.

The City has hired three new cops. One is on the streets. The other two we found at the Academy in Northern California. These are the top two people of the graduating class. They will be moving to Coos Bay.

Jenny mentioned that she saw people in TJ Shaws. Chuck replied the people who own Waxers, the surf shop on the corner has opened TJ Shaws. They had a quiet opening last Wednesday.

Karl asked the question, that the people on Cape Arago Highway would like to know what is going to happen to plant #2. Chuck replied that we are looking at upgrading the plants. The state of Oregon can't get it's act together. The Federal government wants the pharmaceuticals removed from the waste stream. I would like to find the money to move the site to the North spit. Which would force the septic tanks to be move off the Bay. DEQ has had a lot of staff turnovers. They don't get their reports done on time. Which causes us to miss our deadline, then we are asked to pay a late fee.

Charleston- Mel reports Charleston Marina has put in new parking facilities. We have also received a grant to put in new restrooms and showers across from Betty Kay. We have had a drop in tourism. There are not as many big rigs.

Our major complaint is that there are drug dealers, right in front. We ask for help, and no one comes. There is a new gallery in Oyster Cove. It is beautiful. Please come out and welcome them.

Pam asked the question if Charleston has called the SCINT team to help with the drug problem. Mel replied that they have. She is concerned with the reputation that Charleston is getting, that it is not a safe place to be.

Dick reminds that in the paper there was a large drug bust in Bunker Hill by the SCINT team, in the article it stated it was due to a five year investigation.

Ray shared that he had spoke with Deana Scott at the airport opening about the Bay Area booth at the Olympic Trials in Eugene. There was a lot of positive response. The booth may be responsible for bringing people to the area to visit.

Adjourn