

## HEDC focus on city improvements

At the annual dinner meeting of HEDC (Heppner Economic Development Corporation) last Wed., Jan. 26, members were updated on projects already underway.

Members discussed the Main Street Improvement Project, the need for more housing and the projected addition of a motel/restaurant facility.

Guest speaker was John Huffaker, The Dalles. He recently became the north-central regional business officer of the Oregon Economic Development Department, which includes Gilliam, Grant, Morrow, Sherman, Wasco and Wheeler counties.

Huffaker said communities must take a "bootstrap approach" by demonstrating a need for funding from state or federal agencies. Any project must fit with other aspects of the community, he said, and they must have the support of both the community and local government agencies in order to access federal or state funding.

Members of HEDC plan to continue meeting with state highway department officials to ensure that Heppner's Main Street reconstruction remains on the 1997 agenda. This project also includes new storm drains that will handle excessive run-off. Columbia Basin Electric Coop manager Fred Toombs said that



John Huffaker

at that time, the local co-op will remove Main Street service lines. Those overhead lines will be moved to the rear of Main Street buildings he said.

To coincide with this project the city has obtained a sidewalk replacement grant of \$108,800 through the Intermodal Surface Transportation Act. All Main Street sidewalks from the lower end of Main Street near the city park and ending at the May Street bridge below the courthouse will be reconstructed. To further enhance the downtown area, the Heppner chamber has been holding donations given to finance planter boxes and trees.

While this major project won't happen for three more years, city manager Gary Marks said that two city streets will be

reconstructed this year. Revenue bonds are now being sold to provide \$370,000 for the project. These bonds are supported by state gasoline tax revenues anticipated to be received by the city. This will not be resident-tax supported. Marks said the engineering is now underway. The city hopes to award a bid in May with completion targeted for September 15.

Like other towns, Heppner has a housing shortage. Many inquiries as to available housing are received, according to city officials and the chamber office.

Greg Smith, Heppner, of GEODC said that Heppner now has a population of 1412 people. However 498 households are in the moderate to low income bracket. Smith said that there are low or no-interest loans available to help refurbish older homes. Meanwhile HEDC continues to research avenues to provide housing for middle income families and senior citizens.

According to HEDC president Ann Spicer, the Port of Morrow has agreed to purchase ground that would be offered to a prospective investor of a motel and restaurant facility. The Kinzua Corporation site for industrial development is projected as a means for adding commerce to south Morrow County.

Spicer and Cliff Green were re-elected to the HEDC board of directors.

HEPPNER



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## Kinzua Mill sold

Kinzua Corporation announced Tuesday it will sell its Heppner sawmill to a Eugene-based group of investors.

All 125 employees at the mill were notified Tuesday they will be laid off in 60-days. Kinzua General Manager Frank Pearson said he did not know if the new owners planned to operate the mill or close it down.

Pearson did not divulge the names of the new owners, only to say there were four principals, an investor, a logger and two mill owners. The name of the limited liability company formed to buy the mill is called Pioneer Resources L.L.C. if 342 E. 112th Ave., Eugene. Calls placed to the company Tuesday to discuss the sale were not returned.

Kinzua Corporation has been in operation in Heppner since 1959, and has been owned by the same group of Northwest families for over 40 years.

The sale has not yet been finalized but should be completed in April, Pearson said.

"The buyers have not made any decision to operate any portion of the mill," he pointed out. "There is a definite interest by them to continue to operate the mill. I'm encouraged, but I don't know. You don't really know until they start hiring people back," Pearson said. "The other option

would be to salvage everything and use the timber at other mills," he said. About 180,000 acres of timberland are included in the sale.

Pearson said Kinzua would continue to operate up until the

sale, including buying timberland, cutting trees and producing lumber. "We're not going to let the mill run dry, in fact we just bought 480 acres of timber this morning," he said.

Terms and conditions of the sale were not announced.

## Co-Gen plant to close

Kinzua Energy Co., a subsidiary of Kinzua Corporation, and Portland General Electric Co. (PGE) have jointly agreed to terminate a power purchase agreement entered into in 1983.

Under the agreement, Kinzua has provided PGE electrical energy from its 10 megawatt cogeneration plant located in Heppner. Changes during the last several years in the forest and energy industries such as reduced availability and higher cost of wood-waste fuel, increased operation and maintenance costs associated with electrical generation, and lower-cost resources available to PGE made terminating the current agreement in the best interest of both companies.

"We are proud to have helped meet the energy needs of PGE

customers over the last decade," stated Jim O'Donnell, President of Kinzua Energy Co.

Since coming on line in 1985, Kinzua has provided PGE over half a billion kilowatt-hours of electricity, enough to serve the energy needs of more than 5,000 homes each year.

"We respect and appreciate Kinzua's role as a reliable electric provider to PGE," added Rich Davis, PGE's Director of contract resources. "It has been rewarding to work with an organization such as Kinzua that has helped us explore ways to lower customer costs and to improve each company's competitiveness."

Termination of the 30-year agreement will become effective February 7, 1994.

## Suit against city dismissed in court

A lawsuit alleging that the city of Heppner's performance based pay policy violated the city charter was dismissed on Thursday, January 27, from Circuit Court.

On June 7, 1993, city council member Martha Doherty filed a lawsuit with the circuit court alleging that Mayor Bob Jepsen, the other five city council members and city manager Gary

Marks had violated the city charter when they adopted a new personnel evaluation and merit compensation system for city employees in January 1993.

In his ruling for dismissal, Judge Rudy Murgu found that city manager Gary Marks was not a proper party to the action; the resolution adopting the merit pay system was validly adopted and that neither the resolution nor the

merit pay system violates the city charter; and the plaintiff has no standing to maintain the lawsuit. After the ruling, Marks said the city was pleased that the court had affirmed the legality of the city's policy.

"I hope we can all put this behind us now and devote our complete attention as a team to the many projects and issues confronting the city," Marks said.

## Hospital staff receives lab training

The clinical laboratory staff at Pioneer Memorial Hospital and Nursing Home in Heppner have received a certificate of training from the American Association for Clinical Chemistry. The staff has also participated in additional training over the past six months to keep their knowledge and skills updated in the "ever-changing" medical field.

Laboratory supervisor Jay Straley, Shelly Wight and Elizabeth Hickerson were able to attend classes through a grant from "Northeast Oregon Area Health Education Center" (NOAHEC), Eastern Oregon State College, LaGrande.

"Without the funding from

NOAHEC, our small rural hospital would be unable to afford continuing education for the staff," said Straley. "With health care costs rising and reduced reimbursement by Medicare, our laboratory had to make drastic cuts in its budget. We are thankful to the NOAHEC and hope they continue their necessary and important work."

"In our rural setting quality education in our field is not available," added Hickerson. "We must travel great distances for continuing education and because of the NOAHEC we were able to afford this training."

"In order to keep our license we must obtain a specific amount

of continuing education. Without the funding from NOAHEC the rural community would not have the same currently trained professionals that are available to the inner-city population," said Wight.

"With health care under such scrutiny and the cuts demanded under Measure 5, it is nice to see some positive feedback from our tax dollars," continued Straley. "The rural community is often ignored in the media unless it is of a negative nature. The continuing efforts of NOAHEC need to be continued so all individuals have the opportunity to have access to up-to-date diagnostic testing abilities in the clinical laboratory."

## Free income tax aide available beginning Feb. 11

Do you have questions about your taxes? Would you like assistance in completing your income tax forms this year?

Free income tax assistance will be available to the community beginning Feb. 11 through the TAX-AIDE program of the American Association of Retired Persons (AARP) in cooperation with the Internal Revenue Service (IRS) to all low and moderate income people.

Sherron Woodside, local coordinator for the tax program, said the service is designed to help all low and moderate income taxpayers understand income tax forms and become familiar with special benefits available to them. "The government may owe you money. Taxpayers who had

a job, earned less than \$23,050, and had a child who lived with them may be due money from the government under the Earned Income Credit," Woodside said.

On another point Sherron stated "we have learned that many older persons are unaware of special benefits they are entitled to claim. Some may not be required to file a return because of limited income."

Persons using the service should bring copies of their previous year's federal and state tax returns, forms for the current tax year, relevant material showing income for the year (including W-2's and 1099's etc.) and receipts, cancelled checks for personal deductions (medical, property taxes, contributions, etc.).

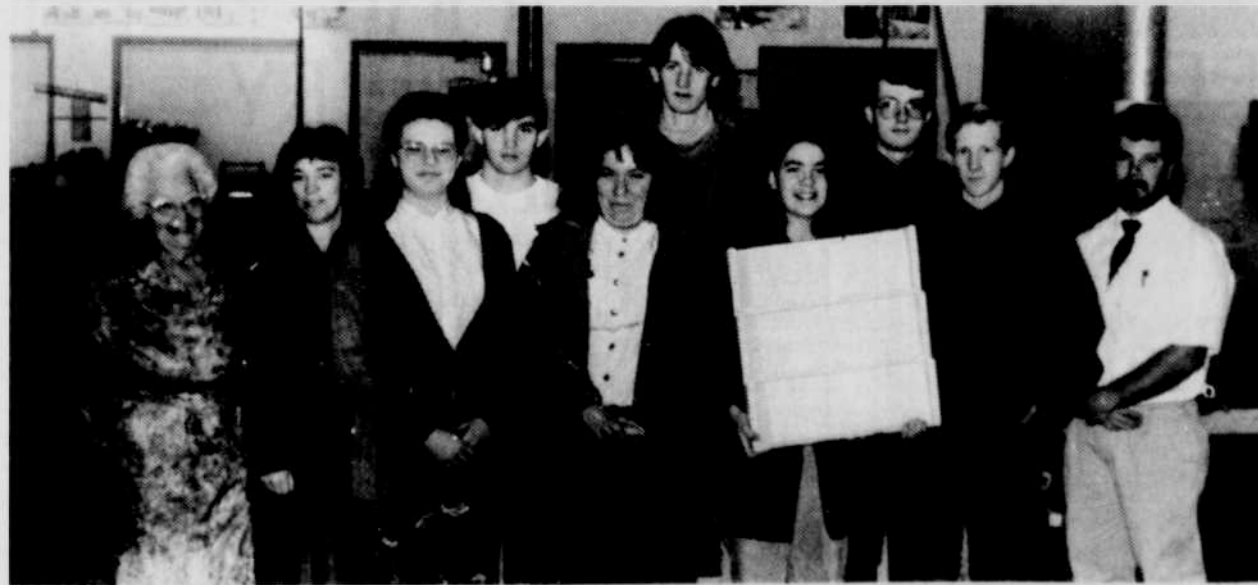
According to Woodside, TAX-

AIDE counselors are trained to assist with basic tax forms and questions. The counselors receive a week of training covering federal and state taxes for which they must pass a test. Individuals with complex tax assistance needs may be referred to professional tax preparers.

"Our goal is to assist more taxpayers with our expanded site hours as we are having two Saturdays (Feb. 19 and 26, available to those individuals that are unable to receive the assistance during the week," remarked Woodside. Some additional forms are also available that may be unavailable at the bank or post office.

Interested persons may make an appointment by calling 676-5024.

## Tourism to sponsor brochure racks



lone's entrepreneurial class "We Make Products" with Jean Nelson (far left, back).

The Morrow County Tourism Committee, at its meeting in Irrigon last week, voted to contract with the students in the lone shop entrepreneurial class "We Make Products" to make racks to hold pamphlets dealing with attractions in Morrow County. These racks will be placed in various businesses in the county so that the information would be readily accessible to tourists, hunters

and others passing through. There will be informative brochures dealing with such attractions as parks and lakes, the Oregon Trail, the museum, the courthouse, the Blue Mountain Scenic Byway, attractions in the nine counties of the Eastern Oregon Visitors Association, the Irrigon Fish Hatchery and the Umatilla Wildlife Refuge. This is just one of the many projects that

have been completed by the Tourism Committee since its organization in 1986.

Anyone interested in working with this group is invited to contact chairman Don Eppenbach, Irrigon. The group meets monthly in different parts of the county. The next meeting will be Feb. 8, at 4 p.m. at RJ's Restaurant in Lexington.

<b>MCGG Grower's Meeting</b> February 11 Willows Grange Starts 9 a.m. Sponsored	<b>Small Grains Staging Clinic</b> 1-3 p.m. Willows Grange by MCGG and Dobyns	<b>Welding Clinic MCGG lone Shop</b> 1:30 p.m. Pest Control
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