

HEPPNER



50¢

Gazette
Times

VOL. 118 NO. 3 8 Pages Wednesday, January 20, 1999 Morrow County, Heppner, Oregon

Bob and Aloha Despain named citizens of the year



Bob and Aloha Despain

Bob and Aloha Despain were selected the Heppner Chamber of Commerce Man and Woman of the Year at the annual Town & Country Banquet held January 14 at the Heppner Elks Club.

Both the Despains are active members of All Saints Episcopal Church and currently serve as junior and senior wardens for the congregation.

Bob Despain has been foreman for the U.S. Forest Service Youth Conservation Corps crew, working "right along with these young people, shoulder to shoulder, instilling strong work ethics and proper behavior in the work place," according to award presenter John Edmundson.

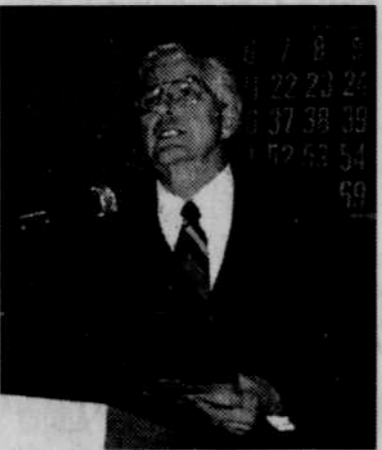
The Despains raised four children, Robert, Kathy, Chris and Merry, and often provided a home for many other young people who needed a safe haven at difficult times in their lives.

Called a "two-person family services organization", the Despains recently, within minutes of learning of a family's misfortune due to a fire incident, organized relief with respect to food, clothing and shelter.

Aloha Despain has contributed an "incredible amount" of time, energy and effort towards helping the Morrow County Behavioral Health Department become recognized regionally and nationally as a model mental health program.

Their activities include leadership or support for numerous activities, including: the Halloween haunted house, carpentry at the Heppner Day Care Center, installation of a new cross on Cross Hill, the all Saints' Episcopal annual barbecue, driving senior citizens for appointments and emergencies, making and giving "Comfort Crosses" (handmade wooden crosses), supporting Camp Fire, service at the senior meal site, participating in the MS walk, the Episcopal Cove

Ascension School maintenance and repair, Hospice program development, All Saints annual Thanksgiving dinner and Shrove Tuesday pancake supper and the Neighborhood Center Toys for Tots program



Ralph Werner

Ralph Werner, citizen educator of the year, took over a struggling band program and turned it around to the extent that it is a vital presence that is valued in the community.

Werner began teaching for Heppner Elementary School and Heppner Junior/Senior High School two and a half years ago, during a tragic time, following the death of band teacher Beth Slottee. He built up the music program at the high school to include 45 students this year and the district is now considering adding classes because of the large amount of interest, said presenter Ron Anthony.

Werner directs the Heppner pep band at football and basketball games, directs school concerts, the marching band, downtown concerts and various other performances.

A group of Werner's students, comprising the rock band, "Final Warning", performed at the Town & Country banquet.

Sweeney Mortuary, owned by Pat and Trisha Sweeney of

Heppner, was named business of the year.

The business was selected because of its importance in the community and the compassion and caring Pat Sweeney and his family have shown the people of



Pat and Trisha Sweeney, Sweeney Mortuary

the area. Sweeney Mortuary is "more a way of life than a business," said presenter Jannie Allen.

In addition to Pat and Trisha, the whole family—daughters, Nicole and Brooke, and sons, Cory and Cameron—and neighbor Chris Burkenbine have all been supportive in the business.

Pat's father Jerry began operation of the mortuary in 1963 and Pat became sole owner in 1981.

Lifetime achievement award winners Eleanor Gonty and Barbara Struthers were praised for their numerous contributions to the community. "They are quiet, behind-the-scenes workers who give continuously and unselfishly," said presenter Ann Spicer, who was standing in for her husband Bill Kuhn. "Their quiet strength and example have been a constant inspiration to those around them. No one has to tell them when and how to get involved. They know and the job gets done with tenderness and a smile. The love they have radiates those around them."



Eleanor Gonty
Eleanor Gonty was born in

136 workers to lose jobs, 70 in Heppner area

Kinzua mill to close

Approximately 70 people from South Morrow County number in the 136 full-time and part-time employees to be laid off from Kinzua Resources mill in Heppner, according to Kinzua Resources manager Jim Salyers. The employees received notice January 14 that the mill would close permanently March 16.

The notice of plant closure to the employees read, "To: all employees. Kinzua Resources, LLC will cease operations of its Heppner facility located in Heppner Oregon. You will be laid off on March 14, 1999. Nature of closure: Permanent Plant Closure. Please direct questions to Jim Salyers 541-676-9000."

Salyers said that the mill would remain open until March 16 because the company is required by law to give employees 60 days notice and pay them for 60 days time, regardless of the shut down date.

Salyers said that giving the employees notice was one of the hardest things he had ever had to do. "It's just not easy to tell 136 workers that they won't have a job," he said. "It's hit me pretty hard as well."

Salyers, who lives with his wife in Heppner, says they plan to stay in Heppner and he will commute to Pilot Rock and will work in management at the Pilot Rock mill. Pilot Rock is a 45 minute to an hour drive from Heppner over the mountainous Highway 74. Pilot Rock can also be accessed by traveling on I-84 through Pendleton. This route, which may be more favorable in snow or ice, takes around an hour and a half from Heppner.

"This (the mill closure) is the most difficult decision our company has ever had to make," said Greg Demers, Frontier Resources president, in a news release January 14. "We know how important the mill is to the

community and we tried everything we could think of to keep it open. As we look into the future, we don't see any signs that we can turn things around. It is with deep regret that we make this announcement today."

"The hardest part about this decision is knowing that good people are losing jobs through no fault of their own," Demers said. "These are hard-working men and women who tried as hard as we did to make this mill go and we appreciate their efforts more than we can say. We will help employees through this transition, but we know it's going to be tough on a lot of people."

"It's certainly not the fault of the labor force," Salyers stressed.

Frontier Resources said that they had invested \$2.5 million to upgrade and automate the mill to try to "squeeze more product and profit-out of every log. Despite this optimization effort, the mill continued to operate in the red."

The release said that Frontier's newer sawmill in Pilot Rock, which employs approximately 120 people and processes about 75 million board feet a year, will remain open. Kinzua in Heppner processed around 100 million board feet a year. With the closure of the Heppner mill, logs formerly divided between the two mills will now be processed exclusively at Pilot Rock.

Frontier has said that they are adding a third shift at the Pilot Rock facility which will create an additional 38 positions with first consideration in hiring given to displaced Heppner mill workers. Salyers said that hiring would be based on seniority and skills.

He said that the company is also working with government agencies to help place displaced workers and added that the proposed prison in Umatilla will be hiring and they plan to set up interviews with former Kinzua employees. "I just want to see we do everything we can," Salyers said.

Salyers estimated that the mill had a direct impact of \$5 million in income on the community and a trickle down impact of \$17.2 million.

According to a news release from Frontier Resources, LLC, in Veneta, the "aging mill was geared to processing large logs at a time when fewer large logs are available for harvest."

"It's a log issue," echoed Salyers. "There's just not enough timber in this basin to support" operation of the mill.

Salyers said that an earlier sale of Kinzua lands in east Morrow County did not affect the mill shut down. He said that even though the company sold timberland, Kinzua retained cutting rights on that land and added that the company was forced to buy timber for the mill in an open market even before the sale.

Mike Evans, land manager for Frontier Resources with offices in Springfield and Veneta said that it is estimated that Frontier Resources might have to spend in the neighborhood of \$1 million to clean up the mill site to meet environmental standards.

Evans also said that Frontier is planning to meet with officials from the Port of Morrow, Morrow County and the city of Heppner concerning Frontier's possible contribution toward a proposed economic feasibility study for the area. He said that Demers also indicated that a donation of all or part of the Kinzua mill site to the port, county or city could be considered as a possibility.

According to Frontier's news release, "The Heppner closure will be the latest in a series of mill shutdowns in the Northwest

that began in the early 1980s. A total of 476 mills (sawmill, plywood/panel, veneer) in Oregon, Washington, California, Idaho and Montana closed from 1980 through 1998, costing 31,000 jobs, according to forest products industry consultant Paul Ehinger. During that same period, 121 sawmills (215 total mills) closed in Oregon alone, resulting in the loss of more than 10,000 jobs."

An International Paper Company pulp mill in Gardiner, near Reedsport, also announced its closure during this past week, displacing 300 workers.

"Log harvests from federal lands have plummeted from nearly five billion board feet in 1988 to just 689 million board feet in 1996," continued the release, "a drop of 86 percent, according to the Oregon Employment Department. In a report released Nov. 13, 1998, the Oregon Department of Forestry found that Oregon's timber harvest in 1997 stayed near record low levels for the fourth straight year."

"To make matters worse," they said, "lumber prices dropped by about 15 percent from 1997 to 1998, according to the latest statistics compiled by Western Wood Products Association. WWPA is predicting a decline in lumber demand for 1999."

Gunderson picked for Shrine team



Derek Gunderson

Derek Gunderson, son of Dave and Tricia Gunderson of Heppner, has been selected as first team wide receiver and defensive back for the annual East-West Shrine football game scheduled for August 14 in Baker City.

Gunderson is a senior at Heppner High School.

Other selections in the Columbia Basin Conference include Seth Boyer of Culver, running back and linebacker; and Brandon King, Weston-McEwen, offensive and defensive line.

Pool group to hold annual meeting

People for the Pool, Inc. will hold their annual meeting on January 27 at 6:30 p.m. at Kate's Pizza.

The agenda includes final payment on the loan for the indoor therapy pool and disbanding People for the Pool because of fulfillment of their goals.

For more information, call Kay Proctor, 676-9827.

CALKINS PARTS SALE

CALKINS 10% OFF

Limited to Stock on Hand • Sale through January 30th

MORROW COUNTY GRAIN GROWERS

Lexington 989-8221 • 1-800-452-7396 For farm equipment, visit our web site at www.mccg.net