

OREGONIAN 11/18/87

# Coos Bay smelter lines drawn

By **BILL MacKENZIE**  
of *The Oregonian* staff

A proposed chromium smelter near Coos Bay would have a negative impact on the area environment and jobs, according to a study released Monday by the Oregon Natural Resources Council. But an official involved in the project disputed those findings.

James Monteith, the council's executive director, said the "alleged benefits to the local economy from creation of new jobs as a result of the smelter are small compared to expected adverse impacts to other economic bases, most notably fisheries and recreation, and the much larger number and permanent kind of jobs sustained by them."

"We strongly believe this project would be a bad risk for Oregonians. . . and should be abandoned," he said.

The council is a Eugene-based conservation organization made up of 90 environmental and outdoor groups in the state.

Patrick "P.J." Wooding, president of Wooding Corp., the Bear Pond, N.J., company that plans to build the plant, forcefully disagreed.

"If this were an old-fashioned chromium smelter these things could happen, but we have no intention of having any pollutants of any kind come from the plant," he said. "There's no possibility (the proposed plant) will have a negative impact on the environment."

The council's 78-page study criticizes the project's lack of a complete environmental assessment. It also states there are many unanswered questions relating to the project's effect on endangered species, potential air and water pollution, and sources of the raw materials to be used by the plant.

The report indicates that one of the major environmental and health dangers associated with the plant would be from the potential release of effluents into the air and water.

Wooding disputed the council's findings. "I would recommend the people concerned talk to their own

Department of Environmental Quality," he said. "The levels of emission are so far below what are regarded as acceptable levels that the issuance of a permit should be a technicality."

Details of the potential emission levels were not available from the council or Wooding Monday, however.

Plans to build the \$25 million metal processing plant were announced in April.

The initial project was to have involved the licensing of metal processing technology from the Wooding Corp. A Portland corporation, called Sherwood Pacific, was to have been created by PSM Technologies Inc. of Vancouver, British Columbia. Sherwood would have run the project.

Frank Martin, general manager of the Oregon International Port of Coos Bay, said in late October the project had secured financing and the backers would submit a new proposal to the Port commission to lease about 30 acres of land in Coos Bay's North Bay Industrial Park.

## House Bill Asks 2-Year Study Of Smith River as U.S. Park

Legislation has been introduced in Congress for a two-year study of Northern California's Smith River to determine whether it should be protected as a national park.

The measure was submitted by Democratic Representatives Tom Lantos of San Mateo and Fortney (Peter) Stark of Walnut Creek, with seven other California House members as co-sponsors.

The bill calls for the National Park Service to examine the natural, scenic and recreational resources of the 3,100-mile Smith River drainage system, comprising 500,000 acres, and to consider options for permanent protection, including designation as a national wild river park. Such a designation would prohibit dams, logging and commercial development.

Six Rivers National Forest in Del Norte County contains most of the watershed study area, but the headwaters lie within Siskiyou National Forest in Curry County, Ore.

The proposed legislation would ban logging during the two-year study period. To offset revenues received from federal timber sales, the bill would provide \$2 million of in-lieu aid to Del Norte County and \$250,000 to Curry County for each of the two years.

The San Francisco-based Save-the-Redwoods League has been in the forefront of urging national park status for the free-flowing Smith. However, National Parks Director William Penn Mott Jr. has taken it off a list of rivers under consideration for park protection because of objections from the U.S. Forest Service.

S. F. CHRONICLE 11/17/87



# Plans to build Coos Bay metal plant put on hold

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According to Patrick "P.J." Wooding, president of The Wooding Corp., PSM was unable to raise its financial contribution. "The project was not able to proceed in view of the default," said Wooding. Wooding said the contributions of all the other parties to the project were dependent on PSM's raising its share.

Engineering for the project began

May 1, Wooding said, "but I've had to cut back because there's no cash flow." He added, however, that efforts to raise capital for the project were continuing.

Glenn Gillespie, spokesman for Pacific Power and Light Co., said of the project, "It's in limbo as far as we know, and we haven't invested a penny yet."

There was no telephone listing for Sherwood Pacific in Portland as of Friday. The state Corporation Division said the name had been reserved, but no incorporation papers had been filed.

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## Hearing set on railroads, small firms

... on Southern Pacific railroads.

... will ...

# North Spit plant won't pollute air, water

By RAY FINEFROCK  
News Editor

A proposed \$24 million low-carbon ferrochromium melting plant on the North Spit will not pollute the air or water and must withstand public scrutiny over environmental concerns before it could be constructed, according to Oregon International Port of Coos Bay General Manager Frank Martin.

"This process of manufacturing is not a smelter and there are minimal discharges . . ." Martin said. "It is basically an electrical furnace, a self-contained system. There aren't any coals or carbons to be emitted . . ."

According to Martin, management is "finalizing negotiations" to bring the plant and its 170 jobs here. The State Department of Economic Development and other state officials are discussing providing about \$2 million of funding for infrastructure. A final decision could come this week.

The firm has received a commitment from Pacific Power and Light to construct a new \$4 million substation and offer special electrical rates for high volume usage. The project would use 30 percent of the new substation's capacity leaving the rest for other new industries on the North Spit.

P.J. Wooding, president of WOODING, a New

Jersey corporation, is expected to be in the Bay Area next week.

Martin was responding to concerns expressed by area residents regarding the environmental impact of the plant since announcement of the proposal April 11. He said images of a dirty, high-pollution "smelter" are incorrect.

"The port is aggressively pursuing six projects which are labor intensive and clean . . . If this facility were to be constructed it would be (based on) a prototype in Luxembourg which has been deemed to be a self-contained 'clean' industry," Martin said.

"The entire project will require community review

and permitting by state and federal agencies. It is not the port management's intention to bring industry into our area that would have a negative effect on the quality of life and tourism. The reasons we're not pursuing large and noxious industries."

The types of industry the port can accommodate under those guidelines is limited, Martin said.

"The (selection) is very small (as to the number of projects) in the marketplace for this port that meet the guidelines. Foreign trade zones, drydock and mineral development are in that category and give us our best chance."

COOS BAY WORLD AUG?



# The World

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No. 237 108th Year

Published in Coos Bay, Oregon 97420

Saturday, April 11, 1987

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## can get 'rad'

By DAN McCUE  
Staff Writer

CHARLESTON — Wanna get flippin' rad? Just squeeze into a rubber suit and jump off the deck of a Coast Guard boat in the middle of the bay. The 52-degree-cold bay is a float around in the outgoing tide for 30 minutes. Try to duck landing helicopters. Lounge from the path of speeding coast guard boats. Join the Explorer Scouts.

At North Bend High School Explorer Scouts and a couple of media types joined the Coast Guard for water rescue exercises on Coos Bay this week, getting a first-hand taste of salty bay water.

For the tag-alongs, the exercise entailed getting dumped in the drink bobbing around in the swells like a gang of mad seals and watching from the sea level as the Coast Guard went about its business of practicing for disaster.

Nevertheless, third-year Explorer Scout Scott Aley called the experience "flippin' rad." Upon emerging from the chilly water, translation: He had a good time. "It wasn't merely a foray into frivolous floating, however, there was purpose to the plan."

"I wanted to expose these kids to what really cold water feels like," said Coast Guard Lt. Jeff Pettitt, who doubles as the advisor of the Explorer Scout post out of the North Bend Air Station. "These waters around here are not like off the coast of Florida, where you can just spash around and have fun. These waters are deadly cold and I thought they should have an appreciation for that."

The North Bend post of the Explorer Scouts, a branch of the Boy Scouts of America, formed four years ago and members participate in myriad activities such as land survival excursions, helicopter rides, skiing, flips, hikes, ground school and the North Bend Air Show.

Pettitt, an Eagle Scout, is the Group North Bend safety officer and advises the Explorers' post in his spare time. "I use the Coast Guard facilities whenever I can," he said. "I had a great time in the Boy Scouts and I feel like I owe the organization something, so I enjoy being an advisor." Pettitt added.

"It's equally clear that the post's scouts enjoy being advised, despite the thrill-a-minute activities in which they often find themselves."

Survival suit or no, spending 30 minutes in water cold enough to kill an unprotected person in that time is a little unnerving wracking. (See Related story Page 2.)

"I was nervous this morning, but I'm not nervous now," said a confident Jennie Coberly as the boat left the Charleston Boat Basin Wednesday. The North Bend junior changed her mind as she began zipping herself into the survival suit. "I'm nervous now," she said before plunge.

## Chromium smelter

# Plant plans to hire 170

Construction on a \$24 million low-carbon ferrochromium smelting plant employing 170 workers is planned to begin on the North Spit this spring.

The announcement came Friday from P.J. Wooding, president of WOODING, a New Jersey corporation and an international leader in the metal-smelting industry.

Wooding, in an exclusive interview, told The World the 60,000-square-foot plant will be in operation by October 1988. He said his firm plans a "training program that will be on-going" as it seeks "craftsmen of all disciplines."

The principal use for low-carbon ferrochromium is in the production of high alloy, superalloy and many stainless steels, Wooding explained.

"Once the building is sheeted in," said Wooding, "we will then begin building many of the component parts we need within the plant itself."

Wooding praised Port Director Frank Martin, saying that Martin "worked for months to bring the project to the Coos Bay port."

The state also is expected to participate financially in the project.

Greg Kantor, deputy press aide for Gov. Neil Goldschmidt, told The World the governor "has been working closely with all the parties involved" and "we are very optimistic about the eventual outcome of the project."

Regarding state financial aid for the project, Martin said "at this point we are guardedly optimistic, but are probably four to six weeks away from any definitive statement."

Known as the "SHERWOOD Project," the new smelting facility will include funding from Pacific Power and Light stockholders in the amount of \$2 million in preferred equity,



P.J. WOODING  
"About 30,000 tons a year"

Wooding noted, PP&L confirmed an "incentive electricity supply agreement also has been negotiated subject to approval by the Oregon Public Utility Commissioner." This agreement provides a price discount as well as funding for transmission, a substation and other electrical facilities, the company confirmed.

P.S.M. Technologies Inc., headed by President William G. Wood, will provide \$10 million in equity and will have exclusive rights to supply the raw material for the project, Wooding said.

He said chromite ore from the Klamath Mountains in Southern

(Continued on Page 2)



problem

# abuse 'tragic'

wide curriculum, allow education agencies to conduct a criminal background check on prospective employees, and increase the criminal penalties for child abuse.

"We have a clear and urgent opportunity to make an investment which will benefit the lives of thousands of Oregonians and significantly reduce the pressure on criminal justice resources," Frohnmayer told the gathering.

Armed with an arsenal of statistics, Frohnmayer told the group that the most serious danger of child abuse is that it tends to be passed on from one generation to the next. Male felons are five times more likely to have been abused than non-felons and a person who was abused as a child is eight times more likely to be convicted of a sex crime than those who are not abused, he said.

"We have found a strong link between childhood abuse and criminal behavior as a juvenile or an adult," Frohnmayer said. "Child abuse creates a tragic cycle of ruined lives and fulfills the biblical prophecy that the sins of the fathers shall be visited upon the children."

The all-day conference features speakers on a handful of topics rang-



DAVE FROHNMAYER

ing from the criminal mind to criminal corrections. Much of the discussion was led by Dr. Stanton E. Samenow, a clinical psychologist from Virginia who has authored several books on crime and the criminal mind.

## AAWPA rejects contract

EUGENE, Ore. (AP) — Members of the Association of Western Pulp and Paper Workers in Oregon and Washington overwhelmingly rejected a Weyerhaeuser Co. contract offer in voting conducted this week, a union representative said.

Marilyn Fellows, secretary to union President Farris Bryson, said 75 percent of 1,950 members in seven bargaining units voted and turned down the company offer for a "variable pay" plan by a margin of 96 percent. The vote count was not made public.

Four hundred Weyerhaeuser pulp and paper workers in Springfield and 300 workers at Weyerhaeuser's North Bend plant took part in the voting.

## Chromium

(Continued from Page 1)

Oregon and Northern California will be used to smelt ferrochromium, which will then be refined into a high quality low-carbon ferrochromium, which will then be refined into a high quality.

He said chromite ore from the Klamath Mountains in Southern Oregon and Northern California will be used to smelt ferrochromium, which will then be refined into a high quality low-carbon ferrochromium. Wooding projected a production rate of about 30,000 tons a year from the North Spit plant.

The president of WOODING told The World that "90 percent of the product has already been sold in contracts ranging from five to 10 years" on what he referred to as "a take-or-pay market basis."

"We will ship 15,000 tons to North American markets," Wooding said, "and the balance to the European Economic Community."

## D-9 talks to resume?

(Continued from Page 1)

If the strike is not settled, substitutes are slated to report for in-service training on Monday and Tuesday, with schools set to re-open on Wednesday.

Some substitutes who plan to answer the call for work told The World Friday they were angered by comments of an Oregon Education Association official this week calling them "a bunch of part-time nobodies."

"I find this very infuriating," Lill Clausen of Coos Bay, said. "Some of us substitute teachers have more educational credentials than they do."

"I like kids and I like schools, and I think I can give them a quality education," she added. "Who is he to call us a bunch of nobodies?"

Nancy Farry of Coos Bay agreed, and told The World that a CBEA letter about keeping substitutes who cross the picket lines from working in the future is an empty threat. "They have nothing to say about it," she said. "The administrators do the hiring."

Also Friday, a teacher's wife started a personal vigil that she said she will continue until talks are held. Clair Mohr, who set up her tent in front of the administration office Friday, said she is unhappy with both sides and would move in front of the CBEA headquarters downtown this morning.

Talks in the contract dispute broke off early Tuesday morning, and picket lines went up a few hours later, closing nine district schools as 213 teachers and counselors walked off the job.

## nic would be costly

## Survival

(Continued from Page 1)

The scouts were not the only group to profit from the chilling experience.



## Ferrochromium

# New plant funds sought

By RAY FINEFROCK  
Business Editor

Despite the apparent loss of a major funding source, plans to construct a \$24 million low-carbon ferrochromium smelting plant on the North Spit have not been shelved, according to P.J. Wooding, developer of the project.

Precious and Strategic Metals (PSM) of Vancouver, B.C., originally had planned to invest \$10 million in the project, but The World has learned that PSM will apparently not be able to follow through on that commitment.

"We've given them a chance to redeem themselves," said Wooding, president of WOODING, parent company for the SHERWOOD Project, from his New Jersey corporate headquarters. "They (PSM) went to great efforts to come up with their part of the project. Their failure to do so, so far, is in some cases because of matters beyond their control.

"PSM has been in default since the first of May. We have no obligation to continue with PSM, (although) they don't want to be out. They'd like us to hold on. I said 'No, I won't hold on, but I won't close the door.'"

PSM President William Wood, contacted at his Vancouver office this morning, said he was on his way to Toronto to meet with two possible funding groups and would know more by Friday.

Wooding told The World that he has been actively looking for other funding sources since July 6. He said there are a number of possible sources, "some in Oregon, some in New York and some in other parts of the United States."

Despite the setback, Wooding said he remains optimistic that the facility still will come to Coos Bay.

"We're encouraged," Wooding said. "I can't really say any more until the money is in the bank and we can continue engineering. We're hopeful that will happen by September or October."

There is the possibility, according to Wooding, of doing a smaller project than was originally envisioned, but he said he is not enthusiastic about that.

Wooding said. "It's difficult to do a job of this sort on a partial basis . . ."

Because of financial incentives available in Coos Bay, Wooding said the North Spit is still the prime site for the smelting plant.

"It would be wrong of me to say nothing else is being considered, but we really are concentrating on Coos Bay," Wooding said. "(It) has to come first because they were the first to really say, 'We'll contribute.'"

Financial incentives being offered to the SHERWOOD-Pacific Project include special high-volume usage electric rates and a new \$4 million

(Continued on Page 2)

## Tanker is on its own now

KUWAIT (AP) — The Kuwaiti tanker Gas Prince headed for Japan on its own today after its U.S.-escorted trip through the Persian Gulf, and Iran announced completion of the first stage of its naval maneuvers in the Strait of Hormuz.

The Gas Prince cleared the gateway to the Persian Gulf on Monday, a few hours before the Iranian exercises began, after a 550-mile journey from Kuwait. Another Kuwaiti tanker, the Bridgeton, and its U.S. escorts reportedly will depart Kuwait soon for the strait.

Tehran radio, monitored in Bahrain, blared anti-U.S. slogans and threatened that Iran will undermine American and Saudi Arabian interests throughout the world. The threats came as Moslem pilgrims celebrated the end of their annual pilgrimage to Mecca, Saudi Arabia. On Friday, hundreds of the pilgrims were killed in violent clashes with Saudi police.

Iran blames the United States and Saudi Arabia for the deaths.

"They're going on down the Gulf (of

... of opening...  
ses. Registration will continue un-  
... class limits are completed.

### Hunter's safety

The final hunter's safety course will be held Aug. 10-14 at Sunset Middle School. Cost is \$5 for the whole week. Registration for the course will be from 3-5:30 p.m. at Sunset. The course is limited to the first 50 persons who register.

### Bike Club rides

ND — The Bay Area Bike Club presented itself very well at the Mens Beer/Mt. Bachelor Off-Road race on Aug. 2. The Gray took first place in the speed division, Sherry Bunch first in the women's expert class, Bruce Lee claimed second in the pro/am division. The course covered 38 miles in the hills and on cross country ski trails surrounding Mt. Bachelor.

### Rod Run slated

Western Oregon Street Rods is sponsoring the 13th annual Rod Run meet at Sunset Beach State Park Aug. 8 and 9.

Les from Oregon, California and Washington are registered and through stock, customs and taxes.

The day will feature a poker run, adult games, volleyball, a barbequed salmon dinner, awards presentations and video tape replays of the event.

Acres Botanical Gardens will feature a car show open to the public from 1-3 p.m. on Saturday. For additional information call 267-4743 or 267-4743 in the evenings.



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By BILL MACKENZIE  
of The Oregonian staff

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## Hearing set on railroads, small firms

The U.S. House Subcommittee on Regulation and Business Opportunities has scheduled a hearing Friday focusing on the impact of railroad reorganization on small businesses in Oregon.

The hearing will be at 2 p.m. Friday in the Portland City Council chambers.

It also will look at the implications of the recent Interstate Commerce Commission decision denying the merger of the Santa Fe and

Southern Pacific railroads.

Witnesses will include Charles Davis of the state Public Utility Commission; Paul Lambole, vice chairman of the Interstate Commerce Commission; Bill Gregory, president of Gregory Forest Products in Beaverton; Frank Martin, director of the Oregon International Port of Coos Bay; and Pat Blue, manager of the Port of Tillamook Bay.

Also testifying will be Orval Lay-

ton, commissioner of the Lake County Railroad Commission, and Mike Burrill, president of the Eugene F. Burrill Lumber Co. in Medford.

"Abandonments and captive shipper rate problems have a high impact not only on individual shippers, but also on the small rural communities in which many of them do business," said Rep. Ron Wyden, D-Ore., chairman of the subcommittee. "The negative effects can ripple through the local economy."

## 'New Vikings' expand to business overseas

STOCKHOLM (Reuters) — Swedish companies are earning the title of Europe's "New Vikings" as the cash-rich firms snap up American, French and British companies in efforts to conquer new business outside their home territory.

Vast new investment roads were opened in June when the government lifted exchange controls that had barred Swedish companies from using profits overseas that had been earned in Sweden.

"Expansion overseas is a tradition, a must for Swedish industry

since our home market is so small," said Marcus Storch, the president of Sweden's gas producer Aga, whose latest acquisition lands it in French territory.

Other notable acquisitions involve Swedish Match, the domestic goods and match producer, which in March took over its main rival and the world's second biggest maker of matches, Britain's Wilkinson Sword. It bought Wilkinson from Pittsburgh-based Allegheny International Inc.

Allegheny, best known for its

Sunbeam and Oster appliances, needed to raise cash and reduce foreign holdings.

West-Allis, Wis.-based Allis Chalmers, which announced a restructuring program under Chapter 11 of the bankruptcy code earlier this year, has agreed to be acquired by the large mining and minerals group Boliden for \$94.5 million.

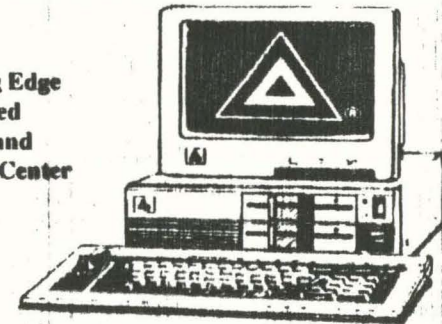
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*of The Oregonian staff*

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SOURCE: THE (PORTLAND) OREGONIAN

DATE: NOVEMBER 11, 1987

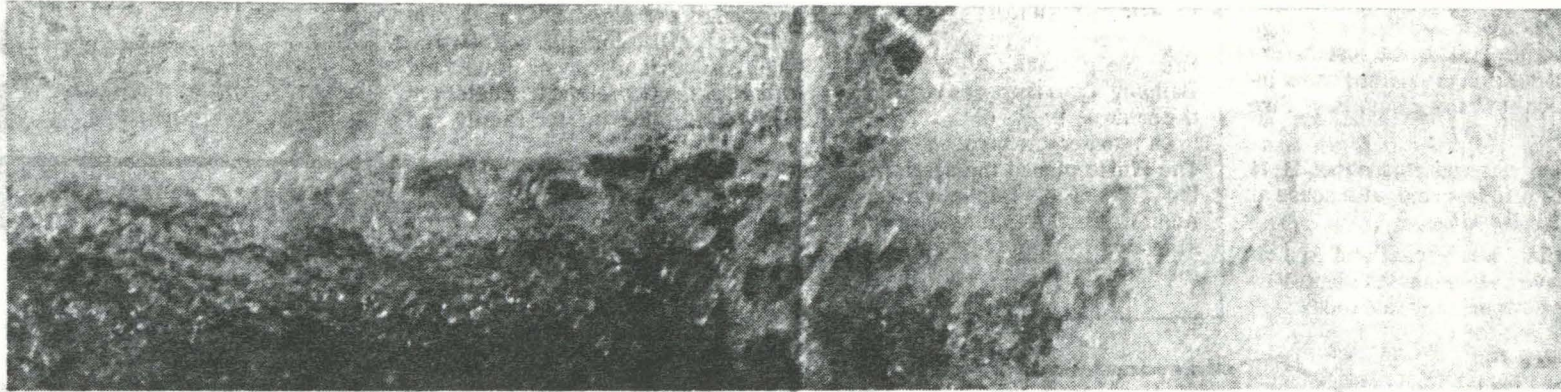
COMMODITY SECTION: FERROUS

STATE ARTICLE CONCERNS: OREGON



Commissioner John Whitty said, "My gut tells me we let the thing go — if they don't want to pass it the governor says it doesn't affect his commitment (to the port)."

"There are some political complications in the bill," Peter Toll, legislative aide to Sen. Bill Bradbury, said this morning. "The first problem is getting the bill out of committee and we're in the process of counting votes . . . right now. We've been approached on some deals and we're examining all avenues. It's uncertain as to how (the bill) will turn out, but it leans positive."



Some Bay Area residents might want all of spring's gushers confined to a pool like the bubbly freshet Luke Hos

# Smelting plant 'progress' reported

By RAY FINEFROCK  
News Editor

No formal agreement has been reached, but progress was made Saturday toward the finalizing of details for bringing a low-carbon ferrochromium smelting plant to the North Spit.

The Oregon International Port of Coos Bay Commission held a 3½-hour executive session during a special meeting Saturday, and as a result "management was given direction on finalizing negotiations" to bring the

plant here, port General Manager Frank Martin said this morning.

Martin said parameters were given "regarding length of the lease, commitment of the port to the project, interaction of the port urban renewal district and lessee and finalization of state commitments for infrastructure development to the project."

A meeting is planned Tuesday with state officials to formalize the state's part of the project, Martin said. Developers estimate about 170 new jobs could result.

"We are guardedly optimistic (about) conclusion of the project (arrangements) on or about the first of May," he said.

Saturday the port worked through a lengthy draft of a tentative memorandum of understanding between the port and Pacific-SHERWOOD, the firm slated to build the plant. The port has received commitment from Pacific Power and Light to construct a new \$4 million substation and offer special electric rates for high volume usage. The port is hoping to receive a

\$2 million commitment by the state to the project.

"I think the port has responded well in the short time frame we've had," Martin said before the executive session began. "We have spent a lot of time the past week and put together what we feel is a reasonable agreement," on the \$24 million project.

Martin said the state is reluctant to commit funding until the port has a letter of agreement or actual lease with the principals in the project.

"Unless we get funds from county urban renewal agency elsewhere, the port is not financially capable of doing some of the things Mr. (P.J.) Wooding (president of WOODING) is asking," Gant said. The draft memorandum of intent the mission worked through in executive session contained salient points which Wooding wants resolved before we go to the state."

The memorandum was prepared as the culmination of 10 to 12 hours

(Continued on Page 2)

Health insurance

World News

Coos Bay, OR

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## Hearing report

A report on the status of the Kiddie Kastle day care center in Coos Bay has been forwarded to a hearings officer, who presided over a months-long hearing in the case, and her final order in the case is expected soon, according to the state Children's Services Division.

Jerry McIntyre, branch manager for the CSD in Coos Bay, said he learned this morning that a final order from Hearings Officer Mary Wagner was sent to Wagner last Thursday for her review. He said if Wagner finds no errors in the order, she will then forward the document on to attorneys for the state and the Kiddie Kastle.

McIntyre said the delay in releasing the order was caused by problems in the transcription unit of the state's Department of Human Resources.

An attorney for the Kiddie Kastle, Steve Wilgers, has filed papers in Coos County Circuit Court asking the state to show why it has not released its decision in the case. A hearing on Wilgers' request was set for April 27.

## Smelter progress

(Continued from Page 1)

negotiations with Wooding, who announced the plant plans 10 days ago.

Commissioner Tom Humphrey questioned the legal standing of the memorandum. "As I see it, when a contract is written up these things (which we agree on) will be in it."

Gant agreed that the memo, once agreed upon and signed off, should be looked upon as "a binding thing."

At this point the commission decided to consider the actual memorandum in executive session under the Oregon statute allowing an executive session for negotiations for the lease of land and contracts.

In other action, the commission:

—appointed Jean Burkholder, director of administration, to make the 1987-88 budget presentation to the full commission when the budget is completed by the executive committee.

## Mishaps reported by Coos agencies

Two people were treated and released from Coquille Valley Hospital just after midnight Saturday after their vehicle left the road and went over a bank on North Fork Road about one-half mile from Highway 42, Coos County Sheriff's deputies said.

Seramin Calderon Molina, 24, Norway, and Terrie Ann McLarrin, 44, Myrtle Point, received minor bruises in the incident, officials said.

Molina was subsequently cited for driving while under the influence of intoxicants and fourth-degree assault, deputies said.

### Accident reported

Angela Marie Glover, 18, Myrtle Point, was treated Bay Area Hospital Sunday following a single-vehicle injury accident on Gravelford Road, Coos County Sheriff's deputies reported.

Glover's vehicle apparently left the road about 9 p.m. and rolled over, deputies said, about eight miles east of Myrtle Point. She received facial lacerations, deputies said. No citations were issued.

### Bridge accident reported

Three vehicles were involved in an accident Oregon State Police attribute partially to bridge repairs and

partially to wet weather Saturday morning on McCullough Bridge, police said.

A vehicle driven by John A. Krieschel, 72, North Bend, was stopped about 11:15 a.m. for the one-lane closure on the bridge while repairs to the span are under way, police said.

A vehicle driven by John E. Lucero, 20, North Bend, attempted to stop behind the northbound Krieschel vehicle, failed on the wet pavement and started to skid sideways, police said. Lucero subsequently reported minor bruises, police said.

A third vehicle driven by Anthony D. Shope, 42, Central Point, struck the Lucero vehicle, then struck the Krieschel vehicle, police said. Neither Shope, a passenger, Thomas L. Shope, 43, nor two children, Tawna Shope, 10, and Jodi Shope, 9, were injured, police said.

All of the vehicles were damaged, with the Shope vehicle receiving major front end damage, police said.

No citations were issued, police said.

### Driving arrests

Oregon State Police report 10 driving while under the influence of intoxicants arrests between Friday night and Sunday night.

## Court clears way for Linnas deportation

WASHINGTON (AP) — The Supreme Court today cleared the way for the deportation of Karl Linnas, who faces a Soviet death sentence on charges of supervising mass executions at a Nazi concentration camp.

The court, by a 6-3 vote, refused to extend an order that had blocked the deportation.

Justices William J. Brennan, Harry A. Blackmun and Sandra Day O'Connor voted to extend the order blocking deportation until the court considers a formal appeal in his behalf.

Today's action comes on the heels of reports that Attorney General Edwin Meese III had decided to deport Linnas to Panama instead of the Soviet Union.

But Adolfo Arrocha, minister of the

definitely its original decision to allow Linnas in Panama.

Linnas, 67, has been held at a New York City jail since April 1986.

Linnas previously was a resident of Greenlawn in Long Island, N.Y. He has lived in the United States since 1951 and became a U.S. citizen in 1959.

Immigration officials in 1979 charged that he entered the country under false pretenses. He was stripped of his U.S. citizenship in 1982, and has been fighting deportation ever since.

Official CB



# Coos Bay snags \$24 million processing facility

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COOS BAY—Construction of a \$24 million ferrochromium and ferro-alloy metal processing plant at Coos Bay, dubbed the "Sherwood project," is expected to begin in June, infusing new energy into the community's stalled economy.

Behind the project is Sherwood Pacific, a 2-week-old, Portland-based corporation that is the result of a joint effort of PSM Technologies Inc., based in Vancouver, B.C., and the Wooding Corp., based in New Jersey. PSM Technologies will contribute \$10 million and will have exclusive rights to supply the raw material for the project. Wooding, a major player in the

## OREGON'S BUSINESS

Britta Gordon

metal melting industry, will provide the patented technology. A private placement will provide additional funding, although the details have yet to be disclosed, said Frank Martin, general manager of the Oregon International Port of Coos Bay.

Oregon businesses and public agencies also will support the project. The port is in the final negotiations of a 30-year lease agreement with Sherwood Pacific, which will provide the new operation with a 40-acre site, an existing deep-water commercial dock valued at \$1.7 million, and other unspecified services. The lease, which Martin deemed influential in attracting the company to Coos Bay, begins June 1. He said the first 15 years of the agreement leases the site to Sherwood at below market rates.

Martin estimated that construction, to begin as soon as all financing is secured, would take about a year.

Pacific Power & Light Co. will contribute \$2 million to the project. It also nego-

tiated an agreement, subject to the approval of the Oregon Public Utility Commission, that provides \$4 million worth of price discounts and funding for transmission, substation and other electrical facilities.

State contributions, said Martin, probably will be used to upgrade public access to the site and provide some utility services and "basic infrastructure" for the site. The source of the state funding has yet to be determined, he said.

The facility is expected to generate 170 construction jobs and supply 30 percent of the American market for ferrochromium and ferro-alloy. Ferrochromium and ferro-alloy products are used in the aerospace industry for such products as the landing gear of aircraft and components for space rockets and boosters.

Martin called the plant "a self-contained, clean processing facility . . . (with) no emissions or pollutants," and said the facility has one prototype, in Luxembourg.

The plant is "a major project for the economically depressed south coast," said Martin.

Martin and other port promoters are hoping the project will aid development in the area and further bolster the port's efforts to acquire state funding and become a major regional operation.

## Mining companies merge

VANCOUVER, B.C.—Galactic Gold Corp. will be the new corporate title for the blending of two gold mining companies, the Quartz Mountain Gold Corp. and Galactic Resources Ltd. Both companies are based in Vancouver, B.C., but Quartz Mountain has extensive land holdings in southern Oregon. Shareholders will meet in June to approve the merger.

The new Galactic Gold Corp. will have

shares listed on the Toronto Stock exchange and on NASDAQ in the United States. Its holdings will include a producing gold mine in Summitville, Colo.; a 49 percent interest in Ridgeway, a gold mine joint venture in South Carolina with Am-selco Minerals Inc.; a 50 percent interest in a joint venture with Cornucopia Resources Ltd. to explore and develop deep ore horizons in Elko County, Nevada; and the Crone Hill and Quartz Butte gold deposits at Quartz Mountain, Ore., formerly owned by Quartz Mountain Gold Corp.

Quartz Mountain Gold Corp., which trades on the Vancouver Stock Exchange, owns more than 10,000 acres in the Lakeview area and is exploring and developing the property for gold mining operations.

The company estimates the property will yield a 10- to 25-ton deposit, or 1 million ounces of gold. Wavecrest Resources Inc., a wholly owned subsidiary of Quartz Mountain Gold Corp., is preparing to construct a test mine and leaching project at the Quartz Mountain property in May.

Galactic Resources Inc. trades on the Vancouver and Toronto stock exchanges and is listed on NASDAQ. The company has an agreement in principle with a French and Swiss banking group to hold a public stock offering in Switzerland and has forged an agreement with Majendie Securities Ltd. of Vancouver, B.C., for a private placement. Proceeds from these offerings will be used to finance Galactic Resources' equity contributions for the Ridgeway venture, for bank debts on the Summitville mine and for other corporate purposes.

## Chartham Corp. purchased

SALEM—National Heritage Inc., a Dallas, Texas-based manager and operator of nursing homes, has acquired the assets of Chartham Management Corp. in

Salem.

The acquisition forms a new divisional Northwest office for National Heritage, which has employed the Chartham management team to manage 28 of the long-term centers and approximately 2,500 beds owned by Southmark Corp., the largest shareholder in National Heritage.

"We're obviously expanding in the Northwest," said Robert Griffis, senior vice president of corporate relations for National Heritage. The company intends to buy more nursing homes in the area, with Salem as the operational base, he added.

Southmark Corp. recently agreed to buy the long-term care centers for approximately \$70 million from Don R. Bybee & Associates. National Heritage is the management company for all long term-care centers acquired by Southmark Corp., which owns 80 percent of the stock in National Heritage.

## Pasta order on front burner

EUGENE—Italian investors are working with the Eugene-Springfield Metropolitan Partnership and the state Department of Economic Development on a proposed \$5 million cheese and pasta processing operation to be located in the Eugene area.

Chuck Nozicka, recruitment director of the partnership, said the investors are looking at two sites in the area to place the cheese processing facility, the first part of the proposed operation. The plant, which needs a 70,000-square-foot building and 20 acres of land, may be built on a site in west Eugene, says Nozicka. He could give no details on the plans for the pasta plant, which would constitute the second phase of the project.

Investors and state officials, he said, are "putting together a package" to finance the plant, but he would not discuss details of the state's contribution.