OUTRAGE IN OREGON

HOW THE KOCH BROTHERS' QUEST FOR PROFIT WROUGHT HAVOC ON A MILL TOWN





TABLE OF CONTENTS

Introduction	
Georgia-Pacific's Wauna Mill Laid Off Workers, Outsourced Jobs, And Sued Local Municipalities Af	
Failure To Sustain Promised Job Creation	
Litigation To Gain A Favorable Settlement Payout	
Laid Off Employees A Month After Strategic Investment Program Tax Exemptions	
Subsidized Mill Improvements With Tax Payer Funds	
Outsourced Workers	
Oversaw Contentious Negotiations That Resulted In Higher Health Care Costs For Employees, Mirrored	
Policies	
Workers Struggled to Find Reliable Childcare	
Georgia Pacific Caused Significant Environmental Damage In Oregon	
Halsey Facility's Emissions Prompted The Threat Of A Lawsuit	12
Eugene Facility's Emissions Prompted A Fine Despite High Allowances	
Portland Facility That Was Close To Schools Prompted Community Opposition	
Toledo Mill Pumped Pollutants Into Multiple Locations	14
Department Of Environmental Quality Reviews	15
George Pacific Laid Off Oregon Workers	16
Coos Bay Facility	16
Eugene Facility	
Philomath Mill	
Wauna Mill	17
Koch Industries: Oregon Facilities	20
Georgia Pacific	
Chemical Plant In Eugene	
Pulp Mill In Wauna	
Distribution Center In Portland	
Facilities In Philomath	21
West Lad string Dati day 0 Englisher L. Oncorn	22
Koch Industries: Pollution & Emissions In Oregon	43
Georgia-Pacific Halsey Facility Effluent Emissions	
Georgia-Pacific Eugene Facility	
Emissions	
Georgia-Pacific Portland Facility	
Community Opposition	
Georgia-Pacific Toledo Mill	
Pollution	
Olalla Lake	
Department Of Environmental Quality Reviews	
Surfrider Recommendations	
Georgia-Pacific's Opposition To Clean Water Regulations	
Georgia-Pacific – Wauna Mill	
Pollution	
Kooh Industriess Business Drastiess In Oreson	20
Koch Industries: Business Practices In Oregon	
Georgia-Pacific – Coos Bay	
Georgia-Pacific - Eugene	
Layoffs	
Georgia-Pacific - Fort James	
Fort James Corp. Acquisition	
Georgia-Pacific – Philomath	
Layoffs	
Georgia-Pacific - Wauna Mill	

Outsourcing Contract Negotiations Paper Machine Shutdowns Property Tax Settlement Port Of Astoria Bond Payment	30
Contract Negotiations	30
Paper Machine Shutdowns	31
Property Tax Settlement	34
Port Of Astoria Bond Payment	40
Strategic Investment Program Tax Exemptions	40
Strategic Investment Program Tax Exemptions Tax And Rate-Payer Funded Project	40
Workers At Georgia-Pacific Wauna Mill Struggled to Find Reliable Childcare	41
Lumber Interests	42
Bidding On Public Forest Land	42
Political Influence	43
2012	43
Oregon Forest Industries Council PAC	43
Mike Schaufler	43
Tim Knopp	43
Paid Sick Leave Ordinances	43
School Funding Ballot Measure	44

INTRODUCTION

The Koch brothers have shown time and time again that everything they do is motivated by self-interest. Be it the politicians they support, the policies they lobby for, or the business practices they engage in, their ultimate goal is to continue to build their massive fortune, no matter the consequences.

For a microcosm, look no further than Oregon, where the billionaire brothers' business empire, Koch Industries, has had a profoundly negative impact on the state. While Georgia Pacific, a subsidiary of Koch Industries, has a slew of plants throughout the state, the most quintessential example of their utter disregard for the well-being of the state centers on Georgia Pacific's Wauna Mill in Clatskanie.

In 2004, Georgia Pacific was granted a massive tax exemption on Wauna Mill under the condition that they fulfill a promise to create a certain number of jobs at the mill site. The plant was the largest taxpayer in Clatsop County. But in 2007, they were disqualified from the tax exemption for failing to maintain the minimum number of employees as established for the exemption, and forced to repay \$4.1 million in exempted taxes -- money that would go back to local counties.

In response, Georgia Pacific filed an appeal over the tax exemption that also alleged the site's entire property tax bill had been miscalculated because the property had been overvalued. While Georgia Pacific did not get everything the Kochs wanted in the end, the multi-million dollar settlement strained local budgets, sucking money away from public services and even contributed to the closure of Cannon Beach Elementary School.

On top of this fiasco, Wauna Mill laid off some workers, outsourced others, used taxpayer money to fund massive infrastructure projects, and jacked up health care costs for employees. So that's Koch Industries in a nutshell.

Beyond Wauna Mill, Oregon has suffered significant statewide environmental damages thanks to Georgia Pacific, and hundreds of workers have seen their jobs disappear. Georgia Pacific was even among bidders to purchase public forest lands in Eliot State Forest.

Georgia-Pacific's Wauna Mill Laid Off Workers, Outsourced Jobs, And Sued Local Municipalities After Its Failure To Sustain Promised Job Creation

DISQUALIFIED FROM A TAX EXEMPTION AFTER FAILING TO SUSTAIN PROMISED AMOUNTS OF JOB GROWTH, BUT RESPONDED WITH LITIGATION TO GAIN A FAVORABLE SETTLEMENT PAYOUT

2004: Granted A Tax Exemption

2004: Georgia-Pacific Was Granted A Tax Exemption Under The Lower Columbia Maritime Enterprise Zone For Construction Of A New Paper Making Machine At Their Wauna Pulp And Paper Mill. According to the Daily Astorian, "The case dates to 2004, when Georgia-Pacific was granted tax exemptions under the Lower Columbia Maritime Enterprise Zone for construction of its new No. 6 paper-making machine. Under the exemption, property taxes assessed on the new machine were to be waived for five years." [Daily Astorian, 7/23/12]

The Plant Paid A Total Of \$3,410,536 A Year In Property Taxes In Clatsop County, Which Made It The County's Biggest Taxpayer. According to the Daily Astorian, "Wauna pays a total of \$3,410,536 a year in property taxes to taxing entities in Clatsop County, making it by far the county's biggest single taxpayer." [Daily Astorian, 7/23/12]

The Tax Exemption Required Georgia-Pacific To Add Jobs At The Mill Site. According to the Daily Astorian, "The exemption also came with various employment requirements the mill couldn't live up to. Namely, Georgia-Pacific was required to add jobs at the entire mill site." [Daily Astorian, 5/17/12]

2007: Disqualification From Tax Exemption

2007: Georgia-Pacific Was Disqualified From The Property Tax Exemption For Failing To Maintain A Minimum Number Of Employees At The Site. According to the Daily Astorian, "In 2007 the company was disqualified from the exemption program for failing to maintain a minimum required number of employees at the mill site." [Daily Astorian, 7/23/12]

• The Company Did Not Maintain The Promised Level Of Employment Since Completing Construction Of Its No. 6 Paper Machine In 2006. According to The Daily Astorian, "Pending the outcome of a lawsuit with Clatsop County, the mill may lose a \$4 million tax exemption because the company hasn't maintained the promised level of employment since it completed construction of its No. 6 paper ma-chine in 2006." [Daily Astorian, 11/16/09]

Disqualification Tax Penalty

The Disqualification Required The Company To Repay \$4.1 Million In Exempted Taxes Amongst 60 Taxing Districts. According to the Daily Astorian, "As a result of the disqualification, the company had to repay the exempted taxes, totaling approximately \$4.1 million. That money was distributed among the 60 taxing districts." [Daily Astorian, 7/23/12]

Clatsop County Received Almost \$500,000 From The Penalty. According to the Daily Astorian, "In 2007, the county received almost \$500,000, the result of a penalty levied by the state of Oregon against the Georgia-Pacific Corp., which runs Wauna Mill near Westport, east of Astoria. The mill is located in Clatsop County's only enterprise zone. Enterprise zones trade property tax relief in exchange for jobs. Georgia-Pacific had failed to create a minimum required number of new jobs after it acquired a new paper machine at Wauna Mill. The company had received tax breaks for the new machine through an enterprise zone property tax relief program. Since the new positions weren't created, the county received about \$480,000 in penalty money. This money, by state law, must to be used for 'the benefit of residents of the enterprise zone and for the development of jobs, skills, and training for residents of the enterprise zone and immediate vicinity." [Daily Astorian, 11/18/10]

- Some Of The Penalty Was Spent On Local Projects Such As Sewer Repairs, Dredging, And Improvements To Water Districts. According to the Daily Astorian, "Some of that money has already been spent or dedicated to local projects: repairs to the Westport sewer facilities, dredging of Plympton Creek, improvements to the Westport and Wauna water districts." [Daily Astorian, 11/18/10]
- The Two Top Ideas For Uses For The Remaining Money Were An Internship Program And Creating A Development Plan To Address Economic And Transportation Issues. According to the Daily Astorian, "But approximately \$241,000 remains for further investment. People have plenty of ideas on how to use it. The top two ideas were an internship program and the creation of a master development plan to address economic and transportation issues. As far as the master development plan goes, called the Westport Corridor Study, the county has been working with a variety of individuals and groups including Westport residents, Clatsop Economic Development Resources and Georgia-Pacific to craft a list of projects. Lower Columbia Engineering's job will be to figure out an overall design for these many needs and ideas." [Daily Astorian, 11/18/10]
- The Penalty Money Was Used In The Immediate Vicinity Of The Mill, Including Preventing Erosion. According to the Daily Astorian, "The enterprise zone exempts Wauna Mill from paying some property taxes each year for up to five years if it meets certain conditions. But last year, because the company didn't have as many employees as it agreed to, it had to pay back money to the state. Clatsop County's share was \$484,000. That money has to be used in the immediate vicinity of the mill. Clatsop County Engineer Ron Ash said the county has already armored the bank along the east side of Plympton Creek to prevent erosion from creeping into the right-of-way." [Daily Astorian, 8/14/08]

Appeal Of Disqualification

Georgia-Pacific Filed An Appeal That Challenged The Property Tax Penalty And The Tax Assessment. According to Daily Astorian, "Georgia-Pacific filed an appeal in Oregon Tax Court challenging not only the exemption penalty but also the assessed valuation of the entire mill for three tax years. The appeal claimed that the assessment, on which Wauna's annual property tax bill is calculated, overvalued the mill by approximately \$154 million." [Daily Astorian, 7/23/12]

- Georgia-Pacific Claimed The State Excessively Evaluated The Property Tax And Raised Rates After The Company Attempted To Use The Enterprise Zone Tax Abatement To Improve The Mill. According to the Daily Astorian, "Georgia-Pacific claimed the state excessively evaluated the property and raised its tax rate in the wake of a failed attempt by the company to use enterprise zone tax abatements to improve the Wauna Mill." [Daily Astorian, 5/24/12]
- The Tax Assessment Was Performed By The Oregon Department Of Revenue, Which Joined Clatsop County In Opposing The Appeal. According to the Clatskanie Chief, "Tax assessments of large industrial properties like Wauna Mill are conducted for counties by the Oregon Department of Revenue, which joined Clatsop County in fighting the appeal." [Clatskanie Chief, 5/24/12]
- Georgia Pacific Appealed A Tax Decision That Caused Clatsop County Manager Duane Cole And His Staff To Spend Hours Getting 60 Minor Districts To Agree To A Deal. According to The Daily Astorian, "GP also was in the news appealing a tax decision that caused Clatsop County Manager Duane Cole and his staff to spend hours getting 60 minor taxing districts to agree to a complicated deal." [Daily Astorian, 12/31/09]

The Result Of The Appeal Could Have Required The Counties Involved Refund More Than \$11 Million. According to the Daily Astorian, "Under Georgia-Pacific's claim, Clatsop County and the other districts could have been required to refund more than \$11 million if the company had prevailed on all appeals at trial. State statute mandates that all of the 60 taxing districts in Clatsop County are liable for a portion of the settlement, regardless of whether Wauna Mill lies within their boundaries." [Daily Astorian, 7/23/12]

The \$4 Million That Was Set Aside By Clatsop County Was Expected To Be Released To Individual Taxing Districts. According to The Daily Astorian, "More than \$4 million set aside by Clatsop County should be distributed to taxing districts this week. The County Board of Commissioners, during its regular meeting in the Judge Guy Boyington Building Monday night, rescinded a reserve account to hold money for possible payment of a huge refund to Wauna Mill." [Daily Astorian, 11/10/09]

• The Money Was Set Aside To Pay Back Principal And Interest If The County Lost A Lawsuit With Georgia Pacific. According to The Daily Astorian, "As explained in detail in our Tuesday story, this money was set aside to pay back principal and interest in case the county loses a lawsuit with Georgia Pacific Consumer Products." [Daily Astorian, 11/12/09]

2010 Tax Court Ruling

2010: The Oregon Tax Court Ruled That Georgia-Pacific Could Only Challenge The Tax Assessment Of The New Paper Machine For 2004 And 2005 And The Whole Mill's Assessment For 2007. According to the Clatskanie Chief, "In 2010 Tax Court Judge Henry Breithaupt ruled that Georgia-Pacific could only challenge the tax assessment on the new paper machine for 2004 and 2005, and the assessment on the mill as a whole only for 2007, which significantly reduced the scope of the company's claim." [Clatskanie Chief, 5/24/12]

• This Ruling "Significantly Reduced" The Scope Of Georgia-Pacific's Claim. According to the Clatskanie Chief, "In 2010 Tax Court Judge Henry Breithaupt ruled that Georgia-Pacific could only challenge the tax assessment on the new paper machine for 2004 and 2005, and the assessment on the mill as a whole only for 2007, which significantly reduced the scope of the company's claim." [Clatskanie Chief, 5/24/12]

Budgets Had To Wait For The Dispute To Be Resolved

Seaside School District

Seaside School District Waited For \$800,000 From The Funds To Avoid Mid-Year Staffing Reductions Due To A Declining Budget. According to The Daily Astorian, "Seaside School District has been waiting for its \$800,000 share of the funds, knowing that without it, mid-year staffing reductions would be made because of a declining budget this year. Superintendent Doug Dougherty was thankful to hear that the money to pay salaries and benefits for district employees would be in the district's hands by the end of the week. 'At this point, we'll be able to continue our current program levels for this year,' he said today. The district appreciates that the county and all the taxing districts voted to approve the intergovernmental agreement, Dougherty said." [Daily Astorian, 11/10/09]

Park District

\$77,000 Was Withheld From A Park District To Pay For The Possible Future Settlement With Georgia Pacific. According to The Daily Astorian, "In addition, the county is withholding 6.2 percent of each taxing district's tax proceeds until a lawsuit involving Georgia Pacific is resolved. If the county loses the lawsuit, it might have to pay the company \$4 million, plus 12 percent interest. For the park district, the withholding this year will total \$77,000." [Daily Astorian, 7/9/09]

A Settlement Was Reached, Which Rewarded Georgia-Pacific With \$2.5 Million

The Case Was Ultimately Settled, With The County Owing Georgia-Pacific Over \$2.5 Million Financed Through A Loan At 2.18%. According to Daily Astorian, "Clatsop County officials on Thursday signed documents for a loan covering a settlement payment in the Georgia-Pacific tax appeal case. The loan, from Bank of America, will cover a \$2.5 million payment from the county and 60 other taxing districts to the owner of the Wauna pulp and paper mill. The payment was agreed to under a settlement reached in May between Clatsop County and Georgia-Pacific over the company's appeal of a tax penalty and tax assessments on part of the facility. The county was able to secure an interest rate on the loan of 2.18 percent - below the 3 percent originally envisioned. Annual payments on the 10-year loan will total \$283,251.30 and will be covered by all taxing districts in the county and the funds will be deducted from the districts' yearly property tax disbursements, under the terms of an intergovernmental agreement that was signed by all the districts in 2009 in anticipation of a refund payment." [Daily Astorian, 7/23/12]

- The Settlement Also Included A Stipulation Of The Mill's Value At \$291 Million, Which Could Not Be Challenged For Five Years. According to the Daily Astorian, "Along with the payment, the settlement establishes the real market value for the mill at \$291 million. Georgia-Pacific cannot challenge that assessment for five years." [Daily Astorian, 7/23/12]
- The Settlement Was Completed Less Than A Month Before The Case Was To Go To Trial. According to the Daily Astorian, "Both sides reached a settlement in May, less than a month before the case was set to go to trial." [Daily Astorian, 6/14/12]
- The Settlement With Georgia-Pacific Was Agreed Upon By Clatsop County, The Oregon State Department Of Revenue And The State Department Of Justice. According to the Clatskanie Chief, "On May 1 the county, along with the state Department of Revenue and Department of Justice, reached agreement with Georgia-Pacific on the terms of a settlement." [Clatskanie Chief, 5/24/12]
- Georgia-Pacific Spokesperson On The Settlement: "Like Most Taxpayers, We Want To Pay Our Fair Share In Taxes To The State And County Based On A Correctly Valued Assessment, And At The Same Time Use As Much Of The Revenue We Generate As Possible To Invest Back In Our Business." According to the Daily Astorian, "Kristi Ward, a spokeswoman for the Wauna Mill, called the settlement a welcomed conclusion to a long and sometimes confusing story. She said the mill wants to use its money to reinvest into the workforce. 'Like most taxpayers, we want to pay our fair share in taxes to the state and county based on a correctly valued assessment, and at the same time use as much of the revenue we generate as possible to invest back in our business,' Ward said. [...] 'The single most important way we benefit the community is by remaining competitive,' Ward said." [Daily Astorian, 5/17/12]

Payments Under The Loan Were Dispersed Throughout Multiple Counties

One County Approved An Extra \$100,000 To Cover Interest Payments. According to the Daily Astorian, "The Wauna Mill property tax dispute officially came to a close, with the Board approving a financing agreement that will cover payment of the \$2.5 million settlement with the mill's owner, Georgia-Pacific, over a contested tax as-sessment. The county approved an extra \$100,000 to cover interest payments" [Daily Astorian, 6/14/12]

The Settlement Was To Cost Clatsop County \$37,000 Annually Over A Ten Year Period. According to the Daily Astorian, "The county's financial adviser has told the county that a loan could be secured with an interest rate of less than 3 percent. Doing so would allow the county and other taxing districts to pay off the loan in one lump sum, while costing the county about \$37,000 annually over a 10-year payback period." [Daily Astorian, 5/17/12]

• Clatsop County's Director Of Central Services: The Settlement Was The "Largest In Memory." According to the Daily Astorian, "Clatsop County and the owner of the Wauna Mill have reached a tentative settlement in their four-year tax dispute. The settlement will cost the county and about 60 other taxing districts a total of \$2.5 million in property tax refunds. Mike Robison, director of the county's central services, called the tax settlement the largest in memory. The county's share of the refund, including loan costs and interest, will total \$375,544." [Daily Astorian, 5/17/12]

County Refund Shares Ranged From \$1 To More Than \$600,000 Per County. According to the Daily Astorian, "Other districts would be on the hook for the remainder of the refund, and it could cost them hundreds of thousands of dollars. Refund shares will range from approximately \$1 to more than \$600,000, county officials say. The terms of the annual payments on those shares will be deducted from the districts' yearly property tax disbursements under the terms of an intergovernmental agreement that was signed by all the districts in 2009 in anticipation of a refund payment." [Daily Astorian, 5/17/12]

Cannon Beach Opposition To The Settlement

Cannon Beach Rural Fire Protection Board Members Were Reluctant To Approve The Agreement. According to The Daily Astorian, "Cannon Beach Rural Fire Protection Board members reluctantly agreed to sign an agreement Monday night that allows \$4 million to be distributed to 60 taxing districts, but it took a full-court press by Clatsop County officials to

persuade them. 'Truthfully, the only reason I'm doing this is because of the school district. I've felt like I've had a gun to my head for months,' said board member Linda Beck-Sweeney." [Daily Astorian, 10/13/09]

Cannon Beach Was One Of The Only Districts To Say No. According to The Daily Astorian, "Last November, the county held the money, which is part of the county's pool of unsegregated taxes, in reserve after receiving notice of the appeal. Later, county officials decided they could distribute the money to the county's 60 taxing districts and issue revenue bonds if Georgia-Pacific won the suit. The catch, however, was that all 60 districts had to agree to the plan or none - including the school district, which stood to lose nearly \$800,000 - would receive any money. The Cannon Beach fire board, which would receive \$36,688, however, turned down the intergovernmental agreement last month, making it the only district so far to say no. Only four or five districts have yet to make the decision, Cole said." [Daily Astorian, 10/13/09]

The Fire Board Chairman Said The Board Was Concerned About Having To Come Up With The Money In A Few Years. According to The Daily Astorian, "Fire board Chairman Al Aya said the board worried about having to come up with money in a few years; the appeal may not be decided for two to five years. 'We're worried because we may have very heavy financial problems in a few years and it will come due at the same time we have to go the voters for our own needs," Aya said." [Daily Astorian, 10/13/09]

Contributed To The Seaside School District Closure

Seaside School District Had To Pay Georgia-Pacific \$60,000 A Year For 10 Years As Part Of Property Tax Settlement. According to the Daily Astorian, "Cannon Beach Elementary School could be closed at the end of June to help make up a potential \$1.55 million shortfall in next year's Seaside School District budget. [...] Another factor affecting the district budget was the requirement that the district pay \$60,000 a year for the next 10 years as its share of the Georgia Pacific-Wauna Mill's property tax settlement with Clatsop County." [Daily Astorian, 4/17/14]

Seaside School District Closed Cannon Beach Elementary School For Budgetary Reasons, Including The District's Share Of A Clatsop County Property Tax Settlement With Georgia Pacific. According to the Daily Astorian, "The Seaside School District Budget Committee approved a \$17.7 million budget May 21 that will result in the elimination of several positions and the closure of Cannon Beach Elementary School. [...] Dougherty proposed the school's closure last month after presenting the budget to the committee. The district needs to make up a projected \$1.55 million budget shortfall, due mostly to increased Public Employees Retirement System rates, a loss of property taxes from a local tax measure and a requirement to repay the district's share of a property tax settlement in Clatsop County with Georgia Pacific. In addition to the school's closure, 17.4 full-time positions will be eliminated and district support for school athletics will be reduced." [Daily Astorian, 6/3/13]

- The Budget Also Eliminated 17.4 Full Time Education Positions And Reduced Support For School Athletics. According to the Daily Astorian, "In addition to the school's closure, 17.4 full-time positions will be eliminated and district support for school athletics will be reduced." [Daily Astorian, 5/22/13]
- A Larger Chunk Of The Budget Shortfall Was From High Costs Of The Public Employees Retirement System. According to the Daily Astorian, "Cannon Beach Elementary School could be closed at the end of June to help make up a potential \$1.55 million shortfall in next year's Seaside School District budget. Much of that shortfall is due to higher state Public Employees Retirement System costs. District Supt. Doug Dougherty recommended the school's closure as well as eliminating 13.83 full-time equivalent positions, dropping district support for athletics at Broadway Middle School and reducing support for Seaside High School sports during a district budget committee meeting April 16." [Daily Astorian, 4/26/13]

Seaside School District Owed The Mill The Largest Amount In Back Taxes, Roughly \$653,000. According to the Daily Astorian, "Seaside School District actually owes the mill the largest amount in back taxes, about \$653,300. Other taxing districts that will be heavily affected include the the cities of Astoria and Seaside, which owe about \$210,000 and \$160,000 respectively. Clatsop Community College is on the hook for around \$200,000, Robison said." [Daily Astorian, 5/17/12]

The Closure Of Cannon Beach Elementary Caused Bigger Than Expected Class Sizes For The Seaside Heights Elementary School. According to the Daily Astorian, "It's pretty simple arithmetic: The Seaside School District minus Cannon Beach Elementary School equals bigger classes at Seaside Heights Elementary. But when Seaside School District officials shut the doors on Cannon Beach Elementary earlier this year, even they didn't have a 35-student third grade classroom in mind." [Daily Astorian, 10/29/13]

- Parents Voiced Their Concerns About Larger Class Sizes. According to the Daily Astorian, "Several Cannon Beach Elementary parents voiced their concerns at a September school board meeting, and board member Nancy Hauger heard them loud and clear. 'As a former teacher, I can't imagine teaching 35 kids,' Hauger said. Hauger noted that the most students she ever taught was 27 and, as she put it, "I thought I was going to die.' Linda Majors' daughter, Torry, attended Cannon Beach Elementary last year, where she was in a combined first and second grade class that had about 23 students. This year, she's in Luke Miller's third grade class, along with 34 other students. 'It's challenging to say the least,' Majors said. 'It's overwhelming for my daughter, going from such a small school to such a large school.' With this transition, it's been really, really tough,' said Stephanie Snyder, whose daughter, Kaylee, was in Miller's class last year and again this year. 'It's a lot of kids to have to manage.'" [Daily Astorian, 10/29/13]
- Seaside District Superintendent: "We Are Not Pleased With The Class Size Either." According to the Daily Astorian, "Doug Dougherty, the district's superintendent, acknowledged the Seaside Heights problem at the same school board meeting. 'We are not pleased with the class size either,' he said. 'We've had discussions, we've talked about options. … There might be options and hopefully we'll pursue those." [Daily Astorian, 10/29/13]

The Cannon Beach Elementary School Had About 80 Students. According to the Daily Astorian, "The cost to operate Cannon Beach Elementary, which has about 80 students, is \$8,900 per student, according to Dougherty. It costs between \$6,100 and \$6,300 per student to operate the district's two other grade schools, Seaside Heights and Gearhart. Both schools have considerably more students." [Daily Astorian, 5/22/13]

LAID OFF EMPLOYEES A MONTH AFTER STRATEGIC INVESTMENT PROGRAM TAX EXEMPTIONS

Layoffs Were Announced Less Than A Month After The Company Sought Support From Clatsop County For Tax Breaks To Attract A New Paper Machine To The Plant. According to the Associated Press State & Local Wire, "The announcement comes less than a month after the company sought support from Clatsop County for tax breaks to help it lure a new paper machine to the plant, an addition that could add dozens of new jobs." [Associated Press State & Local Wire, 8/9/06]

- The Layoff Announcement Came Soon After Clatsop County And The State Approved A Big Property Break On A \$193 Million Paper Towel Machine For The Mill. According to The Oregonian, "Tuesday's numbers came soon after economic development officials from Clatsop County and the state approved a big property tax break on a \$193 million paper towel machine that the company is considering building at the mill." [Oregonian, 8/9/06]
- The Break Was Negotiated Under The Strategic Investment Program, Which Exempted All But \$25 Million Of The Company's Investment At The Mill From Property Taxes In Exchange For Community Service Fees.

 According to The Oregonian, "The break was negotiated under a new version of the state's Strategic Investment Program, which exempts all but \$25 million of the company's investment at the mill from property tax, in exchange for community service fees equal to 25 percent of the abated amount. The company estimates the tax break will save it \$15 million over 15 years." [Oregonian, 8/9/06]
- Georgia Pacific Chose To Apply For That Program Because There Was No Obligation To Maintain Specific Employment Levels. According to The Oregonian, "Company officials said last week that one of the reasons they chose to apply for the Strategic Investment Program, instead of a property tax break under the state's enterprise zone program, is that the former comes with no obligation to maintain specific employment levels. They did say, however, that the tax break, if it helps attract the investment, could save 40 jobs." [Oregonian, 8/9/06]

• Oregon Center For Public Policy Director Called The Program 'Payoffs For Layoffs.' According to The Oregonian, "Critics of Oregon's tax breaks to industries said the layoffs were proof that such incentives boost corporate bottom lines, but not necessarily the state economy. 'It's payoffs for layoffs,' said Chuck Sheketoff, executive director of the Oregon Center for Public Policy, an advocate for low-income Oregonians." [Oregonian, 8/9/06]

SUBSIDIZED MILL IMPROVEMENTS WITH TAX PAYER FUNDS

In 2012, Georgia-Pacific Wauna Mill Installed Three New Air Compressors And Two New Dryers That Were Estimated To Lower Energy Consumption By 1.5% A Year. According to the Daily Astorian, "Thanks to some new technology, your paper tissue products might have a lowered carbon footprint. The Georgia-Pacific Wauna Mill, which annually produces approximately 20 million cases of tissue, towel and napkin products, installed three new air compressors and two new dryers that have, employees estimated, lowered energy consumption at the facility by 5.5 million kilowatt hours, or approximately 1.5 percent, per year." [Daily Astorian, 12/7/12]

Project Cost \$2 Million, And \$1.4 Million Of The Cost Was Reimbursed By The Clatskanie People's Utility District. According to the Daily Astorian, "The cost of the project, which was performed through the Bonneville Power Administration's Energy Smart Industrial program, came in at about \$2 million. Clatskanie People's Utility District reimbursed Georgia-Pacific \$1.4 million for the project, which qualified for credits provided by the BPA energy efficiency program and funded by the PUD's electricity rates. 'It's Clatskanie's conservation project, but we go through the Bonneville Power Administration to get our money back,' said Becky Rakoz, a spokeswoman for the PUD." [Daily Astorian, 12/7/12]

- Cost Was Funded By PUD's Electricity Rates, Although PUD Was Reimbursed By The Bonneville Power Administration. According to the Daily Astorian, "Clatskanie People's Utility District reimbursed Georgia-Pacific \$1.4 million for the project, which qualified for credits provided by the BPA energy efficiency program and funded by the PUD's electricity rates. 'It's Clatskanie's conservation project, but we go through the Bonneville Power Administration to get our money back,' said Becky Rakoz, a spokeswoman for the PUD.' [Daily Astorian, 12/7/12]
- Wauna Mill Project Was Largest Ever Performed By PUD. According to Daily Astorian, "This was the largest single project ever performed by the PUD, which has partnered with the Wauna Mill on six similar projects over the last half decade, saving 7.5 million kilowatt hours annually." [Daily Astorian, 12/7/12]

OUTSOURCED WORKERS

Georgia-Pacific Wauna Mill Workers Were Certified As Eligible For TAA Assistance Due To A "Shift In Production Of Paper Products To A Foreign Country." According to the Department of Labor "Section 222(a)(2)(B) has been met because the employment decline is related to the shift in production of paper products to a foreign country that is party to a free trade agreement with the United States. This finding was consistent with requirements for certification., according to the Department of Labor: The group eligibility requirements for workers of a firm under Section 222(a) of the Act, 19 U.S.C. § 2272(a), are satisfied if the following criteria are met: (1) a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated; (2)(B)(i) there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and (ii)(I) the country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States." [Department of Labor, TAA Decision 85402, 8/26/14]

• Georgia-Pacific Wauna Mill Workers Cited "Increased Products from Canada" In Petition, And Said 11 Workers "Are Still Unemployed." According to the TAA Petition 85402, "Section 3. Trade Effects on Seperations 1. To the best of your knowledge, provide reason why you believe that separations that have occurred or may be threatened at the workers' firm are due to foreign trade. [...] Increased products from Canada." [Department of Labor, TAA Petition 85402, 8/26/14]

OVERSAW CONTENTIOUS NEGOTIATIONS THAT RESULTED IN HIGHER HEALTH CARE COSTS FOR EMPLOYEES, MIRRORED THEIR NATIONAL POLICIES

Georgia-Pacific Employees Had Contentious Negotiations With The Company After Their Previous Contract Expired. According to the Associated Press State & Local Wire, "Union officials say members at Georgia-Pacific's Wauna mill near Westport have ratified a contract reached last month after contentious negotiations. The Longview Daily News reports it means a 6 percent raise over four years, dating from April 2010, when the previous contract expired. It applies to about 900 members of the United Steelworkers local." [Associated Press State & Local Wire, 6/4/11]

- The Agreed-Upon Contract Required Nearly All Of The Workers To Get New Doctors And Pay More For Health Care Coverage. According to the Associated Press State & Local Wire, "Union officials say the contract includes a medical insurance plan that will require nearly all workers to get new doctors and to pay more for dependent coverage. They say they hope for a better deal during bargaining with all of the company's U.S. mills this summer." [Associated Press State & Local Wire, 6/4/11]
- Healthcare Benefits Were The Major Sticking Point Of The Negotiations, With The Switch From Kaiser Permanente To United Healthcare. According to the Associated Press State & Local Wire, "Health care benefits are the major sticking point, Prescott said. Wauna union workers currently pay about 25 percent of their insurance premiums through Kaiser Permanente. The company wants to switch health insurance through United Healthcare. The plan would cost them more to insure family members and require them to find new doctors, Prescott said." [Associated Press State & Local Wire, 5/3/11]
- A Georgia-Pacific Spokesperson Said That The Company Had Negotiated Benefits With United Healthcare To Cut Costs At Its Paper Mill Plants Nationwide. According to the Associated Press State & Local Wire, "Kristi Ward, a Georgia-Pacific spokeswoman, said the company is offering workers a 6 percent wage increasing over the four-year contract and a boost in pension benefits. The average union Wauna worker makes about \$70,000 per year, she said. Over the past four years, the company has negotiated the same medical benefits with United Healthcare to cut costs at most of its other paper mills nationwide, she said." [Associated Press State & Local Wire, 5/3/11]

Strike Authorization

Union Workers At The Mill Gave Negotiators Strike Authorization During The Negotiations. According to the Associated Press State & Local Wire, "Union workers at Georgia-Pacific's Wauna mill in northwest Oregon have given negotiators strike authorization as contract talks with the company have bogged down, a union representative said Monday. The 900 members of the United Steelworkers local 1097 have been working under a contract that expired in April 2010, said Gaylan Prescott, the union's staff representative. The union voted down a company contract offer in January, and the next contract talks are scheduled May 24 with a federal mediator, he said." [Associated Press State & Local Wire, 5/3/11]

• Union Staff Representative: The Vote 'Overwhelmingly' Favored Strike Authorization. According to the Associated Press State & Local Wire, "The 900 members of the United Steelworkers local 1097 have been working under a contract that expired in April 2010, said Gaylan Prescott, the union's staff representative. The union voted down a company contract offer in January, and the next contract talks are scheduled May 24 with a federal mediator, he said. Prescott said last week's vote 'overwhelmingly' favored strike authorization, with nearly all members voting. He declined to give exact numbers. Union negotiators are required to give a 10-day notice before calling a strike, but Prescott said they plan to continue talks." [Associated Press State & Local Wire, 5/3/11]

WORKERS STRUGGLED TO FIND RELIABLE CHILDCARE

Kim And Gary Hennessee Worked Opposite Shifts On Different Crews At The Wauna Mill To Ensure They Had Child Care For Their Two Children. According to The Daily Astorian, "For the past nine years, Kim and Gary Hennessee have worked opposite shifts on different crews at the Wauna Mill to ensure someone is always watching their 9-year-old son

and 7-year-old daughter. While the Hennessees' lengthy shifts aren't typical for many North Coast families, their concerns illustrate a broadening gap in parents' abilities to find and afford child care so they can work." [Daily Astorian, 4/3/08]

- The Hennessees Said Finding Reliable Child Care From A Babysitter During Their Shifts Was Very Difficult. According to The Daily Astorian, "Alternating shifts is one of the ways parents cope with the child care trap in Clatsop County. By swapping schedules, the Hennessees don't have to find someone to watch their kids during their lengthy shifts at the mill. 'It's really hard to find somebody to help provide day care for 14 hours, even if you can pay them to do it,' Kim Hennessee said. 'To throw gasoline on a fire, try to find a sitter who is willing to get up at 4:45 a.m. so you can make it to your job out of town at 6 a.m.' In the summer, shiftworkers' babysitters get no breaks, "breakfast, lunch or dinner,' and during the school year, there is still little relief. 'People will say, "You chose your job, deal with it;' I am,' she said." [Daily Astorian, 4/3/08]
- Kim Hennessee Said 'This Is The Life Of A Wauna Mill Worker.' According to The Daily Astorian, "This is the life of a Wauna Mill worker.' Here's how her family juggles the days: On their 'switch day' when she drives to Wauna for the first of two consecutive daytime shifts, and her husband heads home from working the graveyard the children wake in Astoria at 4:30 a.m. and are dropped at a relative's home in Knappa. Their dad picks them up about a half hour later, drives them back to Astoria for breakfast and takes them to school." [Daily Astorian, 4/3/08]
- Hennessee Said Any Small Change Can Ruin Their Careful Schedule. According to The Daily Astorian, "A small change can throw their delicate system in the lurch. 'Anything out of the norm blows our schedule through the roof,' Kim Hennessee said. 'But it's only when they force us to go on the same crew that all hell breaks loose." [Daily Astorian, 4/3/08]
- Hennessee: The Possibility Of On-Site Care Is A Periodic Discussion At The Georgia Pacific Mill, But It Has Never Existed In Her 19 Years Working There. According to The Daily Astorian, "She said the possibility of on-site care is a periodic discussion at the Georgia Pacific mill, one of the area's largest employers, but it's never existed in her 19 years of working there." [Daily Astorian, 4/3/08]

Georgia Pacific Caused Significant Environmental Damage In Oregon

HALSEY FACILITY'S EMISSIONS PROMPTED THE THREAT OF A LAWSUIT

Georgia-Pacific Consumer Products Facility Near Halsey Prompted A Lawsuit Threat Over The Pulp And Paper Mill Effluent Running Down A Willamette River Stream. According to the Associated Press State & Local Wire, "An environmental group is threatening a lawsuit over pulp and paper mill effluent that isn't getting dispersed in the Willamette River as expected. The discharge the color of coffee is about 15 miles upstream of Corvallis, is supposed to be diluted in what's known as a mixing zone, the Corvallis Gazette-Times (bit.ly/PGuiDF) reported. But a gravel bar has accumulated and changed the river flow. Now the effluent gets to the channel in a concentrated stream. It comes from Cascade Pacific Pulp and Georgia-Pacific Consumer Products facilities near the Linn County town Halsey." [Associated Press State & Local Wire, 8/27/12]

A Georgia Pacific Spokesperson Said That The Plants' Combined Discharge Was Minimal And Had No Impact On Effluent Color Or Odor. According to the Associated Press State & Local Wire, "Kelley Ferguson, spokesman for Georgia-Pacific, said his company's operations generate a relatively small portion of the combined discharge and have no significant impact on effluent color or odor. At the same time, he said, "we recognize the impact we might have and we're working to try to address that as part of our formal response' to the Riverkeeper filing." [Associated Press State & Local Wire, 8/27/12]

Georgia-Pacific And Cascade-Pacific Were Allowed To Discharge Just Over 17,000 Pounds Per Day When River Flows Were High. According to the Associated Press State & Local Wire, "Under their combined permit, Cascade and Georgia-Pacific are allowed to discharge just over 15,000 pounds of treatment system effluent a day during the summer months, almost 17,000 pounds from November through April, when river flows are higher. That includes up to 10,000 pounds of suspended solids, 3,700 pounds of organic matter and 1,460 pounds of compounds formed from chlorine. They must also limit arsenic to 'the highest and best extent practicable' allowed by their treatment processes." [Associated Press State & Local Wire, 8/27/12]

• The Regulations Of The Downstream Runoff Were Covered Under The Clean Water Act And Violations Carried Up To A \$37,500 Per Day Fine. According to the Associated Press State & Local Wire, "The group Willamette Riverkeeper has given the companies 60 days to resolve the problem or face a citizen lawsuit under the Clean Water Act, which could carry fines of up to \$37,500 a day." [Associated Press State & Local Wire, 8/27/12]

EUGENE FACILITY'S EMISSIONS PROMPTED A FINE DESPITE HIGH ALLOWANCES

In 2013, Georgia-Pacific Chemicals Paid A \$3,600 Department Of Environmental Quality Penalty For Discharging Phenols Pollution Into State Water Near Eugene Facility. According to Eugene Weekly, "Georgia-Pacific Chemicals has paid the \$3,600 penalty assessed against it by DEQ on May 13 for discharge of phenols pollution to waters of the state at its facility on Highway 99 (near Irving Road) in Eugene." [Eugene Weekly, 6/27/13]

Emissions Allowances

Georgia-Pacific Chemical Near The Golden Gardens Park And Neighborhoods Emitted 36,000 Pounds Of Air Toxics. According to Eugene Weekly, "4. GEORGIA-PACIFIC CHEMICAL (Koch Industries) 2665 Highway 99 N. Nearby: Golden Gardens Park, neighborhoods. Emissions: Under its Lane Regional Air Protection Agency (LRAPA) permit, Georgia-Pacific emits 36,000 pounds of air toxics." [Eugene Weekly, 9/19/12]

- The Top Three Chemicals At The Plant Were Epichlorohydrin, Phenol, And Methanol. According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]
- Epichlorohydrin Was A Carcinogen That Could Cause Sterility And Liver, Lung, And Kidney Problems. According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]
- Phenol Was A Neurotoxin That Could Cause Kidney And Liver Damage. According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]

PORTLAND FACILITY THAT WAS CLOSE TO SCHOOLS PROMPTED COMMUNITY OPPOSITION

Parents And Neighborhood Leaders In Portland Pushed Oregon To Crack Down On Industrial Polluters And Pointed To Relatively High Levels Of Air Toxics Released Near Neighborhood Schools. According to The Oregonian, "Parents and neighborhood leaders in Northwest Portland are pushing Oregon to crack down on industrial polluters, pointing to relatively high levels of air toxics released near their neighborhood schools. [...] Two Oregon schools --the Harriet Tubman Leadership Academy for Young Women in North Portland and Toledo Elementary School near Newport --were chosen for monitoring. The leadership academy sits near industry and just east of Interstate 5. The Toledo school is near a Georgia-Pacific pulp mill." [Oregonian, 5/21/09]

• Chapman And Other Portland Schools Were In The Top 2 Percent Of Schools Nationwide For Exposure To Industrial Air Toxics. According to The Oregonian, "Mary Peveto, a mother of three and co-founder of Neighbors for Clean Air, helped organize a town hall on air pollution for 7 tonight at Chapman Elementary after reading a report that put Chapman and other Portland schools in the top 2 percent of schools nationwide for exposure to industrial air toxics." [Oregonian, 5/21/09]

TOLEDO MILL PUMPED POLLUTANTS INTO MULTIPLE LOCATIONS

Quantity Of Emissions

In 2012, Georgia-Pacific's Toledo Mill Was The Fourth Highest Polluter In Oregon, Releasing 1,113,280 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific was the fourth highest polluter in Oregon releasing 1,113,280 pounds of toxic chemicals into the environment in 2012. This information is further detailed in the following table:

Company Name	Pounds Released
Chemical Waste Management of the Northwest, Arlington	13,964,080
Cascade Steel Rolling Mills, McMinnville	5,003,635
Cascade Pacific Pulp Halsey Pulp Mill, Halsey	1,354,311
Georgia-Pacific Toledo, Toledo	1,113,280
Dyno Nobel-St. Helens Plant, Deer Island	776,669
Georgia Pacific Consumer Products LP Wauna Mill, Clatskanie	556,202
International Paper, Springfield	535,191
Boardman Plant, Boardman	484,928
TDY Industries DBA Wash Chang, Albany	425,284
SP Fiber Technologies Northwest, Newberg	370,633

[Statesman Journal, 3/24/14]

In 2011, Georgia-Pacific's Toledo Mill Was The Fifth Highest Polluter In Oregon, Releasing 997,620 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific was the fifth highest polluter in Oregon releasing 997,620 pounds of toxic chemicals into the environment in 2011. This information is further detailed in the following table:

Company Name	Pounds Released
Chemical Waste Management of the Northwest Inc. (Arlington)	13,370,554
Cascade Steel Rolling Mills (McMinnville)	4,991,879
Cascade Pacific Pulp Halsey Pulp Mill (Halsey)	1,252,767
TDY Industries Inc. dba Wah Chang (Albany)	1,154,344
Georgia-Pacific Toledo (Toledo)	997,620
Dyno Nobel St. Helens Plant (Deer Island)	791,298
Columbia River Processing (Boardman)	590,908
International Paper (Springfield)	577,334
Georgia Pacific Consumer Products LP Wauna Mill (Clatskanie)	519,469
SP Newsprint Co. (Newberg)	496,010

[Statesman Journal, 2/17/13]

Georgia-Pacific Paper Mill In Toledo, Oregon Generated 900 Tons Of Carbon Dioxide Per Employee. According to the Oregonian, "Even so, Intel's Oregon operations emitted almost 180,000 tons of carbon dioxide in 2012. (Greenhouse gases are rated in CO2 equivalents to enable comparisons.) Excluding power plants and landfills, that's the sixth-most in Oregon, ac-cording to federal data. On a per-employee basis, Intel's footprint looks a lot smaller: just 10 tons per employee in 2012 (roughly 25 tons per employee at its manufacturing campuses). Compare that to 400 tons of CO2 equivalents for each

employee at ON Semiconductor's operations in Gresham and nearly 900 tons per employee at Georgia-Pacific's paper mill in Toledo." [Oregonian, 7/27/14]

Toledo Georgia-Pacific Pulp Mill Released 56,320 Pounds Of Toxic Chemicals Into Siletz And Yaquina Rivers. According to the Daily Astorian, "Judged by the amount of toxic chemicals discharged by industry, Oregon's waterways rank the 33rd worst in the nation, an environmental group says. Oregon industry in 2012 dumped 1.3 million pounds of toxic chemicals into rivers, streams and lakes, Environment Oregon said in a report released Thursday. [...] A Georgia-Pacific pulp mill in Toledo, east of Newport in the Coast Range, released 56,320 pounds of toxic chemicals into the Siletz and Yaquina rivers, the Environment Oregon report said." [Daily Astorian, 6/20/14]

DEPARTMENT OF ENVIRONMENTAL QUALITY REVIEWS

Georgia-Pacific Opposed Clean Water Regulations On The Facility

Georgia Pacific Was Concerned That Stricter Clean Water Regulations Could Mean A Competitive Disadvantage With China, Where Environmental Standards Were Lax. According to The Oregonian, "Georgia-Pacific, which operates three paper mills in Oregon, is watching the proceedings with interest. Carol A. Whit-aker, a G-P senior environmental compliance manager, said her company competes globally and is particularly concerned that higher figures for fish consumption might translate into tightened regulations that could mean a competitive disadvantage with China, where environmental standards are lax." [Oregonian, 3/14/07]

Penalized By The Department Of Environmental Quality

In February 2014, Department Of Environmental Quality Assessed A Civil Penalty Of \$4,000 To Georgia-Pacific Toledo For Hazardous Air Pollution. According to Eugene Weekly, "DEQ assessed a civil penalty of \$4,000 against Georgia-Pacific Toledo, LLC for hazardous air pollution violations at its Toledo pulp mill. Toledo is about 7 miles inland from Newport." [Eugene Weekly, 2/13/14]

Community Opposition Caused The Review Of Georgia-Pacific's Permit

Residents Lobbied To Get Permit Standards Tightened And To Strengthen Monitoring Of The Effluent. According to The Oregonian, "In 2005 when DEQ hosted public hearings on renewing the permit, some nearby residents lobbied hard to get permit standards tightened and to strengthen monitoring of the effluent." [Oregonian, 7/5/08]

- Residents Feared The Effluent Could Harm People Who Surf, Swim And Boat In The Ocean And Worried The Effluent Could Be Contributing To Dead Zones. According to The Oregonian, "Those behind the petition fear the effluent could harm people who surf, swim and boat on the ocean, and that it could be contributing to the dead zones -- areas so low in oxygen that marine life suffocates --close by." [Oregonian, 7/5/08]
- One Of The Concerns Of The Effluent Was The Release Of Toxic Metals. According to the Associated Press State & Local Wire, "Among the concerns: toxic metals, the possibility that effluent could contribute to the dead zones areas so low in oxygen that marine life suffocates and a plume of dark water around the outfall pipe sometimes visible from the air and the bluffs near Nye Beach." [Associated Press State & Local Wire, 7/5/08]
- The Concern Was That The Effluent Could Be Compounding The Stress Already On The Environment. According to The Oregonian, "As far as anyone understands, the discharge is not causing the dead zone,' said Pete Stauffer, Oregon policy coordinator for the Surfrider Foundation, a nonprofit organization that advocates for better water quality, beach access and ocean health. 'The concern is that in an area where you already have low oxygen, to be discharging wastewater that is also low in oxygen can compound the stress already on the environment." [Oregonian, 7/5/08]

The DEQ Agreed To Reconsider Georgia Pacific's Permit. According to the Oregonian, "In July 2006, DEQ renewed the permit without change. Three months later, several groups filed the petition for reconsideration and DEQ agreed." [Oregonian, 7/5/08]

• The Reconsideration Of The Permit Was A Rare Decision By The DEQ. According to the Associated Press State & Local Wire, "Two years after coastal residents asked for it, Oregon officials say they expect to complete a rare reconsideration of a pollution permit by fall, deciding whether to tighten regulations on a pulp and paper mill near Newport." [Associated Press State & Local Wire, 7/5/08]

Oregon Department Of Environmental Quality Reconsidered The Pollution Permit For Georgia Pacific's Pulp And Paper Mill For The Fifth Time In Six Years. According to Statesman Journal, "The Oregon Department of Environmental Quality will reconsider the pollution permit for Georgia-Pacific's pulp and paper mill in Toledo, the fifth time in six years the agency has done so." [Statesman Journal, 10/18/06]

The Permit Regulated Millions Of Gallons Of Discharge Released Into The Ocean. According to Statesman Journal, "The permit, renewed in July, regulates the millions of gallons of discharge released daily into the ocean in Newport. Five environmental groups filed a petition with the agency last month. The DEQ's decision to further evaluate the permit triggers a likely yearlong period of review and public comment." [Statesman Journal, 10/18/06]

George Pacific Laid Off Oregon Workers

COOS BAY FACILITY

Georgia Pacific Laid Off 30 Of 100 Employees At Its Sawmill In Coos Bay On October 29, 2008. According to The Register Guard, "A recent spate of layoffs at local wood products companies underscores the challenges the industry is facing with the prolonged housing slump. Georgia-Pacific, which is based in Atlanta, laid off 30 of its 100 employees at its sawmill in Coos Bay on Oct. 29, be-cause of the continued decline in the housing market, spokeswoman Julie Davis said. "We've had to take the step to balance production with demand," she said." [Register Guard, 11/11/08]

EUGENE FACILITY

Patrick Reilly's Experience

Patrick Reilly Lost His \$16-An-Hour Forklift Job At Georgia Pacific, And Was Unemployed For A Year And A Half. According to the Associated Press State & Local Wire, "I thought I had it made,' says Patrick Reilly of Eugene, who lost his \$16-an-hour forklift job at Georgia-Pacific a year and a half ago. When his unemployment benefits ran dry recently, he jumped at the only opening he could find: delivering the local newspaper for \$600 a month." [Associated Press State & Local Wire, 6/14/09]

- Reilly Said He Had 'Two Or Three Months. Tops, Until Something's Gotta Happen. I've Put In A Lot Of Applications.' According to the Associated Press State & Local Wire, "With a daughter and two stepsons, a maxed-out credit card and a savings account down to its last \$2,000, Reilly hasn't panicked yet, but he's on the verge. 'We've got maybe three months, tops, until something's gotta happen,' Reilly says. 'I've put in a lot of applications.'" [Associated Press State & Local Wire, 6/14/09]
- Reilly Lost His Job When Georgia Pacific's Plywood Mill Was Sold. According to The Oregonian, "I thought I had it made,' Eugene resident Patrick Reilly told Kulongoski during a five-minute sit-down. Reilly, 51, was making about \$20 an hour driving a forklift at a Georgia-Pacific plywood mill. The mill was sold, and Reilly lost his job and has been out of work for 14 months. He said he visited the employment office Tuesday after hearing a news story about the governor's job proposal. I wanted to get lined up for one,' Reilly said. 'Clearing brush, that would be great for me.' Even at the low pay, a temporary job would help tide him over until he can find another mill job." [Oregonian, 5/20/09]

PHILOMATH MILL

Georgia Pacific Cut 30 Of Its 105 Employees At A Facility In Philomath. According to The Register Guard, "Also in late September, Georgia-Pacific cut 30 of its 105 employees at its planer and sawmill in Philomath, reducing production from two shifts to one, Davis said." [Register Guard, 11/11/08]

Georgia Pacific Cut 30 Jobs At Two Lumber Mills In Philomath. According to the Associated Press State & Local Wire, "Georgia-Pacific has cut 30 jobs at its two lumber mills in Philomath, another in a string of small cuts in Oregon's oncemighty timber industry that has been hit hard recently by the housing slowdown." [Associated Press State & Local Wire, 10/4/08]

• 75 People Remained On The Job At The Mills In Philomath. According to the Associated Press State & Local Wire, "In Philomath, about 75 people remain on the job at the sawmill and the planer mill, which have cut from two shifts to one. The mills turn out dimensional lumber of Douglas fir and hemlock." [Associated Press State & Local Wire, 10/4/08]

WAUNA MILL

Laid Off Employees After Paper Machine Shutdowns

No. 2 Paper Machine Shut Down

Georgia Pacific's Wauna Mill Shut Down Its No. 2 Paper Machine For Two Weeks. According to The Daily Astorian, "Just two weeks after shutting down its No. 2 paper machine, Georgia-Pacific's Wauna Mill started it back up again Tuesday much earlier than expected - to serve new product orders. That's good news for 28 employees who were going to be affected by the shutdown; the layoffs proposed in connection with shutting down No. 2 have been postponed, according to Kristi Ward, public affairs manager for the mill." [Daily Astorian, 1/15/10]

- The Company Did Not Have Customer Orders Scheduled For The No. 2 Paper Machine In The First Six Months Of 2010. According to The Daily Astorian, "Last month, Ward said the company didn't have any customer orders scheduled for the No. 2 paper machine in the first six months of 2010 in part because it is an older machine that attracts less demand than the newer ones." [Daily Astorian, 1/15/10]
- The No. 2 Shutdown Was Not Intended To Be Permanent. According to The Daily Astorian, "The No. 2 shutdown was not intended to be permanent; the machine remained in 'ready to run' status after it shut down Dec. 31." [Daily Astorian, 1/15/10]

Georgia Pacific Laid Off 30 Workers At The Wauna Mill Plant, In Addition To The 15 Who Were Laid Off Earlier In The Year. According to The Daily Astorian, "Georgia-Pacific's Wauna Mill, the largest employer in Clatsop County, announced it would shut down its No. 2 paper machine and lay off around 30 workers at the plant in addition to the 15 that had been laid off earlier in the year." [Daily Astorian, 12/31/09]

• The Mill Laid Off 15 Workers In Mid-November 2009. According to The Daily Astorian, "The mill laid off 15 workers in mid-November in a move unrelated to the No. 2 shutdown or the No. 31 rewinder closure. Ward said those workers remain laid off." [Daily Astorian,, 1/15/10]

United Steelworkers Local 1097 Said Union Leaders Offered Alternatives To Layoffs, Including Allowing People To Take Vacations Or Use The Time To Catch Up On The Training Backlog But The Company Did Not Accept Those Offers. According to The Daily Astorian, "A statement released by the labor union for workers at the mill, United Steelworkers Local 1097, said union leaders had met with company executives and offered alternatives that would allow the mill to curtail production without laying people off. 'The union's officials offered several alternatives, such as allowing more people to take vacations or using this time to catch up on the training backlog, due to the level of retirements we have this year, but this was not acceptable to the company,' the statement said." [Daily Astorian, 11/16/09]

- Employee Thad Bodenhamer, 42, Said He Was Surprised When He Was Laid Off And Said He Had Been Asked Almost Daily In Recent Weeks To Work Overtime. According to The Daily Astorian, "Clatskanie resident Thad Bodenhamer, 42, said he was surprised when he was notified last week that he was the 15th worker to be laid off. In recent weeks, he's been getting calls almost daily to work overtime on his days off. I never dreamed this would happen,' he said. It's just a crusher." [Daily Astorian, 11/16/09]
- A Mill Representative Said The Company Was Focused On Customers And Meeting Their Changing Needs With Production Schedules. According to The Daily Astorian, "Our production schedule frequently changes,' she said. We have a production schedule for the mill that changes based on customer needs. With the current economic situation, we are very focused on our customers and meeting their changing needs with our production schedules." [Daily Astorian, 11/16/09]
- Union Members Said Laying Off Employees While Asking Others To Work Overtime Made No Sense, And Pointed Out That The Facility Received Tax Exemptions For Creating New Jobs. According to The Daily Astorian, "Union members say as long some employees are being asked to work overtime it doesn't make sense to lay anyone off. This continues to be a profitable facility and has received tax exemptions for creating new jobs,' the union statement reads. 'Many times overtime is required in a facility like this, but we have people being required to work overtime at the same time others are to be laid off." [Daily Astorian, 11/16/09]
- The Mill Was The County's Largest Employer. According to The Daily Astorian, "Ward said employment at the mill the county's largest employer is still 'about 1,000, but it fluctuates based on normal attrition and what is needed based on our production schedule." [Daily Astorian, 11/16/09]
- Ward 'Couldn't Say' How Many Employees Would Be Working At The Mill After The Layoffs. According to The Daily Astorian, "She said she 'couldn't say' how many employees will be working at the mill after the layoffs." [Daily Astorian, 11/16/09]

No. 4 Paper Machine Shut Down

In 2007 The Mill Shut Down Its No. 4 Paper Machine. According to The Daily Astorian, "In 2007, the mill permanently shut down its No. 4 paper machine, which was built in 1967." [Daily Astorian, 1/15/10]

• The Mill Had Five Paper Machines. According to The Daily Astorian, "The mill has five paper machines altogether, two of which were built within the last six years." [Daily Astorian, 1/15/10]

Everett Kinser Was Laid Off From His Job At Georgia Pacific When The Mill Was Closed. According to The Register Guard, "Everett Kinser, 63, is a Cottage Grove millwright who was laid off from the Swanson Group plant in December. He had worked at Swanson or McKenzie Forest Products since June 25, 2007 -- one day after losing his previous job, when Georgia Pacific closed its mill on Irving Road. 'This is the first time in 40 years I've drawn unemployment,' Kinser says. 'But I'm going to get by, whether I'm working or not -- my wife and I." [Register Guard, 2/1/09]

• Kinser Had Custody Of A Child With Cystic Fibrosis, Who Required Treatment In Portland. According to The Register Guard, "We do have a little 6-year-old that we have custody of,' Kinser says, adding that the child has cystic fibrosis and requires periodic treatment in Portland. 'But I'm not looking too bad,' he says. 'They said they'd call back as soon as they need help." [Register Guard, 2/1/09]

Wauna Mill Shut Down The No. 4 Paper Machine Which Affected 28 Workers And Several More Related Employees. According to The Daily Astorian, "Georgia-Pacific's Wauna mill is shutting down one of its oldest pieces of equipment. The mill announced Monday that the No. 4 paper machine will end operations later this year. The shut-down will affect the machine's 28 workers and several more related employees, who will be offered other jobs within the mill, according to manager James Jordan." [Daily Astorian, 3/20/07]

• The Decision To Shut Down No. 4 Was Not Directly Related To A Rapid Transformation Initiative Launched By Georgia Pacific's Parent Company Koch Industries. According to The Daily Astorian, "Jordan said the decision to

shut down No. 4 isn't directly related to the 'Rapid Transformation' process, an initiative launched last year by Georgia-Pacific's new parent corporation, Koch Industries." [Daily Astorian, 3/20/07]

• The Company Eliminated 33 Salaried Positions At Wauna And Reduced The Hourly Workforce By 60 Jobs Under The Initiative. According to the Daily Astorian, "Under the corporate-efficiency drive, the company eliminated 33 salaried positions at Wauna, mostly through severance buy-outs, and has reduced the hourly workforce by about 60 jobs through attrition." [Daily Astorian, 3/20/07]

More Than 100 Workers Were Expected To Lose Their Jobs At The Wauna Mill After Koch Industries Assessed The Mill's Operations. According to the Associated Press State & Local Wire, "More than 100 workers at Georgia-Pacific's Wauna mill will lose their jobs as part of a drive for corporate efficiency. The exact number of cuts prompted by the company's new owner, Koch Industries, will be announced when an as-sessment of the mill's operations is finished. The assessment began this week." [Associated Press State & Local Wire, 8/9/06]

- The Layoffs Would Affect 30 Supervisory And Management Employees And 90 To 100 Hourly Workers.

 According to the Associated Press State & Local Wire, "Mill manager James Jordan said the layoffs will affect 30 supervisory and management employees and 90 to 100 hourly workers. The plan currently employs 1,050." [Associated Press State & Local Wire, 8/9/06]
- Mill Manager James Jordan Said 'Koch Looked At The Paper Industry And Believes The Industry Needs To Make Changes.' According to the Associated Press State & Local Wire, "It's nothing that the employees are doing or not doing it's the fact that the marketplace is changing,' Jordan said. 'Koch looked at the paper industry, and believes the industry needs to make changes." [Associated Press State & Local Wire, 8/9/06]
- The Cuts Represented About 12 Percent Of The Mill's Employees. According to The Oregonian, "The planned cuts represent about 12 percent of the mill's 1,050 employees. Layoffs at the mill have long been rumored." [Oregonian, 8/9/06]

KOCH INDUSTRIES: OREGON FACILITIES

Georgia Pacific

2012: Georgia-Pacific Operated At Least 9 Facilities In Oregon. According to Georgia-Pacific, the company had at least 9 locations in Oregon for consumer product, chemical, paper, and wood processing and distribution. This information is further detailed in the following table:

Location	Type	Products	End-Use/Unique Features
Albany	Chemical	Formaldehyde and Thermosetting Resins	Plant produces formaldehyde, powdered hardeners and liquid resins that are used in particleboard, hardboard, OSB and plywood.
Canby	Gypsum	FireDoor Core®	Gypsum firedoor core is used in doors for commercial, residential and multi-unit housing, and is strictly designed for fire safety.
Clatskanie	(Wauna) Consumer Products	Consumer Products	Clatskanie produces consumer products, including Brawny®, Mardi Gras®, Nice 'N Soft®, Quilted Northern® tissue and napkins, Sparkle®, Vanity Fair®, Zee®, and private label consumer products.
Coos Bay	Western Softwood Sawmill	Dimensional Lumber	Coos Bay produces Douglas Fir and Hemlock lumber products that are used throughout the West.
Eugene	Chemical	Thermosetting and Wet Strength Resins	Eugene produces liquid resins that are used in particleboard, hardboard, OSB, saturating and plywood, as well as paper wetstrength and sizing.
Halsey	Consumer Products	Consumer Products	Produces consumer products, including Quilted Northern® tissue and napkins, and private label consumer products.

Philomath	Western Softwood Sawmill	Dimensional Lumber`	Philomath produces Douglas Fir and Hemlock lumber products.
Portland	Distribution (3 centers)	Consumer Products Distribution	Distribution of products in the Northwest region.
Toledo	Containerboard	Linerboard and Corrugating Medium	Products are used in corrugated boxes and packaging for retail items.

[Georgia Pacific, "Oregon,' 7/12]

In 2006, Georgia Pacific Operated 11 Facilities In Oregon. According to The Oregonian, "In late 2005, Koch Industries took over Georgia-Pacific in a \$13.2 billion deal. The Camas mill has an annual payroll of \$85 million. Georgia-Pacific operates four production facilities, including Camas, in Washington state and 11 in Oregon." [Oregonian, 11/18/06]

CHEMICAL PLANT IN EUGENE

Georgia-Pacific Had Chemical Plant In Eugene, Oregon. According to the Register-Guard, "Title V is reserved for plants emitting the most or most dangerous pollution. In Lane County, 19 companies come under Title V, including the Kingsford charcoal plant in Springfield and the Georgia-Pacific chemical plant and Murphy Co. panelboard plant, both in Eugene." [Register-Guard, 7/17/13]

PULP MILL IN WAUNA

Georgia-Pacific Wauna Plant Was Clatsop County's Largest Manufacturer, Employing More Than 900 People. According to the Daily Astorian, "Scope and variety of Clatsop County's manufacturers is striking If you take a poll on Clatsop County's economy, a large number of respondents will say we ought to have more manufacturing. But if they were asked, relatively few would know the names of our local manufacturers. That is understandable, be-cause manufacturers don't have a highly visible physical presence. [...] Clatsop County's largest manufacturer is the Georgia-Pacific Wauna plant, which employs upwards of 900." [Daily Astorian, 3/10/14]

Clatsop County Property

In February 2014, Georgia-Pacific Bought Property In Clatsop County For \$210,000. According to the Daily Astorian, "Clatsop County Property Transactions [...] Seller: Erkki J. Hanson Buyer: Georgia-Pacific Consumer Products LP Address: 91896 Driscoll Slough Road, Westport Price: \$210,000" [Daily Astorian, 2/20/14]

DISTRIBUTION CENTER IN PORTLAND

Georgia Pacific Leased 225,250 Square Feet Of Warehouse/Distribution Space At Marine Drive Distribution Center In Portland. According to The Oregonian, "Georgia-Pacific Corp. has leased 225,250 square feet of warehouse/distribution space at Marine Drive Distribution Center, Building 1, 6308 N. Marine Drive, Portland, from LIT Industrial Limited Partnership. Andy Kangas and Stuart Skaug, CB Richard Ellis, represented the lessee." [Oregonian, 3/17/08]

FACILITIES IN PHILOMATH

In 2013, Department Of Environmental Quality Was Taking Comments About Industrial Storm Water Pollution Controls For Two Georgia-Pacific West Facilities In Philomath. According to the Eugene Weekly, "Comments to DEQ regarding industrial stormwater pollution control plans for Navistar (Harrisburg) and two different Georgia-Pacific West facilities in Philomath are due by 5 pm on July 1." [Eugene Weekly, 6/27/13]

KOCH INDUSTRIES: POLLUTION & EMISSIONS IN OREGON

Georgia-Pacific Halsey Facility

EFFLUENT EMISSIONS

Lawsuit Threat

Georgia-Pacific Consumer Products Facility Near Halsey Prompted A Lawsuit Threat Over The Pulp And Paper Mill Effluent Running Down A Willamette River Stream. According to the Associated Press State & Local Wire, "An environmental group is threatening a lawsuit over pulp and paper mill effluent that isn't getting dispersed in the Willamette River as expected. The discharge the color of coffee is about 15 miles upstream of Corvallis, is supposed to be diluted in what's known as a mixing zone, the Corvallis Gazette-Times (bit.ly/PGuiDF) reported. But a gravel bar has accumulated and changed the river flow. Now the effluent gets to the channel in a concentrated stream. It comes from Cascade Pacific Pulp and Georgia-Pacific Consumer Products facilities near the Linn County town Halsey." [Associated Press State & Local Wire, 8/27/12]

A Georgia Pacific Spokesperson Said That The Plants' Combined Discharge Was Minimal And Had No Impact On Effluent Color Or Odor. According to the Associated Press State & Local Wire, "Kelley Ferguson, spokesman for Georgia-Pacific, said his company's operations generate a relatively small portion of the combined discharge and have no significant impact on effluent color or odor. At the same time, he said, "we recognize the impact we might have and we're working to try to address that as part of our formal response' to the Riverkeeper filing." [Associated Press State & Local Wire, 8/27/12]

Georgia-Pacific And Cascade-Pacific Were Allowed To Discharge Just Over 17,000 Pounds Per Day When River Flows Were High. According to the Associated Press State & Local Wire, "Under their combined permit, Cascade and Georgia-Pacific are allowed to discharge just over 15,000 pounds of treatment system effluent a day during the summer months, almost 17,000 pounds from November through April, when river flows are higher. That includes up to 10,000 pounds of suspended solids, 3,700 pounds of organic matter and 1,460 pounds of compounds formed from chlorine. They must also limit arsenic to 'the highest and best extent practicable' allowed by their treatment processes." [Associated Press State & Local Wire, 8/27/12]

• The Regulations Of The Downstream Runoff Were Covered Under The Clean Water Act And Violations Carried Up To A \$37,500 Per Day Fine. According to the Associated Press State & Local Wire, "The group Willamette Riverkeeper has given the companies 60 days to resolve the problem or face a citizen lawsuit under the Clean Water Act, which could carry fines of up to \$37,500 a day." [Associated Press State & Local Wire, 8/27/12]

Georgia-Pacific Eugene Facility

EMISSIONS

Penalty Payment

In 2013, Georgia-Pacific Chemicals Paid \$3,600 Department Of Environmental Quality Penalty For Discharging Phenols Pollution Into State Water Near Eugene Facility. According to Eugene Weekly, "Georgia-Pacific Chemicals has paid the \$3,600 penalty assessed against it by DEQ on May 13 for discharge of phenols pollution to waters of the state at its facility on Highway 99 (near Irving Road) in Eugene." [Eugene Weekly, 6/27/13]

Emissions Allowances

Georgia-Pacific Chemical Near The Golden Gardens Park And Neighborhoods Emitted 36,000 Pounds Of Air Toxics. According to Eugene Weekly, "4. GEORGIA-PACIFIC CHEMICAL (Koch Industries) 2665 Highway 99 N.

Nearby: Golden Gardens Park, neighborhoods. Emissions: Under its Lane Regional Air Protection Agency (LRAPA) permit, Georgia-Pacific emits 36,000 pounds of air toxics." [Eugene Weekly, 9/19/12]

- The Top Three Chemicals At The Plant Were Epichlorohydrin, Phenol, And Methanol. According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]
- Epichlorohydrin Was A Carcinogen That Could Cause Sterility And Liver, Lung, And Kidney Problems.

 According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]
- Phenol Was A Neurotoxin That Could Cause Kidney And Liver Damage. According to Eugene Weekly, "Effects: Beyond Toxics says the top three chemicals are epichlorohydrin, a carcinogen that can cause sterility and liver, lung and kidney problems; phenol, which is a neurotoxin and can cause kidney and liver damage; and methanol." [Eugene Weekly, 9/19/12]

Georgia-Pacific Portland Facility

COMMUNITY OPPOSITION

Parents And Neighborhood Leaders In Portland Pushed Oregon To Crack Down On Industrial Polluters And Pointed To Relatively High Levels Of Air Toxics Released Near Neighborhood Schools. According to The Oregonian, "Parents and neighborhood leaders in Northwest Portland are pushing Oregon to crack down on industrial polluters, pointing to relatively high levels of air toxics released near their neighborhood schools. [...] Two Oregon schools --the Harriet Tubman Leadership Academy for Young Women in North Portland and Toledo Elementary School near Newport --were chosen for monitoring. The leadership academy sits near industry and just east of Interstate 5. The Toledo school is near a Georgia-Pacific pulp mill." [Oregonian, 5/21/09]

• Chapman And Other Portland Schools Were In The Top 2 Percent Of Schools Nationwide For Exposure To Industrial Air Toxics. According to The Oregonian, "Mary Peveto, a mother of three and co-founder of Neighbors for Clean Air, helped organize a town hall on air pollution for 7 tonight at Chapman Elementary after reading a report that put Chapman and other Portland schools in the top 2 percent of schools nationwide for exposure to industrial air toxics." [Oregonian, 5/21/09]

Georgia-Pacific Toledo Mill

POLLUTION

Emission Amounts

In 2012, Georgia-Pacific's Toledo Mill Was The Fourth Highest Polluter In Oregon Releasing 1,113,280 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific was the fourth highest polluter in Oregon releasing 1,113,280 pounds of toxic chemicals into the environment in 2012. This information is further detailed in the following table:

Company Name	Pounds Released
Chemical Waste Management of the Northwest, Arlington	13,964,080
Cascade Steel Rolling Mills, McMinnville	5,003,635
Cascade Pacific Pulp Halsey Pulp Mill, Halsey	1,354,311

Georgia-Pacific Toledo, Toledo	1,113,280
Dyno Nobel-St. Helens Plant, Deer Island	776,669
Georgia Pacific Consumer Products LP Wauna Mill, Clatskanie	556,202
International Paper, Springfield	535,191
Boardman Plant, Boardman	484,928
TDY Industries DBA Wash Chang, Albany	425,284
SP Fiber Technologies Northwest, Newberg	370,633

[Statesman Journal, 3/24/14]

In 2011, Georgia-Pacific's Toledo Mill Was The Fifth Highest Polluter In Oregon Releasing 997,620 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific was the fifth highest polluter in Oregon releasing 997,620 pounds of toxic chemicals into the environment in 2011. This information is further detailed in the following table:

Company Name	Pounds Released
Chemical Waste Management of the Northwest Inc. (Arlington)	13,370,554
Cascade Steel Rolling Mills (McMinnville)	4,991,879
Cascade Pacific Pulp Halsey Pulp Mill (Halsey)	1,252,767
TDY Industries Inc. dba Wah Chang (Albany)	1,154,344
Georgia-Pacific Toledo (Toledo)	997,620
Dyno Nobel St. Helens Plant (Deer Island)	791,298
Columbia River Processing (Boardman)	590,908
International Paper (Springfield)	577,334
Georgia Pacific Consumer Products LP Wauna Mill (Clatskanie)	519,469
SP Newsprint Co. (Newberg)	496,010

rivers, the Environment Oregon report said." [Daily Astorian, 6/20/14]

[Statesman Journal, 2/17/13]

Georgia-Pacific Paper Mill In Toledo, Oregon Generated 900 Tons Of Carbon Dioxide Per Employee. According to the Oregonian, "Even so, Intel's Oregon operations emitted almost 180,000 tons of carbon dioxide in 2012. (Greenhouse gases are rated in CO2 equivalents to enable comparisons.) Excluding power plants and landfills, that's the sixth-most in Oregon, ac-cording to federal data. On a per-employee basis, Intel's footprint looks a lot smaller: just 10 tons per employee in 2012 (roughly 25 tons per employee at its manufacturing campuses). Compare that to 400 tons of CO2 equivalents for each employee at ON Semiconductor's operations in Gresham and nearly 900 tons per employee at Georgia-Pacific's paper mill in Toledo." [Oregonian, 7/27/14]

Toledo Georgia-Pacific Pulp Mill Released 56,320 Pounds Of Toxic Chemicals Into Siletz And Yaquina Rivers. According to the Daily Astorian, "Judged by the amount of toxic chemicals discharged by industry, Oregon's waterways rank the 33rd worst in the nation, an environmental group says. Oregon industry in 2012 dumped 1.3 million pounds of toxic chemicals into rivers, streams and lakes, Environment Oregon said in a report released Thursday. [...] A Georgia-Pacific pulp mill in Toledo, east of Newport in the Coast Range, released 56,320 pounds of toxic chemicals into the Siletz and Yaquina

In February 2014, Department Of Environmental Quality Assessed A Civil Penalty Of \$4,000 To Georgia-Pacific Toledo For Hazardous Air Pollution. According to Eugene Weekly, "DEQ assessed a civil penalty of \$4,000 against Georgia-Pacific Toledo, LLC for hazardous air pollution violations at its Toledo pulp mill. Toledo is about 7 miles inland from Newport." [Eugene Weekly, 2/13/14]

Georgia Pacific Pulp And Paper Mill Possessed A Permit To Discharge 11 Million Gallons Of Effluent Daily.

According to the Associated Press State & Local Wire, "The Department of Environmental Quality is focusing on a petition

filed in October 2006 asking it to reconsider the permit that allows the Georgia-Pacific pulp and paper mill in Toledo mill to discharge 11 million gallons of effluent daily." [Associated Press State & Local Wire, 7/5/08]

Natural Damage

The Pulp And Paper Mill In Toledo Piped Wastewater Into The Ocean About 3,850 Feet Off Of Nye Beach. According to The Oregonian, "For 50 years, the pulp and paper mill in Toledo has piped the wastewater generated from creating paper products into the ocean about 3,850 feet off of Nye Beach." [Oregonian, 7/5/08]

A Plume Of Dark Water Around The Outfall Pipe Was Sometimes Visible From The Air And Bluffs Near Nye Beach. According to The Oregonian, "Nonetheless, a plume of dark water around the outfall pipe sometimes visible from the air and the bluffs near Nye Beach is doing little to reassure locals that the discharge is harmless. 'It's not toxic,' said Franz Cosenza, technical manager of the mill. Rather, the discoloration is a result of the mill's conscientious water use and the presence of lignin, a natural polymer found in wood, he said." [Oregonian, 7/5/08]

OLALLA LAKE

Georgia-Pacific Owned Olalla Lake, Which Was Around 120-Acres And Fed Water Into The Toledo Mill. According to the Statesman Journal, "The 120-acre lake, when filled, is owned by Georgia-Pacific, which taps the water for its Toledo mill and allows public access through a gate about a 10th of a mile down the road that's locked at night. [...] Olalla Lake, which is stocked with trout several times during the spring, is very popular with the locals as well as those who stumble upon it." [Statesman Journal, 9/13/13]

• Olalla Lake Was Opened To The Public Through A Gate Around A 10th Of A Mile Down The Road From The Lake, Which Was Locked At Night. According to the Statesman Journal, "The 120-acre lake, when filled, is owned by Georgia-Pacific, which taps the water for its Toledo mill and allows public access through a gate about a 10th of a mile down the road that's locked at night. [...] Olalla Lake, which is stocked with trout several times during the spring, is very popular with the locals as well as those who stumble upon it." [Statesman Journal, 9/13/13]

DEPARTMENT OF ENVIRONMENTAL QUALITY REVIEWS

Residents Lobbied To Get Permit Standards Tightened And To Strengthen Monitoring Of The Effluent. According to The Oregonian, "In 2005 when DEQ hosted public hearings on renewing the permit, some nearby residents lobbied hard to get permit standards tightened and to strengthen monitoring of the effluent." [Oregonian, 7/5/08]

- Residents Feared The Effluent Could Harm People Who Surf, Swim And Boat In The Ocean And Worried The Effluent Could Be Contributing To Dead Zones. According to The Oregonian, "Those behind the petition fear the effluent could harm people who surf, swim and boat on the ocean, and that it could be contributing to the dead zones -- areas so low in oxygen that marine life suffocates --close by." [Oregonian, 7/5/08]
- One Of The Concerns Of The Effluent Was The Release Of Toxic Metals. According to the Associated Press State & Local Wire, "Among the concerns: toxic metals, the possibility that effluent could contribute to the dead zones areas so low in oxygen that marine life suffocates and a plume of dark water around the outfall pipe sometimes visible from the air and the bluffs near Nye Beach." [Associated Press State & Local Wire, 7/5/08]
- The Concern Was That The Effluent Could Be Compounding The Stress Already On The Environment. According to The Oregonian, "As far as anyone understands, the discharge is not causing the dead zone,' said Pete Stauffer, Oregon policy coordinator for the Surfrider Foundation, a nonprofit organization that advocates for better water quality, beach access and ocean health. The concern is that in an area where you already have low oxygen, to be discharging wastewater that is also low in oxygen can compound the stress already on the environment." [Oregonian, 7/5/08]

The DEQ Agreed To Reconsider Georgia Pacific's Permit. According to the Oregonian, "In July 2006, DEQ renewed the permit without change. Three months later, several groups filed the petition for reconsideration and DEQ agreed." [Oregonian, 7/5/08]

• The Reconsideration Of The Permit Was A Rare Decision By The DEQ. According to the Associated Press State & Local Wire, "Two years after coastal residents asked for it, Oregon officials say they expect to complete a rare reconsideration of a pollution permit by fall, deciding whether to tighten regulations on a pulp and paper mill near Newport." [Associated Press State & Local Wire, 7/5/08]

Oregon Department Of Environmental Quality Reconsidered The Pollution Permit For Georgia Pacific's Pulp And Paper Mill For The Fifth Time In Six Years. According to Statesman Journal, "The Oregon Department of Environmental Quality will reconsider the pollution permit for Georgia-Pacific's pulp and paper mill in Toledo, the fifth time in six years the agency has done so." [Statesman Journal, 10/18/06]

The Permit Regulated Millions Of Gallons Of Discharge Released Into The Ocean. According to Statesman Journal, "The permit, renewed in July, regulates the millions of gallons of discharge released daily into the ocean in Newport. Five environmental groups filed a petition with the agency last month. The DEQ's decision to further evaluate the permit triggers a likely yearlong period of review and public comment." [Statesman Journal, 10/18/06]

SURFRIDER RECOMMENDATIONS

Surfrider Offered Recommendations For Georgia Pacific To Monitor Water, Sediments And Organisms Adjacent To The Outfall Pipe To Ensure Compliance With The Clean Water Act, To Assess How Recreational Uses In The Area Might Be Affected, And To Verify That Discharges Do Not Go Beyond The Boundaries Of The Mixing Zone. According to The Oregonian, "This spring, after a January meeting with DEQ, Surfrider offered its own recommendations. They include requiring Georgia-Pacific to monitor water, sediments and organisms adjacent to the outfall pipe to ensure it is in compliance with the Clean Water Act, to assess how recreational uses in the area might be affected and to verify that the discharge in the mixing zone --the area of ocean encompassing the pipe where water does not have to meet clean water standards --is not going beyond the boundaries of the mixing zone. In the broadest sense, we want to see a permit that is consistent with state and federal law that protects water quality, Stauffer said." [Oregonian, 7/5/08]

GEORGIA-PACIFIC'S OPPOSITION TO CLEAN WATER REGULATIONS

Georgia Pacific Was Concerned That Stricter Clean Water Regulations Could Mean A Competitive Disadvantage With China, Where Environmental Standards Were Lax. According to The Oregonian, "Georgia-Pacific, which operates three paper mills in Oregon, is watching the proceedings with interest. Carol A. Whit-aker, a G-P senior environmental compliance manager, said her company competes globally and is particularly concerned that higher figures for fish consumption might translate into tightened regulations that could mean a competitive disadvantage with China, where environmental standards are lax." [Oregonian, 3/14/07]

Georgia-Pacific - Wauna Mill

POLLUTION

In 2012, Georgia-Pacific's Wauna Mill In Clatskanie Was The Sixth Largest Polluter In Oregon After Releasing 556,202 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific's Wauna Mill in Clatskanie was the sixth largest polluter in Oregon after releasing 556,202 pounds of toxic chemicals into the environment in 2012. This information is further detailed in the following table:

Company Nam	ne	Pounds Released

Chemical Waste Management of the Northwest, Arlington	13,964,080
Cascade Steel Rolling Mills, McMinnville	5,003,635
Cascade Pacific Pulp Halsey Pulp Mill, Halsey	1,354,311
Georgia-Pacific Toledo, Toledo	1,113,280
Dyno Nobel-St. Helens Plant, Deer Island	776,669
Georgia Pacific Consumer Products LP Wauna Mill, Clatskanie	556,202
International Paper, Springfield	535,191
Boardman Plant, Boardman	484,928
TDY Industries DBA Wash Chang, Albany	425,284
SP Fiber Technologies Northwest, Newberg	370,633

[Statesman Journal, 3/24/14]

In 2011, Georgia-Pacific's Wauna Mill In Clatskanie Was The Ninth Largest Polluter In Oregon After Releasing 519,469 Pounds Of Toxic Chemicals Into The Environment. According to the Statesman Journal, Georgia-Pacific's Wauna Mill in Clatskanie was the ninth largest polluter in Oregon after releasing 519,469 pounds of toxic chemicals into the environment in 2011. This information is further detailed in the following table:

Company Name	Pounds Released
Chemical Waste Management of the Northwest Inc. (Arlington)	13,370,554
Cascade Steel Rolling Mills (McMinnville)	4,991,879
Cascade Pacific Pulp Halsey Pulp Mill (Halsey)	1,252,767
TDY Industries Inc. dba Wah Chang (Albany)	1,154,344
Georgia-Pacific Toledo (Toledo)	997,620
Dyno Nobel St. Helens Plant (Deer Island)	791,298
Columbia River Processing (Boardman)	590,908
International Paper (Springfield)	577,334
Georgia Pacific Consumer Products LP Wauna Mill (Clatskanie)	519,469
SP Newsprint Co. (Newberg)	496,010

[Statesman Journal, 2/17/13]

KOCH INDUSTRIES: BUSINESS PRACTICES IN OREGON

Georgia-Pacific - Coos Bay

LAYOFFS

Georgia Pacific Laid Off 30 Of 100 Employees At Its Sawmill In Coos Bay On October 29, 2008. According to The Register Guard, "A recent spate of layoffs at local wood products companies underscores the challenges the industry is facing with the prolonged housing slump. Georgia-Pacific, which is based in Atlanta, laid off 30 of its 100 employees at its sawmill in Coos Bay on Oct. 29, be-cause of the continued decline in the housing market, spokeswoman Julie Davis said. "We've had to take the step to balance production with demand," she said." [Register Guard, 11/11/08]

Georgia-Pacific - Eugene

LAYOFFS

Patrick Reilly

Patrick Reilly Lost His \$16-An-Hour Forklift Job At Georgia Pacific, And Was Unemployed For A Year And A Half. According to the Associated Press State & Local Wire, "I thought I had it made,' says Patrick Reilly of Eugene, who lost his \$16-an-hour forklift job at Georgia-Pacific a year and a half ago. When his unemployment benefits ran dry recently, he jumped at the only opening he could find: delivering the local newspaper for \$600 a month." [Associated Press State & Local Wire, 6/14/09]

- Reilly Said He Had 'Two Or Three Months. Tops, Until Something's Gotta Happen. I've Put In A Lot Of Applications.' According to the Associated Press State & Local Wire, "With a daughter and two stepsons, a maxed-out credit card and a savings account down to its last \$2,000, Reilly hasn't panicked yet, but he's on the verge. 'We've got maybe three months, tops, until something's gotta happen,' Reilly says. 'I've put in a lot of applications.'" [Associated Press State & Local Wire, 6/14/09]
- Reilly Lost His Job When Georgia Pacific's Plywood Mill Was Sold. According to The Oregonian, "I thought I had it made,' Eugene resident Patrick Reilly told Kulongoski during a five-minute sit-down. Reilly, 51, was making about \$20 an hour driving a forklift at a Georgia-Pacific plywood mill. The mill was sold, and Reilly lost his job and has been out of work for 14 months. He said he visited the employment office Tuesday after hearing a news story about the governor's job proposal. I wanted to get lined up for one,' Reilly said. 'Clearing brush, that would be great for me.' Even at the low pay, a temporary job would help tide him over until he can find another mill job." [Oregonian, 5/20/09]

Georgia-Pacific - Fort James

FORT JAMES CORP. ACQUISITION

Georgia-Pacific Acquired Fort James, The Largest Employer In Clatsop County, Oregon In 2000. According to The Daily Astorian, "10 years ago this week -2000 WAUNA - Fort James, the largest employer in Clatsop County, will be acquired by Georgia-Pacific Corp. The huge paper facility in east Clatsop County employs more than 1,000, making it the largest manufacturer in rural Northwest Oregon." [Daily Astorian, 7/21/10]

The Deal Was Part Of A Consolidation Wave In The Paper Industry As Large Firms Purchased Rivals To Cut
Costs, Get Leverage Over Prices, And Follow Global Customers Overseas. According to The Daily Astorian,, "The
deal is part of a consolidation wave in the paper industry as large firms purchase rivals in an effort to cut costs, get some
leverage over prices and follow global customers overseas. It follows prior mergers and purchases, which have transferred

the ownership of the Wauna mill in the past three decades from Cavenham to Crown Zellerbach to James River, before the Fort James takeover." [Daily Astorian,, 7/21/10]

• The Merge Created The Largest Maker Of Tissue Products In The World. According to The Daily Astorian, "The merging of Atlanta-based Georgia-Pacific, maker of Angel Soft and Sparkle paper goods with Fort James Corp, would create the largest maker of tissue products in the world." [Daily Astorian, 7/21/10]

Georgia-Pacific - Philomath

LAYOFFS

Georgia Pacific Cut 30 Of Its 105 Employees At A Facility In Philomath. According to The Register Guard, "Also in late September, Georgia-Pacific cut 30 of its 105 employees at its planer and sawmill in Philomath, reducing production from two shifts to one, Davis said." [Register Guard, 11/11/08]

Georgia Pacific Cut 30 Jobs At Two Lumber Mills In Philomath. According to the Associated Press State & Local Wire, "Georgia-Pacific has cut 30 jobs at its two lumber mills in Philomath, another in a string of small cuts in Oregon's oncemighty timber industry that has been hit hard recently by the housing slowdown." [Associated Press State & Local Wire, 10/4/08]

• 75 People Remained On The Job At The Mills In Philomath. According to the Associated Press State & Local Wire, "In Philomath, about 75 people remain on the job at the sawmill and the planer mill, which have cut from two shifts to one. The mills turn out dimensional lumber of Douglas fir and hemlock." [Associated Press State & Local Wire, 10/4/08]

Georgia-Pacific - Wauna Mill

OUTSOURCING

Georgia-Pacific Wauna Mill Workers Were Certified As Eligible For TAA Assistance Due To A "Shift In Production Of Paper Products To A Foreign Country." According to the Department of Labor "Section 222(a)(2)(B) has been met because the employment decline is related to the shift in production of paper products to a foreign country that is party to a free trade agreement with the United States. This finding was consistent with requirements for certification., according to the Department of Labor: The group eligibility requirements for workers of a firm under Section 222(a) of the Act, 19 U.S.C. § 2272(a), are satisfied if the following criteria are met: (1) a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated; (2)(B)(i) there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and (ii)(I) the country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States." [Department of Labor, TAA Decision 85402, 8/26/14]

• Georgia-Pacific Wauna Mill Workers Cited "Increased Products from Canada" In Petition, And Said 11 Workers "Are Still Unemployed." According to the TAA Petition 85402, "Section 3. Trade Effects on Seperations 1. To the best of your knowledge, provide reason why you believe that separations that have occurred or may be threatened at the workers' firm are due to foreign trade. [...] Increased products from Canada." [Department of Labor, TAA Petition 85402, 8/26/14]

CONTRACT NEGOTIATIONS

Georgia-Pacific Employees Had Contentious Negotiations With The Company After Their Previous Contract Expired. According to the Associated Press State & Local Wire, "Union officials say members at Georgia-Pacific's Wauna mill near Westport have ratified a contract reached last month after contentious negotiations. The Longview Daily News

reports it means a 6 percent raise over four years, dating from April 2010, when the previous contract expired. It applies to about 900 members of the United Steelworkers local." [Associated Press State & Local Wire, 6/4/11]

- The Agreed-Upon Contract Required Nearly All Of The Workers To Get New Doctors And Pay More For Health Care Coverage. According to the Associated Press State & Local Wire, "Union officials say the contract includes a medical insurance plan that will require nearly all workers to get new doctors and to pay more for dependent coverage. They say they hope for a better deal during bargaining with all of the company's U.S. mills this summer." [Associated Press State & Local Wire, 6/4/11]
- Healthcare Benefits Were The Major Sticking Point Of The Negotiations, With The Switch From Kaiser Permanente To United Healthcare. According to the Associated Press State & Local Wire, "Health care benefits are the major sticking point, Prescott said. Wauna union workers currently pay about 25 percent of their insurance premiums through Kaiser Permanente. The company wants to switch health insurance through United Healthcare. The plan would cost them more to insure family members and require them to find new doctors, Prescott said." [Associated Press State & Local Wire, 5/3/11]
- A Georgia-Pacific Spokesperson Said That The Company Had Negotiated Benefits With United Healthcare To Cut Costs At Its Paper Mill Plants Nationwide. According to the Associated Press State & Local Wire, "Kristi Ward, a Georgia-Pacific spokeswoman, said the company is offering workers a 6 percent wage increasing over the four-year contract and a boost in pension benefits. The average union Wauna worker makes about \$70,000 per year, she said. Over the past four years, the company has negotiated the same medical benefits with United Healthcare to cut costs at most of its other paper mills nationwide, she said." [Associated Press State & Local Wire, 5/3/11]

Strike Authorization

Union Workers At The Mill Gave Negotiators Strike Authorization During The Negotiations. According to the Associated Press State & Local Wire, "Union workers at Georgia-Pacific's Wauna mill in northwest Oregon have given negotiators strike authorization as contract talks with the company have bogged down, a union representative said Monday. The 900 members of the United Steelworkers local 1097 have been working under a contract that expired in April 2010, said Gaylan Prescott, the union's staff representative. The union voted down a company contract offer in January, and the next contract talks are scheduled May 24 with a federal mediator, he said." [Associated Press State & Local Wire, 5/3/11]

• Union Staff Representative: The Vote 'Overwhelmingly' Favored Strike Authorization. According to the Associated Press State & Local Wire, "The 900 members of the United Steelworkers local 1097 have been working under a contract that expired in April 2010, said Gaylan Prescott, the union's staff representative. The union voted down a company contract offer in January, and the next contract talks are scheduled May 24 with a federal mediator, he said. Prescott said last week's vote 'overwhelmingly' favored strike authorization, with nearly all members voting. He declined to give exact numbers. Union negotiators are required to give a 10-day notice before calling a strike, but Prescott said they plan to continue talks." [Associated Press State & Local Wire, 5/3/11]

PAPER MACHINE SHUTDOWNS

No. 2 Paper Machine Shut Down

Georgia Pacific's Wauna Mill Shut Down Its No. 2 Paper Machine For Two Weeks. According to The Daily Astorian, "Just two weeks after shutting down its No. 2 paper machine, Georgia-Pacific's Wauna Mill started it back up again Tuesday much earlier than expected - to serve new product orders. That's good news for 28 employees who were going to be affected by the shutdown; the layoffs proposed in connection with shutting down No. 2 have been postponed, according to Kristi Ward, public affairs manager for the mill." [Daily Astorian, 1/15/10]

• The Company Did Not Have Customer Orders Scheduled For The No. 2 Paper Machine In The First Six Months Of 2010. According to The Daily Astorian, "Last month, Ward said the company didn't have any customer orders scheduled for the No. 2 paper machine in the first six months of 2010 in part because it is an older machine that attracts less demand than the newer ones." [Daily Astorian, 1/15/10]

• The No. 2 Shutdown Was Not Intended To Be Permanent. According to The Daily Astorian, "The No. 2 shutdown was not intended to be permanent; the machine remained in 'ready to run' status after it shut down Dec. 31." [Daily Astorian, 1/15/10]

Georgia Pacific Laid Off 30 Workers At The Wauna Mill Plant, In Addition To The 15 Who Were Laid Off Earlier In The Year. According to The Daily Astorian, "Georgia-Pacific's Wauna Mill, the largest employer in Clatsop County, announced it would shut down its No. 2 paper machine and lay off around 30 workers at the plant in addition to the 15 that had been laid off earlier in the year." [Daily Astorian, 12/31/09]

• The Mill Laid Off 15 Workers In Mid-November 2009. According to The Daily Astorian, "The mill laid off 15 workers in mid-November in a move unrelated to the No. 2 shutdown or the No. 31 rewinder closure. Ward said those workers remain laid off." [Daily Astorian,, 1/15/10]

United Steelworkers Local 1097 Said Union Leaders Offered Alternatives To Layoffs, Including Allowing People To Take Vacations Or Use The Time To Catch Up On The Training Backlog But The Company Did Not Accept Those Offers. According to The Daily Astorian, "A statement released by the labor union for workers at the mill, United Steelworkers Local 1097, said union leaders had met with company executives and offered alternatives that would allow the mill to curtail production without laying people off. 'The union's officials offered several alternatives, such as allowing more people to take vacations or using this time to catch up on the training backlog, due to the level of retirements we have this year, but this was not acceptable to the company,' the statement said." [Daily Astorian, 11/16/09]

- Employee Thad Bodenhamer, 42, Said He Was Surprised When He Was Laid Off And Said He Had Been Asked Almost Daily In Recent Weeks To Work Overtime. According to The Daily Astorian, "Clatskanie resident Thad Bodenhamer, 42, said he was surprised when he was notified last week that he was the 15th worker to be laid off. In recent weeks, he's been getting calls almost daily to work overtime on his days off. 'I never dreamed this would happen,' he said. 'It's just a crusher." [Daily Astorian, 11/16/09]
- A Mill Representative Said The Company Was Focused On Customers And Meeting Their Changing Needs With Production Schedules. According to The Daily Astorian, "Our production schedule frequently changes,' she said. We have a production schedule for the mill that changes based on customer needs. With the current economic situation, we are very focused on our customers and meeting their changing needs with our production schedules." [Daily Astorian, 11/16/09]
- Union Members Said Laying Off Employees While Asking Others To Work Overtime Made No Sense, And Pointed Out That The Facility Received Tax Exemptions For Creating New Jobs. According to The Daily Astorian, "Union members say as long some employees are being asked to work overtime it doesn't make sense to lay anyone off. "This continues to be a profitable facility and has received tax exemptions for creating new jobs,' the union statement reads. 'Many times overtime is required in a facility like this, but we have people being required to work overtime at the same time others are to be laid off." [Daily Astorian, 11/16/09]
- The Mill Was The County's Largest Employer. According to The Daily Astorian, "Ward said employment at the mill the county's largest employer is still 'about 1,000, but it fluctuates based on normal attrition and what is needed based on our production schedule." [Daily Astorian, 11/16/09]
- Ward 'Couldn't Say' How Many Employees Would Be Working At The Mill After The Layoffs. According to The Daily Astorian, "She said she 'couldn't say' how many employees will be working at the mill after the layoffs." [Daily Astorian, 11/16/09]

No. 31 Rewinder

Georgia Pacific Planned A Permanent Closure In March Of Its No. 31 Rewinder, Which Turned Large Rolls Of Paper Product Into Smaller Packages. According to The Daily Astorian, "The company is still planning a permanent closure in March of its No. 31 rewinder - which turns large rolls of paper product into smaller packages, Ward said Friday morning." [Daily Astorian, 1/15/10]

• Public Affairs Manager Kristi Ward Said She Was Unsure If Employees Would Be Affected By That Closure. According to The Daily Astorian, "She said she didn't know yet if employees would be affected by that closure. 'It will depend on our production schedule at the time,' said Ward." [Daily Astorian, 1/15/10]

No. 4 Paper Machine Shut Down

In 2007 The Mill Shut Down Its No. 4 Paper Machine. According to The Daily Astorian, "In 2007, the mill permanently shut down its No. 4 paper machine, which was built in 1967." [Daily Astorian, 1/15/10]

• The Mill Had Five Paper Machines. According to The Daily Astorian, "The mill has five paper machines altogether, two of which were built within the last six years." [Daily Astorian, 1/15/10]

Everett Kinser Was Laid Off From His Job At Georgia Pacific When The Mill Was Closed. According to The Register Guard, "Everett Kinser, 63, is a Cottage Grove millwright who was laid off from the Swanson Group plant in December. He had worked at Swanson or McKenzie Forest Products since June 25, 2007 -- one day after losing his previous job, when Georgia Pacific closed its mill on Irving Road. "This is the first time in 40 years I've drawn unemployment," Kinser says. 'But I'm going to get by, whether I'm working or not -- my wife and I." [Register Guard, 2/1/09]

• Kinser Had Custody Of A Child With Cystic Fibrosis, Who Required Treatment In Portland. According to The Register Guard, "We do have a little 6-year-old that we have custody of,' Kinser says, adding that the child has cystic fibrosis and requires periodic treatment in Portland. 'But I'm not looking too bad,' he says. 'They said they'd call back as soon as they need help." [Register Guard, 2/1/09]

Wauna Mill Shut Down The No. 4 Paper Machine Which Affected 28 Workers And Several More Related Employees. According to The Daily Astorian, "Georgia-Pacific's Wauna mill is shutting down one of its oldest pieces of equipment. The mill announced Monday that the No. 4 paper machine will end operations later this year. The shut-down will affect the machine's 28 workers and several more related employees, who will be offered other jobs within the mill, according to manager James Jordan." [Daily Astorian, 3/20/07]

The Decision To Shut Down No. 4 Was Not Directly Related To A Rapid Transformation Initiative Launched By Georgia Pacific's Parent Company Koch Industries. According to The Daily Astorian, 'Jordan said the decision to shut down No. 4 isn't directly related to the 'Rapid Transformation' process, an initiative launched last year by Georgia-Pacific's new parent corporation, Koch Industries." [Daily Astorian, 3/20/07]

The Company Eliminated 33 Salaried Positions At Wauna And Reduced The Hourly Workforce By 60 Jobs Under The Initiative. According to the Daily Astorian, "Under the corporate-efficiency drive, the company eliminated 33 salaried positions at Wauna, mostly through severance buy-outs, and has reduced the hourly workforce by about 60 jobs through attrition." [Daily Astorian, 3/20/07]

Potential Cutbacks At Wauna Initially Were Estimated To Be 100 Hourly Positions. According to The Daily Astorian, "The original announcement put the potential cutbacks at Wauna as high as 100 hourly positions. Erickson believes the company won't trim many more than the 60 jobs already vacated. You can only go so lean,' he said." [Daily Astorian, 3/20/07]

More Than 100 Workers Were Expected To Lose Their Jobs At The Wauna Mill After Koch Industries Assessed The Mill's Operations. According to the Associated Press State & Local Wire, "More than 100 workers at Georgia-Pacific's Wauna mill will lose their jobs as part of a drive for corporate efficiency. The exact number of cuts prompted by the company's new owner, Koch Industries, will be announced when an as-sessment of the mill's operations is finished. The assessment began this week." [Associated Press State & Local Wire, 8/9/06]

The Layoffs Would Affect 30 Supervisory And Management Employees And 90 To 100 Hourly Workers. According to the Associated Press State & Local Wire, "Mill manager James Jordan said the layoffs will affect 30 supervisory and management employees and 90 to 100 hourly workers. The plan currently employs 1,050." [Associated Press State & Local Wire, 8/9/06]

Mill Manager James Jordan Said 'Koch Looked At The Paper Industry And Believes The Industry Needs To Make Changes.' According to the Associated Press State & Local Wire, "It's nothing that the employees are doing or not doing it's the fact that the marketplace is changing,' Jordan said. 'Koch looked at the paper industry, and believes the industry needs to make changes." [Associated Press State & Local Wire, 8/9/06]

The Cuts Represented About 12 Percent Of The Mill's Employees. According to The Oregonian, "The planned cuts represent about 12 percent of the mill's 1,050 employees. Layoffs at the mill have long been rumored." [Oregonian, 8/9/06]

PROPERTY TAX SETTLEMENT

Granted A Tax Exemption

2004: Georgia-Pacific Was Granted A Tax Exemption Under The Lower Columbia Maritime Enterprise Zone For Construction Of A New Paper Making Machine At Their Wauna Pulp And Paper Mill. According to the Daily Astorian, "The case dates to 2004, when Georgia-Pacific was granted tax exemptions under the Lower Columbia Maritime Enterprise Zone for construction of its new No. 6 paper-making machine. Under the exemption, property taxes assessed on the new machine were to be waived for five years." [Daily Astorian, 7/23/12]

The Plant Paid A Total Of \$3,410,536 A Year In Property Taxes In Clatsop County, Which Made It The County's Biggest Taxpayer. According to the Daily Astorian, "Wauna pays a total of \$3,410,536 a year in property taxes to taxing entities in Clatsop County, making it by far the county's biggest single taxpayer." [Daily Astorian, 7/23/12]

The Tax Exemption Required Georgia-Pacific To Add Jobs At The Mill Site. According to the Daily Astorian, "The exemption also came with various employment requirements the mill couldn't live up to. Namely, Georgia-Pacific was required to add jobs at the entire mill site." [Daily Astorian, 5/17/12]

Press Response

Daily Astorian: Favoritism To Big Companies Was The Governmental Equivalent Of The Phony Accounting Tricks That Private Firms Misused To Inflate Their Appearance Of Short-Term Success. According to an opinion piece in the Daily Astorian, "More fundamentally, this is one example among many in Oregon and the nation of the dubious nature of chasing after economic development with special tax concessions. Such favoritism to big companies is the governmental equivalent of the phony accounting tricks that private firms misuse to inflate their own appearance of short-term success." [Opinion - Daily Astorian, 11/12/09]

Disqualification From Tax Exemption

2007: Georgia-Pacific Was Disqualified From The Property Tax Exemption For Failing To Maintain A Minimum Number Of Employees At The Site. According to the Daily Astorian, "In 2007 the company was disqualified from the exemption program for failing to maintain a minimum required number of employees at the mill site." [Daily Astorian, 7/23/12]

The Company Did Not Maintain The Promised Level Of Employment Since Completing Construction Of Its No. 6 Paper Machine In 2006. According to The Daily Astorian, "Pending the outcome of a lawsuit with Clatsop County, the mill may lose a \$4 million tax exemption because the company hasn't maintained the promised level of employment since it completed construction of its No. 6 paper ma-chine in 2006." [Daily Astorian, 11/16/09]

Disqualification Tax Penalty

The Disqualification Required The Company To Pay \$4.1 Million In Exempted Taxes Amongst 60 Taxing Districts. According to the Daily Astorian, "As a result of the disqualification, the company had to repay the exempted taxes, totaling approximately \$4.1 million. That money was distributed among the 60 taxing districts." [Daily Astorian, 7/23/12]

Clatsop County Received Almost \$500,000 From The Penalty. According to the Daily Astorian, "In 2007, the county received almost \$500,000, the result of a penalty levied by the state of Oregon against the Georgia-Pacific Corp., which runs Wauna Mill near Westport, east of Astoria. The mill is located in Clatsop County's only enterprise zone. Enterprise zones trade property tax relief in exchange for jobs. Georgia-Pacific had failed to create a minimum required number of new jobs after it acquired a new paper machine at Wauna Mill. The company had received tax breaks for the new machine through an enterprise zone property tax relief program. Since the new positions weren't created, the county received about \$480,000 in penalty money. This money, by state law, must to be used for 'the benefit of residents of the enterprise zone and for the development of jobs, skills, and training for residents of the enterprise zone and immediate vicinity." [Daily Astorian, 11/18/10]

Some Of The Penalty Was Spent On Local Projects Such As Sewer Repairs, Dredging, And Improvements To Water Districts. According to the Daily Astorian, "Some of that money has already been spent or dedicated to local projects: repairs to the Westport sewer facilities, dredging of Plympton Creek, improvements to the Westport and Wauna water districts." [Daily Astorian, 11/18/10]

- The Two Top Ideas For Uses For The Remaining Money Were An Internship Program And Creating A Development Plan To Address Economic And Transportation Issues. According to the Daily Astorian, "But approximately \$241,000 remains for further investment. People have plenty of ideas on how to use it. The top two ideas were an internship program and the creation of a master development plan to address economic and transportation issues. As far as the master development plan goes, called the Westport Corridor Study, the county has been working with a variety of individuals and groups including Westport residents, Clatsop Economic Development Resources and Georgia-Pacific to craft a list of projects. Lower Columbia Engineering's job will be to figure out an overall design for these many needs and ideas." [Daily Astorian, 11/18/10]
- A Georgia-Pacific Public Affairs Manager Described Westport Development As Encouraging. According to the Daily Astorian, "We don't want to end with a hodge-podge down there,' said Steve Meshke, county natural resources manager. An overall plan needs to address what will best suit the community and not create problems down the road, he said. The contract with Lower Columbia Engineering requires completion of the Westport Corridor Study by April 2011. 'For the first time that I'm aware of, we've had the community meetings to look at traffic and economic development opportunities and restoration opportunities that dovetail with having improved parking and improved water accessibility,' Rohne said. 'It's very exciting,' said Kristi Ward, public affairs manager with Georgia-Pacific Wauna Mill, and a former long-time Westport resident. Speaking for Georgia-Pacific, she said Clatsop County's interest in helping Westport develop and grow is encouraging. This sort of 'significant involvement in the Westport community hasn't been seen in many years,' she said. What's been unique about the proposed projects is how much the residents have been included in the process, she added. 'From the ground up, they've had a voice in it." [Daily Astorian, 11/18/10]

The Penalty Money Was Used In The Immediate Vicinity Of The Mill, Including Preventing Erosion. According to the Daily Astorian, "The enterprise zone exempts Wauna Mill from paying some property taxes each year for up to five years if it meets certain conditions. But last year, because the company didn't have as many employees as it agreed to, it had to pay back money to the state. Clatsop County's share was \$484,000. That money has to be used in the immediate vicinity of the mill. Clatsop County Engineer Ron Ash said the county has already armored the bank along the east side of Plympton Creek to prevent erosion from creeping into the right-of-way." [Daily Astorian, 8/14/08]

Appeal Of Disqualification

Georgia-Pacific Filed An Appeal That Challenged The Property Tax Penalty And The Tax Assessment. According to Daily Astorian, "Georgia-Pacific filed an appeal in Oregon Tax Court challenging not only the exemption penalty but also the assessed valuation of the entire mill for three tax years. The appeal claimed that the assessment, on which Wauna's annual property tax bill is calculated, overvalued the mill by approximately \$154 million." [Daily Astorian, 7/23/12]

- Georgia-Pacific Claimed The State Excessively Evaluated The Property Tax And Raised Rates After The Company Attempted To Use The Enterprise Zone Tax Abatement To Improve The Mill. According to the Daily Astorian, "Georgia-Pacific claimed the state excessively evaluated the property and raised its tax rate in the wake of a failed attempt by the company to use enterprise zone tax abatements to improve the Wauna Mill." [Daily Astorian, 5/24/12]
- The Tax Assessment Was Performed By The Oregon Department Of Revenue, Which Joined Clatsop County In Opposing The Appeal. According to the Clatskanie Chief, "Tax assessments of large industrial properties like Wauna Mill are conducted for counties by the Oregon Department of Revenue, which joined Clatsop County in fighting the appeal." [Clatskanie Chief, 5/24/12]
- Georgia Pacific Appealed A Tax Decision That Caused Clatsop County Manager Duane Cole And His Staff To Spend Hours Getting 60 Minor Districts To Agree To A Deal. According to The Daily Astorian, "GP also was in the news appealing a tax decision that caused Clatsop County Manager Duane Cole and his staff to spend hours getting 60 minor taxing districts to agree to a complicated deal." [Daily Astorian, 12/31/09]

The Result Of The Appeal Could Have Required The Counties Involved Refund More Than \$11 Million. According to the Daily Astorian, "Under Georgia-Pacific's claim, Clatsop County and the other districts could have been required to refund more than \$11 million if the company had prevailed on all appeals at trial. State statute mandates that all of the 60 taxing districts in Clatsop County are liable for a portion of the settlement, regardless of whether Wauna Mill lies within their boundaries." [Daily Astorian, 7/23/12]

The \$4 Million That Was Set Aside By Clatsop County Was Expected To Be Released To Individual Taxing Districts. According to The Daily Astorian, "More than \$4 million set aside by Clatsop County should be distributed to taxing districts this week. The County Board of Commissioners, during its regular meeting in the Judge Guy Boyington Building Monday night, rescinded a reserve account to hold money for possible payment of a huge refund to Wauna Mill." [Daily Astorian, 11/10/09]

• The Money Was Set Aside To Pay Back Principal And Interest If The County Lost A Lawsuit With Georgia Pacific. According to The Daily Astorian, "As explained in detail in our Tuesday story, this money was set aside to pay back principal and interest in case the county loses a lawsuit with Georgia Pacific Consumer Products." [Daily Astorian, 11/12/09]

2010 Tax Court Ruling

2010: The Oregon Tax Court Ruled That Georgia-Pacific Could Only Challenge The Tax Assessment Of The New Paper Machine For 2004 And 2005 And The Whole Mill's Assessment For 2007. According to the Clatskanie Chief, "In 2010 Tax Court Judge Henry Breithaupt ruled that Georgia-Pacific could only challenge the tax assessment on the new paper machine for 2004 and 2005, and the assessment on the mill as a whole only for 2007, which significantly reduced the scope of the company's claim." [Clatskanie Chief, 5/24/12]

• This Ruling "Significantly Reduced" The Scope Of Georgia-Pacific's Claim. According to the Clatskanie Chief, "In 2010 Tax Court Judge Henry Breithaupt ruled that Georgia-Pacific could only challenge the tax assessment on the new paper machine for 2004 and 2005, and the assessment on the mill as a whole only for 2007, which significantly reduced the scope of the company's claim." [Clatskanie Chief, 5/24/12]

Seaside School District

Seaside School District Waited For \$800,000 From The Funds To Avoid Mid-Year Staffing Reductions Due To A Declining Budget. According to The Daily Astorian, "Seaside School District has been waiting for its \$800,000 share of the funds, knowing that without it, mid-year staffing reductions would be made because of a declining budget this year. Superintendent Doug Dougherty was thankful to hear that the money to pay salaries and benefits for district employees would be in the district's hands by the end of the week. 'At this point, we'll be able to continue our current program levels for this

year,' he said today. The district appreciates that the county and all the taxing districts voted to approve the intergovernmental agreement, Dougherty said." [Daily Astorian, 11/10/09]

Park District

\$77,000 Was Withheld From A Park District To Pay For The Possible Future Settlement With Georgia Pacific. According to The Daily Astorian, "In addition, the county is withholding 6.2 percent of each taxing district's tax proceeds until a lawsuit involving Georgia Pacific is resolved. If the county loses the lawsuit, it might have to pay the company \$4 million, plus 12 percent interest. For the park district, the withholding this year will total \$77,000." [Daily Astorian, 7/9/09]

Settlement

The Case Was Ultimately Settled, With The County Owing Georgia-Pacific Over \$2.5 Million Financed Through A Loan At 2.18%. According to Daily Astorian, "Clatsop County officials on Thursday signed documents for a loan covering a settlement payment in the Georgia-Pacific tax appeal case. The loan, from Bank of America, will cover a \$2.5 million payment from the county and 60 other taxing districts to the owner of the Wauna pulp and paper mill. The payment was agreed to under a settlement reached in May between Clatsop County and Georgia-Pacific over the company's appeal of a tax penalty and tax assessments on part of the facility. The county was able to secure an interest rate on the loan of 2.18 percent - below the 3 percent originally envisioned. Annual payments on the 10-year loan will total \$283,251.30 and will be covered by all taxing districts in the county and the funds will be deducted from the districts' yearly property tax disbursements, under the terms of an intergovernmental agreement that was signed by all the districts in 2009 in anticipation of a refund payment." [Daily Astorian, 7/23/12]

- The Settlement Also Included A Stipulation Of The Mill's Value At \$291 Million, Which Couldn't Be Challenged For Five Years. According to the Daily Astorian, "Along with the payment, the settlement establishes the real market value for the mill at \$291 million. Georgia-Pacific cannot challenge that assessment for five years." [Daily Astorian, 7/23/12]
- The Settlement Was Completed Less Than A Month Before The Case Was To Go To Trial. According to the Daily Astorian, "Both sides reached a settlement in May, less than a month before the case was set to go to trial." [Daily Astorian, 6/14/12]
- The Settlement With Georgia-Pacific Was Agreed Upon By Clatsop County, The Oregon State Department Of Revenue And The State Department Of Justice. According to the Clatskanie Chief, "On May 1 the county, along with the state Department of Revenue and Department of Justice, reached agreement with Georgia-Pacific on the terms of a settlement." [Clatskanie Chief, 5/24/12]
- Georgia-Pacific Spokesperson On The Settlement: "Like Most Taxpayers, We Want To Pay Our Fair Share In Taxes To The State And County Based On A Correctly Valued Assessment, And At The Same Time Use As Much Of The Revenue We Generate As Possible To Invest Back In Our Business." According to the Daily Astorian, "Kristi Ward, a spokeswoman for the Wauna Mill, called the settlement a welcomed conclusion to a long and sometimes confusing story. She said the mill wants to use its money to reinvest into the workforce. 'Like most taxpayers, we want to pay our fair share in taxes to the state and county based on a correctly valued assessment, and at the same time use as much of the revenue we generate as possible to invest back in our business,' Ward said. [...] 'The single most important way we benefit the community is by remaining competitive,' Ward said." [Daily Astorian, 5/17/12]

County Payments

One County Approved An Extra \$100,000 To Cover Interest Payments. According to the Daily Astorian, "The Wauna Mill property tax dispute officially came to a close, with the Board approving a financing agreement that will cover payment of the \$2.5 million settlement with the mill's owner, Georgia-Pacific, over a contested tax as-sessment. The county approved an extra \$100,000 to cover interest payments" [Daily Astorian, 6/14/12]

The Settlement Was To Cost Clatsop County \$37,000 Annually Over A Ten Year Period. According to the Daily Astorian, "The county's financial adviser has told the county that a loan could be secured with an interest rate of less than 3 percent. Doing so would allow the county and other taxing districts to pay off the loan in one lump sum, while costing the county about \$37,000 annually over a 10-year payback period." [Daily Astorian, 5/17/12]

Clatsop County's Director Of Central Services: The Settlement Was The "Largest In Memory." According to the Daily Astorian, "Clatsop County and the owner of the Wauna Mill have reached a tentative settlement in their four-year tax dispute. The settlement will cost the county and about 60 other taxing districts a total of \$2.5 million in property tax refunds. Mike Robison, director of the county's central services, called the tax settlement the largest in memory. The county's share of the refund, including loan costs and interest, will total \$375,544." [Daily Astorian, 5/17/12]

County Refund Shares Ranged From \$1 To More Than \$600,000 Per County. According to the Daily Astorian, "Other districts would be on the hook for the remainder of the refund, and it could cost them hundreds of thousands of dollars. Refund shares will range from approximately \$1 to more than \$600,000, county officials say. The terms of the annual payments on those shares will be deducted from the districts' yearly property tax disbursements under the terms of an intergovernmental agreement that was signed by all the districts in 2009 in anticipation of a refund payment." [Daily Astorian, 5/17/12]

If Wauna Won The Suit, The City Of Warrenton Could Have Missed Out On \$105,000, The City Of Seaside More Than \$196,000 And The City Of Astoria More Than \$302,000 In Distributions. According to The Daily Astorian, "But, if Wauna wins the suits the city of Warrenton could miss out on more than \$105,000, the city of Seaside more than \$196,000 and the city of Astoria more than \$302,000 in distributions. But they aren't the biggest losers." [Daily Astorian, 5/8/09]

The Clatskanie School District Could Have Lost Out On \$301,000, Astoria School District On \$382,000, And Seaside School District On \$807,000. According to The Daily Astorian, "That designation goes to the county and the school districts. Clatsop County could miss out on more than \$514,000 in distributions. Clatskanie School District could lose out on \$301,000, Astoria School District on \$382,000 and Seaside School District on \$807,000." [Daily Astorian, 5/8/09]

Seaside School District Closure

Seaside School District Had To Pay Georgia-Pacific \$60,000 A Year For 10 Years As Part Of Property Tax Settlement. According to the Daily Astorian, "Cannon Beach Elementary School could be closed at the end of June to help make up a potential \$1.55 million shortfall in next year's Seaside School District budget. [...] Another factor affecting the district budget was the requirement that the district pay \$60,000 a year for the next 10 years as its share of the Georgia Pacific-Wauna Mill's property tax settlement with Clatsop County." [Daily Astorian, 4/17/14]

Seaside School District Closed Cannon Beach Elementary School For Budgetary Reasons, Including The District's Share Of A Clatsop County Property Tax Settlement With Georgia Pacific. According to the Daily Astorian, "The Seaside School District Budget Committee approved a \$17.7 million budget May 21 that will result in the elimination of several positions and the closure of Cannon Beach Elementary School. [...] Dougherty proposed the school's closure last month after presenting the budget to the committee. The district needs to make up a projected \$1.55 million budget shortfall, due mostly to increased Public Employees Retirement System rates, a loss of property taxes from a local tax measure and a requirement to repay the district's share of a property tax settlement in Clatsop County with Georgia Pacific. In addition to the school's closure, 17.4 full-time positions will be eliminated and district support for school athletics will be reduced." [Daily Astorian, 6/3/13]

- The Budget Also Eliminated 17.4 Full Time Education Positions And Reduced Support For School Athletics. According to the Daily Astorian, "In addition to the school's closure, 17.4 full-time positions will be eliminated and district support for school athletics will be reduced." [Daily Astorian, 5/22/13]
- A Larger Chunk Of The Budget Shortfall Was From High Costs Of The Public Employees Retirement System. According to the Daily Astorian, "Cannon Beach Elementary School could be closed at the end of June to help make up a potential \$1.55 million shortfall in next year's Seaside School District budget. Much of that shortfall is due to higher state Public Employees Retirement System costs. District Supt. Doug Dougherty recommended the school's closure as well as eliminating 13.83 full-time equivalent positions, dropping district support for athletics at Broadway Middle School and

reducing support for Seaside High School sports - during a district budget committee meeting April 16." [Daily Astorian, 4/26/13]

Seaside School District Owed The Mill The Largest Amount In Back Taxes, Roughly \$653,000. According to the Daily Astorian, "Seaside School District actually owes the mill the largest amount in back taxes, about \$653,300. Other taxing districts that will be heavily affected include the cities of Astoria and Seaside, which owe about \$210,000 and \$160,000 respectively. Clatsop Community College is on the hook for around \$200,000, Robison said." [Daily Astorian, 5/17/12]

Impact Of School Closure

The Closure Of Cannon Beach Elementary Caused Bigger Than Expected Class Sizes For The Seaside Heights Elementary School. According to the Daily Astorian, "It's pretty simple arithmetic: The Seaside School District minus Cannon Beach Elementary School equals bigger classes at Seaside Heights Elementary. But when Seaside School District officials shut the doors on Cannon Beach Elementary earlier this year, even they didn't have a 35-student third grade classroom in mind." [Daily Astorian, 10/29/13]

- Parents Voiced Their Concerns About Larger Class Sizes. According to the Daily Astorian, "Several Cannon Beach Elementary parents voiced their concerns at a September school board meeting, and board member Nancy Hauger heard them loud and clear. 'As a former teacher, I can't imagine teaching 35 kids,' Hauger said. Hauger noted that the most students she ever taught was 27 and, as she put it, "I thought I was going to die.' Linda Majors' daughter, Torry, attended Cannon Beach Elementary last year, where she was in a combined first and second grade class that had about 23 students. This year, she's in Luke Miller's third grade class, along with 34 other students. 'It's challenging to say the least,' Majors said. 'It's overwhelming for my daughter, going from such a small school to such a large school.' With this transition, it's been really, really tough,' said Stephanie Snyder, whose daughter, Kaylee, was in Miller's class last year and again this year. 'It's a lot of kids to have to manage.'" [Daily Astorian, 10/29/13]
- Seaside District Superintendent: "We Are Not Pleased With The Class Size Either." According to the Daily Astorian, "Doug Dougherty, the district's superintendent, acknowledged the Seaside Heights problem at the same school board meeting. "We are not pleased with the class size either," he said. "We've had discussions, we've talked about options. … There might be options and hopefully we'll pursue those." [Daily Astorian, 10/29/13]

The Cannon Beach Elementary School Had About 80 Students. According to the Daily Astorian, "The cost to operate Cannon Beach Elementary, which has about 80 students, is \$8,900 per student, according to Dougherty. It costs between \$6,100 and \$6,300 per student to operate the district's two other grade schools, Seaside Heights and Gearhart. Both schools have considerably more students." [Daily Astorian, 5/22/13]

Cannon Beach Opposition

Cannon Beach Rural Fire Protection Board Members Were Reluctant To Agree To The Agreement. According to The Daily Astorian, "Cannon Beach Rural Fire Protection Board members reluctantly agreed to sign an agreement Monday night that allows \$4 million to be distributed to 60 taxing districts, but it took a full-court press by Clatsop County officials to persuade them. "Truthfully, the only reason I'm doing this is because of the school district. I've felt like I've had a gun to my head for months," said board member Linda Beck-Sweeney." [Daily Astorian, 10/13/09]

Cannon Beach Was One Of The Only Districts To Say No. According to The Daily Astorian, "Last November, the county held the money, which is part of the county's pool of unsegregated taxes, in reserve after receiving notice of the appeal. Later, county officials decided they could distribute the money to the county's 60 taxing districts and issue revenue bonds if Georgia-Pacific won the suit. The catch, however, was that all 60 districts had to agree to the plan or none - including the school district, which stood to lose nearly \$800,000 - would receive any money. The Cannon Beach fire board, which would receive \$36,688, however, turned down the intergovernmental agreement last month, making it the only district so far to say no. Only four or five districts have yet to make the decision, Cole said." [Daily Astorian, 10/13/09]

The Fire Board Chairman Said The Board Was Concerned About Having To Come Up With The Money In A Few Years. According to The Daily Astorian, "Fire board Chairman Al Aya said the board worried about having to come up with

money in a few years; the appeal may not be decided for two to five years. 'We're worried because we may have very heavy financial problems in a few years and it will come due at the same time we have to go the voters for our own needs,' Aya said." [Daily Astorian, 10/13/09]

PORT OF ASTORIA BOND PAYMENT

In 2012, Port Of Astoria Got A \$30,000 Bond Payment From Georgia-Pacific Wauna Mill. According to the Daily Astorian, "The Port of Astoria previously banked on two log ships coming and leaving Pier 1 per month, and that didn't work out too well. When the Chinese housing bubble burst, it led to a slowdown in the log market, including no log ships between Sept. 13 and Dec. 21. [...] There were also several areas where Browne said the Port received more than it had originally budgeted in income, including: [...] An extra \$30,000 from a bond payment to the Port by Georgia-Pacific's Wauna Mill." [Daily Astorian, 12/5/12]

STRATEGIC INVESTMENT PROGRAM TAX EXEMPTIONS

Layoffs Were Announced Less Than A Month After The Company Sought Support From Clatsop County For Tax Breaks To Attract A New Paper Machine To The Plant. According to the Associated Press State & Local Wire, "The announcement comes less than a month after the company sought support from Clatsop County for tax breaks to help it lure a new paper machine to the plant, an addition that could add dozens of new jobs." [Associated Press State & Local Wire, 8/9/06]

- The Layoff Announcement Came Soon After Clatsop County And The State Approved A Big Property Break On A \$193 Million Paper Towel Machine For The Mill. According to The Oregonian, "Tuesday's numbers came soon after economic development officials from Clatsop County and the state approved a big property tax break on a \$193 million paper towel machine that the company is considering building at the mill." [Oregonian, 8/9/06]
- The Break Was Negotiated Under The Strategic Investment Program, Which Exempted All But \$25 Million Of The Company's Investment At The Mill From Property Taxes In Exchange For Community Service Fees.

 According to The Oregonian, "The break was negotiated under a new version of the state's Strategic Investment Program, which exempts all but \$25 million of the company's investment at the mill from property tax, in exchange for community service fees equal to 25 percent of the abated amount. The company estimates the tax break will save it \$15 million over 15 years." [Oregonian, 8/9/06]
- Georgia Pacific Chose To Apply For That Program Because There Was No Obligation To Maintain Specific Employment Levels. According to The Oregonian, "Company officials said last week that one of the reasons they chose to apply for the Strategic Investment Program, instead of a property tax break under the state's enterprise zone program, is that the former comes with no obligation to maintain specific employment levels. They did say, however, that the tax break, if it helps attract the investment, could save 40 jobs." [Oregonian, 8/9/06]
- Oregon Center For Public Policy Director Called The Program 'Payoffs For Layoffs.' According to The Oregonian, "Critics of Oregon's tax breaks to industries said the layoffs were proof that such incentives boost corporate bottom lines, but not necessarily the state economy. 'It's payoffs for layoffs,' said Chuck Sheketoff, executive director of the Oregon Center for Public Policy, an advocate for low-income Oregonians." [Oregonian, 8/9/06]

TAX AND RATE-PAYER FUNDED PROJECT

In 2012, Georgia-Pacific Wauna Mill Installed Three New Air Compressors And Two New Dryers That Were Estimated To Lower Energy Consumption By 1.5% A Year. According to the Daily Astorian, "Thanks to some new technology, your paper tissue products might have a lowered carbon footprint. The Georgia-Pacific Wauna Mill, which annually produces approximately 20 million cases of tissue, towel and napkin products, installed three new air compressors and two new dryers that have, employees estimated, lowered energy consumption at the facility by 5.5 million kilowatt hours, or approximately 1.5 percent, per year." [Daily Astorian, 12/7/12]

- Project Cost \$2 Million, \$1.4 Million Of The Cost Was Reimbursed By The Clatskanie People's Utility District. According to the Daily Astorian, "The cost of the project, which was performed through the Bonneville Power Administration's Energy Smart Industrial program, came in at about \$2 million. Clatskanie People's Utility District reimbursed Georgia-Pacific \$1.4 million for the project, which qualified for credits provided by the BPA energy efficiency program and funded by the PUD's electricity rates. 'It's Clatskanie's conservation project, but we go through the Bonneville Power Administration to get our money back,' said Becky Rakoz, a spokeswoman for the PUD." [Daily Astorian, 12/7/12]
- Cost Was Funded By PUD's Electricity Rates, Although PUD Was Reimbursed By The Bonneville Power Administration. According to the Daily Astorian, "Clatskanie People's Utility District reimbursed Georgia-Pacific \$1.4 million for the project, which qualified for credits provided by the BPA energy efficiency program and funded by the PUD's electricity rates. 'It's Clatskanie's conservation project, but we go through the Bonneville Power Administration to get our money back,' said Becky Rakoz, a spokeswoman for the PUD." [Daily Astorian, 12/7/12]
- Wauna Mill Project Was Largest Ever Performed By PUD. According to Daily Astorian, "This was the largest single project ever performed by the PUD, which has partnered with the Wauna Mill on six similar projects over the last half decade, saving 7.5 million kilowatt hours annually." [Daily Astorian, 12/7/12]

WORKERS AT GEORGIA-PACIFIC WAUNA MILL STRUGGLED TO FIND RELIABLE CHILDCARE

Kim And Gary Hennessee Worked Opposite Shifts On Different Crews At The Wauna Mill To Ensure They Had Child Care For Their Two Children. According to The Daily Astorian, "For the past nine years, Kim and Gary Hennessee have worked opposite shifts on different crews at the Wauna Mill to ensure someone is always watching their 9-year-old son and 7-year-old daughter. While the Hennessees' lengthy shifts aren't typical for many North Coast families, their concerns illustrate a broadening gap in parents' abilities to find and afford child care so they can work." [Daily Astorian, 4/3/08]

- The Hennessees Said Finding Reliable Child Care From A Babysitter During Their Shifts Was Very Difficult. According to The Daily Astorian, "Alternating shifts is one of the ways parents cope with the child care trap in Clatsop County. By swapping schedules, the Hennessees don't have to find someone to watch their kids during their lengthy shifts at the mill. 'It's really hard to find somebody to help provide day care for 14 hours, even if you can pay them to do it,' Kim Hen-nessee said. 'To throw gasoline on a fire, try to find a sitter who is willing to get up at 4:45 a.m. so you can make it to your job out of town at 6 a.m.' In the summer, shiftworkers' babysitters get no breaks, "breakfast, lunch or dinner,' and during the school year, there is still little relief. 'People will say, "You chose your job, deal with it;' I am,' she said." [Daily Astorian, 4/3/08]
- Kim Hennessee Said 'This Is The Life Of A Wauna Mill Worker.' According to The Daily Astorian, "This is the life of a Wauna Mill worker.' Here's how her family juggles the days: On their 'switch day' when she drives to Wauna for the first of two consecutive daytime shifts, and her husband heads home from working the graveyard the children wake in Astoria at 4:30 a.m. and are dropped at a relative's home in Knappa. Their dad picks them up about a half hour later, drives them back to Astoria for breakfast and takes them to school." [Daily Astorian, 4/3/08]
- Hennessee Said Any Small Change Can Ruin Their Careful Schedule. According to The Daily Astorian, "A small change can throw their delicate system in the lurch. 'Anything out of the norm blows our schedule through the roof,' Kim Hennessee said. 'But it's only when they force us to go on the same crew that all hell breaks loose." [Daily Astorian, 4/3/08]
- Hennessee: The Possibility Of On-Site Care Is A Periodic Discussion At The Georgia Pacific Mill, But It Has Never Existed In Her 19 Years Working There. According to The Daily Astorian, "She said the possibility of on-site care is a periodic discussion at the Georgia Pacific mill, one of the area's largest employers, but it's never existed in her 19 years of working there." [Daily Astorian, 4/3/08]

LUMBER INTERESTS

Bidding On Public Forest Land

According To Environmental Advocates, Georgia-Pacific Was Among Bidders For Sale Of Public Forest Lands In Elliot State Forest. According to the Daily Astorian, "As bids close for a controversial sale of public forest lands, state regulators say critics may have to wait a little while longer to find out who the lucky winners are. Bidding for the three parcels in the Elliott State Forest officially closed on March 28. The lands, which went up for auction in February, were offered for sale after forestry said they needed to compensate for a harvest shortfall which lowered the value of the Common School Fund, which is fed by timber sales in the Elliott. [...] While there's no official public listing of bidders, a Eugene-based environmentalist group named several in a letter last month threatening legal injunctions against the high bidders. Among the familiar names listed in Cascadia Wildland's letter were Georgia Pacific, Lone Rock Timber and Roseburg Forest Products. 'There is a strong likelihood that high-value public old-growth forests on the Elliott are being sold off to the timber industry at rock bottom prices as we speak,' said Josh Laughlin, Cascadia Wildand's communications manager. 'The state must be transparent by informing the public who the high bidders are and the sale price immediately.' The minimum bid for East Hakki Ridge -- the most expensive parcel -- was listed at \$1,820,000." [Daily Astorian, 4/4/14]

- Teevin Bros. Handled Log Handling And Logistics For Georgia Pacific. According to the Daily Astorian, "If you want to know how China's construction market is reshaping the Northwest, a Rainier log yard is a good place to start. The Teevin Bros. yard along the Columbia River rumbles with activity while workers prepare half a million logs for the towering ships docked across the river in the Port of Longview, Wash. [...] Teevin Bros. specializes in log handling and logistics for clients that include Weyerhaeuser, Hancock Timber Resource Group, and Georgia Pacific. Oien estimates that last year, Teevin Bros. alone filled about 18 vessels headed to China, whose growing demand for logs may have helped blunt the impact of the recent recession on timber landowners and logging crews, while making it even harder for local sawmills to compete." [Daily Astorian, 12/4/13]
- Wehby Received \$2,600 From Shawn Teevin Of Teevin Bros Land & Timber. According to FEC Contribution Records, Monica Wehby received \$2,600 from Shawn Teevin of Teevin Bros Land & Timber on December 21st, 2013. [FEC Contribution Records, Viewed 10/7/14]
- Wehby Received \$2,600 From Paula Teevin. According to FEC Contribution Records, Monica Wehby received \$2,600 from Paula Teevin of "Chex Exchange" on December 21st, 2013. [FEC Contribution Records, Viewed 10/7/14]
- Shawn And Paula Were Married. According to Teevin Bros, "Shawn is married to Paula Teevin. Their blended family of five children keeps them busy." [Teevin Bros, "Who We Are Shawn Teevin," Viewed 10/7/14]

POLITICAL INFLUENCE

2012

The Koch Brothers Were Making Donations In Oregon During The 2012 House Election Directly And Through The Associated Oregon Industries PAC And The Oregon Forest Industries Council PAC. According to Eugene Weekly, "Conservative interests are working hard to unseat Democratic incumbents Phil Barnhart and Val Hoyle in House Districts 11 and 14, among others. [...] If Barnhart and Hoyle say their campaigns are 'getting railroaded' by deceptive attack ads, you will know what they mean. [...] These PACs are writing checks to each other, campaigns are sharing funds and we figure there's pass-through Koch Brothers money buried in there somewhere. Koch Industries donations are going directly into several Oregon Republican campaigns and also the Associated Oregon Industries PAC and the Oregon Forest Industries Council PAC." [Eugene Weekly, 10/10/12]

OREGON FOREST INDUSTRIES COUNCIL PAC

April 2012: Koch Industries Gave \$5,000 To The Oregon Forest Industries Council PAC. According to Eugene Weekly, "Koch Industries, Inc., gave \$5,000 to the Oregon Forest Industries Council PAC in April of 2012, according to filings on the Oregon secretary of state website." [Eugene Weekly, 9/5/12]

MIKE SCHAUFLER

Oregon Democrat Mike Schaufler Returned \$3,000 Back To Koch Industries After Opposition To The Donation Was Voiced. According to the Oregonian, "It seems Rep. Mike Schaufler, D-Happy Valley, can't catch a break these days. He announced late last night he would give back a \$3,000 campaign donation from Koch Industries after it caused a stir with Democratic leaders. He said he originally accepted the donation because of the Koch's ties to the timber industry." [Oregonian, 4/26/12]

TIM KNOPP

Koch Industries Contributed \$5,000 To Former House Majority Leader Tim Knop. According to the Oregonian, "Koch Industries, a privately held company that is a big player in American politics, is reaching into Oregon with a \$5,000 contribution to former House Majority Leader Tim Knopp for his Republican primary race against Sen. Chris Telfer of Bend." [Oregonian, 4/25/12]

Paid Sick Leave Ordinances

Lane County Commission Passed Ordinances Against Paid Sick Leave That Was Similar To Koch-Backed ALEC Model Legislation. According to Eugene Weekly, "The Lane County Commission acted against Eugene's paid sick leave ordinance before the city had its public hearing on the issue. The three ordinances that the county rushed to vote contain a typo in a reference to Oregon law, and they are similar to model legislation to preempt sick leave put forth at the state level by the corporate-funded American Legislative Exchange Council (ALEC). The Eugene City Council passed an ordinance that would require workers for all Eugene businesses and nonprofits to provide one hour of paid sick leave for every 30 hours worked, up to a maximum of 40 hours a year. It also applies to businesses outside the city with employees who work at least six weeks a year in Eugene. The City Council passed the ordinance July 28, but the County Commission passed its three ordinances against the city's rule on July 21. The county ordinances exempt all Lane County businesses from Eugene's sick leave mandate if located outside the city limits, exempt all employers with employees in the county from the ordinance and the most heavy-handed of the ordinances bars any local government within Lane County from passing laws that dictate any employment conditions. [...] Wischerath also notes the similarities between the county's ordinances and laws pushed by ALEC, a conservative organization that promotes 'model legislation' that benefits corporations. According to the Center for

Media and Democracy's PR Watch, ALEC funders include Koch Industries and the tobacco industry." [Eugene Weekly, 8/6/14]

School Funding Ballot Measure

Oregon Voters Rejected An Income Tax Measure To Fund Schools. According to Eugene Weekly, "Last year Eugene voters cast their ballots two-to-one for an income tax to fund schools. This month Eugene voters rejected an income tax for schools by almost a two-to-one margin. What was the difference? [...] Conservative opponents to the school funding measure pushed hard to include lower income people in the tax referral, then flipped and made taxes on lower income voters a major focus of the \$109,000 campaign against the measure." [Eugene Weekly, 5/26/11]

• Americans For Prosperity Touted Their 'Tremendous Victories' On Its Oregon Website After The Defeat Of The Statewide School Funding Ballot Measure. According to Eugene Weekly, "Americans for Prosperity' the Tea Party group funded by the right-wing Koch oil billionaires, crowed 'tremendous victories' on its Oregon website after the state-wide school defeats. The AFP group played a key early role in organizing opposition to Eugene school funding. We have built a successful model that produces the kind of lasting political change our mission statement demands,' the group wrote. That mission, critics charge, includes the elimination of public education." [Eugene Weekly, 5/26/11]