

Malheur mill adding 20-30 jobs in John Day

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JOHN DAY – Malheur Lumber Co. plans to add 20 to 30 jobs at the John Day mill, going beyond a single shift for the first time since 1998.

Bruce Dausavage, president of parent company Ochoco Lumber, said the expansion is due to the strong collaboration efforts and the launch of the 10-year stewardship contract on the Malheur National Forest.

“This has really enlivened our opportunities for the future,” he said.

It’s quite a turnaround, he acknowledged, from “the doldrums” of two years ago.

Malheur Lumber, which currently employs 94 people, was on the verge of closing its sawmill in late 2012, stymied by a lack of timber off the federal forests. The possible shutdown of the only operating sawmill in Grant and Harney counties stirred a full-court press by local, state and federal officials to find a way to preserve what was seen as a vital tool for restoring the health of the forests.

The Malheur National Forest, in a push for accelerated restoration, last fall awarded a 10-year stewardship contract to John Day-based Iron Triangle LLC. The long-term contract offers more certainty for the mill and other local employers. Malheur Lumber is one of Iron Triangle’s community partners for the work.

The contract’s first project has loggers, haulers and other forest crews working on the south end of the forest. A second task order, as the projects are called, is expected to roll out soon.

Daucsavage says the next task order is expected to produce a substantial amount of pine.

He said the expectation of more work over a longer period has allowed the company to contemplate expansion and further investment in the mill.

“The wood is there, the promises have been fulfilled over the past two years,” he said. “We feel we have an obligation to do what we can do, to do what’s right, and see if we can put some people back to work.”

The company is in the process of adding a “small-log breakdown” mill that will handle smaller-diameter material from the stewardship work. The engineering and installation of that equipment will take time, but Daucsavage said the company hopes to have it operational sometime next winter, possibly by the end of the year.

It could take another nine months to complete the engineering and installation of that equipment.

Meanwhile, Daucsavage said this is a good time to begin hiring workers and training them for a variety of tasks. This will allow more cross-training, something that can be hard to do when times and staffing are tight, he said.

He said a variety of jobs will be offered, including some technical positions. The company will seek applicants first from the local area – Grant and Harney counties – in keeping with the community enhancement goals of the stewardship work.

Daucsavage said the mill won’t go to a full second shift at first, but will ease into the added operations to ensure that the high quality of the products is maintained.

Even without the small-wood mill ready to go, he said, there should be plenty of material to extend the operations beyond the current single shift.

“The markets are good, and the predictions for the future are optimistic,” he said. “We’re ready to rock. What we need now is the human resources to do this properly.”

The company also is growing on another front, adding a new drying process at the biomass plant that produces pellet fuels and related products. The upgrade could increase pellet production 30-40 percent, Daucsavage said, and could trigger a need for more workers there, too.

“The demand is very good for what we’re doing,” he said of the pellet mill.

The job plans drew applause from U.S. Sen. Ron Wyden, who has championed the accelerated restoration plans for the national forest.

“This is great news for Malheur Lumber, for the residents of Grant County and for all of Oregon,” he said. “It is an example of the positive things that can happen by working together and investing in Oregon communities.

“I pushed the Forest Service to increase access to timber in the Malheur National Forest, knowing that the certainty it would bring would pay huge dividends in terms of the economic growth that comes with creating family-wage jobs in rural Oregon.”

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