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Olympia Senate Dem limits talk to reopening businesses



By Franz Wiechers-Gregory

OLYMPIA – State lawmakers have been conducting committee hearings using online tools for remote public testimony since this year's session got underway nearly two weeks ago.

Observers have called this “virtual” process remarkably effective, especially with respect to encouraging participation by those who can't travel to Olympia to testify in person.

On Wednesday, Jan. 20 however, the process appeared to break down when 1,637 people signed up to speak at the Senate Government and Elections Committee hearing on Senate Bill (SB) 5114, a bi-partisan proposal to speed up reopening of businesses suffering from catastrophic losses under Governor Inslee's ongoing shutdown orders.

Over 94 percent of people who signed-up registered support for the bill, under which the state would move immediately into the less restrictive Phase 2 of the governor's reopening plan.

Critics of the governor's plan say restricting economic opening is unjustified by public health data, and the state is moving too slowly to save many restaurants, gyms and other closed or partially closed businesses.

SB 5114 would also end executive rule of the state's economy by the governor and shift authority for the state's reopening strategy back to state lawmakers.

Under the bill, the legislature would regularly review the best available public health data to determine whether

counties should move to less restrictive phases.

Overflow crowds during committee hearings on controversial issues are nothing new in Olympia.

“Sen. Sam Hunt, chair of the State Government and Elections Committee, limited individual testimony to one minute and abruptly shut speakers down by automatically muting their microphones when time had expired.”

In-person attendance in the past has been accommodated by opening up additional hearing rooms, and committee chairs have usually provided continuance on public testimony to another day when public interest is high.

In this instance though, SB 5114 was the last bill on the committee's jam-packed agenda, leaving barely an hour for members of the public to testify online.

Sen. Sam Hunt (D-Olympia), chair of the State Government and Elections Committee, limited individual testimony to one minute, and abruptly shut speakers down by automatically muting their microphones when time had expired.

According to Jason Mercier, who directs Washington Policy Center's projects on open government, “It is important for lawmakers to remember that for many citizens this is their first time using remote testimony.

“Automatically muting them after one minute without a courtesy request to conclude their thoughts does not meet the spirit of public accommodation this moment needs.”



COURTESY PHOTO

Washington State Senator Sam Hunt (D-Olympia) poses next to Governor Jay Inslee.

SEE SENATOR LIMITS TALK, PAGE 2



Jim Eakle holds a tray of delectable at 4:30 a.m.

Glaze Eat Donuts, Live Life

Story and photos by Gary Bégin

EAST WENATCHEE – Pity the fool among us who has never bitten into a blueberry fritter from Glaze. Owner/operator Jim Eakle, provider of these tasty morsels of fried dough, fillings and fruit, wants to keep selling these treats. He also wants to sell chocolate cakes, Bavarian cream-filled chocolate donuts, cinnamon bread and a dozen other varieties of baked goods from his substantial vault of taste on steroids.

In order for Jim to keep making and selling anything, he needs your partnership. Liken it to a sponsor of an FFA market pig.

Kid wins, you win, buyer and eater wins most. We are all happy and filled with the requisite sweetness and light as befits

enablers of the community good.

Jim has battled for many months now, about 10, to fight and keep his business alive through the COVID-19 crisis, now in its second year. Sadly, the Glaze in Wenatchee was already closed due to other reasons than pandemic (see below). Now Jim needs to salvage the East Wenatchee Glaze at 595 Grant Road. There just aren't enough cops, firemen and other civil servants to keep him going. It's up to the general donut and coffee loving public... will the donut-circle be unbroken?

The Wenatchee Business Journal wants to partner with Jim at Glaze and as many

SEE EAT DONUTS, LIVE LIFE, PAGE 9

LynnArt Gardens

A feast for the senses awaits your long-overdue visit



Gary Bégin/WBJ

Fanciful creatures abound in LynnArt Gardens yard-gallery such as this bat.

▶▶▶ See Pages 4 & 5 for the story and more photos.

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NEWSSTAND LOCATIONS

Wenatchee

Plaza Super Jet
 106 Okanogan Ave.
 Safeway, 501 N. Miller St.

East Wenatchee

Safeway, 510 Grant Road

Cashmere

Martin's Market Place
 130 Titchenal Way

Leavenworth

Dan's Food Market
 1329 U.S. Highway 2
 The Leavenworth Echo
 215 14th St.

Chelan

Safeway, 106 W. Manson Rd.

Lake Chelan Mirror
 310 E. Johnson Ave.

Brewster

Quik E Mart #2 (Exxon)
 26048 U.S. Highway 97

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HB 1239: Give us 'Liberty' or... stay united?

By Gary Bégin

OLYMPIA – Representative Rob Chase (R-Spokane) has introduced a bill for the future of Washington state and America, that his former colleague Rep. Matt Shea of Spokane Valley has wanted for years – establishing the state of Liberty from all of Eastern Washington.

Establishing the new state of Liberty – House Bill 1239

Introduced by Rep. Rob Chase (Spokane) (R) on January 18, 2021.

The Bill states in Section 1, “A separate and independent state is established from the eastern portions of Washington.

“The new state is named and known as the state of Liberty. The western boundary of Liberty follows the crest of the Cascade mountains and the western borders of Okanogan, Chelan, Kittitas, Yakima, and Klickitat counties.

“The eastern, northern, and southern borders of Liberty are the existing state borders.”

State Senator Brad Hawkins (R-East Wenatchee), replying exclusively to an interview from NCW Media, stated, “I would be very surprised if the House of Representatives, given its Democratic majority, will give this bill much consideration, but it would sure be an interesting discussion. Since I serve in the Senate and there are sometimes thousands of bills being considered each year, I probably won’t be able to study up on this one unless it advances to the Senate for consideration.”

Hawkins continued, “While I know that people in eastern and



COURTESY PHOTO

Senator Brad Hawkins

central Washington would prefer to work separately with ‘like-minded’ people and I’d welcome an eastern Washington governor, this wouldn’t be without some logistical challenges. I do have questions myself about how this idea could actually be implemented. There is a large, rural geographic footprint in eastern and central Washington requiring significant state investments for transportation, wildfire suppression, higher education, and other things.”

Hawkins said, “While we may disagree with the political philosophies of many people in western Washington, that area of the state is an economic driver for us over here. Maybe we could live without them and their progressive policies, but we’d also have to live without



GARY BÉGIN/WBJ

Representatives Mike Steele and Keith Goehner.

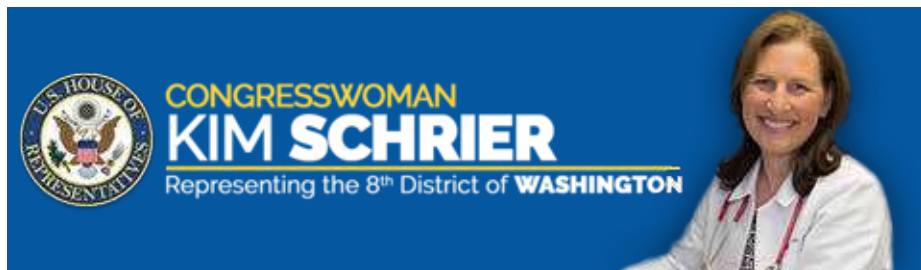
the economic benefits of Amazon, Boeing, Starbucks, and Microsoft.”

Hawkins cites “high needs” of rural Washington, “The schools and social system on our half of the state usually have high needs as well, given the large proportion of free-and-reduced lunch students and lower economic status. So we’d have a huge service territory with lots of federal lands and a relatively low tax base, but that’s not to say a separate state couldn’t be successful. The public hearing on the bill would get lots of attention, and it would be interesting to hear the testimony on both sides.”

State Representative Mike Steele (R-Chelan) did not wish to comment on the issue, until and if, it reaches his desk. State Representative Keith Goehner (R-Dryden) said,

“Although there is great frustration by many with legislation that is driven by urban Puget Sound legislators, forming a new state does not guarantee that there will not be conflicting views represented in the political process. Rural Western Washington is impacted similarly to Eastern Washington and it is important for us to continue to present our ideas and principles in a way that resonates and affects the change we want to see. Washington has many diverse contributors and it is critical for us to work in a collaborative manner to make our State more prosperous.”

Managing Editor Gary Bégin can be reached via email: Gary@ncwmedia.net. Comments may be used as Letters to the Editor.



Rep. Schrier Re-Appointed to Agriculture Committee

Submitted by
 Rep. Kim Schrier's Office

ISSAQUAH – Congresswoman Kim Schrier, M.D. (WA-08) announced last week that she will serve again on the Agriculture Committee.

This Committee is in addition to her appointment to the Energy and Commerce Committee.

“As the only Member from the Northwest on the House Agriculture Committee, I am

honored to continue to be a voice for our farmers and growers in the region. I plan on continuing my work to increase federal agriculture research funding to ensure our farmers can compete in the face of disease, pests, climate change, labor instability, and market volatility.

“Threats like Little Cherry Disease continue to impact our growers with the only recourse being removal of entire orchards.

We continue to underfund R&D in this sector even though evidence shows that our country benefits by a \$20 return for every dollar invested in agricultural research.”

The House Agriculture Committee has jurisdiction over federal agriculture policy and oversight, as well as nutrition programs like SNAP. As a pediatrician, I remain committed to be a voice for children to make sure they have access to the healthy and nutritious food they need to thrive. In the face of this pandemic, we have seen more people facing food insecurity than ever,” Rep. Schrier said.

The 8th district is home to more than two million acres of National Forest Service land – more than any other district in ➤

➤ Washington State and among the highest acreage of all Congressional Districts. The Agriculture Committee has jurisdiction over forestry.

“Last year, our state and the entire West experienced a record-breaking number of fires. I will continue to be a strong advocate for the urgent need to make our forests and surrounding communities more resilient

and less susceptible to wildfires. I plan on introducing legislation this year to increase prescribed burns on federally managed lands.”

Rep. Schrier continued, “In many ways the work of the Agriculture Committee compliments the jurisdiction of the Energy and Commerce Committee, and I am eager to find places where energy, climate, and agriculture intersect.”

CONTINUED FROM PAGE 1

Olympia Senate Dem limits talk to reopening businesses

He also pointed out that those testifying on other bills on the committee’s agenda were given two or three minutes to make their presentations.

The bill was co-sponsored by Republican Leader Sen. John Braun (R-Centralia) and Sen. Mark Mullett (D-Issaquah), who chairs the Senate Business, Financial Services, and Trade Committee.

Some observers in Olympia say that it would have been more appropriate to send the bill to

Sen. Mullett’s committee rather than to the committee chaired by Sen. Hunt, who is considered a more partisan Democrat and a Governor Inslee loyalist. No vote on passing the bill out of committee has been scheduled so far.

WashingtonVotes.org is a free service provided by Washington Policy Center and is the go-to tracking tool to keep up with all the action in Olympia, especially during this mostly virtual session.

(Editor’s Note: The headline is a WBJ product and the photo was added to add emphasis.)

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COP TALK



with East Wenatchee Police Chief Rick Johnson

Chelan County Sheriff's Office Air Support Unit

If you haven't been lost in the rugged terrain in and around Chelan County you may not have a full appreciation for the Chelan County Sheriff's Office Air Support Unit, but I can attest many families do.

It is not common place for rural counties to have air support capabilities, but through the federal government 1033 equipment loan program, the Chelan County Sheriff's Office operates two Bell OH-58 helicopters.

Three contracted pilots, who are all employed



outside the sheriff's office as full-time pilots, operate the helicopters.

These pilots are on-call with the sheriff's office. A contracted mechanic does all repairs and maintenance.

Typical missions include the pilot and one Tactical Flight Officer (TFO). The TFO's are commissioned deputies with aviation experience and training.

The OH-58 is considered an efficient helicopter with a cost of \$550 per hour of flight time including flight crew.

The Air Support Unit trains regularly throughout the year and has an exemplary safety record.

Pilots maintain currency on the OH-58's with representatives from the Bell Factory.

The majority of missions throughout the year are Search and Rescue related. There are remote areas in Chelan County like Asgard Pass where a 4-6-hour response time would be the norm for a ground response



Submitted Photos

with a considerable risk of injury to the responders.

The Air Support Unit can leave Wenatchee with searchers and be in the area in as little as 20-25 minutes.

This is invaluable to injured hikers looking at spending an unplanned night on the mountain with the potential of serious injury related shock.

The Air Support Unit does go outside the Search and Rescue realm from time to time.

They are available to support all the law enforcement agencies in our area including the officers and deputies on patrol. They have also supported SWAT Teams during rural tactical operations.

Neighboring counties also

routinely ask for assistance.

In 2020, the Air Support Unit assisted Kittitas County Deputies searching for a homicide suspect who fled on foot in the Mineral

Springs area.

The Air Support Unit is a resource you hope you don't need, but we are very fortunate to have when the time comes.



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LYNNART GARDENS

skills. Occasionally, we collaborate on a piece.

WBJ: How or what inspires you to create a piece?

LAG: It usually starts with one piece of metal that looks like a key piece of the puzzle. Sometimes I decide to make a piece and I slowly gather parts over several months. I recently made a couple of pigs. Pigs are just too cute, so I kept my eye out at the scrap yard and eventually found a perfect piece to start a head.

WBJ: How expensive are your art pieces?

LAG: So far, my pieces range from \$20 to \$400. I'm hoping to make some larger more intricate pieces in the future.

WBJ: Do you have mostly repeat customers or one timers?

LAG: I have several repeat customers that continue to add to their collection. Metal art is ideal for the waterwise/firewise landscaping that many people are creating.

WBJ: How do you get noticed in community – word of mouth?

LAG: Definitely word of mouth and Facebook. I have customers that bring every out-of-town visitor by as something unique to do in Wenatchee.

WBJ: Does your company (meaning you) do any charitable work?

LAG: We did a fund raiser event for the Wenatchee Valley Humane Society in August for the First Friday Garden Art Tour. All of our artists are animal lovers. I think people that love art and gardens are also usually animal lovers too. We have definitely sold a lot of dog and cat pieces.

I've also donated pieces for the 911 Telecommunications Week in April for the last few years.

WBJ: Are there spiritual ideas that get you through the day artistically?

LAG: Working in my gardens, hands in the soil, enjoying nature is my grounding.

WBJ: You retired from the Army after 17 years so do you ever do military themed pieces?

LAG: I am acquiring parts to make a couple of pieces. The first piece will be a paratrooper for me.

WBJ: Do you accept consignments from other artists?

LAG: Yes, we have art from many different artists and are always looking for more local art.

WBJ: Name some of the locals in your Gardens?

LAG: Hillbilly Yart, Whimsical Art, Ted and Arena King, Ken Simpson, Jim O'Dell, Terry Johnson, Sharon Casteel, Joseph Grantham, Aimee Fadich, Cory Pearson and Chris Pennington.

WBJ: Is metal your only media?

LAG: It is the main seller, but we have lots of pottery, wood carvings, fused and stained glass, plants, painted rocks, concrete planters and mobiles.

WBJ: Can people commission custom artwork from you?

LAG: Yes, I usually reach out to the artist that is most suited to create what the customer is wanting.

WBJ: Where do you get all that metal for your designs?

LAG: I go shopping/treasure hunting at the scrap metal yard. I've also picked up large amounts of metal from estate sales. Now people are dropping things off. I have a scrap bin and share the metal with other artists. Once the pile is picked over, I take the unusable stuff to the scrap yard and recycle.

WBJ: Are there people you care to mention as LynnArt supporters?

LAG: My Mom has always

Story and photos by Gary Bégin

Over the last decade, hundreds of thousands of cars have driven past Lynn Palmer's house on North Miller Street with only scant few knowing its secret.

Palmer has been hiding "LynnArt Gardens" in plain sight all this time.

It is a yard filled with mysteries, drama, sheer joy, fanciful creatures, a greenhouse and even a 20-year-old koi chilling out in a pond with his buddies.

The Wenatchee Business Journal sat down with Lynn recently to talk about her business – her labor of love to be more precise. The following is what was said:

Wenatchee Business Journal: What got you started in metal sculpture?

LynnArt Gardens: I've always liked yard art and bought a few pieces many years ago. I kept acquiring old metal junk (tools, garden and farm implements) and

used those for decorating my gardens. I had always used tools and enjoyed rustic woodworking.

WBJ: What are your favorite themes?

LAG: I definitely enjoy making creatures of all types: animals, birds, reptiles, etc. Pieces that highlight really nice old relics are fun.

Sometimes my art shows humor and sometimes it's just cute and makes people smile.

WBJ: What are your most successful themed pieces/sales wise?

LAG: I've sold a lot of owls. I also make little steers that sell well.

WBJ: When did you found LynnArt Gardens and can you give a ballpark amount on how much it cost to do so?

LAG: I created LynnArt Gardens LLC in January 2020 and got my business license in March 2020. This

is a home-occupied business, so I did not have to worry about rent. My biggest expense was making the entrance ADA (American Disability Act) compliant. Everything about the handrail, gate and fence is art. I commissioned Hillbilly Yart to create it. I invested about \$10,000 to start the business.

WBJ: Do you have a mentor?

LAG: Hillbilly Yart has been instrumental in making this gallery a success and has helped me expand and improve my

UP: Lynn Palmer

RIGHT: Metal in waiting.

BOTTOM: Remy the Elf.



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loved art and has a good eye.

She has given me several pieces of art she purchased from the Little Art Gallery where she volunteered in the '70s.

My brother is a very skilled woodworker and has helped me outfit my shop. He was not too happy when the woodshop became a metal shop. The bulk of the woodshop has been delegated to the basement.

While Palmer was in the

Army, she was an administrative/operations manager. She also learned map reading which led to becoming a GIS (Geographic Information Systems) analyst. That skill is still helping her to this day.

"I was a 911 operator/dispatcher for the Chelan County Sheriff's office after I retired. They needed someone who had a mapping/computer aptitude to take on a side project to create data for 911 and our

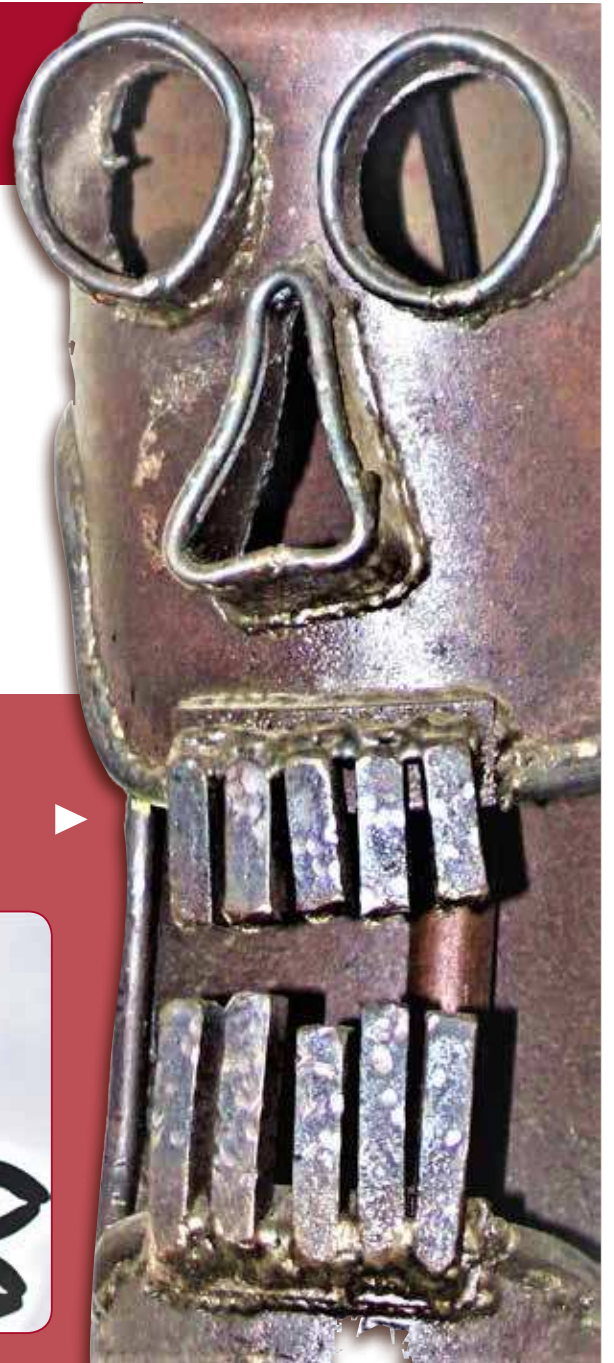
dispatch system. I continued with this additional duty when the local 911 centers merged to form RiverCom 911. This eventually led to a certification and a full-time job as a GIS Analyst."

Next time you're driving around town and want to treat your senses to an intense, but highly pleasing, tour through time and space, in an industrial/mechanical yet aesthetically natural world, stop in at LynnArt

Gardens. Located at 302 N. Miller Street in Wenatchee.

Warning! You will be greeted by two loving corgis named Lola and Ziva (NCIS character), but they can't wait to meet you and be sure to check out the koi pond.

Lynn can be reached at 509-860-2466 or via email: LPalmer@nwi.net. Her website is: LynnArtGardens.com. She can also be reached via FaceBook: [@LynnArtPalmer](https://www.facebook.com/LynnArtPalmer) or by Instagram: [LynnArtWenatchee](https://www.instagram.com/LynnArtWenatchee).



LEFT: Stained glass parrot.
RIGHT: Metal head on a lamp.
BOTTOM: Flying Fish.



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The Enduring Value of Community Banks

Community banks are vital to serving the needs of local customers and communities, particularly in challenging times. As the COVID-19 pandemic has pushed consumers to adopt online banking in unprecedented numbers, some large national banks have responded by consolidating their retail operations and closing branches in small, rural communities.



**GUEST
OPINION**
Kamyar
Monsef

In areas left behind by these financial institutions, the role of community banks has become more important than ever.

A focus on relationships: During the prolonged closure of our branch lobbies, customers lined up at our drive-thru locations to speak to their banker in person. They also took advantage of our online appointment scheduling to talk to trusted advisors by phone or videoconference and heavily utilized our call center for assistance. Despite a wealth of online tools and services, some people prefer to seek an actual person for help or advice, especially in times of difficulty. For our customers, being available to serve them face-to-face – or through a real, local person at the other end of a phone or videoconference line – is a central part of community banking.

Local expertise: Because community banks have longstanding roots in the areas they serve, they often have a more nuanced understanding of the local

Peoples Bank
A higher level of service.

economy, industry, and market opportunity. The best community bankers live, work, and play in the markets they serve, engaging the community and supporting banking relationships at a different level. It allows us to see each customer as unique – there's no cookie-cutter approach – and we're not viewing every interaction or application through a particular, more transactional model. In the current economy, local expertise is critical, and working with a bank that understands your potential and goals is essential.

A vested interest: During the first wave of the Payment Protection Program (PPP), community banks funded nearly 60 percent of PPP loans. We have a vested and very personal interest in the success, vitality, and fiscal well-being of our nation's small businesses and rural communities. Throughout the pandemic, community bankers have continued to serve on local boards, helping nonprofits and other organizations overcome increasing challenges this past year. Together, as neighbors, businesses, and bankers, we all thrive as our local community succeeds.

A plan forward: While personal relationships and local expertise will continue to define how banking ser-

vices are delivered, community banks are also working hard to enhance customers' online and digital experiences.

The pandemic has resulted in more people using technology to safely conduct basic banking transactions and has driven early technology adopters to use it more effectively and efficiently. Peoples Bank continues to invest in digital platforms and services, as well as enhanced security, to meet the growing needs of our customers.

The financial landscape is changing, and it's important for community banks to serve their markets in a very different way than our larger, national peers. This involves continually evaluating the requirements of the communities in which we operate to ensure we are meeting our customers' specific needs.

Our ability to provide local knowledge and forge non-centralized, personal relationships with our customers, many of which span multiple generations, represents a unique value. Complemented by our ongoing investments in mobile and online banking tools and other services that deliver the safety and convenience sought by customers, community banks can succeed in doing what we were all called to do – serving the needs of our local customers and communities.

Kamyar Monsef is the Chief Retail Banking Officer at Peoples Bank. He is passionate about empowering, educating and developing the next generation of front-line bankers. The Peoples Bank Wenatchee Financial Center is located at 901 N. Mission Street. Call 509-667-8822 for more information.

Republican Caucus may get tough on Inslee's budget proposals unless...

By Gary Bégin

The Washington Federation of Republican Women, in an "Issues and Strategies" pre-legislature 2021 Chelan-Douglas Republican Women meeting, heard from State Representatives Keith Goehner and Michael Steele on Monday, Jan. 4.

Approximately 33 people "attended" the virtual meeting hosted by Washington Federation of Republican Women and emceed by State President Dee Drewry of the Chelan-Douglas Republican Women.

State Rep. Goehner (R-Dryden) started the meeting off by stating, "It's difficult to get rural areas heard" in Olympia eventhough small towns are struggling to provide services to the citizens in their community.

Goehner noted there was a "disparity throughout the state" in regards to the way urban areas are favored when it comes to budget dollars and state services.

Goehner also said, "a new 'equity office,'" as called for by Governor Jay Inslee

and the majority Democrat Party Caucus, "was not needed" and that "we don't need to expand government" however well-meaning by those advocates.

The former Chelan County Commissioner, now in his second term in Olympia representing the 12th Legislative District, said he wants the state to recognize "small towns like Twisp and Cashmere" where revenues from sales tax are way down from 2019 and impacting services being provided to those communities.

Goehner's 2021 committee assignments include the Transportation Committee. He told the Zoom attendees that a bridge in the Methow Valley was one of nine bridges statewide that needed repair or replacing.

Goehner said that alone would cost about \$100 million. He said about 300 bridges across the state were being assessed.

Goehner will also serve on the Environment and Energy Committee as well as the Local Government Committee.

Rep. Steele stated the Governor has not responded to repeated requests by Republicans statewide to be included as part of the State Legislature, to advise on executive orders issued by the Governor over the last year, most of which centered around health and safety mandates due to COVID-19.

"It's critical that the state legislature be involved," Steele said.

"The Governor will have to work with us" if he expects to get active participation and engagement to approve budget expenditures on such line items as the statewide broadband initiative, Steele said.

The Manson/Chelan native stated that Inslee should stop "flatly ignoring us" and that he should "tread lightly" since Steele has been appointed to the State Budget Committee.

Another attendee via Zoom was 25th District State Representative Kelly Chambers (R-Pierce County) who said, "The Governor's budget does not reflect restraint due to a shortfall of revenues" from the COVID-19 economic disaster.

Steele has also been executive director for the Lake Chelan Chamber of Commerce for 15 years and is, by default, an expert on local business concerns.

He has been appointed to serve as the Ranking Member (lead Republican) on the House Capital Budget Committee, which considers funding for the construction and repair of

public buildings and for other long-term investments, such as land acquisitions and transfers.

"It's an honor to take on this leadership role for one of our state's budgets," said Steele.

"The long-term infrastructure investments

made by this committee, especially during these challenging times, will help our communities to recover, grow, and thrive.

"I look forward to working with the other committee members to create an effective plan for our state."

Keep reading NCW Media publications for updates on the 2021 State Legislature. Managing Editor Gary Bégin can be emailed at: Gary@ncwmedia.net.

Comments received will be considered "on the record" and subject to publication as a "Letter to the Editor" in future NCW Media publications unless specifically requested not to.



Resources to help navigate virtual 2021 legislative session

How to get more information about citizen participation during the 2021 virtual session?

The list below, by the Legislative Information Center, includes resources that can help you navigate the State Legislature's remote session.

How the Legislature operates?
Legislative Process (Video)

- How a Bill Becomes a Law (text)
- Overview of Legislative Process (text)
- Cutoff Calendar | The cutoff calendar shows dates and deadline of significance in the legislative process
- Glossary of Legislative Terms

See all the action and have your voice heard!

- Watch gavel to gavel coverage of legislative session on TVW streaming or on Television
- Watch TVW Coverage of Senate Sessions
- Watch TVW Coverage of House Sessions
- Participate by testifying in a committee (Virtually)

Get Detailed Instructions

- Participate by voicing your opinion on a bill
- Participate by knowing who your legislators are

• Citizen's Guide to Effective Legislative Participation

• Find ADA accommodation and information

Know where your bills are so you can watch and take part effectively.

- Bill Tracking Video
- Floor Activity Report:
- House Floor Activity Calendar
- Senate Floor Activity Calendar
- Committee Schedules

Contacting Your Legislator to start a dialogue

- Contact Your legislators to Schedule a Virtual Visit
- Leave a message for your legislators via the Hotline: 1-800-562-6000
- Who are the legislators that represent me and my district?

Although the 2021 virtual session presents difficulties for lawmakers and the people they represent, it does not mean you can't participate in the process.

If you have any problems accessing the information listed above or need additional help, contact me. I'm always happy to help.



Rep. Mike Steele tells Lake Chelan Rotary, Inslee ‘flat out ignored’ business concerns

By Gary Bégin

CHELAN – On Tuesday, Jan. 5, 12th Legislative District State Representative, Rotarian and executive director of the Lake Chelan Chamber of Commerce, Mike Steele, discussed what to expect in the 2021 legislative session in front of a live virtual Zoom audience of the Lake Chelan Rotary club.

Steele (R-Chelan) said, “This year will be a long session of 105 days since we are in an odd year.”

He announced that he would be starting his third term in Olympia and that he has been appointed by the Republican Caucus to be the Ranking Member of the State Capital Budget Committee where he will wield considerable influence.

Steele has previously said that the Governor has “flat out ignored us” and that the legislature must be included in future government decisions, especially during this recent period of many executive orders issued by Inslee dealing with the COVID-19 health and economic crisis, all done without any consultation with the full legislature, let alone the GOP Caucus.

Regarding 2021’s legislative agenda, “This should not be a year for sweeping policy changes,” he said, but for COVID response and recovery efforts.

Steele said the state budget could be “used as a tool” to promote job cre-

ation, projects and to create goals as well as give people “purpose.”

He specifically mentioned the statewide program sought by Governor Jay Inslee to have broadband installed, especially as an aid to education and commerce.

Steele said the upcoming legislative format will make it “difficult for the public to interact” with them and only “written or recorded testimony” will be admitted in any bill discussions as no face-to-face (in-person) testimony will be allowed.

Steele told the Rotarians, as emceed by club President Tom Tochterman, that he was actively “looking for projects” and that people were lobbying him now so that their projects might be included in the state capital budget.

A question was posed by one Rotarian if there was room in state government for interaction with non-governmental organizations such as service clubs.

Steele said the government “tends to shy away from NGOs,” but does listen to lobbying groups representing all areas of commerce.

Regarding his role as Ranking Member overseeing the \$4 billion budget, Steele previously told the Washington Federation of Republican Women, including the Chelan-Douglas Republican Women, that the Governor should be willing to allow active engagement between

his office and the legislature if he expects to pass line item requests regarding statewide broadband and other issues.

Steele expressed the reality that “no one has a playbook for COVID-19” and said his current tenure as executive director of the Lake Chelan Chamber of Commerce has allowed him to witness the “true colors” of people during this economic and health crisis.

“There is a lack of communication between branches of government,” Steele said.

Regarding the Governor’s unilateral actions proclaiming executive orders during most of 2020, Steele said that the Republican Caucus and the Governor “don’t need to

agree” on issues, but he was dismayed that Inslee wasn’t even willing to listen to concerns voiced by the minority party in Olympia.

“I represent the largest legislative district in the state from Bridgeport to Wenatchee,” Steele said. “200 chambers of commerce” all over the state sent a letter to his office regarding opening the economy, but received “no response.”

He told the Rotarians that the hospitality and gym industries were especially hard hit during this pandemic. Steele has been with the Lake Chelan Chamber for 15 years and also helps manage his family’s century-old orchard business.

Another Rotarian, Concie Luna, testified that in her opinion the building trades community was “doing fine” but that restaurants were not, echoing the opinion of most economic observers.

The “resort destination” cities of Manson, Chelan and Leavenworth are being especially hard hit by the executive mandates regarding social distancing, amount of patrons allowed inside restaurants and bars and statistical demands by the state health department used as a criteria to advance the phases of reopening as required.

Some argue that because of the smaller populations and transient nature of the tourist economy, it is nearly

impossible to reach the goals as required by health department rules.

Steele said the state has \$2.5 billion allocated for emergency responses statewide and that two-thirds of that will be used to “push out” COVID-19 vaccines.

Keep reading NCW Media publications for updates on the 2021 Washington state legislative session.

Managing Editor Gary Bégin can be emailed at: Gary@ncwmedia.net. Comments received will be considered “on the record” and subject to publication as a “Letter to the Editor” in future NCW Media publications unless specifically requested not to.

‘Action Council’ gives \$1M+ for local rent support

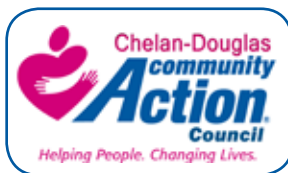
Submitted by CDCAC

The Chelan-Douglas Community Action Council (CDCAC) in cooperation with the city of Wenatchee, has provided \$1,256,992 in rent assistance to local residents in the past four months. The funding was made available through the CARES Act.

The funding assisted 617 qualifying families or individuals in the Chelan and Douglas counties area, the majority of which have not previously needed support. The CDCAC assisted an average of seven people per day, with an average need-based award of \$2,112. The support was paid directly to the property owner to ensure funds were applied to housing rental costs.

To qualify, individuals and families must have fallen behind in rent payments since March and earn a current income that is at or below 80 percent of the Area Median Income.

“Initially, we were able to support 432 individuals and families through this program with a total of \$981,992.



Because the need in our region was so high, the Washington State Department of Commerce provided \$275,000 in additional CARES funding to support our region’s demand. The program was supposed to expire at the end of the year, but we exhausted both rounds of funding by December 14. We were incredibly pleased to be able to meet this significant need and provide this support,” explained CDCAC Executive Director Alan Walker.

Several regional non-profit organizations supported the effort, including Hand In Hand Immigration Services, Community for the Advancement of Family Education (CAFE), and Children’s Home Society of Washington.

This project was supported by a grant awarded by the U.S. Department of the Treasury.



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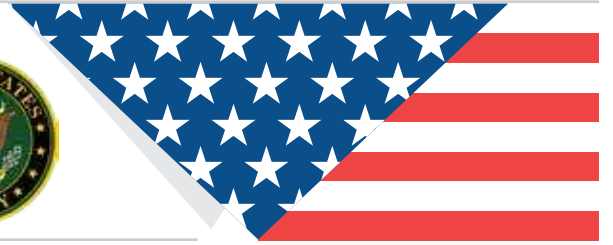
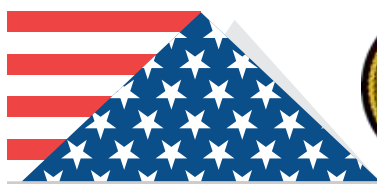
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VETERAN-OWNED & OPERATED BUSINESS



VA in crisis, Veterans not getting medications

By Heather Hill
Veterans Counseling Services
of Central Washington

If you are reading this and you are not a veteran, you may not know the struggles that Veterans have with the Veterans Administration.

Historically, the Veterans Administration was established to provide integrated life-long healthcare services to eligible military Veterans at the numerous medical centers and outpatient clinics.

In Central Washington State, the system is failing, and Veterans are not receiving the medical care, prescriptions, or support they have been prescribed.

IT IS A CRISIS. There are some key issues that will potentially lead to the unnecessary harm and potential death of our Veterans – they are bulleted below.

The Spokane Mann-Grandstaff VA Medical Center

The Spokane VA itself has caused heartache for our local Veterans. In order to demonstrate their ability to roll out new programs, the Spokane VA often volunteers to lead the charge in implementing new software systems, phone systems, etc.

Recently, the Spokane VA implemented a new electronic medical record system called Cerner.

Cerner has been utilized in the public sector for years.

Regardless, it appears to be Greek to the Spokane VA. As a result of this poor implementation, Veterans

have not received critical prescriptions for months.

These are not just mental health prescriptions, these are also prescriptions for diabetes, heart conditions, the list goes on.



Heather Hill

Authorizations for outside services are not sent out correctly in this system, and Veterans are being forwarded charges for large sums of money they cannot afford.

When a Veteran attempts to call, they have been told “we have been busy with all the changes”.

One of the answers was “we will send it priority”, only for the Veteran to not receive their prescription still.

One of the challenges with the transition to Cerner was the implementation of new codes attached to specific prescriptions.

If a physician at our local clinic submitted a script under the old code, did anyone call to inquire what the script was for? NOPE. NOTHING HAPPENS.

There is a lack of common sense on this one. One Veteran did not receive critical medications for over three weeks, when the veteran was to receive it bi-weekly.

When the Veteran called, the “we are really busy” response was given.

With persistence, the Veteran identified that the old code had been sent and by communicating the name of the script, the VA was able to send. This did not happen instantly, it took several calls, mounds of frustration, and the Veteran finally reached someone who took the extra step to solve the problem.

For those readers who do not know, this amount

of resilience with pursuing help on the phone is not typical of Veterans. If they are put on hold, they often hang up. If they are given vague answers, they will stop trying. These men and women are our heroes, and they are being treated less than and it MUST STOP.

I have had one Veteran recently tell me they are not going to try anymore.

This Vet has done all that has been requested, submitted things timely, advocated, and is still being let down.

Communication

The key to any good relationship, personal or business, is communication – right?

Veterans cannot even call our local Community Based Clinic for Support.

If you contact the local CBOC you are calling a call center in Walla Walla that supports Washington, Oregon, Idaho, parts of Montana, and parts of Alaska.

If the call center is overwhelmed with calls, Veterans hear a fax line tone.

One Veteran contacted the call center over 40 times in one day to only receive the fax tone.

Some have identified they can contact the Spokane VA, but this is merely a work around and not a long-term solution.

Many Veterans who live in Wenatchee will drive to the clinic to ask for help due to their inability to get through on the phones.

Central Washington is an exceptionally large territory and this is not an option for many.

In addition to the absurd call system, the VA has transitioned ebenefits and myhealthyvet, which are sites to support sending and receiving messages from medical providers, to va.gov. Initially, OUR LOCAL PROVIDERS were NOT listed. They are now, but any information from the old systems was not transferred and there has been significant gaps in communication as a result.

The Mission Act: TriWest Health Alliance

The Spokane Mann-Grandstaff VA Medical



View From the Hill

Center provides health-care services to Veterans in Washington, Idaho, and Montana.

Wenatchee is lucky enough to have a Community Based Outpatient Clinic (CBOC) on the north end of town as well.

This CBOC has physicians and clinicians who provide primary care services, case management, counseling, etc., to veterans in our community.

However, Veterans also receive referrals from the Spokane VA to receive medical care in our community for services the local VA cannot provide.

This is done through a program called the Mission Act, previously known as CHOICE.

The Mission Act was passed in 2018 to be fully implemented in 2020.

The previous program CHOICE was managed by TriWest Healthcare Alliance, and poorly done so.

One of the exciting things about the transition to Mission Act, was the belief that TriWest would no longer hold the contract to manage the care of our Veterans.

To many people's surprise, TriWest still holds the contract and are continuing to fumble implementing services and supporting our Veterans.

Issue: Although the Mission Act was passed in 2018, TriWest continues to fail to process contracts for

community providers and as a result preventing the necessary care to Veterans.

It has been TWO YEARS, and there are still medical providers who do not have completed contracts therefore cannot provide services to Veterans.

So What? Veterans are not receiving the medical care they need. Providers who do not have contracts are no longer seeing veterans.

This is especially critical for veterans who live in rural areas and do not have the benefit of going to a VA clinic. There are several veterans in Central Washington that this is impacting. Those who can, are paying out of pocket.

Those who cannot afford to pay out of pocket are going without medical care and prescriptions to manage their physical and mental health.

The physicians who they relied on to write prescriptions cannot see them unless they are willing to pay out of pocket.

I know one Veteran who is in rural Washington who has been without medical care and medication for over two months. This Veteran experienced severe medication withdrawal due to being cut from care cold turkey. IT IS ABSURD that a TriWest Healthcare Alliance has not been able to complete the contracting process in the two-year span in order to prevent

the interruption in critical services to our military veterans.

So what? I'm calling any reader of this column to action. I, as well as many others who support Veterans locally, have contacted Senator Patty Murray, WA DVA, the White House VA Hotline, TriWest, and who ever will listen. Join us!

The squeaky wheel gets the grease.

This is devastating to our veterans. They are your brothers, sisters, uncles, aunts, parents, neighbors, or you.

It crushes my spirit to see them so frustrated with attempting to access their medical care.

There are wonderful providers and staff who work in the Veterans Administration, they are not individually accountable for this.

However, this lack of meeting the basic needs of Veterans dependent on these systems must be addressed NOW.

Senator Patty Murray:
Ph: (202) 224-2621
Toll Free: (866) 481-9186.

Senator Maria Cantwell:
Ph: (206) 220-6400.
915 2nd Ave Ste 3206, Seattle, WA 98174

154 Russell Senate Office Building, Washington, DC 20510

White House VA
Hotline: 1-855-945-2311 or (202) 225-7761

Congressman Kim Schrier:
(202) 224-2621

Congressman Dan Newhouse: (202) 225-5816
1123 Longworth HOB, Washington, DC 20515.



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Glass recycling expert:

A myriad of products for 'end users'

By Gary Bégin

CHELAN – Cyndy Andela, founder and President of Andela Products in Richfield Springs, New York, spoke virtually to the Lake Chelan Rotary club on Tuesday, Jan. 12 about the myriad of “end user” products for crushed, recycled glass.

Her company is known for expertise in the recycled glass markets and products as used in a variety of applications. It has also been selling machines and know how worldwide for the last 25 years.

Andela discussed the proprietary technology that produces a “friendly” crushed glass with rounded edges that is completely safe to handle. As evidence, she presented the Rotarians with a slide show that included pictures of children playing and bare feet walking in the finished material without injury.

Based on Andela’s business acumen about sand and aggregate, she shared anecdotes about what other municipalities have done to make the glass repurposing programs successful.

Rotarians at the virtual meeting agreed that the glass recycling efforts are an exciting project and discussed various measures to bring it to reality.

Cyndy is a fellow Rotarian and the immediate Past President of the Rotary Club of Richfield Springs, New York, located north of Cooperstown.

Her “Andela GP-05L System” is a popular, smaller sized machine system meant for lower volumes than large industrial applications and is perfect for small geographic areas like Lake Chelan where collections can be crushed once a week instead of daily.

Andela said that in its early stages, new bottles made from recycled glass bottles was the main use for recycled glass, but her company has been selling crushed,



COURTESY PHOTO
Andela glass recycling machine.

pulverized glass to companies worldwide for industrial uses such as sandblasting and landscaping, utility pipe bedding and as an additive for sidewalks, cement slabs, patios and site preparation.

Andela has a degree in mechanical engineering and exclaimed the better “flow rate” of her product, being “nine-10 times better” than the flow rate of other aggregates when it comes to its end use.

Her product can also be added to mulch, giving more weed control, retention of soil moisture and even improved ripening of grapes as it reflects sunlight.

She mentioned that the Lake Chelan area, with its many wineries, would benefit from not only the end product being used in its vineyards, but also as a source for the bottles to be recycled in the first place.

The Rotarians are pursuing the purchase of a \$111,000 Andela GP-05L System machine with partial funding from the city of Chelan (\$50,000) and another \$50,000 from the Washington State Department of Ecology.

The club is getting a “fellow Rotarian discount” Andela said, because she is not charging for the installation, shipping, one week of

training and accompanying “installation supervisor.”

The Regional Port of Chelan and Douglas Counties Chief Executive Officer Jim Kuntz (brother of Wenatchee Mayor Frank) will help



Cyndy Andela

support the project by advocating in favor of the Rotarian’s plan to the state entity.

Lake Chelan Rotarian Julie McCoy is heading the project and said the recycling project fits in with the club’s plans of producing a zero carbon footprint in the near future.

Andela said she already gave the same presentation to the Lake Chelan Wine Alliance and she has already developed an electric-free

recycled glass “machine” that can be used by third-world countries to produce clean water, a precious and rare commodity in many poor nations.

That system involves a 50-gallon barrel and gravitational forces that use glass “sand” as a filter to clean fouled water into clean drinking water by merely pouring the bad water into the top and catching the filtered water when it comes out of the bottom.

Lake Chelan Rotary President Tom Tocherman said use of the Andela glass recycler could “put Chelan on the map for environmental leadership.”

Andela’s company currently has 20 employees and also offers custom machines for clients.

The Andela GP-05L System is capable of one to two tons per hour, or about 400 tons annually if used only once a week. It would produce a product suitable for use by the city of Chelan’s Public Works Department for road paving aggregate and mulch uses as well as attracting potential purchases from area NGO’s (non-governmental organizations) and other government entities.

Andela stated that the end product has no odor, other than

a dirt-like smell, or unsanitary residue, because part of the recycling process involves extreme heat which kills organic materials.

The recycling machine also removes plastic caps and paper labels into a separate waste container.

The finished product has no sharp edges as it is crushed and tumbled by the machine, thus allowing its use on playgrounds and other sensitive ground areas.

The GP-05L installation would also come with technical training manuals and available Zoom meeting instructions from the installation supervisor after installation is finished. Her company also offers maintenance tips and spare parts needed after years of usage.

Chelan Mayor Bob Goedde asked about segregation of colored glass and Andela said if the desired result were to be blue or whatever, that the glass can be segregated and a run of all blue glass would generate a useful mulch product of that color for use on customized landscaping projects.

In regards to its use in the sandblasting industry, Andela stated her product does not contain “crystalline dust” and so is much safer for those who are applying it if accidentally inhaled.

“It’s a way of taking local waste and utilizing it locally,” Andela said.

Speaking by email after the Zoom Rotary meeting, Andela stated that she had really “enjoyed” talking to the Rotarians of Lake Chelan and was “looking forward” to visiting again, but in person, after the COVID-19 issue was solved.

Managing Editor Gary Bégin can be emailed at: Gary@ncwmedia.net. Comments received may be used in future Letters to the Editor articles in NCW Media publications unless otherwise requested.

CONTINUED FROM PAGE 1

Glaze Eat Donuts, Live Life

other small businesses as we can to keep them afloat. We sat down with Jim recently to discuss the future of his shop going into 2021.

Wenatchee Business Journal: How long have you owned the Glaze pair of donut shops?

Glaze: Glaze East Wenatchee was opened in May 2012. Glaze Wenatchee opened in April of 2017. We closed the Wenatchee location January, 1 2020. At the time we only had 3-4 employees there. A few came to the East side location, the others all had other employment lined up.

WBJ: Was that closure a direct result of COVID-19?

Glaze: No, the closure was not a result of COVID.

There were several issues regarding the Wenatchee location. First off was location. We knew this going in, of course, but hoped for more support from the residents at the Riverside Apartments location. Second, we couldn’t find anyone responsible that really wanted to run the location. It ended up just being too hard, with too much waste. In addition, we felt the quality of our product was not being represented in the manner that Glaze customers expect.

WBJ: Were sales down from 2019?

Glaze: Sales in 2019 were down 11 percent from the previous year at the Wenatchee location. Glaze

East is down 60 percent in sales from 2019 compared to 2020.

WBJ: Has your take-out, online, phone orders, standing orders, etc., made up for losses from little or no walk-in traffic in your remaining shop?

Glaze: The short answer is no. Initially we opted for curbside pick-up. We would come to your car and complete your order. This works, but makes everything slower. We opened the doors as soon as we felt we could do so safely. Glaze has signed on with Door Dash & Dashing Drivers delivery services, and also offers in-house delivery if available.

WBJ: Is the future bright,

despite recent losses?

Glaze: I certainly don’t want to come off as pessimistic, but it’s hard to say.

Unfortunately Glaze, as well as many other small businesses are at the whim of government regulation.

It is so difficult to run a business when the rules are changed arbitrarily. This cost all businesses unnecessary, unforeseen costs and stress. Food prices are up more than ever, all business licenses, taxes, inspections, fees are all still due. No local or state office is interested in helping small businesses. Luckily, we have amazing customers who supported us through 2020.

WBJ: Did you have to lay-off East Wenatchee staff?

Glaze: Yes. Initially we had to lay off the entire staff, about 20 people. We continued to serve the re-



maining business accounts we could, (with the owners working for free), but that was minimal. We brought approximately half the staff back with the other half moving on to other opportunities.

WBJ: Were you able to get a CARES loan/grant?

Glaze: Yes, we did receive a CARES Act loan, as well as two grants from local supporters. I am not a fan of the CARES Act loan program.

WBJ: What is your opin-

ion of Gov. Jay Inslee’s latest rules?

Glaze: I believe Governor Inslee has no idea what he is doing. Punishing small businesses while letting major corporations operate with impunity. The hypocrisy is amazing. I have nothing positive to say about Governor Inslee.

The East Wenatchee Glaze donut shop is open from 4:30 a.m. – 1 p.m. seven days a week. Call 509-888-4529 to order ahead of time for pick-up at the store. theglazebakery.com



Committee passes Hawkins bill to promote hydrogen-powered vehicles

OLYMPIA – Senator Brad Hawkins' (R-East Wenatchee) proposal to promote hydrogen-powered vehicles is among the first measures to be approved by a Senate committee.

The Senate Environment, Energy and Technology Committee on last week approved Senate Bill 5000, which would establish an eight-year statewide pilot project for the reduction of sales tax on purchases of fuel-cell electric vehicles.

"I'm pleased that the committee passed this bill so early," said Hawkins, who serves the 12th Legislative District.

"The bill received a positive response during its public hearing, and I'm

hopeful it will continue moving forward this session. The bill is off to a terrific start, but still has a ways to go in the weeks ahead."

Senate Bill 5000, which has bipartisan support and nearly 30 co-sponsors, has been referred to the Senate Transportation Committee for further consideration.

Back in 2019, the Legislature approved Hawkins-sponsored Senate Bill 5588, which authorizes public utility districts to produce and sell "renewable hydrogen."

"The people of North Central Washington have been leaders in clean energy for decades and new state efforts to promote renewable hydrogen and zero-

emissions vehicles will help us continue our innovative work," said Hawkins.

He added, "North Central Washington is in a real position to lead the state and perhaps the entire United States on renewable hydrogen use in transportation, from production, distribution, vehicles, buses, short haul agriculture, and other opportunities locally. It's pretty exciting when you think big about it. Our region has a long and proud history of thinking big about clean energy."

Hydrogen can be created from a process that separates the hydrogen and oxygen molecules in water.

The Douglas County Public Utility District in

Hawkins' district plans to utilize its surplus hydropower to do just that, creating renewable hydrogen from excess renewable hydropower and possibly also building hydrogen fueling stations.

SB 5000 aims to extend a similar exemption on vehicle sales tax that purchasers of traditional electric vehicles receive.

With the first hydrogen-fueling stations in Washington expected to be operational by 2022, the bill would allow a total of 650 vehicles to receive a 50-percent sales tax exemption in fiscal years 2023 through 2029.

Even though hydrogen vehicles are newer to the market and slightly more expensive due to having not

been in mass production nationwide, they have shown tremendous promise given how quickly they refuel and the limited infrastructure required to get the fuel to the station.

Hawkins said his bill would help establish important parity between fuel-cell electric vehicles and traditional plug-in electrics.

"In our efforts to promote carbon-free vehicles, our state policies should be 'technologically neutral' so that we can give ourselves varied opportunities to reduce emissions and not unintentionally bias ourselves in the process," Hawkins said.

"Similar to diesel and gas, maybe there will always be multiple fuel sources for next-generation cars or maybe someday hydrogen vehicles will be the preferred choice."

What the bill's supporters are saying:

"We are thankful for Senator Hawkins' leadership for renewable hydrogen. His support has created an opportunity for us to increase efficiencies

at our Wells Hydroelectric Project and increase value for our customers." – Molly Simpson, Douglas County PUD Commission President

"Senator Hawkins' pilot incentive program is an important first step to help accelerate the adoption of hydrogen, fuel cell and electrification accessibility in Washington state.

"Paving the way for emissions-free technologies will further generate awareness, interest and acceptance in communities seeking cleaner options." – Doug Murtha, Group Vice President of Corporate Strategy and Planning at Toyota Motor North America

Here are links to other helpful information about this bill:

- December 29, 2020: NCW continues to lead on clean energy

- Senate Transportation Committee Work Session 1/14/21 – WSDOT Secretary comments on hydrogen (approx. 46 minutes in)

- Senate Environment, Energy and Technology Committee Hearing SB 5000 (TVW Jan 13, 2021)

Renewable hydrogen demonstrates our region's continued clean energy leadership

Back in 2019 I partnered with Douglas County PUD to sponsor and pass a bill authorizing Public Utility Districts to produce and sell renewable hydrogen.

Hydrogen is a gas that can be created from a process that uses electricity to separate hydrogen and oxygen molecules in water.



GUEST OPINION
Brad Hawkins

I worked closely that year with Douglas County PUD because of their interest in using surplus hydropower to produce hydrogen.

The bill's passage allows for the production and sale of "renewable hydrogen," which is defined as hydrogen created from an emissions-free electricity source.

With state authorization in place, renewable hydrogen will soon be developed in Douglas County. The opportunity PUDs now have to produce renewable hydrogen provides our hydroelectric facilities a new way to address an ever-increasing challenge.

Given recent expansion of wind and solar generation across many western states, the Pacific Northwest's electric grid experiences periods of surplus power generation in the spring. During periods of springtime snow melt, hydropower generation is abundant because of high flows in the Columbia River.

Wind and solar generation are often strong in the spring as well. Not generating power by spilling excess water through our dams can adversely impact fish but securing buyers for our hydropower when supply exceeds demand can be both financially ineffective and challenging.

Using surplus electricity to produce hydrogen is an exciting opportunity because it can be both environmentally and economically beneficial.

As owners of the PUDs, anything that

benefits a PUD will ultimately help its customers.

Hydrogen can serve many purposes, but one of its uses is clean fuel for vehicles. Hydrogen-based vehicles, similar to plug-in electrics, produce zero greenhouse gas emissions.

Now that the PUDs have the authority to produce hydrogen, our state should consider how it may incentivize use of this clean fuel for vehicles.

Currently, our state provides a 50 percent sales tax exemption to purchasers of traditional plug-in electric vehicles. I recently introduced Senate Bill 5000 to establish an 8-year pilot project to extend to fuel cell vehicles the same sales tax benefit the state already provides to plug-in electrics. The bill recently was heard in committee and has gained commitments from 30 bipartisan co-sponsors.

We should be very proud of the abundant clean energy produced in our region. As a result of our renewable hydropower, North Central Washington has provided tremendous leadership and innovation on clean energy.

As you know, there has been continued focus in recent years on reducing greenhouse gas emissions.

Fortunately, our region already leads the way with low emissions due to our hydro-based electric sector and little to no industrial emissions. Most of our region's emissions are a result of transportation activities.

As drivers explore options for zero-emissions vehicles, hydrogen-based fuel cell vehicles may be an excellent option.

It is difficult to currently envision, but plug-in electric vehicles may not be the most viable option in the future once a large-scale number of drivers make a switch, given the long charging times and the upstream costs



Stock Photo

and environmental considerations of electric infrastructure.

Hydrogen can easily be delivered to fueling stations (on hydrogen semitrucks).

Hydrogen cars take about five minutes to refuel and generally have a longer range. The case for hydrogen is even stronger when considering hydrogen long hauling and bussing options.

When it comes to clean energy policies, I believe it is important to offer incentives and options to promote clean energy rather than push for policies with punitive measures.

My bill provides this option while encour-

aging the state to be "technology neutral" when offering state incentives to zero-emission vehicles.

As a long-time proponent of clean energy, I support a variety of options and technology.

However, I am excited about the many beneficial purposes of renewable hydrogen and especially so because it will be produced locally.

Brad Hawkins is our 12th District state senator representing North Central Washington in Olympia. He may be contacted at 360-786-7622 or brad.hawkins@leg.wa.gov.

BUSINESS QUOTE OF THE MONTH

“The best way to predict the future is to create it.”


– Peter Drucker,
Management Consultant and Author

Building! MEMBER MESSENGER


North Central Washington "Driven to Promote and Protect Small Business"

FEBRUARY 2021 ASSOCIATION NEWSLETTER

PAGE 1



Building North Central Washington is a nonprofit trade association dedicated to promoting and protecting the North Central Washington building industry for the preservation and growth of the local economy, small business and quality of life.



LOCATED AT:
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Visit us online at:
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MEMBER HIGHLIGHTS

Renewing Members This Month



Thank You to the following valued renewing members this month. We're extremely grateful to each of you for your continued membership, involvement and support!

- Apple Valley Pumping Service – 23 years
- Branching Out – 1 year
- Cordell, Neher & Company – 4 years
- Dan Beardslee Consulting – 3 years
- Davis, Arneil Law Firm LLP – 5 years
- Erlandsen & Associates, Inc. – 19 years
- Micah's Custom Works – 2 years
- Pinnacle Painting – 14 years
- Pipkin Inc. dba Pipkin Construction – 1 year
- Summitt Construction – 23 years
- The Wenatchee Downtown Association – 4 years
- Wenatchee Valley Technical Skills Center – 9 years


Dear BNCW Members,

Welcome to 2021. For those of you who may not know me, I am Jeffrey Story and this year I am the Board of Director's Chairman. My company has been a member of BNCW for the last 7 years and throughout that time I have been actively involved in the organization from participating in Nothing But Networking events to sitting on committees for events such as the Home Show. I also help with workgroups on code issues and fighting to protect our industry from over regulation.

If you feel there is something we as an organization can help you with please don't hesitate to reach out to our office staff. We are here to serve you! I look forward to seeing many of you throughout the year and I would like to thank you for your continued support through these uncertain times. With that being said, please know BNCW is well positioned as we continue to progress forward. We haven't, and won't, stop working for you.

We have stayed on top of several important issues going on in the building industry and will continue to keep our members up to date with the ever-changing regulations by Governor Inslee. Here is to hoping everyone has a great 2021.

Sincerely,
Jeffrey Story



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WELCOME NEW BNCW MEMBERS!

To view each of our valued member company's complete profile, we invite you to visit BNCW's website at www.BuildingNCW.org and click on the membership directory tab. Thank you!



- Rental Association of Wenatchee Valley
Roni Freund
509-422-7429

For more information about becoming a BNCW member, please contact Membership Coordinator Rachel Beardslee at (509) 293-5840. We look forward to sharing with you the benefits of membership!



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MEMBER MESSENGER

“Driven to Promote and Protect Small Business”

FEBRUARY 2021 ASSOCIATION NEWSLETTER

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BNCW's:

FROM A DIFFERENT PERSPECTIVE

Tax Tactics

“Higher taxes are probably in the offing but not right now. Raising taxes while crawling out from Sars-Cov-2 is unwise. And, with razor thin majorities in both chambers and Republicans against higher taxes, the entire Democratic caucus in each chamber will have to agree. Moreover, waiting until 2022 is risky, as the party holding the White House usually loses seats in mid-terms. That probably means smaller tax hikes in fall.”



Population Problem

“For the year ending 7/1/20, the US population grew just 0.35%, the slowest rate since at least 1900! Part of the reason is Covid-19 related, but the entire decade was a demographic bust due to an aging population and limited immigration. At 6.6% the decade ending 2020 will probably exhibit the slowest growth rate since the first census was conducted in 1790, even lower than the 1930s rate of 7.3%.”

Elliot F. Eisenberg, Ph.D.
 GraphsandLaughs LLC, elliott@graphsandlaughs.net
 Cell: 202.306.2731,
www.econ70.com



TOOLBOX TALKS



Repetitive Motion Injuries



Computers are as common in the workplace as telephones.

We use them for everything: creating letters and forms, writing reports, editing, electronic mail and surfing the internet.

Computers require our hands and arms to be used more than ever.

Repeating the same motion over and over again at high speeds with little rest, and applying force to muscles, joints, or tendons while in an awkward angle may be putting more stress on those body parts than is necessary and can increase the chance of developing repetitive motion injuries (RMIs) such as **Carpal Tunnel Syndrome**.

An ergonomically designed, **adjustable workstation** (sit/stand) is one of the most effective ways to decrease the possibility of developing RMIs.

Here are some guidelines:

- **Raise or lower your desk**, chair, or computer screen to get the top of your screen at or slightly below eye level. The screen should be easily viewed without straining your neck forward.
- **Use a document holder** to position papers at the same level as the screen.

Your neck should be straight with your head centered above your spine.

Have your arms bent roughly at 90-degree angles with your wrists and hands straight or in a neutral position.

Your spine should have its normal curve supported with your feet resting in a relaxed position on the floor or on a footrest.

■ **Use wrist rests**, telephone headsets, back supports and footrests to relieve strain on your arms, neck, and lower back.

Try to keep your hands, arms and shoulders loose and relaxed.

■ **It is important to do stretching exercises** before and after long typing

periods.

Stretch your fingers, wrists, arms and shoulders frequently and vary your work activities so as not to repeat the same motions for long periods of time.

■ **Lighten your typing touch**. The more force you use, either constantly or on impact, the more likely it is that you may strain a muscle or sprain a tendon.

■ **Rest or vary your tasks**. Your body parts need rest each day.

Your risk of injury increases if your body parts do not have time to repair and rest.



Membership Benefit ADVOCACY

Representation that leverages YOUR voice on issues that impact your livelihood. BNCW is dedicated to promoting and protecting small businesses and the building industry. We do that by utilizing a grassroots approach to educate local elected officials and agency staff on important issues that impact those we represent. Through our Government Affairs, we are actively and consistently engaged to bring our members the most current and up-to-date information, while advocating for the rights of business and property owners.



Building! MEMBER MESSENGER

North Central Washington "Driven to Promote and Protect Small Business"

FEBRUARY 2021 ASSOCIATION NEWSLETTER

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BNCW Offering Worker's Comp Retro Programs!



Building North Central Washington is very pleased that our Association is able to offer qualified member companies access to a few high-quality, proven worker's compensation retro programs!

The SMART A-TEAM group retro program is designed for general contractors and sub-contractors who want to take advantage of a group retro program consisting of a large premium group.

A-Team participants are committed to accident prevention and keeping injured workers on salary for no less than 30 days. In addition, by returning injured workers to light duty as soon as possible, they are able to keep their costs low. In the past, some of the firms in this group may have had challenges with safety and/or claims, resulting in higher costs. With the support from SMART A-Team and Approach, they are improving their safety record by lowering their experience factor.

The SMART A-Team has averaged between 25 and 35 percent group refunds since its inception in 1996. The refund is distributed 75 percent based on performance (premium vs. losses) and 25 percent premium. Even if a participant's losses exceed their premium, they can still get some refund monies depending on the amount of premium paid into the group's premium pool.

While the SMART A-Team enjoys high refunds, it is their goal to lower each participant's experience factor and prevent accidents so that all workers can return home safe to their families every day.

BNCW will also be offering our qualified member companies access to participation in the SMART Advantage Retro program.

The goal of the SMART Advantage retro group is to provide proactive workers' compensation claim management for companies in retail, wholesale, and professional service industries, while lowering the amount of premium paid to the Department of Labor and Industries (L&I).

SMART Advantage has averaged between 30 and 38 percent group refunds since its inception in 2004.

Also, BNCW has access to a Retro program for qualified members in the transportation, manufacturing and food processing industries through the PITB Association (Pacific Inland Tariff Bureau).

For more information about these quality worker's comp retro programs and to see if your company may qualify to get some of your hard-earned dollars back, please contact BNCW at (509) 293-5840, or go online to www.BuildingNCW.org for more information.



You Might Have To Pay Someone Else's Workers' Comp Premiums

In the construction industry, you can protect yourself from liability for your subcontractor's unpaid premiums by ensuring ALL of the following requirements are met:

- You, the prime contractor, and your subcontractor(s) are registered as contractors under RCW 18.27 (app.leg.wa.gov) or licensed under RCW 19.28 (app.leg.wa.gov).

- Your contracted work is the work of a contractor as described in RCW 18.27.010 (app.leg.wa.gov).

- Your subcontractor maintains a set of books and records that reflect all of the business' income and expenses. (You need to review them for your protection.)

- Your subcontractor works out of their own storefront location or home office that is used regularly

and exclusively for the business and is eligible for an IRS business deduction. (You need to visit his or her place of business and make sure.)

- You are not supervising your subcontractor or their employees. See A Guide to Hiring Independent Contractors in Washington State (F101 063 000).

- Your subcontractor has an industrial insurance (workers' compensation) account with L&I in good standing, or is certified by L&I as self insured.*

- You must verify this when you hire a subcontractor and each year by checking their Employer Liability Certificate at Verify Workers' Comp Premium Status. Print it and keep it on file, then remember to check it again a year later.

- OR -

- You may fill out a Subcontractor

➤➤ Tracking Request form at Verify Workers' Comp Premium Status, and L&I will notify you if your subcontractor falls behind on workers' compensation requirements.

*Note: If your subcontractor is a sole proprietor who meets all the above requirements but does not have employees, they're

not required to have an industrial insurance account.

You must ensure that all of the above requirements are met to receive protection from liability for your sub's unpaid premiums. Please note that you will NOT receive protection from liability if you only meet the last requirement.



Ken Mattson with LegalShield has been providing affordable legal services as an independent sales associate for 15 years.

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matter, no matter how trivial or traumatic, all without worrying about high hourly costs.

Now with Small Business Plans, LegalShield can handle all of your business needs and more and is offering discounts to all Building North Central Washington Members.

Contact Ken today at 509-679-9659 to learn more about how LegalShield can help your business!





MEMBER MESSENGER

“Driven to Promote and Protect Small Business”

FEBRUARY 2021 ASSOCIATION NEWSLETTER

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TOOLBOX TALKS



Tool Belt Safety

Many workplace injuries have resulted from tools falling out of belts from heights and from workers falling and being impaled by a tool in an improperly loaded tool belt.

A tool belt that is properly arranged greatly improves convenience and productivity by having the required tools and fasteners at hand.

However, to avoid creating hazards from lugging around tool belts overloaded with unneeded tools, careful thought must be given to the tools needed and the location where they will be used (such as on a roof or scaffold).

Carry tools to a job in a

toolbox and only load the tool belt with the tools and fasteners needed for the job at hand. **Following are some excellent tips for the safe use of tool belts:**

■ **Tool belts, bags, pouches, holsters, and other attachments** should be clean, well maintained, and fit properly.

Inspect the tool belt daily prior to starting work and look for defects. If defects are discovered, have them repaired before using that tool or belt.

■ **Ensure that appropriate holsters, bags, or pouches** for specialty tools are being used and are prop-

erly secured on the tool belt.

■ **Use tools bags specific to your trade** whenever possible. They are designed for the specific tools used in that trade and make the job easier and safer. For example, a set of carpentry bags would not be appropriate for electrical work.

■ **Take appropriate precautions** so that tools and supplies cannot fall out of the belt or pouch during work on elevated surfaces.

■ **Hammer/axe loops** should be used and placed in a position that they do not hinder movement.

■ **Tape measures** should be clipped securely or placed in a pouch designed to hold tape measures.

Do not carry a tape measure in an open pouch designed for nails or screws. If a tape measure falls out of the bag and drops from a roof, ladder, or scaffold, you could injure a coworker.

■ **Remove the belt** while climbing a ladder and hoist the tool belt up with a bucket and rope.

■ **Do not carry tools** on a belt that it is not designed for (i.e., drills, screw guns, etc.)

■ **When working at heights** using holsters for power tools with cords, keep the cord sets arranged to avoid trip hazards. It is sometimes a good idea to secure the tool to the belt with a safety line so the tool cannot get away from you.

■ **Always check** that all sharp tool blades are closed or secured prior to carrying them in the tool belt.

■ **Carry tools and sharp objects** with the pointed end in the bag or pouch to minimize the chance of impalement if you slip or fall.

■ **Do not overload your tool belt.** Plan the activity and load the tool belt with only those tools necessary to complete the job.

Use the appropriate tool belt for your trade and be sure that tools being carried do not hinder movement or present a danger if you trip and fall.

Plan the work sequence and load up only the tools and fasteners needed to complete that phase of work.

When working at heights, extra care should be taken to avoid letting tools drop out of tool bags and possibly fall on coworkers.



BNCW EVENTS

BNCW's February Board of Directors Meeting

■ Wednesday, February 17, 2021
7:00am to 9:00am
Building North Central Washington
2201 N. Wenatchee Ave, Wenatchee
Chairman: Jeff Story

The Board of Directors is the policy-making body of the Association and is responsible for the business affairs of the Corporation according to BNCW's bylaws.

Our Directors meet the third Wednesday of each Month in the boardroom of the BNCW offices.

These meetings begin at 7:00am and are open to any BNCW member to attend. If you wish to contact any of the officers or directors, please visit the BNCW website for their contact information.

BNCW's February CPR & First Aid Training

■ February 2021 (date to be determined).
Check our website for updates.
from 4:00pm to 6:00pm
Held at Building North Central Washington,
2201 N. Wenatchee Avenue, Wenatchee

Due to COVID19, class size is limited to 5 people.
\$49/person, includes Continuing Ed credits and is good for new and recertification.

Call BNCW at (509) 293-5840 to Register!

Were you aware that as an employer, unless you are able to get an injured employee to medical care within 3-4 minutes, you are required to have trained and equipped employees? This two-hour class will provide attendees with their certification.

Our instructor — George Templeton — puts on a great class that is enjoyable and informative, too.

Pre-registration Required. Seats are limited to 15 and fill-up quickly, so reserve your spots early!
You may also register online at BuildingNCW.org.

Need a Meeting Room?

As a valued BNCW member company, you're welcome to utilize the BNCW conference room if you require a place to meet with clients or prospective clients, or simply need access to a meeting room. The room will seat up to 16 people comfortably, but during the time of COVID we are limited to 5 people. *Please contact Kim Fenner at (509) 293-5840 to make the necessary arrangements.* This is a membership benefit and is available to you at no additional cost!



ADVERTISE YOUR BNCW MEMBERSHIP WITH PRIDE!

The BNCW logo is synonymous with an organization that promotes high standards and professionalism among its membership throughout North Central Washington. Our Association is a trusted source for industry professionals in the communities we serve.

As a member of Building North Central Washington, you are encouraged to display the Proud Member logo in all of your marketing efforts: business cards; stationery; media advertisements; online and website marketing; telephone directory advertisements and etc.

In addition to stickers for your vehicles and office windows, we have camera-ready art available to you by simply calling the BNCW office at 509-293-5840, or logging into the members-only area of the BNCW website at www.BuildingNCW.org.

Let's demonstrate our unity and pride in being a part of this premier organization!

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Chelan County Sheriff's Deputy Hunter honored by Manson American Legion

By Norm Manly
Post Service Officer

MANSON – During the Manson American Legion, Post 108's January meeting, Nigel Hunter was honored with the Legion's "Law Enforcement Certificate of Commendation" for 2020.

This annual award is intended for a well-rounded law enforcement officer who has exceeded the duty requirements expected of their position and has demonstrated a distinct pattern of community service coupled with professional achievement. Nigel Hunter met all requirements.

In 2015 he changed the direction of his life and was hired by the Chelan County Sheriff's Office.

He attended the Basic Law Enforcement Academy in Burien where he graduated near the top of his class in all categories.

Nigel says, "I was motivated to make the move after the civil unrest following the deaths of Trayvon Martin and Michael Brown, as well as the shooting at Marysville Pilchuck High School."

Hunter served as a patrol deputy until becoming a School Resource Officer (SRO) for Chelan and Manson school districts in 2018. He sees his role as a combination of teacher, counselor and mentor.

When asked what he liked about his job Nigel said, "I enjoy



COURTESY PHOTO

Pictured from left are: Dana Starkweather, Nigel Hunter, Brian Strausbaugh, Carole Hanson and Craig Pittson

the diversity of this job. I can go from chasing a cougar, stopping cars, driving a boat, to catching bad guys, all before lunch! The biggest challenges are the misconceptions about law enforcement officers in general and our Constitutional role in preserving American freedoms. I love teaching and seeing students' eyes opened to the rights afforded them as residents of the United

States as well as the responsibilities of being good neighbors."

Yvonne Walker, Manson School District Superintendent said, "Nigel Hunter is an outstanding example of how a resource officer can positively impact a school system. His presence on campus builds relationships between law enforcement and the community. Students love to see Deputy Hunter in their classrooms and

in the hallways and are comfortable asking him questions when they arise.

"Staff appreciate his flexibility and willingness to jump in and help out with our educational programs. A few examples are supporting student internships and teaching about cyber safety. Deputy Hunter is a wonderful member of our team."

Barry DePaoli, Superinten-

dent Lake Chelan School District agrees by saying, "Nigel Hunter is a great asset to the Lake Chelan School District. He is an integral part of our student services team, working directly with counselors and administrators. He continues to advocate for and support our most at-risk students. His compassion for student health and welfare, his commitment to keeping our schools safe and his ability to impact and influence students in a positive manner is truly invaluable."

Heather Ireland, Manson High School Principal went on, "It has been an honor to have Deputy Hunter as the SRO for Manson Middle School and Manson High School.

"Deputy Hunter has cultivated important relationships with students, staff, parents and our local community. Kids are drawn to him; he is articulate with parents and provides a calm and supportive presence in tough situations.

"During our building closure last spring, our remote start this fall, and our current hybrid model, Deputy Hunter diligently connected with students and families by providing ongoing assistance and resource connections. We are so fortunate to have the highest level of care and integrity from our SRO for our kids and community. Looking forward to a continued year of excellence."



Submitted by OVOF

Our Valley Our Future has appointed Norma Gallegos, Alma Chacon and Ron Cridlebaugh to its Board of Directors.

Gallegos is program director of Hand In Hand Immigration Services, which provides help to immigrants wishing to become citizens. The Wenatchee-based nonprofit organization is accredited with the U.S. Department of Justice.

Gallego was born in Mexico and raised in Topeka, Kansas, and moved to Wenatchee 30 years ago. Gallegos was a member of the original Our Valley Our Future (OVOF) Core Team in 2015-16 that helped the community develop its first Action Plan and long-term vision.

Chacon is executive director of the Community for the Ad-

Three appointed to 'Our Valley' Board



vancement of Family Education (popularly known as CAFÉ), a Wenatchee-based non-profit organization that advances family and community growth through education.

CAFÉ serves a culturally diverse community and provides opportunities in leadership, civic and social engagement, literacy development, and academic advancement. CAFÉ was founded in 2004 by Alma and her husband, Jorge Chacon.

Cridlebaugh is economic and business development director with the Chelan Douglas Regional Port Authority. A Colorado native, Cridlebaugh moved to Washington

state 30 years ago.

Prior to accepting an economic development position with the Port of Douglas County in 2014, Cridlebaugh served as economic development director with the Kittitas County Chamber of Commerce.

Other OVOF Board members include David Olson (president), Jessica Kendall (vice president), Laura Merrill (secretary), Shayne Magdoff (treasurer), Stacy Luckensmeyer (past president), Alan Walker, Lori Barnett, Paul Gordon, Kevin Overbay, Dan Sutton, and Shiloh Burgess. Steve Maher serves as OVOF coordinator.

OVOF is gearing up for a major

outreach and planning project this year leading to a new five-year Action Plan for the region.

The existing Action Plan, developed from input from more than 3,000 residents in 2015-16, expires at the end of 2021.

The new Action Plan, which also will help drive COVID recovery planning in the region, will be for the years 2022-26.

Project partners to date include: Aging and Adult Care, Community for the Advancement of Family Education (CAFÉ), Cascade Medical Center, Cascadia Conservation District, Chelan County PUD, Chelan Douglas Community Action Council, Chelan Douglas Land

Trust, Chelan Douglas Regional Port Authority, City of Wenatchee, City of East Wenatchee, Columbia Valley Community Health, Community Foundation of NCW, Confluence Health, Eastmont School District, Greater Wenatchee Area Technology Alliance (GWATA), Immigrant & Latinx Solidarity Group, Link Transit, NCW Economic Development District, NCW Libraries, North Central Educational Service District, Pinnacles Prep, Serve Wenatchee Valley, Sustainable Wenatchee, Team Naturaleza, Wenatchee School District, Wenatchee Valley College, Wenatchee Valley Museum & Cultural Center, Wenatchee Valley Recovery Council, Wenatchee Valley Senior Activity Center, Wenatchee Valley TREAD, YMCA and YWCA.

Our Valley Our Future, founded in 2015, is a nonprofit organization that brings together residents and organizations to improve the region's quality of life. Its guiding document is its Action Plan, which includes projects and programs led by partnering organizations. OVOF serves as convener, facilitator, data-collector, planner and communicator in furthering the community's vision.

Scott Real Estate hires Belmudes



Ed Belmudes

John L. Scott Real Estate, Leavenworth, welcomes Ed Belmudes, Managing Broker, to their team. Ed brings seven years of experience as a real estate broker. *Courtesy photo*

Manson Community Council adds Forner

The Manson Community Council certified last month's election, adding Elmira Forner to the board as well as retaining Cindi Smith. Forner was a longtime Seattle resident before retiring to Manson. Smith is a reelected incumbent. *Forner photo by RuthEdna Keys/NCW Media*



Elmira Forner



Cindi Smith

There's more in the New Stimulus Bill Than Just PPP

Submitted by Abe Treiger
Radix Financial Group

The bipartisan stimulus bill passed by Congress in late December set aside another \$284 billion in fully forgivable loans for struggling business owners during this pandemic.



Abe Treiger

These loans are currently being distributed through the popular Payroll Protection Program (PPP) that was launched by the Small Business Administration (SBA) in the spring of 2020. While these news funds for PPP have grabbed all the headlines, it is not the only program the stimulus bill created to help small businesses.

It also included funds for the SBA's traditional lending programs that are specifically designated to incentivize new lending through September 21. Here are the details you need to know:

Any small business that takes out a new loan from the SBA between now and September 21 will receive six months of principal and interest free from the government.

This means that if your business were to borrow \$350,000 at 6% on a ten-year term, the government would cover the first six months of the loan. That is over \$23,000 for your business to spend on other expenses – and never pay back. And the deal gets better. The government usually charges a fee of about 2% for any newly originated SBA loans.

Under the new stimulus package, the government will waive these fees over that same timeframe.

Like the payments above, these fees are completely free. And these great deals are not just for business owners.

Banks have an incentive to get loans out the door too!

The government has promised to guarantee all SBA loans up to 90%.

This means that if a bank makes a loan to a business, and that business later defaults on the loan, the government will pay the bank 90% of their losses, making lending much less risky for the foreseeable future.

So if you're a business owner looking for working capital, to refinance debt, to purchase property or for any other way to help your business thrive and grow, you should talk to your banker or financial consultant to see if they can help you take advantage of these new government programs today.

Abe Treiger is the CEO of Radix Financial Group- a lending brokerage that specializes in helping business owners find the perfect SBA loan product for their financing needs. Over 200 million funded since 2015.



Wenatchee MSA (Chelan and Douglas Counties) Labor Area Summary – November 2020

Overview

This report provides an update on the Wenatchee MSA economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between November 2019 and November 2020) and average annual (between 2018 and 2019) changes in the labor market.

Unemployment rates

Civilian Labor Force (CLF)

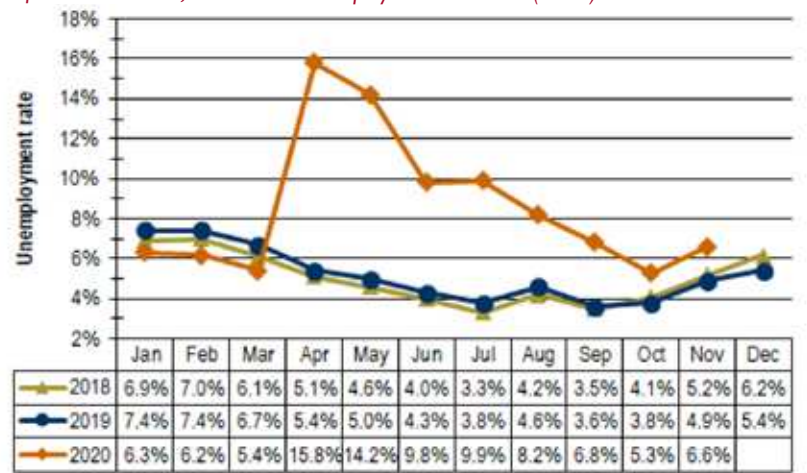
data show that Washington's not seasonally adjusted average annual unemployment rate declined from 4.5 percent in 2018 to 4.3 percent in 2019. However, between the Novembers of 2019 and 2020 the rate escalated by two percentage points, from 3.9 to 5.9 percent.

In the Wenatchee MSA, the average annual unemployment rate edged upwards from 4.9 to 5.1 percent between 2018 and

2019. Year over year, COVID-19 related layoffs have pushed local unemployment rates upwards from April through November 2020.

The rate in the Wenatchee MSA increased one and seven-tenths percentage points, from 4.9 percent in November 2019 to 6.6 percent in November 2020. This 6.6-percent rate is the highest November reading since the 7.4-percent rate in November 2013.

Unemployment rates, not seasonally adjusted Wenatchee MSA, January 2018 through November 2020. Source: Employment Security Department/WITS; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



The Wenatchee MSA's unemployment rate rose one and seven-tenths percentage points between the Novembers of 2019 and 2020.

Total nonfarm employment

Between 2018 and 2019, Washington's labor market provided 67,100 new nonfarm jobs, an annual average increase of 2.0 percent. In November 2020, business and government organizations

statewide tallied 3,336,300 jobs (not seasonally adjusted) compared with 3,506,600 in November 2019, a substantial loss of 170,300 jobs and a 4.9-percent downturn. Year-over-year job losses are never encouraging, but Washington's monthly job loss-rates

have consistently decelerated from minus-10.4 percent in May 2020 to minus-4.9 percent this November – small steps in the right direction.

The Wenatchee MSA's nonfarm labor market netted approximately 100 new jobs in 2019, a 0.3-percent upturn –

considerably less robust than Washington's 2.0-percent growth rate during 2019. In November 2020, total nonfarm employment across this two-county area provided 3,000 fewer jobs than in November 2019, contracting from 46,840 jobs to 43,400, a 6.5-percent abatement. In fact, year-over-year nonfarm job loss-rates across the Wenatchee MSA have "hovered" in the minus-six- to minus-seven-percent range in each of the past four months (August through November 2020).

Employment and unemployment

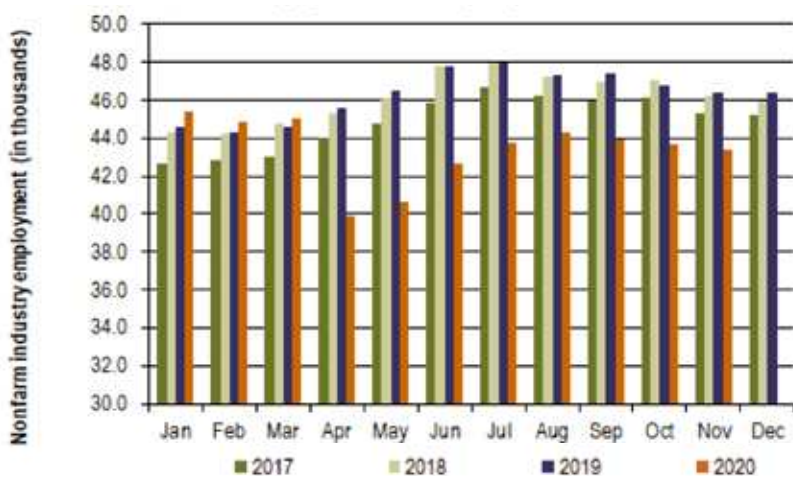
Washington's Civilian Labor Force (CLF) grew by 107,141 residents (a 2.8-percent upturn) from 2018 to 2019. However, year over year labor force growth across Washington cooled noticeably between October 2020 (up 1.3 percent) and November 2020 (down 2.9 percent). Whether this slowdown becomes a trend remains to be seen.

The Wenatchee MSA's CLF grew from 66,879 residents in 2018 to 67,080 in 2019, a

modest 0.3-percent upturn. Preliminary estimates indicate that the local labor force decreased by 2,439 residents between the Novembers of 2019 and 2020, from 65,148 to 62,709 (down 3.7 percent) while the number of unemployed residents in the Wenatchee MSA (Chelan and Douglas counties) jumped

during this timeframe; from 3,164 in November of last year to 4,127 in November 2020, a 30.4-percent increase. Hence, a shrinking labor force coupled with more residents out of work combined to push the Wenatchee MSA's unemployment rate up from 4.9 percent in November 2019 to 6.6 percent this November.

Nonfarm industry employment Wenatchee MSA, January 2017 through November 2020 Source: Employment Security Department/Labor Market and Economic Analysis (LMEA); U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES)



Nonfarm employment in the Wenatchee MSA receded by 6.5 percent between the Novembers of 2019 and 2020.



Donald W. Meseck, Regional Labor Economist
Employment Security Department
Kittitas County WorkSource, 510 N. Pine Street,
Ellensburg, WA 98926
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WENATCHEE BUSINESS JOURNAL'S RESTAURANT GUIDE

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America has lost its soul

President Trump was impeached for the second time last week. Beyond the fact that the action was truly pointless, it is also un-American.

Throughout our history we have stood for fairness. We have held that an individual is innocent until proven guilty. Trump was accused by the media and the House of Representatives of inciting an insurrection that led to an assault on the Capitol Building.

As a 40-year veteran of the news community, I am deeply disappointed in the depth to which our Media has fallen. Their job is to help keep government honest. They are not king makers although they seem to have collectively decided that is their role.

Problem number one with their story is Trump never called on the crowd, estimated to be 250,000, to be violent. In fact, his exact



**IN MY
OPINION**
Bill
Forhan
Publisher

words were, "I know that everyone here will soon be marching over to the Capitol building to peacefully and patriotically make your voices heard."

The national press continues to run the story that Trump inspired the insurrection on the basis that he did call for his supporters to fight for the good of the country. And he outlined numerous election irregularities that Democrats and government insiders rejected as unfounded.

Problem number two is the timeline of the attack on the Capitol and the movement of Trump's supporters toward the Capitol.

Depending on which media source you look at the timeline varies, but the group that was directly in front of the Capitol building was there before Trump made his speech and most likely never heard it.

Again the "main stream" media continues to claim the assault on the Capitol was by angry Trump supporters because they were carrying Trump flags or wearing MAGA hats. Those are pretty thin facts on which to build a case.

Finally, there is new evidence that the breach of the Capitol building was inspired by BLM and Antifa activists. One of the first arrests turned out to be of John Sullivan a BLM activist who was apparently encouraging the crowd to become disruptive.

If you take the time to review the endless list of available videos you can hear individuals in the crowd saying, "we don't do

this s***!" So, the problem with the media portrayal is they are painting all of the crowd as being "right wing radicals." It seems that what we have here is "systemic media bias against conservatives."

It is simply, a lie. While there were undoubtedly some radicals present that morning – both right wing and left wing. They were not all Trump supporters bent on insurrection.

The entire country has been under assault by left wing radicals all summer. Today the left want us all to believe the assault on the Capitol was by out of control Trump supporters without any real investigation of what occurred by whom and for what reason. That is clearly un-American.

Seventy plus million citizens do not believe the results of this election. That is a problem. Unless something is done to address their concerns besides simply claiming they are wrong without

critically examining their complaints will only result in continuing unrest.

I have heard a number of conservatives calling for an armed revolution. I do not support that.

But before we jump on the latest video showing the growing frustrations of the American people, we must find a way to get back to our roots. Roots that call for us to evaluate these emotionally charged events with objectivity and fairness.

Our Federal government is failing us, the American citizens. Their partisanship has caused them to lose sight of their primary responsibility to serve the American people.

There is, however, a process written into our Constitution to deal with this exact problem. Article V allows the people to call for a Convention of States for the sole purpose of amending the US Constitution. It takes 34 state legislatures to pass a bill calling for the Convention of States.

Once called the Convention of States gives each state one vote to approve the measures passed by the Convention. Once the Convention passes their amendments the amendments still require the approval of three fourths of the states, but the Federal Government does not get to debate the amendments. Some of the recommendations being suggested for the COS to consider are Term Limits and a balanced budget. They may also want to consider Constitutional rules governing elections.

Our system is badly broken. The result is a growing distrust among all Americans that will only continue to fester like a bad sore. We owe it to each other to make sure the World's only government of the people, by the people and for the people remains so.

If you want to know more about the Convention of States you can find it at <https://conventionofstates.com/>

Bitter fruit: COVID-19 crisis grows for guest workers

The recent announcement by the Washington State Department of Labor and Industries (L&I) of a \$2 million-plus dollar fine levied against Gebbers Farms for violations related to guest worker deaths during the COVID-19 pandemic is setting off alarm bells within the agriculture community.

With thousands of guest workers waiting at the gate for the first quarter of the 2021 season, farmers are fearing the fallout if state COVID-19 emergency rules are not modified to prevent a shortage in an already tight labor supply. The fact that L&I is poised to punish violators for failing to adhere to halved housing occupancy rates and other



Mike
Maltais
WBJ Staff
Writer

protocols put in place in 2020 fails to factor in advances – like vaccines – that improve the prospects of protection and safety measures.

It does not help matters that Washington state became the poster child for the novel coronavirus when the first case on U.S. soil was reported here one year ago on Jan. 21. Fast forward 12 months, nearly 300,000 COVID-19 cases, and 4,065 deaths later – 45 of those

in Okanogan County – and you begin to appreciate the problem. We do not have a template in place to pilot us through this storm. The economic stress on citizens and businesses builds toward critical mass on the one hand while our over-taxed medical emergency personnel struggle under the caseload on the other. So far there has been no remedy for the present crisis that does not hurt some segment of the public. That includes the peripheral group that comprises the front line of our food industry.

The near-miraculous speed under which researchers have developed several vaccines to combat the plague offers the best

hope of slowing down the spread of the virus. However, at this writing the new cases diagnosed are growing faster than the vaccination rate of citizens.

The state has adopted a cautious and conservative approach under the current Healthy Washington – Roadmap to Recovery plan. As of this writing the entire state remains under Phase 1 through Jan. 28. Washington is among the five remaining states – California, Oregon, Hawaii, New Mexico, and the District of Columbia (Washington,

D.C.) – that has yet to allow high school sports this year.

Agricultural groups including the Washington Farm Bureau and the Washington State Farm Labor Association (WAFLA) are asking the state Department of Health (DOH), L&I, and the governor to revisit renewed COVID-19 rules.

The groups want the state to prioritize testing and vaccinations of guest workers to reflect the improved science and understanding of COVID-19 since the rules were first enacted May 2020.

The regulations as they stand limit farmworker housing facilities to 50 percent occupancy even after the workers are vaccinated which appears to run counter to getting farms back on the road to normal operations.

The dual goal here should be to protect the crucial first link in our food supply chain – farm worker health – and still allow farmers to remain in business. It is a tightrope to walk but one the state needs to address while there is still time to do so.

BUSINESS TERM OF THE MONTH

Ebitda



A type of operating profit. Ebitda stands for earnings before interest, tax, depreciation and amortisation.



GARY BÉGIN/WBJ

WinCo opens soon!

WinCo will open "soon" at 1340 N. Wenatchee Ave.



2021 expected to be profitable for Northwest agricultural commodities

Submitted by NWFC

SPOKANE – Northwest Farm Credit Services, the Northwest’s leading agricultural lending cooperative, has released its quarterly Market Snapshot reports covering the state of major agricultural commodities in the region. Northwest FCS teams throughout Idaho, Montana, Oregon and Washington monitor conditions and report outlooks for commodities financed by the co-op. All Market Snapshots are posted online at *Industry Insights*.

Northwest FCS’ 12-month outlook for the agricultural commodities most common in the Northwest are summarized below.

Hay

The 12-month outlook for the hay industry calls for slightly profitable returns. In 2021, the hay market will focus on modestly optimistic fundamentals. A weaker dollar favors exports, and higher prices for protein substitutes, like soybean meal, will provide tailwinds to hay producers.

Tree Fruit

Apples – Apple growers can expect to see slightly profitable margins. A smaller crop and solid demand should increase prices. However, several quality issues have challenged growers this season. Quality will be a key driver of individual growers’ profits.

Cherries – Overall, profitable margins are anticipated for cherry growers. Reduced supply coupled with strong domestic demand helped sustain high pricing, which will translate into strong margins for growers. However, those with measurable losses in tonnage may not have had enough fruit to capture returns and will be reliant on crop insurance.

Pears – The 12-month profitability index forecasts slightly profitable returns for pear growers. Although demand has been lackluster the last few years, increased pricing indicates demand may be finding some higher ground. Good quality will also increase growers’ returns.

Wheat

The outlook calls for slightly profitable returns for wheat growers. The USDA’s projected 2020-21 season average farm price for all-wheat is \$4.50 per bushel. Current markets are showing a higher average of \$4.70 to \$4.80 per bushel from the 2019-20 season. High yields and government payments will partially offset otherwise break-even wheat prices.

Wine/Vineyard

Slight profits are expected for both vineyards and wineries, although it’s a mixed bag for both. Lower grape yields and bulk wine supplies should support improved grape markets, but fundamental oversupply issues remain. Some wineries in the retail and direct to consumer channels are having record sales; however, wineries reliant on tasting rooms, events or other in-person sales are left with limited options to generate revenue.

Editor’s Note: Northwest FCS has an office in Wenatchee on Chester Kimm Road, Olds Station.

About Northwest FCS

Northwest FCS is a \$13 billion financial cooperative providing financing and related services to farmers, ranchers, agribusinesses, commercial fishermen, timber producers, rural homeowners and crop insurance customers in Washington.

Northwest FCS is a member of the nationwide Farm Credit System that supports agriculture and rural communities with reliable, consistent credit and financial services. For more information, go to northwestfcs.com.

Market Summary

By Lawry Knopp
VP-Funding & Hedging

Market hopes of more fiscal stimulus and availability of a vaccine in 2020 have been realized with the recent passage of a \$900 billion COVID-19 relief spending bill and multiple pharmaceutical companies receiving FDA approval to begin administering COVID-19 vaccines.



Lawry Knopp

These developments have improved the outlook for continued economic growth in 2021 and fueled the runup in the major U.S. equity indexes to record highs, while longer term interest rates have moved higher. Look for oil prices to trend higher on the improved outlook while the dollar continues to slide on weaker demand for the safer assets.

In early December, the European Central Bank increased its emergency bond-buying program, which pushed the ECB’s monetary stimulus program in 2020 to over 3 trillion euros. Total assets held by the ECB now top 7 trillion euros.

There is fear that the eurozone economy contracted during Q4-2020 on new restrictions aimed at controlling COVID-19 and the prospect for 2021 growth is weaker than expected. Globally, total assets for the major central banks is around \$28 trillion.

Brexit appears to be headed for approval as Britain seeks to retain sovereign control over its laws and regulations, while establishing a new set of processes for trade and cooperation with the European Union. The agreement removes constraints of the EU from U.K. law making, policy and regulations.

“... developments have improved the outlook for continued economic growth in 2021 and fueled the runup in the major U.S. equity indexes to record highs.”

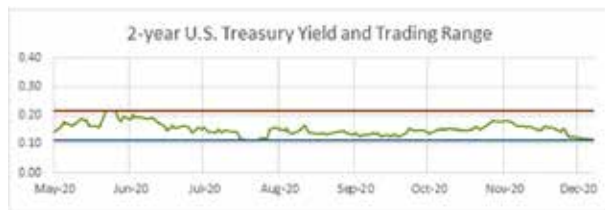
Interest Rates Review

U.S. Treasury Yields

With Federal Reserve monetary policy expected to be on hold for the next two to three years, look for the 2-year U.S. Treasury yield to remain below 0.35% for most of 2021.

The yield is near the low-end of its recent trading range of 0.11-0.23%. On Dec. 4, 2020, the 10-year yield rose to 0.97%, which expanded its trading range to 0.51-0.97%.

Look for the 10-year trading range to increase by 25 basis points during the first half of 2021 and potentially another 25 basis points for the second half of the year as inflation becomes a concern. A year ago, the 10-year was yielding 1.55%.



Economic Highlights

Economic Growth

Gross Domestic Product: The economy experienced record growth during Q3 following the greatest decline in Q2. Consumer spending led gains as lockdowns were eased and the full impact of over \$2 trillion in fiscal stimulus, including additional unemployment benefits and paycheck protection legislation, greatly benefited consumers.



The Third Estimate of Q3-GDP indicated growth was slightly better than initially reported.

Markets were buoyed by the passage of a second fiscal relief package totaling \$900 billion, which included a one-time \$600 direct payment to Americans.

The Trump administration believed payment proposed by the legislation should be increased to \$2,000.

In last-minute legislation, the House voted to approve sending \$2,000 payments to Americans the day after President Trump signed the COVID-19 relief bill into law.

However, the \$2,000 payment legislation may have difficulty getting passed by the Senate.

Passage of the additional COVID-19 relief spending should provide a boost to Q1-2021 GDP, now projected to be 2-4%. Estimates for Q2-2021 GDP growth range from 5-7% with GDP growth for the second half of 2021

ranging from 3-5%. Housing and business spending should continue to be supportive of economic activity.

Efforts to reopen businesses, to rejuvenate job growth, would also be significantly beneficial to the economy. Looking into 2022, we may see the pace of economic activity slow as fiscal spending tailwinds start to dissipate.

The impact of the coronavirus on world populations and economies has been devastating.

Furthermore, the extreme monetary policy measures and fiscal spending is a growing concern going forward as markets and financial systems contend with unprecedented levels of debt and currency debasement.

	Q3-2020 3 rd Est.	Q3-2020 2 nd Est.	Q3-2020 Adv.	Q2-2020	Q1-2020	Q4-2019
Real GDP	33.4%	33.1%	33.1%	-31.4%	-5.0%	2.4%
Personal Consumption	41.0%	40.6%	40.7%	-33.2%	-6.9%	1.6%
Business Investment	22.9%	21.8%	20.3%	-27.2%	-6.7%	-0.3%
Residential Investment	63.0%	62.3%	59.3%	-35.5%	19.0%	5.8%
Inventory Change	\$283	\$283	\$286	-\$206	-\$80	-\$45
Net Exports	-\$244	-\$241	-\$236	\$13	\$74	\$89
Government Spending	-4.8%	-4.9%	-4.5%	2.5%	1.3%	2.4%
Nominal GDP	38.3%	38.0%	38.0%	-32.8%	-3.4%	3.9%

Consumer Inflation

The year-over-year consumer price index remains below pre-COVID-19 levels. For November, overall prices were up 1.2% compared to a year ago with core inflation up 1.6%. Core inflation excludes volatile food and energy components. Higher prices for food (+3.7%) and used vehicles (+10.9%) are being offset by lower prices for gas (-19.3%), apparel (-5.2%) and transportation (-3.4%), which includes airfares. While prices for services are rising at a 1.7% rate, prior to the COVID-19 outbreak, services were running closer to 3%.

Look for inflation to gradually trend higher to around 2.5% by mid-2021, as low readings from the start of the pandemic fall out of the year-over-year average calculation and fiscal spending spurs economic growth on stronger consumer spending.



Apples



Market snapshot December 31, 2020

Executive Summary

Drivers for the Northwest apple industry include a smaller Northwest crop, export challenges and solid domestic demand.

- The Dec. 1 crop estimate reduced the crop 9% from the Aug. 1 estimate.
- Export markets are improving but remain down overall.
- Strong domestic demand is driving an above average shipping pace.

Northwest FCS' 12-month outlook anticipates slight profit margins for apple growers. A smaller crop, improving export markets and solid domestic demand have improved pricing. However, quality and size are reducing packouts (the amount of fruit packed into a box from a bin to be sold on the fresh market); lower packouts combined with lower yields result in reduced grower returns.

12-Month Profitability Outlook



Supply

The Dec. 1 WSTFA Storage Report, the first official estimate after harvest, reports the fresh apple crop at 122 million boxes, 9% lower than both the Aug. 1 estimate of 134 million boxes and 2019's 134-million-box crop.

Growers anticipated the decline due to severe weather events, including wind, early freezes and wildfire smoke that impacted production levels and fruit coloring. However, late-season varieties such as Envy, Pink Lady and Fuji were not as impacted as first anticipated and growers were able to harvest more fruit than expected. Still, color, quality and size remain an issue. Packouts will be below average for the 2020 crop.

Demand

As of Dec. 1, the 2020-21 crop shipment pace was ahead of the three previous years' crops in terms of percentage of

crop shipped. The crop left to be shipped was only slightly ahead of the 2018-19 similarly sized crop.

Domestic Market

Retail demand has remained strong through the pandemic. With fewer trips to the store, consumers are buying larger quantities. Apple sales have benefited given their extended shelf life compared to other fruit choices.

Apple Crop Shipments

	Shipped to Date	Remaining in Storage	% of Crop Shipped
2020-21	28,927	92,808	23.8%
2019-20	30,402	107,766	22.6%
2018-19	26,217	91,624	22.3%

Source: WSTFA Dec. 1 Storage Report.

Consumers are also buying bagged fruit more frequently, which typically results in the shopper purchasing more fruit compared to when they purchase by the piece.

USDA food-purchasing programs to supply food banks also bolstered domestic sales.

Export Market

Mexico, the largest U.S. export market, had experienced a nearly 30% devaluation of the peso compared to the dollar at the pandemic's beginning. This devaluation contributed to weak exports at the season's start. In the October and November WSTFA Export Reports, exports to Mexico were down 23.5% and 11.4% year over year respectively. Still, since May the value of the peso strengthened against the dollar and now the dollar is only 10% stronger than pre-pandemic levels.

Mexico is responding to its improving purchasing power by catching up on imports of U.S. apples, down only 3.6% compared to last year in the WSTFA December Export Report. Mexico's 2020 domestic crop is light, which could also help increase U.S. exports.

Positive effects from July's United States- Mexico-Canada trade agreement could also be a factor in improving Mexican exports.

Total exports remain down 22.6% compared to last year, which is likely due to a smaller crop and logistical disruptions resulting from the pandemic.

Pricing

Spot pricing for the 2020-21 crop is stronger than last season's due to the smaller crop size. As crop supplies dwindle through the marketing year, pricing could improve.



However, marketing desks entered into ad campaigns during the summer when a 134-million-box crop was anticipated, resulting in lower pricing. Ad campaigns are now expiring, but three months of selling fruit at lower prices to some of the largest retailers will create headwinds to the season's pricing.

Apple Crop Shipments

	Shipped to Date	Remaining in Storage	% of Crop Shipped
2020-21	28,927	92,808	23.8%
2019-20	30,402	107,766	22.6%
2018-19	26,217	91,624	22.3%

Source: WSTFA Dec. 1 Storage Report.

Profitability

A smaller crop and solid demand will keep pricing above last year's level. However, quality, color and size issues will reduce packouts and growers' returns. Plus, higher production costs due to COVID-19 protocols will dampen the effects of increased pricing.

Additional Information

- Northwest FCS Business Management Center www.northwestfcs.com/Resources/Industry-Insights
- USApple Association www.usapple.org
- USDA Agricultural Marketing Service www.ams.usda.gov
- Washington State Tree Fruit Association www.wstfa.org

Employment

U.S. unemployment continued to improve in November, while job growth was modest. The unemployment rate declined 0.2% to 6.7% as household employment fell by 74,000 and the labor force shrank by 400,000. While year-over-year (yoy) average hourly earnings remain strong, recent monthly gains have been modest with the increase over the past three months averaging 1.8%. Look for the jobless rate to gradually improve, working its way down to around 6% by this time next year. Growth in nonfarm payrolls continue to moderate and bears watching as only 12 million of the 22 million jobs lost in the initial shutdowns from March to April have been recovered thus far.

	Nov-20	Oct-20	Sep-20	Aug-20	Jul-20
New Nonfarm Payrolls	245k	638k	672k	1493k	1761k
Unemployment Rate (U-3)	6.7%	6.9%	7.9%	8.4%	10.2%
Unemployed (min.)	10.7	11.1	12.6	13.6	16.3
Civilian Labor Force (min.)	160.5	160.9	160.1	160.8	159.9
Not in Labor Force (min.)	100.6	100.1	100.6	99.7	100.5
Part-time for Econ Reasons	6568k	6565k	6224k	7468k	8382k
Average Hourly Earnings (yoy)	4.4%	4.5%	4.6%	4.6%	4.6%
Unemployment Rate (U-6)	12.0%	12.1%	12.8%	14.2%	16.5%

Monetary Policy

At the Dec. 16 Federal Open Market Committee meeting, policymakers decided to keep the target range for the federal funds rate at 0.0%-0.25%. Monetary policy rates are expected to be relatively unchanged for the next couple years as the Federal Reserve operates under its new "flexible average inflation targeting" (FAIT) regime.

The Fed's dual policy mandate of stable prices and maximum sustainable employment will remain the focus for policymakers. The FOMC "will aim to achieve inflation moderately above 2% for some time so that inflation

averages 2% over time," and inflation expectations are well anchored at 2%.

The FOMC reiterated its commitment to quantitative easing by saying holdings of Treasury securities will be increased by \$80 billion per month and agency mortgage-backed securities by \$40 billion per month until "substantial progress has been made toward the Committee's maximum employment and price stability goals."

Scheduled changes to the make-up of the committee are expected to be more supportive of accommodative monetary policy. The FOMC consists of 12 members—the seven members of the Board of Governors of the Federal Reserve System; the president of the Federal Reserve Bank of New York, currently Jerome Powell; and four of the remaining 11 Reserve Bank presidents, who serve one-year terms on a rotating basis. The four Fed presidents rotating on to the committee for 2021 are viewed as being more "dovish" or less likely to support tightening monetary policy, compared to the four presidents that will roll off the committee.

In response to the start of the COVID-19 outbreak in February and March, the FOMC dropped the federal funds rate range by 150 basis points in March with two rate cuts. The next FOMC meeting is Jan. 26-27.

	12/16/2020	11/5/2020	9/16/2020	7/29/2020	6/10/2020
Federal Funds Target Range	0.0-0.25%	0.0-0.25%	0.0-0.25%	0.0-0.25%	0.0-0.25%

View on Interest Rates

Look for the Fed to keep policy rates at the current level for the next two to three years, provided inflation remains within the Fed's new strategic framework. Their

efforts will continue to focus on providing support to the financial markets through purchases of both public and private debt and loan guarantees. Due to the Fed's level of quantitative easing, longer term rates are expected to remain extremely low.

The 2-year yield will likely remain below 0.35% for most of 2021. The 10-year yield trading range is expected to be 0.50%-1.25% for the next two to three quarters.

Recent news of an agreement by Congress and President Trump on fiscal stimulus spending prior to year-end and a vaccine in early 2021 has pushed longer term interest rates higher. Nevertheless, the recent surge in cases added greater uncertainty to the outlook, as increased restrictions are being implemented on a state-by-state basis. If the outlook for recovery becomes less certain, credit, lending and equity markets could experience another round of extreme volatility as the economic narrative turns toward discussion of a double-dip recession.

Impact to Northwest FCS

Market volatility has subsided significantly over the past several months as the U.S. economy and markets seek a return to normal operations. The threat to the economy remains real, but market participants have been able to acclimate to working from home and other remote operation protocols. Northwest FCS has been able to meet customer needs through the challenges of the outbreak and expects to continue doing so as people deal with the dynamics of COVID-19. The Association remains watchful for potential threats that may arise as government officials work to mitigate the effects of COVID-19 and keep people safe.



Pears

Market snapshot December 31, 2020

Executive Summary

Drivers for the pear industry include slow shipments, good quality and strong pricing.

- Shipments are behind typical levels for this time of year, mostly due to lower exports.
- Quality is high, which will boost returns to growers.
- Year-over-year pricing is much improved.

Northwest FCS' 12-month profitability outlook sees slight profits for growers. Although exports are slowing crop movement, domestic demand remains stable. Great quality and favorable prices should result in decent returns for growers.

12-Month Profitability Outlook



Supply

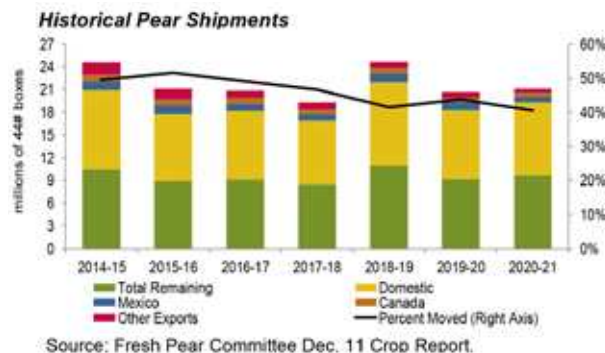
The crop is nearly identical to the 2019-20 crop. At 16.3 million 44-pound boxes, the 2020-21 crop is only 0.2% smaller than the previous year according to the Dec. 11 Pear Crop Report from the Fresh Pear Committee. Strong quality is leading to high packouts and normal crop shrinkage is expected during the rest of the marketing season.

Demand

As of the Dec. 11 crop report, only 40.5% of the crop had been shipped, the slowest pace on record. Last year's similarly sized crop had shipped 43.7% of the crop at this point in the season. Weak exports are driving slow shipping while domestic demand stays stable.

Compared to last year, exports are down 21.2% according to the WSTFA December Export Report. Per the Fresh Pear

Committee Crop Report 13, only 10.9% of the total crop has gone to export markets compared to 14.5% at this point last season.



Mexican Exports

Pear exports to Mexico are down 22.2%, which is responsible for 42.2% of the fruit's overall reduced export volume. Because a stronger dollar makes U.S. goods more expensive, currency disruptions related to economic uncertainty from the pandemic are likely responsible for soft Mexican demand. At the beginning of the pandemic the dollar strengthened compared to the peso, increasing nearly 30%. The dollar has weakened against the peso slowly but remains elevated over pre-pandemic levels.

Pricing

This season's pricing started out exceptionally strong. Pricing has since softened a bit, especially for D'Anjou, but remain above last season's levels.

Price increases are being driven by strong quality, good

Season to Date Pear Prices, \$/ton

	Dec. 6, 2020	Dec. 8, 2019	% Change
D'Anjou	26.26	23.04	13.98%
Bartlett	30.08	25.44	18.24%
Bosc	30.72	28.13	9.21%

Source: Washington State Tree Fruit Association, Summary Bulletins.



domestic sales and focus on favorable marketing. Domestic sales can capture higher prices than export markets.

Also, after several years of low demand and tough grower returns, the Fresh Pear Committee, the industry's leading marketing organization, has stepped up efforts to improve consumers' pear-eating experiences.

Profitability

For the first time in a handful of growing seasons, pear growers are optimistic they'll see positive returns. Government assistance programs, such as the Paycheck Protection Program and the Coronavirus Food Assistance Program, have helped offset losses some experienced over the last few years. Good quality is leading to high packouts (amount of fruit packed into a box from a bin after poor) quality fruit is removed), which compound higher prices to increase growers returns. However, operational costs continue to rise, cutting into growers' margins. Although growers are excited to see positive returns this season, they are expected to be slight.

Additional Information

Northwest FCS Business Management Center
www.northwestfcs.com/Resources/Industry-Insights
 USA Pears www.usapears.org
 USDA Agricultural Marketing Service www.ams.usda.gov
 USDA National Agricultural Statistics Service www.nass.usda.gov
 Washington State Tree Fruit Association www.wstfa.org

Wine/Vineyard

Market snapshot December 31, 2020



Executive Summary

Drivers for the wine/vineyard industry include smoke impacts, balancing of bulk supply and pandemic-related shutdowns continuing to impact sales channels.

- Wildfire smoke impacted the California, Oregon and Washington 2020 crops.
- Low yields, smoke damage and increased sales have begun to right-size bulk inventory across the industry.
- Renewed shutdowns continue to benefit wineries with retail distribution.

Northwest FCS' 12-month outlook expects slight profits overall for vineyards and wineries, though profitability varies. In general, growers' revenues will be negatively impacted by lower yields and smoke damage. However, balancing of bulk supply and increased demand is pushing up bulk wine prices. Off-premise retail sales continue to rise,

benefiting wineries with an established retail presence and distributor relationships. On the other hand, wineries reliant on foot traffic and tasting room sales are struggling.

Supply

Grapes

Yields were estimated down 20%-30% and wildfires across the West further reduced grape supply. California and Oregon grape growers received smoke-taint test results and impacts were generally not as prevalent as feared.

Many California vineyards in heavily affected areas, Napa and Sonoma, are not writing off the crop as a lost vintage. Nevertheless, some Napa and Sonoma wineries have opted to not produce a 2020 vintage for fear of negatively impacting their reputation if grapes develop a smoky flavor during fermentation. These heavily impacted areas are not the largest California wine-producing regions.

Oregon experienced more widespread wildfires than Washington through the growing season. Vineyards closest to the fires were not able to sell many, if any, grapes. Yet the majority of vineyards were able to market grapes and only a few wineries have reported skipping a 2020 vintage. In Washington, although fires covered less acreage, smoky skies limited photosynthesis, affecting ripening.

Wine

Excess supply of bulk wine has reduced after record off-premise sales early in the pandemic led larger wine brands to purchase bulk product. The large wildfires in California and Oregon prompted some California wineries to switch

12-Month Profitability Outlook



to Northwest bulk inventory while smoke-taint uncertainty remained strong. Reduced yields and increased bulk wine sales have bulk supplies shifting from an oversupply to a balanced position.

Demand

COVID-19 cases are surging again across the country, and the restaurant industry continues to see instability due to mandated closures. Chicago was the first major city to reimplement indoor dining closures and many others followed suit including Washington and Oregon. Winter temperatures have many restaurants and tasting rooms fearing they will not be able to offer a functional outdoor dining site. Wineries heavily dependent on tasting room revenues will continue to struggle.

Idaho wineries are experiencing an anomaly. With restricted travel many locals are getting out of the house by flocking to wine tasting rooms and visitation is setting records. However, wineries' earning potential is limited by the reduced-capacity mandates they must follow. Retail, direct-to-consumer (DtC) and online wine sales have continued to outpace yearly averages. DtC shipments are experiencing the typical holiday surge and sales are up 19% in volume compared to last year. Retail sales have seen a 10% increase in volume from last year. Smaller winer- ➤➤

Hay



Market snapshot December 31, 2020

Executive Summary

Drivers for the hay industry include a weakening dollar, trade disruption and weather.

- California drought and higher corn and soybean meal prices will drive increased domestic use of hay.
- A weaker dollar will provide tail winds to hay exports.
- Shipping disruptions will create uneven demand for export hay.

Northwest FCS' 12-month outlook for the hay industry calls for slightly profitable returns. Hay producers are expected to be profitable in 2020. In 2021, the hay market will focus on modestly optimistic fundamentals.

A weaker dollar favors exports and higher prices for protein substitutes such as soybean meal will provide tailwinds to hay producers.

12-Month Profitability Outlook



Northwest Situation

In the Washington-Oregon Columbia Basin, mild winter weather has eased hay demand from cow/calf and dairy producers. Low quality alfalfa is trading around \$150 per ton while good to premium alfalfa is trading around \$175 to \$180 per ton.

Timothy markets have slowed with the USDA not reporting any sales of premium timothy since September. Fair quality timothy in 3x4 big bales is trading between \$125 and \$165 per ton. Similar hay in three-string bales is trading at a discount around \$100-\$115 per ton. Three-string bales are often sold to domestic retail or export markets. Without demand for "value" export hay there is little demand for low quality timothy.

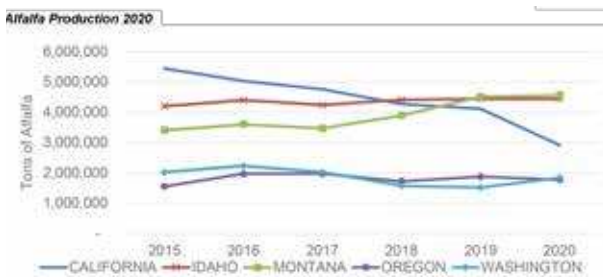
In Idaho, premium alfalfa is trading around \$180 per ton, slightly under \$1 per RFV point. Fair to good hay prices are around \$140 per ton. Hay prices eased from November to December as dairies completed end-of-year hay purchases.

The USDA drastically reduced soybean inventory estimates over the last half of 2020.

Significantly lower ending stocks have bolstered soybean prices, up 23% year over year. Soybean meal ending stocks are expected to increase. Yet, the average price of soybean meal is forecast to rise \$70 per ton to \$370, also up 23%. Soybean meal and alfalfa hay are partial protein substitutes in cattle rations. Higher soybean meal prices will provide tailwinds to hay prices.

In Montana, alfalfa/grass prices per ton range from \$90 for fair quality to \$130 for premium quality hay. Grass hay is selling for \$85-\$125.

Dry conditions in southeastern Montana are drawing hay from central Montana to fill the void left by drought and



grasshoppers. Demand in the Oregon-California Klamath Basin is on the rise. Pasture conditions in the California foothills are poor. Dry weather is driving beef producers to buy more fair quality hay.

In some instances, beef producers are outbidding dairy producers for hay supplies. Hay from the Northwest, especially Oregon, will begin to move south. Compounding the problem in California, alfalfa production continues to decrease at an accelerating rate. California produced under 3 million tons in 2020, the lowest since 1935 and down 64% since the peak in 2002.

Dollar



The U.S. dollar is weakening against major hay trading partners including Japan, China and South Korea.

Multiyear lows in exchange rates favor dairy, beef and hay exports from the U.S. West Coast to Asia. This will provide tailwinds going into 2021.

US Alfalfa Exports

Destination	Jan.-Oct. 2019	Jan.-Oct. 2020	Difference (metric tons)	Percent Change
China	679,035	983,250	304,212	45%
Japan	556,959	514,891	(42,106)	-8%
Saudi Arabia	383,301	280,880	(122,421)	-32%
South Korea	196,03	188,244	(7,790)	-4%
United Arab Emirates	248,383	142,584	(105,799)	-43%
Taiwan	61,480	79,047	17,567	29%
Canada	42,047	32,681	(9,366)	-22%
Other	30,499	65,974	35,475	116%
Total	2,197,761	2,287,551	69,790	3%

US Grass Exports

Destination	Jan.-Oct. 2019	Jan.-Oct. 2020	Difference (metric tons)	Percent Change
Japan	631,905	673,052	41,147	7%
South Korea	278,319	287,256	(11,053)	-4%
Taiwan	109,075	95,881	(13,214)	-12%
United Arab Emirates	47,252	27,419	(19,833)	-42%
China	16,636	23,305	6,669	40%
Canada	16,269	9,685	(6,584)	-40%
Other	22,715	17,793	(4,922)	-22%
Total	1,122,171	1,114,371	(7,800)	-1%

Source: U.S. Census Bureau, Dec. 10, 2020.

Alfalfa Guidelines for Domestic Livestock Use and Not More than 10% Grass

Quality	ADF	NDF	RFV*	TDN** (150%)	CP
Supreme	<27	<34	>185	>62	>22
Premium	27-29	34-36	170-185	60.5-62	20-22
Good	29-32	36-40	150-170	58-60	18-20
Fair	32-35	40-44	130-150	56-58	16-18
Utility	>35	>44	<120	<56	<16

*Relative Feed Value calculated using the Wisconsin/Minnesota formula. **Total Digestible Nutrients calculated using the Western formula. Quantitative factors are approximate; many factors can affect feeding value. Values based on 100% dry matter. Guidelines are to be used with visual appearance and intent of sale (usage). Source: USDA Agricultural Marketing Service.

Exports

Shipping challenges continue. The value of containers shipped east from Asia to the U.S. West Coast has increased significantly. The increased price differential between eastbound and westbound container values is driving shipping companies to send containers back to Asia empty. Without available containers, bookings for hay exports have been canceled. Port congestion is a widespread problem in many exporting countries including Australia.

Universal port congestion helps to level the export playing field. Supplies of exportable hay in Australia tightened unexpectedly. Widespread rains during harvest lowered quality. In western Australia, yields were slightly below average after two years of extreme drought. In eastern Australia damage was widespread. Export constraints and limited supply from Australia will provide tailwinds to Northwest timothy export prices as long as exporters can find shipping capacity.

Alfalfa exports to China have partially recovered after two years of trade war and associated tariffs, up 45% year over year. Exports to the Middle East eased but were offset by recovery in Chinese exports. Total alfalfa exports are up 3% January to October.

Grass hay exports slowed 1% January to October. Japan increased imports 7% while South Korean imports decreased 4%. China's imports of grass hay increased 40% but remain a small portion of the market.

Grass hay exports to China still comprise warmseason grasses from the Pacific Southwest.

Timothy trades to China have been confirmed, but the market remains undeveloped.

Additional Information

- Northwest FCS Business Management Center www.northwestfcs.com/Resources/Industry-Insights
- Hay & Forage Grower www.hayandforage.com
- USDA Livestock and Grain Market News <https://www.ams.usda.gov/market-news>
- Progressive Forage www.progressiveforage.com
- USDA Hay Reports <https://www.ams.usda.gov/market-news/hayreports>
- Australian Fodder Industry Association <https://www.afa.org.au/>
- The Hoyt Report <http://thehoystreport.com>

Wineries have taken the hardest hit from the pandemic with limited opportunities to sell in big-box stores. Creativity and distribution models matter more than ever as wineries must find a way to get wine to 1 Consumption happens at the site of sale, e.g., restaurants and tasting rooms consumers. This is an important sales season and it could be bolstered by another round of pantry stocking as closures reoccur.

Pricing

Although on-premise sales declined 41% year over year, according to Nielsen they continue to make up the bulk of wine sales by value at 37% but only 16% of volume. Pandemic-related shutdowns continue to drive consumers to larger retailers over individual tasting rooms to buy wine, resulting in off-premise sales making up 45% of sales in volume and 23% in value. Off-premise sales volumes grew 10% year over year.

According to Wine Analytics, despite higher price-point wines faring well early in the pandemic, consumers are now

opting for more moderately priced wines at the retailer. Higher priced wines are likely being purchased through e-commerce and DtC. As evidence, DtC sales value is up 8% in November over the previous year. Overall, the value of U.S. wine sales is down 6% year over year, driven by on-premise declines.

Profitability

Vineyards

Growers with established contracts and sales relationships will likely continue to see profitable returns while uncontracted growers remain at risk of not finding a home for their grapes. However, with reduced yields and grape rejections due to smoke taint, some wineries may be looking to make additional grape purchases.

Growers that experienced large losses due to smoke exposure have little hope of recovering losses.

However, crop insurance will help mitigate losses as growers whose grapes were rejected due to possible smoke

taint, benefited from proactive claim placements and testing.

Wineries

Profitability for wineries remains mixed as the supply and demand dynamics of 2020 and pandemic buying habits have not impacted all wineries equally. Off-premise sales saw a significant jump this year as a result of stay-at-home orders and shutdowns. For wineries with established distribution channels and a strong off-premise sales presence, sales are strong. On the flip side, smaller wineries with more reliance on tasting room traffic have not fared as well. Creativity, shifting sales strategies and managing profit margins will be key to profitability in this segment of the industry.

Additional Information

- Northwest FCS Business Management Center www.northwestfcs.com/Resources/Industry-Insights
- Idaho Wines <https://wine.idaho.gov/>
- Oregon Wine Center www.oregonwine.org
- ShipCompliant www.shipcompliant.com



Wheat

Market snapshot December 31, 2020

Executive Summary

Drivers for the wheat and pulse industry include high supplies, limited alternative crop options and trade.

- A post-harvest price rally incentivized producers to market wheat.
- Drought in the southern Plains will provide headwinds to Midwest wheat production.
- Despite higher global production and inventory, prices remain favorable.

12-Month Profitability Outlook



Northwest FCS' 12-month outlook calls for slightly profitable returns. USDA's projected 2020-21 season-average farm price for all-wheat is \$4.70 per bushel, where current markets are showing a higher average of \$4.70-\$4.80 per bushel from the 2019-20 season. Active marketing for the 2020 and 2021 crop will favor producer returns.

Northwest Situation

A bumper crop, 20%-30% above average, favored producer returns. As harvest came to an end an unseasonal price rally drove producers to actively market the 2020 crop.

Additionally, anecdotal reports suggest producers have also sold a larger portion of the 2021 crop than they normally would this early in the production cycle. This comes as widespread volatility spurred producers to lock in profitable returns.

As producers marketed wheat, grain cooperatives accelerated merchandising. Cooperatives were likewise able to sell older crop wheat profitably and sell new crop recently purchased from producers into a rising market. Northwest cooperatives are taking advantage of market incentives by

holding grain for export until spring.

The La Niña weather pattern continues to funnel precipitation from the north Pacific into the Northwest. The absence of southerly "pineapple express" weather patterns has left much of the Southwest and southern Plains dry. These weather trends will favor winter wheat yields across most of the northwest. Hard red winter (HRW) wheat production in the southern Plains will face headwinds.

Pulse Crops

Higher soybean prices in China are driving demand for alternative protein sources. This comes as India, historically the largest U.S. pea buyer, increased tariffs. Higher tariffs in India and increasing demand in China will shift U.S. pea exports to China.

National

The outlook for 2020-21 U.S. wheat is for slightly smaller supplies, higher exports, and lower ending stocks. Lower imports will reduce supplies 5 million bushels. Exports are expected to increase 10 million bushels to 985 million as higher white wheat exports are partially offset by lower HRW exports. Sales and shipments of white wheat have been robust this marketing year to several East Asian countries. Conversely, HRW exports have slowed. Ending stocks are down 16% from last year.

Lower HRW exports follow as ending stocks of HRW are significantly lower year over year.

While relatively small, the increase in white wheat inventory is attributed to higher soft white winter wheat production in the Northwest.

World Outlook

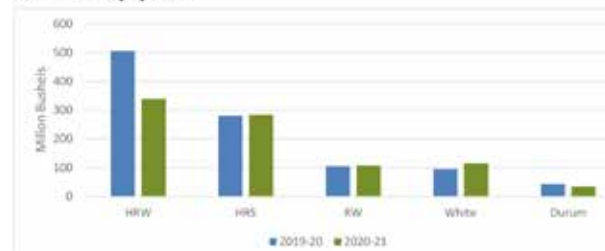
The USDA projects 2020-21 global wheat stocks to increase slightly. Increased consumption and higher exports will offset lower stocks. Global supplies are projected to grow to a new record of 773.7 million tons.

Australian crops were larger than expected and have driven expectations of larger global inventory. The USDA reports increasing production in Australia, Canada, and Russia. All three have their second largest wheat production on record.

Consumption and trade have also increased by 750 million tons due to higher feed and residual use from Australia,



Wheat Inventory by Class



Source: World Agricultural Supply and Demand Estimates, Dec. 10, 2020

US Wheat Supply and Use

	2019-20 estimate	2020-21 projected	% change	Direction
Area planted	45.5	44.3	-3%	↓
Area harvested	37.4	36.7	-2%	↓
Yield	51.7	49.7	-4%	↓
Beginning Stocks	1,080	1,028	-5%	↓
Production	1,932	1,828	-5%	↓
Imports	105	120	14%	↑
Total Supply	3,117	2,974	-5%	↓
Total Domestic Use	1,123	1,127	0%	↔
Exports	965	965	2%	↔
Total Use	2,089	2,112	1%	↔
Ending Stocks	1,028	862	-16%	↓
Avg. farm price (\$bu)	\$4.50	\$4.70	3%	↑

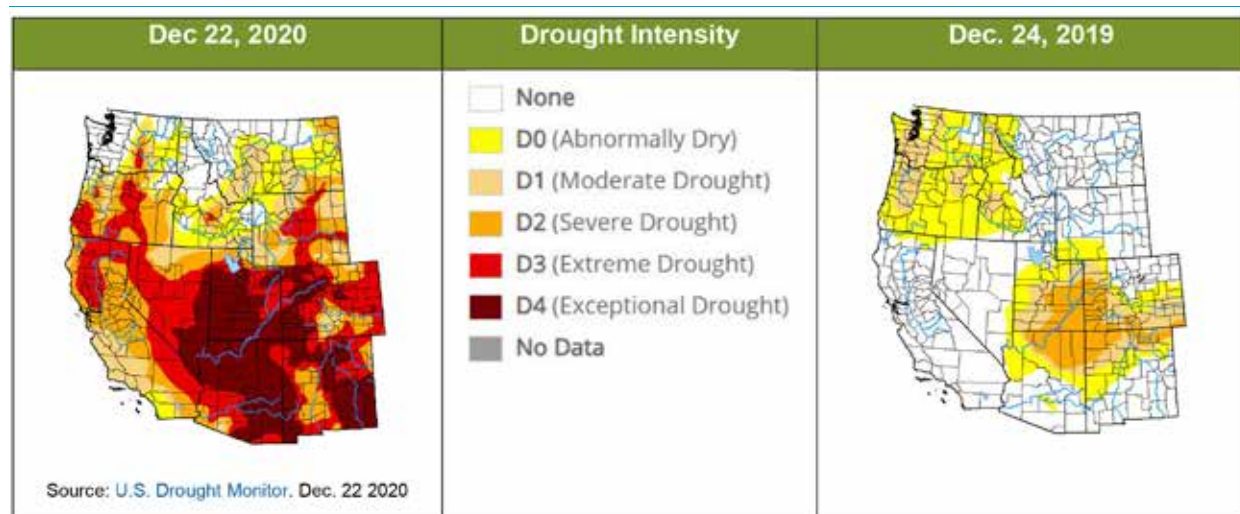
Source: World Agricultural Supply and Demand Estimates, Dec. 10, 2020

China, EU, Brazil and Canada. In addition, China increased its imports by 6.0 million tons over the last 6 months and contributed to 51% of the new world-record high stocks. Since its recent outbreak of African swine fever, China is rebuilding its hog sector faster than expected, which will fuel feed demand.

Russia is reporting higher than expected yields winter wheat, providing headwinds to wheat prices. Also, Russia's and Australia's increased barley exports and decreased corn exports will favor corn prices and weaken wheat as they compete for use as a cheap feed substitutes.

Additional Information

- Northwest FCS Business Management Center www.northwestfcs.com/Resources/Industry-Insights
- CME Group www.cmegroup.com
- Columbia Grain www.columbiagrains.com
- Columbia River Pilots www.colrip.com
- GrainNet News www.grainnet.com
- Kansas State Ag Manager Grain Marketing www.agmanager.info/grain-marketing
- Merchants Exchange of Portland, Oregon www.pdxmex.com
- Minneapolis Grain Exchange www.mgex.com
- National Grain and Feed Association www.ngfa.org
- Pacific Northwest Grain and Feed Association www.pnwgfa.org



U.S. Labor Department grants \$2m+ to state's 'shared work program'

Submitted by U.S. DOL

WASHINGTON – The U.S. Department of Labor (DOL) awarded \$2,366,077 in grant funding to the Washington Employment Security Department (ESD) to improve and promote its Short-Time Compensation (STC) program, known as the "Shared Work Program." Employers can use short-time compensation to avoid layoffs by reducing work hours for an

entire group of workers rather than laying off some of them, and those workers can supplement their reduced wages with a partial unemployment benefit.

"These funds will make participation in Short-Time Compensation more efficient and user-friendly for employers in Washington as they manage the economic effects of the coronavirus pandemic," said Assistant Secretary of Labor for

Employment and Training John P. Pallasch.

"Short-Time Compensation keeps workers connected to their jobs, helps employers retain skilled employees and helps stabilize local economies."

The state will also use the funds for outreach and education to employers about STC's advantages. It anticipates increasing businesses participating in the program by 25

percent during the coming year.

Visit the Office of Unemployment Insurance's Short-Time Compensation page for more information.

ETA administers federal government job training and worker dislocation programs, federal grants to states for public employment service programs, and unemployment insurance benefits. ETA provides these services primarily

through state and local workforce development systems. Learn more about ETA.

The mission of the Department of Labor is to foster, promote and develop the welfare of the wage earners, job seekers and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights.

A better time than ever to 'Give 10'

By Denise Sorom
Community Foundation of North Central Washington

Several years ago, we started a campaign at the Community Foundation called "Give 10."

The idea was simple: if every person in Chelan, Douglas, and Okanogan counties left 10% of their will or estate to charitable causes – no matter how small or large – we would have an additional \$18 million each year to directly support charitable causes in our region. That's nearly quadruple the amount the foundation disburses now and results in four times the grant funding we now give to public schools, libraries, museums, parks, law enforcement, health services, and other nonprofit agencies in our region.

When we started this campaign, the world felt a bit more stable and predictable.

This past year – between the pandemic, the wildfires, and the loss of jobs – we

have been focusing our energies on meeting urgent needs in our community.

It is no surprise that this community has responded



Denise Sorom

with incredible generosity to help us meet those urgent needs.

With 2020 behind us now, we know those urgent needs persist, but it is time once again to think about the long-term. With such uncertainty on the horizon, the future of our quality of life in this region feels tenuous. What can we do? How can we help?

We can Give 10. We can decide to leave 10% of our estate to charitable causes.

If giving 10% feels like a lot, think about it from the opposite point of view: Does leaving 90% of your estate to your loved ones feel like enough to cover their needs? For many, it does. If it does for you too, we ask you to consider that remaining 10%:

- What causes in this community are most important to you?
- What has shaped and gave meaning to your lives?
- What organizations do you want to make sure are there to serve future generations?

If the answers these questions lead you to a charitable decision, we applaud you – and we are here to help. Many in this community have joined our Legacy Circle and have shared with us that they plan to leave a charitable estate gift.

The funds that are created from these gifts can benefit ANY charitable organiza-



tions in Chelan, Douglas and Okanogan counties, including churches and government agencies.

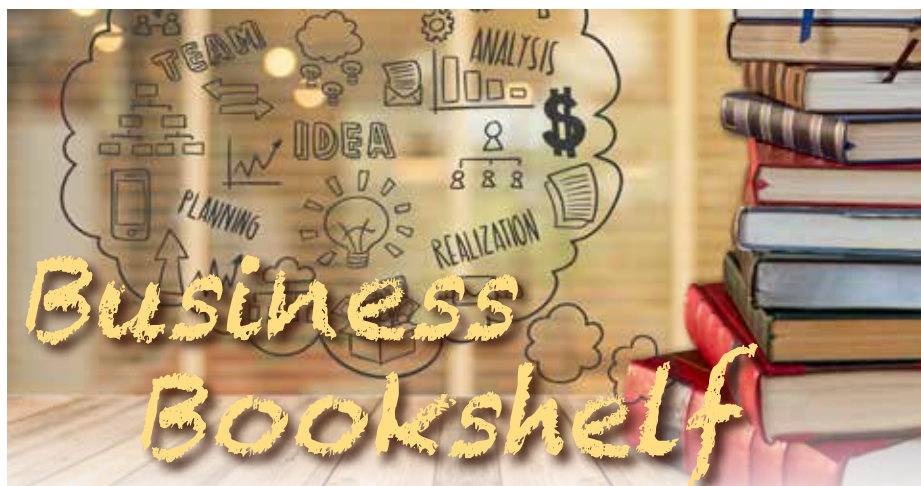
The Community Foundation works with you—either directly or through your attorney or financial adviser – to determine what causes

and/or organizations you want to support, and we draft up the paperwork to make that happen.

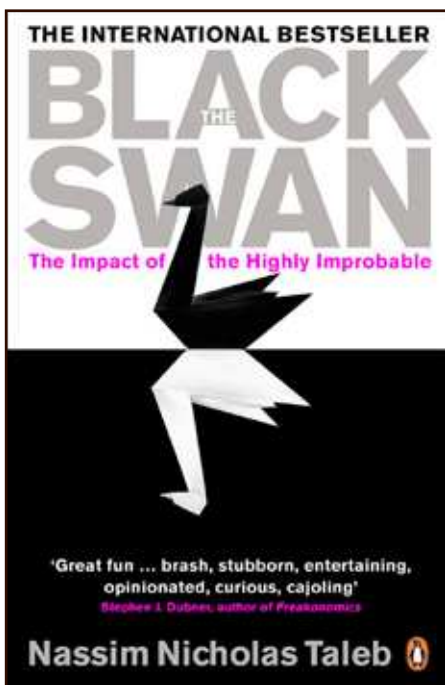
It is fast, easy, and incredibly gratifying: To know that what has given meaning to your life will be there to give meaning to the lives of

future generations. We invite you to join our Legacy Circle. Together, we can collectively bring some long-term certainty to these very uncertain times.

*To learn more about Give 10, visit cfncw.org/give10



The Black Swan: The Impact of the Highly Improbable



By Nassim Nicholas Taleb

events and the human tendency to find simplistic explanations for these events, retrospectively. Taleb calls this the Black Swan theory.

The book covers subjects relating to knowledge, aesthetics, as well as ways of life, and uses elements of fiction and anecdotes from the author's life to elaborate his theories. Taleb recommends avoiding unnecessary dependence on large-scale harmful predictions, while being less cautious with smaller matters, such as going to a picnic.

He makes a distinction between the American cultural perception of failure versus European and Asian stigma and embarrassment regarding failure: the latter is more tolerable for people taking small risks. He also describes the "barbell strategy" for investment that he used as a trader, which consists in avoiding medium risk investments and putting 85-90

percent of money in the safest instruments available and the remaining 10-15 percent on extremely speculative bets.

Coping with Black Swan events

A central idea in Taleb's book is not to attempt to predict Black Swan events, but to build robustness to negative events and an ability to exploit positive events. "Robustness" reflects an attitude where nothing is permitted to fail under conditions of change.

Taleb contends that banks and trading firms are vulnerable to hazardous Black Swan events and are exposed to losses beyond those predicted by their defective financial models. The book asserts that a "Black Swan" event depends on the observer: for example, what may be a Black Swan surprise for a turkey is not a Black Swan surprise for its butcher.

Hence the objective should be to "avoid being the turkey", by identifying areas of vulnerability in order to "turn the Black Swans white".

History

The term black swan was a Latin expression: its oldest reference is in the poet Juvenal's expression that "a good person is as rare as a black swan."

It was a common expression in 16th century London, as a statement that de-

scribes impossibility, deriving from the old world presumption that 'all swans must be white', because all historical records of swans reported had white feathers.

The limits of the argument behind "all swans are white" is exposed as merely based on the limits of experience (e.g., that every swan one has seen, heard, or read about is white). The point of this metaphor is that all known swans were white until the discovery of black swans in Australia.

Per Hume: There are limits of everyday experience and scientific knowledge.

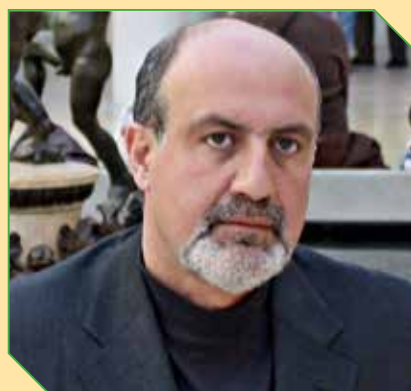
Summary

Taleb has referred to the book as an essay or a narrative with one single idea: "our blindness with respect to randomness, particularly large deviations."

The book moves from literary subjects in the beginning to scientific and mathematical subjects in the later portions.

It delves into psychology and addresses science and business and advice on how to approach the world in the face of uncertainty and still enjoy life.

The Black Swan idea argues against the unknown, the abstract, and imprecise uncertain white ravens, pink elephants, or evaporating denizens of a remote planet orbiting Tau Ceti (the nearest known Earth-like planet).
(This article was edited from Wikipedia)



About the author

Nassim Nicholas Taleb is a Lebanese-American (of Antiochian Greek descent) essayist, scholar, mathematical statistician, and former option trader and risk analyst, whose work concerns problems of randomness, probability, and uncertainty. His 2007 book *The Black Swan* has been described by *The Sunday Times* as one of the twelve most influential books since World War II.

The *Black Swan: The Impact of the Highly Improbable* is a 2007 book by author and former options trader Nassim Nicholas Taleb. The book focuses on the extreme impact of rare and unpredictable outlier



Icicle Broadcasting selling Chelan's KOZI radio stations

By Gary Bégin

CHELAN – Harriet Bullitt, Leavenworth resident and owner of Chelan's KOZI FM/AM radio stations via her Icicle Broadcasting Company (IBC), has decided to sell those stations, as well as KZAL-FM, a contemporary country music radio station.

Stations KOZI-FM/AM and KZAL-FM will be based in Chelan where KOZI AM/FM is currently located and KOHO will be retained by IBC at its Wenatchee location, stated the release.

Icicle spokeswoman, Deborah Hartl, also spokeswoman for Bullitt's Sleeping Lady Resort in Leavenworth, referred specific details of the sale, after NCW Media emailed her questions, to a media sales brokerage firm.

When asked about the sales price, she said, "All serious buyers should contact our Broker for this

information.

Greg Guy, Patrick Communications at email greg@patcomm.com.

Hartl said, "Currently this is a package deal. She also said, "IBC is not making any changes in personnel or format changes."

Once contacted by NCW Media, again via emailed questions, Guy went on to say, "The seller is considering various scenarios in this divestiture. These are very attractive stations committed to serving the community. Until a deal is negotiated and in place, I cannot comment on any specifics."

KOZI-FM is an Adult Contemporary format, whereas KOZI-AM airs local sports and news/talk formats.

According to Elliott Salmon, General Manager of KOZI and Icicle Broadcasting, "Our sales focus will be to find a local buyer. KOZI is a well-known part of

the Chelan community."

Salmon stated that Bullitt, "has always been committed to local radio, and she feels strongly that KOZI/KZAL should stay in local hands."

"Icicle Broadcasting believes this restructuring and sale will preserve the viability of the company's mission of community radio," he said.

"It's an honor to be part of the KOZI Family, and part of the 'Community Radio' legacy. Harriett Bullitt is a great broadcaster who fulfilled a great vision for our stations and, while it's in a sense 'sad' to see that come to an end, it also brings hope for things to come.

"I look for new strong local ownership to keep these stations faithfully serving our community. So I say, exciting times ahead!" said Jeff Conwell, Program and News Director, KOZI FM/AM.



State Apple Blossom Festival fundraiser benefits virtual Royalty Pageant

Submitted by the WSABF

The Washington State Apple Blossom Festival (WSABF) is doing a Fundraiser to offset cost for the "virtual" Royalty Selection Pageant.

Since there will be no audience the Festival thought it would be a great support for the candidates to have "Fan Cutouts" in the audience. Cost is \$50 per.

Your name will be listed as a Friend of the Festival sponsor in the Pageant

Program, the Souvenir Program and the Apple Blossom website.

Our goal is to sell at least 400 cutouts. Go to appleblossom.org for the "Fan Cutout" link and how to send in your photo.

With Covid-19 restrictions the Royalty Selection Pageant, sponsored by Cashmere Valley Bank, will be virtual through the *NCW Life Channel/Streaming/Facebook* live February 27.

OBHC Donates to Community Organizations

Submitted by the OBHC

OMAK – Three community organizations, including the St. Nick Basket Program, Omak Performing Arts Center (Omak PAC) Foundation, and the Foundation for Youth Resiliency and Engagement (FYRE) have been selected to receive donations from Okanogan Behavioral HealthCare (OBHC):

- \$500 to the St. Nick Basket Program to aid their project delivering holiday food baskets and gifts to families in need;
- \$600 to Omak PAC Foundation in support of Okanogan Valley's premier location for community entertainment,



presentations and events;

- \$100 to FYRE to assist in their services to, and advocacy on behalf of, youth.

"These local nonprofits play important roles in in the health and well-being of our entire community," noted OBHC Board Chair Dennis Rabidou. "We are proud to support the work they do."

BUSINESS QUOTE OF THE MONTH

"In the midst of chaos, there is also opportunity."

Sun-Tzu, The Art of War

SATURDAY, FEBRUARY 27



*STOCK IMAGE. Actual Truck May Vary

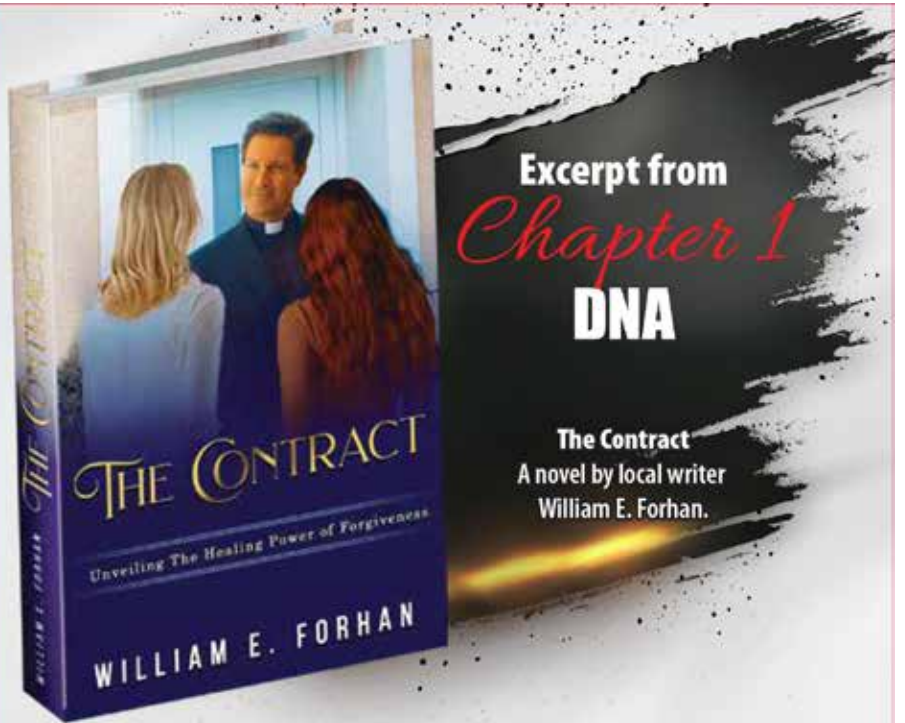
FLAKES ON FLAKES ON FLAKES TICKET DRAWINGS

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Excerpt from Chapter 1 DNA

The Contract A novel by local writer William E. Forhan.

Most mothers can tell you the moment their child was born. It's not the same for fathers. But I can tell you precisely the moment I met my daughters. It was 2:46 on a Sunday afternoon in October. I had rushed back from church and just sat down to watch the game of the week. My Denver Broncos were playing their most despised of opponents – the Oakland Raiders. My game was interrupted by a knock on my front door. My wife had taken our two sons to help her with grocery shopping. So I had to get up from my game to respond to that irritating knock. I opened the door to two attractive young women. They seemed surprised. "You're a priest?" one queried.

In my rush to watch the game I had not removed my clerical collar. "Well, yes I am," I responded. Fully expecting they were a couple of young evangelists looking to tell me about the gospel. There was a sudden and distinctly deafening pause. "Can I help you?" I finally said. They looked at each other. Then almost in unison burst out, "We think you're our father!" In an instant twenty-three years of guilt and remorse overcame me. I could not help it. Tears poured out like a river. My heart began to pound and I could not hear a sound. We looked at each other for what seemed like an eternity. None of us knowing what to say next, but I knew in my heart they were correct.

Bill's Book is now available online through Amazon.com, BarnesandNoble.com and Apple iBook The paperback is \$16.99 and the ebook is \$8.99. Or you can order the book directly from Bill at The Leavenworth Echo (509-548-5286), the Lake Chelan Mirror (509-682-2213), or by emailing your contact information to Bill.Forhan@gmail.com. Orders placed directly with the author have the added advantage of being signed including a short message if you like. Sales tax applies and if you request mail delivery add \$3.00 for postage. There is no charge if your order is picked up at the Echo or Mirror office.