# WENATCHEE BUSINESSOURNAL

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# Chelan County hires former WDFW executive Jim Brown to manage growth

By Gary Bégin

The Wenatchee Business Journal caught up with the new Chelan County Director of Community Development Jim Brown last month, right after he took office. Brown has many years of experience working for the state of Washington Department of Fish & Wildlife (WDFW). The WBJ, in an exclusive interview, picked Brown's brain regarding the future of growth in the county. Here is what he had to say:

# Wenatchee Business Journal: When did you officially start?

Jim Brown: I started with Chelan County on Thursday April 23 though I was made aware and consulted about several changes being undertaken within the department in the weeks prior to my arrival so that I could better handle the transition.

# WBJ: What are your credentials for the position?

JB: I have a Bachelor's Degree in Political Science from WSU at Pullman. Within my transcript is significant extra course work in math, and sciences – both physical and biological, brought about due to a major-change mid-degree when the bottom dropped out of the forest



Jim Brown

industry in the early 1980's. I was appointed by the Board of Commissioners to be the "administrator" for the Department. (I was not brought in to the Department as a "senior planner", which has been the typical type of skill and education that prior department directors had.) Part of the restructuring we are doing within the Department is to recreate the Assistant Director position that will handle the oversight and administration of the planning division within the Department. Planning is highly specialized work and requires someone who is not only very experienced in planning at the county level, but who can handle the unique challenges that come with that

SEE JIM BROWN, PAGE 10



A photo of the always busy Columbia Station headquarters depot for Link Transit.

# Transportation Secretary Chao: \$7M for Link Transit COVID-19 Response

Submitted by U.S. Dept. of Transportation

WASHINGTON – The U.S. Department of Transportation's Federal Transit Administration (FTA) today announced a \$7 million grant award to Link Transit in Wenatchee, as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed by President Donald J. Trump on March 27, 2020.

Link Transit will use the grant funds to pay operating, administrative, preventive maintenance and other expenses during the COVID-19 public health emergency.

See FTA's apportionment tables for the totals apportioned to each area. (This funding is based on

SEE LINK TRANSIT, PAGE 19

# Cashmere law firm is homegrown

By Gary Bégin

CASHMERE – The Wenatchee Business Journal heard about a new law firm headquartered here, but the best part is that the lawyers are "homegrown" residents or recently transplanted to this idyllic town on the Wenatchee River.

Clay Gatens, Michelle Green, and Lindsey Weidenbach have formed Gatens Green Weidenbach, PLLC here. The trio agreed to an exclusive interview with the WBJ about opening and running a legal enterprise amidst the coronavirus pandemic.

According to the firm, Michelle Green was born and raised in Cashmere. She is part of the fourth generation in her family that has chosen to make Cashmere their home. Her great-grandparents farmed orchards in Cashmere in the early 1900s, and Michelle is proud to now serve the agricultural industry as part of her law practice.

Lindsey Weidenbach was also born and raised in Cashmere and is excited to be opening a business here, following in the footsteps of her great-grandparents and her father who owned and operated Wehmeyer's TV and Appliance in downtown Cashmere for decades. Clay Gatens moved to Cashmere shortly after relocating from Seattle with his wife, Jessaca, who is originally from East Wenatchee. The

SEE CASHMERE LAW FIRM, PAGE 5

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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 Ech 215 14th St.

### Chelan

Safeway, 106 W. Manson Rd. The Lake Chelan Mirror, 310 E. Johnson Ave. The Vogue – A Liquid Lounge, 117 E. Woodin Ave.

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# Just how serious is this Pandemic?

I was moved by a ruling from a judge in Illinois this last week. It raises serious questions about who we should trust regarding the dangers we face from this disease.

Here is what Judge Michael McHaney of Clay County Illinois had to say in a ruling about a Corona virus case before him.

"Since the inception of this insanity, the following regulations, rules or consequences have occurred: I won't get COVID if I get an abortion, but I will get CO-*VID if I get a colonoscopy.* 

Selling pot is essential, but selling goods and services at a family owned business is not.

Pot wasn't even legal and pot dispensaries didn't even exist in this state until five months ago and, in that five months, they have become essential, but a family-owned business in existence for five generations is not.

A family of six can pile in their car and drive to Carlyle Lake without contracting COVID but, if they all get in the same boat, they will. We are told that kids rarely contract the virus



**O**PINION Bill Forhan Publisher

and sunlight kills it, but summer youth programs, sports programs are cancelled.

Four people can drive to the golf course and not get COVID but, if they play in a foursome, they will. If I go to Walmart, I won't get COVID but, if I go to church, I will.

Murderers are released from custody while small business owners are threatened with arrest if they have the audacity to attempt to feed their families. These are just a few of examples of rules, regulations and consequences that are arbitrary, capricious, and completely devoid of anything even remotely approaching common sense.

State's attorneys in this state, county sheriffs, mayors, city councils and county boards have openly and publicly defied these orders followed by threats to withhold funding and revocation of necessary licenses and certifications unless you obey.

Our economy is shut down because of a flu virus with a 98 percent plus survival rate. Doctors and experts say different things weekly. The defendant cites models in his opposition. The only thing experts will agree on is that all models are wrong and some are useful.

The Centers for Disease Control now says the virus is not easily spread on surfaces.

The defendant in this case orders you to stay home and pronounces that, if you leave the state, you are putting people in danger, but his family members traveled to Florida and Wisconsin because he deems such travel essential.

One initial rationale why the rules don't apply to him is that his family farm had animals that needed fed. *Try selling that argument* to farmers who have had to slaughter their herds because of disruption in the supply chain.

When laws do not apply to those who make them, people are not being governed, they are being ruled. Make no mistake, these executive orders are not laws. They are royal decrees.

Illinois citizens are not being governed, they are being ruled. The last time I checked, Illinois citizens are also Americans and *Americans don't get ruled.* 

The last time a monarch tried to rule Americans, a shot was fired that was heard around the world.

That day led to the birth of a nation consensually governed based upon a document which ensures that on this day in this, any American courtroom tyrannical despotism will always lose and liberty, freedom and the constitution will always win."

The problem is we are being challenged daily to wallow in fear by our elected leaders and most of our media.

Facts on the real impact are hard to find. Projections of the carnage that will result if we don't comply change based on who is doing the reporting.

A recent letter to the editor in the New York Times said, New York is dying. Its streets are empty. Its

leaders have no solutions.

The same can be said right here at home.

The small businesses that built this community are in danger of closing permanently. A local restaurant in Leavenworth has posted a for sale sign on his business. He says if he can only have half of his tables open, he can't make enough to pay his rent.

The Payroll Protection Program is an incomplete solution. If the restaurant cannot make enough money to pay their rent when they reopen at half capacity, there will be no jobs for the employees.

No one wants to see anyone die from this disease but the reasons for the initial closures no longer exist.

The truth is the best doctors cannot save everyone who seeks their help. It is time to end this insanity.

Politicians who have never run a successful business have proven once again why they are incapable of running a coffee stand.

It's time to remind them that without a vibrant economy the government offices they hold will also end up on the trash pile of failed political organizations.

# 'State of Emergency' suit hearing delayed at last minute

Submitted by Rachelle Johnson

Less than an hour before the scheduled hearing today (Tuesday, May 26), the Attorney General decided he couldn't get a fair hearing in Chelan County with elected Judge Travis Brandt. Additionally, the Attorney General requested the suit be heard in Thurston County, the seat of State government, for the convenience of witnesses.

A similar lawsuit filed in Douglas County is scheduled for a hearing Wednesday, May 27 at 9 a.m., in Okanogan Superior Court by Judge Henry Rowan and, for the States convenience they have requested the hearing for Douglas citizens also be held in Olympia. The Douglas County suit was moved to Okanogan County due to three of the

plaintiffs being Douglas County Commissioners. Joel Ard, attorney for the plaintiffs commented after today's antics, "The Governor himself has said the emergency is over, but he's doing everything he can to make sure a judge doesn't see this case because he absolutely doesn't want to give up his power. This case cries out for judicial review, they simply don't want a judge to look at this as the Attorney General knows he has a losing case."

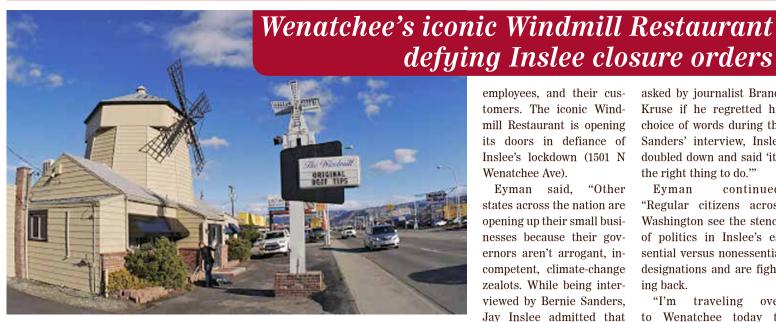
Both suits seek immediate injunctive relief from Governor Inslee's ongoing State of Emergency declaration. The emergency of Chelan and Douglas counties are no longer the threat of overrunning our hospitals; it is the continued collapse of our local economy and the ensuing pain, suffering and widespread poverty it will create.

If granted, the request would render the Governor's state of emergency void and allow local officials to resume their governing responsibilities. Local officials in Chelan county have the legal authority, provided via Washington State Statute to mitigate health threats such as Covid-19. Today the Chelan Douglas Health District passed a resolution articulating their readiness to safely reopen our community during the COVID-19 pandemic. Local authorities are prepared to implement plans to reopen safely based on local expertise and on the ground information.

Plaintiffs for the lawsuit includes a broad coalition of citizens, elected officials, businesses owners, pastors and community leaders from both counties.

Lead plaintiff for the citizens of Chelan County suit is Jose Cuevas, also a Wenatchee City Council member. Cuevas's family has lost both his wife's job and his. As the bills pile up, they're struggling to put food on the table for their three kids. They've been told to hang on for a month, then another month and another.

Cuevas, his family, and the Latino community are being wrongfully harmed as the errant ongoing emergency drags on. When asked how he felt about today's delay he said, "I feel strong, positive we are going to win this. No amount of judicial maneuvering is going to discourage me from fighting for my family and my community. This is just a barrier and we will go over, through it or around it."



As of press deadline for the June edition of the Wenatchee Business Journal, Tim Eyman and his

team are scheduled to meet, along with local protestors, for steak dinner, Wednesday, May 27 at 4:30 p.m.

Eyman and his team are going there to support small businesses standing up for themselves, their employees, and their customers. The iconic Windmill Restaurant is opening its doors in defiance of Inslee's lockdown (1501 N Wenatchee Ave).

Eyman said, "Other states across the nation are opening up their small businesses because their governors aren't arrogant, incompetent, climate-change zealots. While being interviewed by Bernie Sanders, Jay Inslee admitted that he's more than happy to exploit the economic shutdown he caused to 'peddle' his green schemes. When

asked by journalist Brandi Kruse if he regretted his choice of words during the Sanders' interview, Inslee doubled down and said 'it's the right thing to do."

Eyman continued, "Regular citizens across Washington see the stench of politics in Inslee's essential versus nonessential designations and are fighting back.

"I'm traveling over to Wenatchee today to support small businesses standing up for themselves, their employees, and their customers."

Wenatchee Business Journal

# A Guide to Paycheck Protection Program (PPP) Loan Forgiveness

By Adam Lervik, Lending Programs Manager at Peoples Bank

The Paycheck Protection Program (PPP) launched by the Small Business Administration (SBA) has provided over \$500 billion in loans to more than four million small businesses impacted by the coronavirus pandemic nationwide.

In Washington, approximately \$15 billion in PPP loans have been disbursed. Peoples Bank – like many banks – spent the past several weeks working overtime to process a large volume of loan applications.

As of mid-May, we helped over 1,600 local businesses obtain \$219 million in PPP loans, which will be used to protect over 20,000 jobs.

Businesses that received a PPP loan must now begin the process of obtaining loan forgiveness. We have received many questions on this topic and are implementing a streamlined system to help our borrowers initiate forgiveness requests.

The SBA also recently released a Loan Forgiveness Application that helps clarify the process. Here are important points borrowers should keep in mind.

• 75% Payroll Requirement. The SBA confirmed that payroll expenses must be at least 75% of the amount



Adam Lervik

requested for forgiveness.

• Expense Accounting. The SBA clarified that payroll costs paid and incurred are eligible for forgiveness. Payroll costs are considered paid on the date that paychecks are distributed, or the date the applicant business originates payroll direct deposit. Payroll costs are considered incurred on the date the employee's pay is earned. Accrued, unpaid payroll expenses through the last day of the 8-week

covered period are eligible for forgiveness if they are paid out on or before the next payroll date.

Similarly, non-payroll expenses that accrue during the covered period are eligible if they are paid on or before the next regular billing date.

For purposes of calculating eligible payroll expenses, the SBA is allowing borrowers to utilize an "Alternative Payroll Covered Period." To select this, the borrower must have a biweekly or more frequent payroll schedule. They may then elect an 8-week alternative covered period that begins on the first day of their first pay period following the PPP loan disbursement date.

• Salary/Wage or FTE Reductions. Applicants are asked to compare payroll expenses during the "Covered Period" or "Alternative Covered Period" to actual payroll expenses during the period from January 1, 2020 to March 31, 2020. Any reductions to employee pay of 25% or more may reduce the level of forgiveness.

Similarly, applicants

SEE PPP PROGRAM , PAGE 16

# **COP CORNER**

with East Wenatchee Police Chief Rick Johnson

# Don't get Scammed

This is my first crack at a regular column that I've been invited to write for the Wenatchee Business Journal, so here we go.

Chelan and Douglas County deputies and officers field calls on financial scams every day. According to the Federal Trade Commission, people in the U.S. "reported losing \$1.48 billion to fraud in 2018, an increase of 38% over 2017."

Let's talk about Stimulus Check Package Scams. The scams out there are just modified versions of financial scams that have been around for years.

We are seeing scammers using the pandemic and economic impact payments as the bait. Avoid being scammed by reviewing the details and pay special attention to the manner in which you are being contacted.

Scammers are reported to be calling, texting, emailing, and Facebook messaging their victims. False promises are made to expedite payments or to increase the



sum victims could receive.

Often the elderly and the most vulnerable members of our community are targeted.

Please discuss these scams and tips with the vulnerable community members you all know.

The following are some great tips to avoid being scammed from https://www.irs.gov/coronavirus/econminic-impact-payment

- 1. The government will not ask you to pay any fees or up front charges to receive benefits.
- 2. The government will not call to ask for your Social Security number, bank account, or credit card number. Anyone who does is

a scammer.

3. Remember, government agencies do not communicate through social media. Be wary of unsolicited messages.

4. Use ONLY the official IRS website to check on your payment. (irs.gov NOT irs.com, which is a private, profit-making website)

Additionally a local disabled veteran has reported receiving scam emails from "Vet organizations" claiming to have COVID funds for him, but it is also a scam. Tony Sandoval, a Chelan County Veterans Service Officer, has stated, 90 percent of veterans will get their stimulus funds like everyone else via IRS direct deposit payments.

Please discuss these scams and tips with the vulnerable community members you all know and don't hesitate to report suspicious information or circumstances to your local police department or sheriff's office.

I can be reached by email at rjohnson@eastwenatcheewa.gov

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'Potentially one of the most threatening seasons to date'

# Warmer, Drier Weather Predicted For Spring, Summer; Above Normal Large Fire Threat By August



#### Submitted by **U.S. Senate Democrats**

WASHINGTON - Last month, U.S. Senator Maria Cantwell (D-WA), a senior member of the Senate Energy and Natural Resources Committee, joined Senator Ron Wyden (D-OR) and nine other Western Democratic Senators in seeking answers on the planning efforts of the U.S. Forest Service to protect communities and firefighters heading into the upcoming 2020 wildfire season amid the COVID-19 crisis.

"The impacts of the novel coronavirus pandemic (COVID-19), combined with high levels of drought throughout the West, will create unprecedented wildland firefighting challenges and may hurt numerous rural areas across the country, making the 2020 wildfire season potentially one of the most threatening seasons to date," the senators wrote in their letter to U.S. Forest Service Chief Vicki Christiansen.

"Beyond the basic need to ensure the protection of communities, critical infrastructure, and firefighter safety, we recognize that the COVID-19 pandemic is placing unprecedented demands upon agencies that provide essential public services."

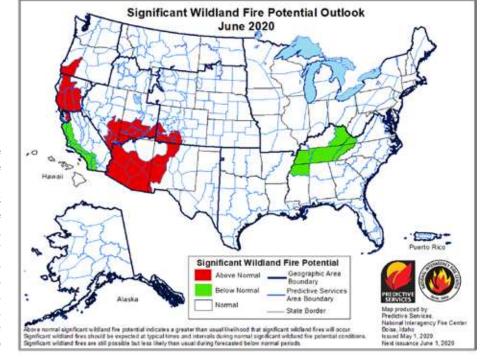
The Wildland Fire Potential Outlook report released in May predicts Above Normal significant large fire potential in "all but the northwestern quarter of the region by August."

The report notes that the weather pattern in the Pacific Northwest has been warm and dry, "which may be problematic for Oregon Central through Eastern Washington," and that "outlooks for May and beyond indicate that the weather is most likely to be warmer and drier than usual through spring and summer 2020."

Senator Cantwell has long been a strong advocate for improving wildfire response to protect firefighters and communities.

At U.S. Senate Energy and Natural Resources Committee hearing with Forest Service Christiansen in February, Senator Cantwell emphasized the threat that fire seasons pose and the importance of funding and implementing 21st century firefighting technology.

"Obviously no one can argue that nationally and



internationally, the fire seasons are with us - everywhere from Australia to Alaska," Cantwell said to Forest Service Chief Christiansen.

"The challenge just grows every fire season, and so we definitely want you to have every tool."

In their letter to Forest Service Chief Christiansen, the senators requested answers on Forest Service plans to:

· Coordinate with the Centers for Disease Control and Prevention (CDC), the Federal Emergency Management Agency (FEMA), and state and local health departments to ensure communities impacted by wildfire smoke have access to health care and related supports;

· Maintain core operations, while limiting exposure to and transmission of the virus to agency employees and non-agency personnel;

· Continue planning and implementing forest management and hazardous fuels reduction activities to reduce the risk of catastrophic wildfires, while preventing the spread of COVID-19; and more.

Senator Cantwell's bipartisan Wildfire Management Technology Advancement Act, which will increase firefighter safety by requiring the Forest Service and the Department of the Interior to begin providing GPS locations for crews on wildfires and begin using Unmanned Aircraft Systems to scout out and map wildfires in real time, was signed into law in March of last year.

Last December, Cantwell worked with her colleagues to secure a \$1.6 billion increase in funding for wildland management.

# Anti-Trump Republican to run for Governor



Nate Herzog

#### Submitted by Herzog Campaign

LAKE FOREST PARK -Former City Councilman Nate Herzog threw his hat into the ring for the state's highest office, joining a crowded GOP gubernatorial field.

former two-term councilmember, who served the City of Lake Forest Park from 1998-2005, was the youngest elected official in the state at the time he took office - not long after his 20th birthday.

Herzog, now 42, aligned with Democrats, voting in their state primary earlier this year, endorsing and

campaigning for Sen. Amy Klobuchar (D-Minn.) He decried the current Republican field's embrace of President Trump and dismissal of the seriousness of the coronavirus pandemic.

"These two things I know for certain. COVID-19 is a real and true threat, and Donald Trump is a fraud and an assclown," Herzog said. "I believe in the party of Lincoln, the party of Reagan, not the party of Trump." As for coronavirus, he states, "The worst is yet to come. COVID-19 will spread throughout transient populations like wildfire, and innocent Washingtonians just going about their lives will be infected and die because homelessness has been enabled in our state. In the name of 'sensitivity,' Jay Inslee refuses to reign in those prone to spread the disease. Lives will be lost as a result."

He remarked the GOP field was no match for the incumbent governor.

"Inslee has been lackluster and uninspiring. It's lamentable he has no strong opposition. Never in our state's history has a pool of challengers been so underwhelming."

Herzog is no fan of former Vice President Joe Biden either, saying, "That guy can't even figure out what shoe to put on each foot. Biden's mental acuity is far worse than Trump's - and that's no small feat! I'm worried. Joe Biden is not well."

Speaking of his GOP opponents, Herzog remarks, "Each one of them will lose by over 20 points to Inslee. Pathetic."

On Tim Eyman, Herzog said, "I first met Tim twenty years ago. He's a thief and a liar." On Joshua Freed: "I like Josh; known him a long time. His 5-point plan to jumpstart our economy? One of those points is: 'Everybody wash your hands.' Is this a campaign for student council or governor?"

On Loren Culp: "Barney Fife is not winning statewide in Washington. Non-elected Chief of Police for a town of 1,000 people? That's not a city, that's a high school." Herzog adds, "Phil Fortunato is a do-nothing legislator whose voice sounds like Kermit the Frog, and don't even get me started on the Russian guy."

"I never planned to run for this office," said Herzog, adding that he reached out to several highly respected moderate Republicans AND Democrats the past week urging them to run for governor.

"I hoped someone of prominence would step up for this position. No one did. None of these lightweight candidates will get the job done. Washingtonians deserve alternatives to those #DrinkingTheLysol and a feckless incumbent. They didn't have that choice before. Now they will."

Reset Washington is Herzog's theme, stating "36 years of one-party rule is enough, it's time to inspire a new culture in state government."

Distinguishing himself from others, his party preference will be listed as: Pre2016 Republican Party.

Herzog, who was recently in the development process for a pair of apps - one centered upon the shared economy, another focused upon air travel - shelved those projects and will be campaigning full-time.

One of just a handful of elected or former elected officials of the 30+ candidates

to enter the 2020 gubernatorial race, Herzog was first elected in 1997, defeating a man long known in state politics, Frank Ruano. He was reelected with 77% of the vote four years later.

Nate and his fiancée, Kelly, a former professional model, are expecting their first child together in late summer.

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**CONTINUED FROM PAGE I** 

# Cashmere law firm is homegrown

Gatens' two children attend Cashmere schools.

Here is the Q&A from mid-May, shortly after the firm was established:

Wenatchee Business Journal: What made the three of you decide to join forces to start a law firm?

Gatens Green Weidenbach: Clay, Michelle and Lindsey were partners at Jeffers, Danielson, Sonn & Aylward, PS, another firm in Wenatchee. We left JDSA to focus on our respective practice areas.

WBJ: Are you all equal partners or is there a managing partner?

**GGW:** We are equal partners

WBJ: Are there members involved with community or charitable service?

**GGW:** Clay Gatens and Lindsey Weidenbach are both deeply involved with the Pybus Public Market from the planning phases to the present. Lindsey serves on the Pybus board of directors as president-elect.

WBJ: What caused the firm to specialize in: Cannabis Law/ Highly Regulated Industries, Civil Litigation, Class Actions, Real Estate/Water Rights, Tax Law/1031 Exchanges, Agriculture, Business Law, Estate/Succession Planning, Land Use?

**GGW:** Gatens Green Weidenbach, PLLC officially opened May 1 (though we are currently closed to the public, except by appointment only, due to COVID-19). Collectively, we have over three decades of legal experience. We formed GGW to focus on land use, real estate, and business prac-

tices. Specifically, we do not represent municipalities, counties, or agencies that regulate development, which will enable us to grow and further develop our existing land use and highly-regulated industry practice areas. We are located in Cashmere, at 305 Aplets Way; however, our existing client base spans throughout Washington and Orogon primarily in

we Way; however, our existing client use, base spans throughout Washington and Oregon, primarily in the Internal Revenue Code that

COURTESY PHOT

the North Central Washington

region. We serve a large number

of clients in the agricultural in-

dustry, real estate developers,

contractors, highly-regulated in-

dustries (those holding cannabis,

winery, brewery or liquor licens-

es), and business clients. We have

significant experience in complex

commercial litigation and con-

sumer class actions. We also own

a 1031 exchange facilitator entity

allows you to swap real property used in a trade or business or held for investment purposes for real property that is similarly used, without paying tax). Our highest honor is the trust and confidence that hundreds of our long-term clients put in our attorneys by continuing to make us a part of their team and choosing Gatens Green Weidenbach for their legal needs. We pride ourselves in offering high quality, efficient, and practical legal services. Our attorneys are recognized throughout the state in their respective fields of practice. Our attorneys have been on the forefront of numerous large-scale class action cases, including the landmark Jordan v. Nationstar Mortgage, LLC case, in which the Washington State Supreme Court held that lenders are prohibited from changing locks on a borrower's property prior to completion of a foreclosure. Ultimately, Clay Gatens was able to achieve a settlement of \$17 million for the benefit of the certified class members.

The COVID-19 situation has certainly impacted our clients in dramatic ways. We are assisting a large number of essential business clients in navigating the new governmental regulations and orders pertaining to the crisis, as well as providing legal services and assistance in securing Paycheck Protection Program loans and other small business loans.

# Built for times like these.

Attorneys Lindsey Weidenbach, Clay Gatens and Michelle Green.

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Cameron Crumbaugh of Siren Song Winery readies pizzas for delivery.

# Siren Song Winery and Restaurant to the rescue

#### Submitted by Chelan Valley Hope

CHELAN - Because of the generosity of Siren Song Winery and Restaurant and the unselfish efforts of 46 volunteer drivers from Chelan Valley Hope, the Lake Chelan Food Bank, Tender Loving Care for Seniors, and the community at large, hunger has been directly addressed during the difficult month of April. Each week clients of those agencies received pizza and Caesar salad delivered to their homes. During the COVID19 health and economic crisis, nutritional security has been a major concern for

those not working and sheltering at home.

Holly Brown and her staff made and donated over 385 pizzas and accompanying salads on Wednesday or Thursday, and 1,140 mouths were fed with a hot and fresh meal from Orondo to Brewster to Chelan to Manson.

Siren Song has kept their staff employed during this business challenge, and they are open for curb-side pick-up or local delivery daily from 3-7 p.m. Their full menu can be found at SirenSongwines.com. Food and wine can be ordered online or by calling 509-888-4657.



Part of the pizza delivery team: Left to right, Farrah McGinty, Catharine Morehead and Michael Gibb.



Ariana Cortez of Siren Song Winery prepares Caesar salads for delivery.







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# Northwest Farm Credit Services releases 1st Q reports

# Weather, harvest, Coronavirus Pandemic, affect markets

#### Submitted by NWFCS

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 industry teams throughout Idaho, Montana, Oregon and Washington monitor conditions and report outlooks for commodities financed by the co-op.

In the first quarter of 2020, agricultural industries navigated volatile economic conditions caused largely by the coronavirus pandemic. Northwest FCS is working closely with customermembers who are experiencing difficulties.

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.

#### Tree Fruit

**Apples** — Northwest FCS' 12month outlook expects slight profits for apple growers. A large crop has suppressed prices while lower quality fruit is further reducing growers' returns. Improving export markets are positive for the industry but domestic demand is sluggish. Growers need good varieties, quality and yields to be profitable in this environment.

Cherries – Northwest FCS' 12-month outlook expects slightly profitable returns for mid-season cherries and profitable returns for early- and late-season cherries. Although Little Cherry Disease and cold mid-March temperatures will likely decrease the 2020 crop, the mid-season supply glut is still expected to reduce margins during that marketing window.

Pears – Northwest FCS' 12-month profitability index indicates breakeven profitability for the pear industry. A smaller crop is helping move the pears. However, packouts are low this year and growers with poor quality are experiencing negative margins. Growers need high packouts and good yields to capture profits this season.

#### Wheat

For wheat, Northwest FCS' 12-month outlook calls for break-even returns. USDA's projected 2019-2020 season average farm price for all-wheat is \$4.55 per bushel, down \$0.61 from last year. Variability in yield and quality will drive individual producer profitability.

# Wine/Vineyard

Northwest FCS' 12-month outlook anticipates slight profits for wineries and vineyards. With overproduction in the two largest wine-producing areas, grape prices are falling and finding buyers for grapes is difficult. Sales measured by volume are declining as consumers cut back on alcohol consumption.

**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, 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.



# Clifton Larson Allen LLP warns clients against unemployment fraud

# Submitted by CLA, LLP

This is a bulk email I am sending to all business clients due to the recent fraudulent unemployment issues we are hearing a lot of our clients dealing with.

As you may be aware there have been reports regarding fraudulent unemployment claims with the Employment Security Department in Washington state. Criminals are exploiting COVID-19 to use information to file false unemployment claims.

The following is a way to protect your name from being used in a fraudulent claim. You can also forward this to your employees and encourage them to do this as well.

If your information has not already been used for a fraudulent claim, we have an immediate resource that should prevent your SSN from being used in this manner and will only take a few minutes of your time.

Go to this link secure.esd.

wa.gov/home/sawuserregistrations/signup or go to the Employment Security Department's
main page at esd.wa.gov/ and
scroll down to the bottom where
you can select "Sign in or create
account".

Create a user account using your personal email address. Doing so will not initiate an unemployment claim but will associate your SSN with the secure username and password that you use to setup your account. Once your SSN number is associated with the account you created, it cannot be associated with another (fraudulent) account.

When creating your account, if you receive an error message stating that "The SSN you entered already"

exists and is linked to this (partly hidden email address)" and you do not recognize the email address shown, report this error immediately to the Employment Security Department. If you do not receive this prior message your SSN has been linked to your personal email address successfully.

We also suggest reporting this to your employer HR department, local law enforcement, and the IRS. Follow this link to the IRS guide for employment-related identity theft: irs. gov/identity-theft-fraud-scams/employment-related-identity-theft. An excerpt from the IRS website as it pertains to their suggestions is below.

If you have questions or concerns, we'd be happy to help further. Please don't hesitate to

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# Apples



# Northwest industry drivers: Large crop, low prices, reduced grower returns

The 2019-20 crop is the largest since the 2014-15 record crop. Increased supplies have depressed prices. Low quality fruit is reducing packouts and lowering growers' returns.

12-Month Profitability Outlook, Large Supply, Low Demand The Washington state apple crop is 16% larger than last season at 135.95 million 40- pound boxes as of the March 1 Washington State Tree Fruit Association (WSTFA) Storage Report.

#### Washington Apple Crop

Northwest FCS' 12-month outlook expects slight profits for growers. A large crop has prices suppressed while lower quality fruit is further reducing growers' returns.

Improving export markets is positive for the industry but domestic demand is sluggish. Growers need good varieties, quality and yields to be profitable in this environment.

Shipments as of March 1 accounted for 48.4% of the crop, slightly behind last year's shipments of 49.4% but not surprising due to this season's larger crop.

Typically, domestic consumption is around 90 million boxes. Therefore, 45 million boxes need to go to export markets this season.

Although exports are up nearly

30% over last season, only about 20 million boxes have been exported.

According to Belrose, Inc., U.S. demand of fresh apples has declined for the last four years so relying on increased domestic demand could be difficult.

However, more recently, consumers are stocking up on groceries to shelter in place due to the coronavirus (COVID-19) and apples are benefitting.

Packing houses are increasing workers' shifts to keep up with a 50% increase in shipments. It's unlikely shipments will retain this pace but decreasing inventories could help support better pricing for the rest of the season.

# Lower Quality and Pricing

The increased crop size has pressured prices down about \$2-\$3 a box compared to last year.

#### Washington Apple Prices

Packouts are low especially for Honeycrisp, Fujis and Galas. Growers are paid based on packed volume with pricing varying on fruit quality and size.

Lower packouts reduce the amount of saleable fruit the grower is paid for while lower quality fruit brings in lower pricing.

Therefore, a combination of low packouts and pricing takes a

double hit to growers' returns.

#### Honeycrisp

According to Desmond O'Rourke, an agriculture economist who specializes in apples, Honeycrisp has carried the apple industry for the last several years.

The variety was profitable for all of the past six years while all other varieties combined were only profitable two out of the last six years.

Due to its success, growers planted more Honeycrisp. Supplies have increased and pricing decreased.

This season pricing dipped under \$40 per box, a record low. Growers with good quality, right-sized fruit and strong yields will continue to see profitable margins. However, growers with fruit lacking these qualities could lose money.

Cosmic Crisp had a successful launch and could be the new bright star for the Washington apple industry. However, increasing supplies could subject it to the same decreasing price environment Honeycrisp is experiencing.

#### 2020-21 Crop

Mild winter weather gave way to a cold snap in mid-March. Washington State University reports 10% bud damage at tempera-



tures of 18 degrees if green tip is showing on the bud.

Most areas did not reach these lows. Granny Smith and Galas would be the most susceptible, but damage is limited.

Warmer winter temperatures could mean an early season. Shipping all of the current crop before next season will be difficult if the 2020-21 crop comes early.

#### Labor and COVID-19

On March 17, the U.S. State Department announced suspension of all immigrant visas. The agriculture industry reacted quickly and the State Department issued a clarification that H2-A application processing would continue. Returning H2-A workers who are

eligible for an interview waiver would be prioritized.

U.S. Secretary of Agriculture Sonny Perdue has promised to work with the White House to ensure migrant labor remains available for U.S. farmers.

As of now the labor situation is adequate. Some H2-A workers entered the U.S. before COVID-19 spread. Also, more domestic employees are seeking jobs in agriculture due to layoffs and furloughs in other industries.

Additional Information

US Apple Association, usapple.org, USDA Agricultural Marketing Service, ams.usda.gov, Washington State Tree Fruit Association, wstfa.org.

SEE NEXT PAGE



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# Cherries



- Little Cherry Disease is present across all Northwest growing regions and a significant number of trees are being removed in response.
- Pacific Northwest winter conditions were mild until mid-March when frigid temperatures swept through the region.
- COVID-19 is having negative effects all over the world and cherries won't be immune if the situation doesn't improve by early summer.

# 12-Month Profitability Outlook

Northwest FCS' 12-month outlook expects slightly profitable returns for mid-season cherries and profitable returns for early and late-season cherries.

Although Little Cherry Disease and cold mid-March temperatures will likely decrease the 2020 crop, the mid-season supply glut is still expected to reduce margins.

#### Cold Snap

Mild winter weather gave way to temperatures in the low 20s in mid-March. Wenatchee set record lows March 14 and 15 at 21 degrees. Cherry bud development varies by variety and location. Warm winter temperatures resulted in earlier bud development for most locations.

Most cherries were between stage 2 and 3, which means some green was starting to show on the bud. At this stage, 10% kill occurs at 22-25 degrees according to Washington State University.

#### Reduced Crop Size

There are two different diseases, Western X and Little cherry

# Drivers: Reduced crop size due to Little Cherry Disease, cold snap, COVID-19

virus. Both diseases result in small-sized fruit and eventually kill the infected tree.

Washington State University reports both are at epidemic levels in the region.

Growers have removed a sizable number of trees and whole blocks as there are no cures for the dis-

Although the exact impact to the 2020-21 crop is unknown at this time, there is little doubt crop size will be lower due to the disease.

#### Coronavirus (COVID-19)

The pandemic is disrupting both the supply and demand side of the economy. Supply side disruptions started in China as migrant workers were ordered to stay

Shipping container availability became inadequate as many shipments were waylaid in China. Although China has sent workers back to work, most operations remain under capacity.

Supply side issues are expected to remain as the virus spreads in other countries.

Many countries have limited travel and restricted large gatherings such as sporting events, conferences, etc.

Countries continue to add strict- al grower basis. er quarantine measures.

Even in countries with no such restrictions, consumers are changing their purchasing habits.

U.S. government officials say actions to prevent the spread of the virus could continue into summer.

Depending on continued effects on the supply chain, cherry exports could be disrupted if the situation lasts through May.

In 2019, 34.2% of the crop was exported. Major exporting markets are countries that have been impacted by COVID-19.

However, there is some optimism in China as the situation seems to be improving.

#### 2019 Major Export Markets

Although not a lot of cherries were in further bud development, some reports indicate orchards as far along as stage 6.

This is when the white flower first starts to show. At this stage, 90% kill occurs at 24 degrees.

Generally, across all growing regions and varieties the frost event is being reported as a crop thinning. However, more severe impacts are likely on an individu-

#### **Shipment Timing**

Cherries are highly perishable and must be shipped within a few weeks after harvest.

Therefore, supply gluts occur each season and profit margins are squeezed on fruit sold in mid-

2019 Northwest Cherry Shipments: China 23.2%, Korea 13.5%, Taiwan 10.7%

#### Labor

On March 17, the U.S. State Department announced suspension of all immigrant visas.

The agriculture industry reacted quickly and the State Department issued a clarification that H2-A applications processing would continue. Returning H2-A workers who are eligible for an interview waiver would be prioritized.

U.S. Secretary of Agriculture Sonny Perdue has promised to work with the White House to ensure migrant labor remains available for U.S. farmers.

Additional Information Washington State Tree Fruit Association wstfa.org.

# wine/Vineyard

# Drivers: Mild winter weather, grape oversupply, new products, pandemic disruptions

- Temperatures have remained above levels that threaten vine health
- California and Washington need to remove acreage to correct oversupplied markets.
- To attract new consumers, wineries are thinking outside the bottle.
- · With restrictions on gatherings due to the coronavirus (COVID-19), most wineries in the region have closed tasting rooms, cutting off a large revenue stream.

Northwest FCS' 12-month outlook anticipates slight profits for wineries and vineyards.

With overproduction in the two largest wine-producing areas, grape prices are falling and finding buyers for grapes is difficult.

Sales measured by volume are declining as consumers cut back on alcohol consumption.

### Crop Conditions

Washington State Tree Fruit Association models cold hardiness. At around 9° to 16° Fahrenheit, depending on variety, 10% of the bark can be damaged. However, even at over 50% bark damage, vines survive and remain productive.

Mild winter conditions posed no danger to vines across the Pacific Northwest. Even cooler than average temperatures in midMarch were not a major threat.

### Glass too Full

Increased production and flat to declining consumption have left the wine industry with excess supply.

According to Jeff Bitter with Allied Grape Growers, California's market is 200,000 tons long. California needs to remove 30,000 acres along with the normal 5% attrition.

The grape market in Washington is also flooded. Chris Bitter with Vintage Economics estimates Washington is 41,250 tons oversupplied. To correct supply, 8,500 acres - 15.5% percent of the state's acreage - need to be removed.

#### 12-Month Profitability Outlook - Wineries Sales

U.S. per capita wine consumption is flat. Almost half of alcohol drinkers in North America report trying to reduce consumption. The number increases to 67% for consumers aged 21-34. Surveys indicate the number-one reason for drinking less is for health reasons.

#### US Per Capita Wine **Consumption**

Although consumption is flat, total U.S. wine sales continue to grow on a value basis despite declining volumes.

Wines priced below \$11 per bottle at retail continue to underperform.

### Bifurcation

Although statistics on Washington's wine sales look dismal, there are successful wineries.

Some smaller wineries, with large direct-to-consumer sales and higher-priced wines, appear to be weathering the storm.

According to Vintage Economics' Chris Bitter, if wineries producing 250,000 cases or more are removed from the data, shipments increased by 5% in the last 52 weeks.

### **Substitutes**

It's not new news, hard seltzers are exploding. But it's not just the young consumer drinking them on a beach

The largest consumer group is age 41-55 and college educated, which has traditionally been the key wine consumer group. It's estimated that 20%-40% of drinking occasions have switched to hard seltzer.

Several wine companies are observing the changes and acting.

Although canned wine revenues are growing over 20%, it remains a small part of the wine market,



around 1% of market share.

flavored wine are new, canned products that wineries are using in an attempt to capture new con-

A lot of affordable, high quality grapes are on the market. Opportunities are available for wineries to make good products with less expensive inputs.

However, those opportunities could be risks if lower quality products are stuffed in a can and sold to first time wine consumers.

The industry should be cautious and put its best foot forward.

# COVID-19

Several wineries have closed tasting rooms to aid the slowdown of COVID-19. According to Silicon Valley Bank's (SVB) State of the

Industry Survey, 28.2% of winery Wine cocktails, low-calorie and revenue comes from tasting rooms. This is particularly devastating for smaller wineries that rely heavily on direct-to-consumer (DtC) sales.

> off-premise sales However, surged in mid-March, some price points increased more than 60% from the previous week.

### Additional Information

USDA National Agricultural Statistics Service nass.usda.gov, Washington State Wine Commission washingtonwine.org, Wine America wineamerica. org, Wine Business winebusiness.com, Winegrape Growers of America winegrapegrowersofamerica.org, wineinstitute. org/resources/statistics, Wine Market Council winemarketcouncil.com.

> SEE PAGE 10 FOR MORE MARKET REPORTS

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# **VETERAN-OWNED & OPERATED BUSINESS**

# Did You Hear?

# **COVID-19 Drinking Game**

By Heather Hill **Veterans Counseling** Services of Central Washington

Combat Veterans who struggle with PTSD often experience an increase in their symptoms when stressors occur in their

Stressors do not necessarily have to be related to past combat experiences, and they can be positive such as buying a new home, a birth of a child, etc.

Combat Veterans can have increased difficulties with sleep, irritability, social isolation, and other symptoms of PTSD during these times.

COVID-19 and its related stressors are impacting our combat Veterans in our community.

BUT! Did you hear? -COVID-19 can be spread through passing gas.

Did you hear? - WA State is mandating people to utilize human sized hamster balls when in the community.

Did you hear? - CPS is taking children and creating camps to place children if their parents have COVID-19.

Did you hear? - They are canceling the entire next



Heather Hill

Did you hear? - A Nigerian prince scammed WA state out of unemployment money. DID YOU HEAR?!?!

If I drank a shot of anything that had alcohol in it every time I heard - "Did you hear?" - one of two things would happen:

1) I potentially could have the best counseling sessions of my life but lose my license because there is a thing called "ethics" or

2) I'd die of alcohol poisoning.

The issue with "Did you hear?" is the majority of the information passed is incorrect, did not come from a reliable source, or has just enough accurate information that the receiver takes the information as fact and

fake news is never positive? It's always negative and always produces fear and

A person who is positive with COVID-19 can infect an exponential number of others. This is devastating.

A person who is passing "fake news" to others also impacts an exponential number of others and feeds into the culture of fear.

The anxiety that surrounds COVID-19 false facts has become almost as contagious as the virus itself.

Those who operate from fear are often not rationale and make choices they would not make otherwise.

Most people would not punch someone else over a box of cereal - but fear of food shortages have led to that. Most people would not consider hoarding toilet paper - but fear of lacking those soft moisturized squares has caused households to purchase enough toilet paper for the rest of their lives "just in case". Anxiety is equating with impulse reactivity.



I feel sorry for those folks who tried to return toilet paper to Costco when they realized there was not a t.p. crisis to find themselves retaining their hoard due to the no refund policy.

The only way to stop propagating a culture of fear is to stop contributina to it.

One of my favorite skits of all times is Bob Newhart's "Stop It". The premise is simple, he's a therapist seeing clients who share all of their woes or negative self-talk. His solution is simple - "Stop it!". To every problem the person presents - his answer is rock steady - stop it! So - I bet you know where this is going - STOP IT! Stop spreading news you have heard without verifying it came from a reliable source. Stop getting your information and news from Facebook posts. Stop sharing information you heard from

your friend who heard from his cousin who lives on the west side. STOP IT!

I will acknowledge that being informed can support a reduction in anxiety, BUT if you cannot take time to verify the information you are consuming and heaven forbid sharing – STOP IT!

Do not pass go; do not collect \$200 and go straight to jail. I will also admit that for the past several years it has become more difficult to discern what is reliable information and what is not - but if we did not share or pass along anything we have not verified, this phenomenon could be drastically reduced.

Some of the articles and posts I've seen leave me wondering what the writer's motive could possible be. I don't know, did they wake up that morning and think: "I wonder what I could write that will cause mass panic?" Maybe. I don't

know. But for the love of the U.S. Constitution, please stop believing everything you read or hear and sharing the information without verifying it.

Can anxiety about COVID-19 be mitigated? Yes! Limit your news consumption by quantity, duration, and ensure your source is reliable.

The more you feed anything, the larger is grows. The more time you spend on something, the more your mind is focused on it.

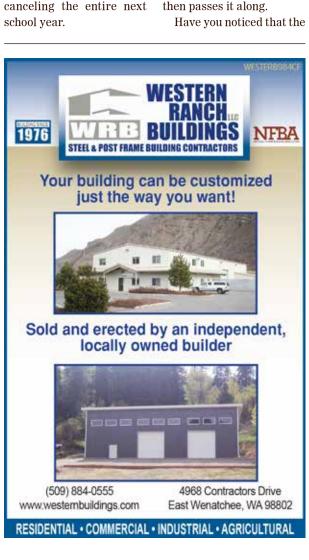
Practice moderation, use common sense, and please be patient with others.

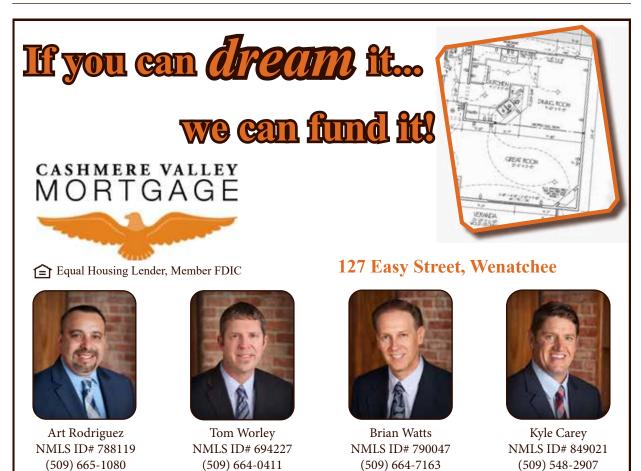
We are all in the same boat, whether it is a yacht or a dingy, if there is no toilet paper, its pretty crappy.

Veteran Crisis Hotline Dial 1-800-273-8255 and Press 1 to talk to someone. Send a text message to 838255 to connect with a VA responder. Heather Hill is a veteran of the U.S. Army.

Division of

Cashmere Valley Bank





www.CashmereValleyMortgage.com

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**CONTINUED FROM PAGE 9** 

# Chelan County hires former WDFW executive Jim Brown to manage growth

part of our work. Administration of an agency is also a unique skill set and finding someone effective at both is always a challenge. And the workload and attention needed for each role has been extremely hard to keep up when being performed by only one person in a department as large as ours.

As the "administrator" I will take on a similar role to that which I held at WDFW as the Regional Director for the past seven years. WDFW Region 2 has about 150 personnel working in it, versus about 20 in Community Development. I have significant practical experience and formal training in the human resources aspect of my job involving personnel recruitment, selection, retention, oversight, coaching, corrective action, and discipline.

I have the experience to properly work with our HR department to be successful in all aspects of the personnel management needed for this job. I also have extensive experience and formal training with handling tough high profile and contentious issues like apex carnivore management, agency lands management, land use requirements, and other agency decisions people are passionate about. So I am no stranger to navigating those kinds of areas of conflict. The issues are different here, but are no less contentious for many people.

At WDFW I took on some tough routine as well as strategic issues

in the five counties of WDFW Region 2, including large budget management challenges while maintaining and improving customer service and having a downward trending budget allotment from the legislature. I also led several efforts in collaboration with citizens, NGOs, State, Counties, PUDs, Native American Tribes, and Federal agencies on various projects to ensure maximum and timely participation by the department

We didn't want WDFW to be the "regional bottleneck" for getting those entities' respective work done. Some had issues that were deemed by others as, "unsolvable," yet when we rolled up our sleeves and really dug into those we got to some great outcomes. It often involved getting staff to use, "outside the box" thinking. I have often seen government agencies get into a, "we have always done it that way" mindset for matters, when it really doesn't always have to remain that same way.

Sometimes by looking at a problem differently, you see opportunities to solve the supposedly unsolvable. And I did that across multiple entities, with sometimes conflicting interests of involved parties requiring me to mediate solutions and coordinate WDFW's engagement in finding a viable pathway.

Then the follow-through ensured WDFW staff is delivering work products to achieve the desired outcome. By the nature of that agency structure's and geographic distribution, it involved coordination across WDFW divisions and offices, often involving multiple scientific disciplines, and in some cases even the Attorney General's office.

Helping develop WACs and RCWs to support the agency mission was part of the work I did there, not unlike the our current need to revise and update the county codes that the Community Development Department works within. I worked with members of the citizen nine-member Fish and Wildlife Commission on regulation issues, much in the same way our citizen Planning Commission functions here.

Additionally, I have extensive experience in leading change within an organization, something we are trying to bring about here in how we more effectively apply our staff and resources, recruit and retain qualified staff, and improve our customer service. Under the new model, customer service in the form of a Permit Clerks and our Permit Techs who do the initial intake of projects will report directly to me. That will put me squarely in line with those who make that first impression with customers and I will work with staff to identify process improvements that will help us get the work done in a more timely fashion wherever possible

WBJ: Are you holding this position as a stopgap measure so the county can search for

#### someone permanent?

JB: I am not that old. I started right out of college in public service and I still have a lot more to give. I view everyday as a challenge to learn something new and make someone's life better, if possible. I will be around until the Board of Commissioners no longer want my services, or until I am ready to move on myself.

# WBJ: What is your main priority in regulating growth?

JB: The Board of Commissioners, with the assistance of the Planning Commission, and informed by a public process of engagement with each, set the priorities for regulating growth in Chelan County. I am just getting my feet on the ground here and do not have clear sense of direction yet from those parties as to where we are headed. I know that we have several challenging issues requiring some tough decisions soon, and issues like regulation of Short Term rentals is but one. And folks sure are passionate on that issue. In my role as Director I commit to hearing what the public wants done on issues and doing my bet to ensure that we have an inclusive and fair process for bringing their input into finding resolution to these kinds of tough

WBJ: I get complaints about overzealous zoning inspectors. Is there anything allegedly aggrieved parties can do?

JB: If any party thinks our staff are acting improperly, then I encourage them to come to me with their complaints and I will look into those concerns on a case-by-case basis.

WBJ: What is the simplest

#### way to explain the zoning transition from orchard to new subdivision? Are these requests always granted?

JB: Orchards and subdivisions are "uses" and not "zoning". The zoning designations stipulate a variety of uses allowed. Each application for a change of use that is not what is currently allowed in a particular zone is examined on a case by case basis, and there is no one size fits all process for those changes.

WBJ: Regarding mandates from county government. Do you attempt to preserve the historic agriculture of Chelan County?

**JB:** The Chelan County Comprehensive Plan addresses the desire to preserve productive agricultural lands.

WBJ: Does your office work the Chelan-Dougla Land Trust or other governmental, NGOs for the good of either slowing or accelerating growth?

JB: The Community Development Department works with a myriad of entities and interests in the county including, on occasion, the CDLT. Growth is inevitable and necessary to the survival of the community, both economically and socially. Growth that takes into account the environmental impacts is not only prudent for the health of the environment and to conserve the very aesthetic and quality of life issues people want to have maintained here, it is also required by law.

# WBJ: Anything else?

**JB:** Thanks for opportunity to engage with your readers about the work of their Department of Community Development.







The 2019-20 crop is 11% smaller than last season. Shipments are slow, but the smaller crop is helping marketers keep pace with last year. Low quality fruit is in high supply this year and returns are low.

# 12-Month Profitability Outlook – Supply and Demand

The 2019-20 crop is 11% lower than last year with a large drop in Bosc and Bartlett crops. Although supply is down this season compared to last, shipments are underperforming. With a smaller crop than last

# Crop Size

Northwest FCS' 12-month profitability index indicates break-even profitability. A smaller crop is helping move the pears. However, packouts are low this year and growers with poor quality are experiencing negative margins.

Growers need high packouts and good yields to capture profits this season. More should be shipped compared to last season. to 1.7 million fewer boxes sold this year compared to last.

Demand is increasing for many items on the grocery store shelves

However, as of March 20, the same

percent of the crop was shipped as

the prior season, which amounts

items on the grocery store shelves as consumers stock up due to the coronavirus (COVID-19). However, marketing desks report that pears have not had the same sales bump.

According to the USDA, per capita fresh pear consumption declined from 2013-17; processed per capita consumption has trended down since 1999. In 2018, per capita pear consumption of fresh pears increased. The 2018 consumption increase was likely driven by the larger crop rather than consumer demand.

The industry is aware of poor consumer experiences and is taking action to improve them, such as preconditioning pears so fruit is ripe when it reaches the consumer.

# Prices

Returns to growers vary widely this season and depend on quality, size and yields.

# Quality

Overall, the quality of this season's crop is poor. A late frost across the major growing regions caused damage. There is an abundance of low quality fruit, most of which is being culled.

demand and low returns to growers

### Sizing

The Wenatchee growing region's small crop resulted in larger fruit while the Hood River growing region's large crop led to small fruit

According to the Washington State Tree Fruit Association, 85% of shipments to date are either 120 and smaller or 90 and larger1.

### Returns to Growers

Varying fruit size, quality and yields are resulting in mixed returns to growers.

On average, packouts are lower this year. In a good year, packs are 20 boxes per bin; this year packs are 18 boxes per bin. Growing pears costs around \$8,000 per acre.

At average pricing, yields

and packouts, Bartlett and Bosc margins are positive, but growers are losing money on Anjous.

However, the price gaps between low and high quality fruit is large, likely pulling down average prices.

For example, margins on Anjous are positive for higher quality fruit, US #1, while margins on lower quality fruit, Fancy 1 are negative. Prices on low quality fruit are low due to the large supply.

### 2020-21 Crop

Winter conditions were mild and warmer than average in February and early March.

In mid-March, a cold snap hit all major growing regions. Pear buds weren't far along in development and only limited damage is expected.

### Additional Information

USA Pears usapears.org, USDA Agricultural Marketing Service ams.usda. gov, USDA National Agricultural Statistics Service nass.usda.gov, Washington State Tree Fruit Association wstfa.org.

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# MEMBER MESSENG

"Driven to Promote and Protect Small Business"

**JUNE 2020 ASSOCIATION NEWSLETTER** 

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# 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!

- Arseneault Automation, LLC 6 years
- Builders FirstSource 22 years
- Cascade Autocenter 17 years
- Chuck Strawn Landscape Design 11 years
- Costco Wholesale #112 12 years

- Draggoo Financial Group 11 years
- Gold Construction, Inc. 23 years
- Icicle Broadcasting, Inc. 8 years
- Jeffers, Danielson, Sonn & Aylward, P.S. 14 years
- Lenssen Homes 17 years
- Okanogan County Energy, Inc. 16 years
- Olson's Construction, Inc. 15 years
- P & P Remodeling Services LLC 2 years
- Rains Contracting, Inc. 13 years
- Sangster Motors, Inc. 23 years
- SMART Association 3 years
- Titan Roofing CW LLC 1 year
- Tumwater Drilling & Pump, Inc. 20 years
- Village Life 16 years
- Western Ranch Buildings LLC 23 years
- Work-Force Solutions, Inc. 3 years

**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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FAX: (509) 665-6669

Email us for more information: Info@BuildingNCW.org

Visit us online at: www.BuildingNCW.org

# lune CEO report

For the third month in a row I am putting together this month's Member Messenger from my makeshift home office in our Laundry Room. With no end in sight the natives are getting restless.

Thankfully, many of our builders, subcontractors and suppliers are getting back to work under stringent guidelines set forth under the Governor's Stay Home, Stay Healthy order. While this is a positive development, many of our other small business members, friends and neighbors are still shut down or struggling under the burdensome restrictions placed on their businesses.

BNCW has always promoted the "shop local" idea of supporting locally owned businesses. As this crisis continues and more businesses are able to open back up, shopping local is not just a slogan, it is critical for our small business community.

2020 was already going to be a difficult year for small business in Washington state. Increases to the minimum wage, paid family leave, and new overtime rules, (just to name a few) were set to push many small businesses to the brink even without Covid-19, the forced closure of "non-essential" businesses, and customers under house arrest! Please watch for announcements and support your friends and neighbors as they

begin to open up again!

The BNCW offices remain closed, but we are available by phone or email, and don't hesitate to contact us if there is anything we can do to assist you. We will continue to watch closely for any changes that the Governor makes to his Stay Home, Stay Healthy order and keep our membership updated.

We are currently compiling all the requirements that the Governor has indicated will be necessary to follow for Phase 2. Like the Phase I construction restart packet, we will do our best to provide our members with the clearest, most accurate and up to date information that we can.

In closing, something we can all celebrate! The BNCW family has grown through all this! On May 13th, 2020 at 1:47 pm. Rachel Beardslee and Brandon TeVelde welcomed their new addition, Danielle Rose to the world.

She completes their family and her older siblings, Mickaylah (5) and Jeremiah (3) are loving her like crazy.

CONGRATULATIONS Rachel

Stay Safe!

Lee Pfluger, BNCW CEO

# **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!



■ Climatek Heating & Air Conditioning Charles & Rikki Filyaw 509-881-5556

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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Wenatchee Business Journal



# MEMBER MESSENGER

"Driven to Promote and Protect Small Business"

JUNE 2020 ASSOCIATION NEWSLETTER

PAGE 2

# **BNCW's:**

FROM A DIFFERENT PERSPECTIVE

# **Hearty Housing**

pril housing starts came in at 891,000, down 29.7% Y-o-Y and a level last consistently seen in 2013, but through April starts are up 3.7% YTD. Starts will probably be down Y-o-Y for the next four or five months but low inventories and forbearance limit supply, while favorable Millennial demographics and low interest rates boost demand. Lastly, job losses from Covid-19 have hit lower-income workers hardest, and they typically rent."



# **Continuing Claims**

ragically, 38.6 million persons have lost jobs since mid-March. While that number will grow over the next 6 weeks, it is slowing and should hopefully plateau by July. Thus, initial unemployment claims is no longer the key labor number. Rather, watch continuing unemployment claims. It tells us how many people remain unemployed and continue to file weekly for benefits. The sooner and faster it falls, the stronger the recovery."

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



# Proper Face Mask Usage At and Away from Work



COVID-19 can be spread by someone even when they are asymptomatic. By covering your mouth and nose with a mask, you are protecting others. Remember: If you get the flu, you could spread it to about 14 people; if you get COVID-19, you could spread it to thousands. It spreads that easily. Face masks can prevent that from happening.

Employers are required to provide employees with face coverings when required. You may also choose to bring in your own mask that you bought or made. If you want to use your own, please check with your supervisor to make sure it will keep you safe.

Face Masks do not take the place of Social Distancing. Thank you for your efforts to keep yourself and our communities healthy!

#### How to wear a face mask:

• Wash your hands thoroughly before putting on the mask, and immediately after taking the mask off and after storing or throwing away the mask.

- To keep you and others safe, all face masks must cover your nose and mouth with no gaps between the mask and your face. Always treat the outside of the mask as if it is dirty and wash your hands as soon as you take it off.
- If both sides of the mask look similar, mark the top outer surface so that reuse is easier.
- Never remove your mask by touching the mask material itself. Use the elastic or ties to remove the mask.
- Launder daily. Check providers instructions for appropriate laundering temperatures. Hang to air dry.
- Inspect mask to determine if it can be used again. If it is soiled or wet replace.
- If OK to reuse, fold mask in half (lengthwise or widthwise), so the outside surfaces are touching each other.
- Store in a clean personal paper bag or vented plastic bag when not in use. (label if needed)
- Do Not place directly in pocket, toolbox, or unprotected area.

#### Benefits of wearing a face mask:

Wearing a face mask may not protect

you from COVID-19, but it will protect

TOOLBOX TALKS (7)

from contaminating others.

• By wearing a mask, it reminds people

others if you are sick. Face coverings are

designed to catch your own oral droplets

- to keep a safe distance from each other.
- It prevents you from touching your mouth, nose, and parts of your face with an unwashed hand.
- Even when wearing a face mask, you should continue to practice social distancing (keep 6 feet away from others, avoid close contact).

DOSH has updated the attached Directive to extend guidance to all industries. In addition, information is provided for the assessment and use of cloth face coverings and respirators for COVID-19.

If you want to make a mask, here are several resources found on the L&I website.

Making a mask: This video shows you how to make one without sewing: How to Make Your Own Face Covering. https://www.youtube.com/watch?v=tPx1yqvJgf 4&feature=youtu.be

If you have a sewing machine, try these: How to Make a DIY Face Mask (that has a filter) https://www.youtube.com/watch?v=tDt02kUpP9Q

How to Sew a Fitted Cotton Face Mask. https://sweetredpoppy.com/how-to-sewa-fitted-fabric-mask/



# Cleaning of Tools to Prevent the Spread of COVID

People handling tools should wash their hands or use a proper hand sanitizer before and after use to help prevent contamination.

- People handling tools should be properly trained and protected using necessary Personal Protective Equipment (PPE).
- Clean tools with mild soap, a clean damp cloth, and, as needed, an approved diluted bleach solution only.
   Certain cleaning agents and solvents are harmful to plastics and other insulated parts and should not be used.
- If possible, do not use cleaners that have conductive or corrosive materials such as gasoline, turpentine, lacquer thinner, paint thinner, chlorinated cleaning solvents, and household detergents containing ammonia.
- Never use flammable or combustible solvents around

OOIS.

#### CLEANING OPTIONS: MILD SOAP & DILUTED BLEACH SOLUTION

First clean tools with a mild soap and damp cloth to remove dirt and grease and then decontaminate with a diluted bleach solution, which is consistent with CDC advise. The full diluted bleach cleaning procedure can be found below.

### PROCEDURE

- 1. Clean the product surface with mild soap and water to remove dirt and grease.
- 2. Dip a clean cloth into the dilute bleach solution.
- 3. Wring out the cloth so it is not dripping wet.
- Gently wipe each handle, grasping surfaces, or outer surfaces with the cloth, using care to ensure liquids do not flow into tool.
- 5. No other cleaning material should be used as the diluted bleach solution should never

be mixed with ammonia or any other cleanser.

- 6. Allow the surface to dry naturally.
- 7. The cleaner should avoid touching their face with unwashed hands and should immediately wash their hands

after this process

- A properly diluted bleach solution can be made by mixing:
- 5 tablespoons (1/3rd cup) bleach per gallon of water; or
- 4 teaspoons bleach per quart of water



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**JUNE 2020 ASSOCIATION NEWSLETTER** 

# Broad Coalition Challenges Ongoing State of Emergency

#### Press release Joel Ard

Lawsuits were filed today in both Chelan and Douglas County Superior Courts in an effort to return authority to local officials as provided by state law. The suits seek immediate injunctive relief from Governor Inslee's ongoing State of Emergency declaration.

The emergency of Chelan and Douglas counties is no longer the threat of overrunning our hospitals; it is the continued collapse of our local economy and the ensuing pain, suffering and widespread poverty it will create.

If granted, the request would render the Governor's state of emergency void and allow local officials to resume their governing responsibilities.

Local officials in both Chelan and Douglas counties have the legal authority, provided via Washington State Statute to mitigate health threats such as Covid-19.

Local authorities are prepared to implement plans to reopen safely based on local expertise and on the ground information.

The suits state there is no longer an emergency and therefore the Governor must lift his order.

Speaking on behalf of the plaintiffs, attorney Joel Ard said, "The emergency order was specifically tied to the

statewide is giving us wonderful news. Nowhere in the state is that presently a danger. The Governor can't just change the terms of his emergency from flattening the curve to no positive cases. According to his own terms, the emergency is over."

Plaintiffs for the lawsuits include a broad coalition of citizens, elected officials, businesses owners, pastors and community leaders from both counties.

Lead plaintiff for the citizens of Chelan County suit is



Cuevas, his family, and the Latino community are being wrongfully harmed as the errant ongoing emergency order continues. When asked why he chose to pursue legal relief he said, "The pain, the suffering, the economic uncertainty... it has to stop. This is my attempt to help our community. We can't wait any longer."

Lead plaintiff for the suit in Douglas County is Dan Sutton, also a Douglas County Commissioner.

Sutton acknowledges Covid-19 is a serious disease, but also recognizes the seriousness of the effects of an errant prolonged economic shutdown. In a statement about the suit, Sutton said, "Covid-19 has changed our lives, harmed our community, and destroyed many livelihoods and businesses. We have learned and will continue to learn how to conduct ourselves safely. It is time we take the responsibility to reopen our community safely - before more harm is done."

In a letter supporting the suits, Shawn Ballard points out that "We don't want to move forward in spite of the virus, but in light of the virus. We believe we have the resources and leadership to reopen our community in a safe and responsible way, and we believe we have to do it now."





# **Group Retro Program**

### WHAT IS RETRO?

The Washington State Department of Labor and Industries began its Retrospective Rating program (Retro) as a financial incentive program to assist Washington employers in cutting the cost of their industrial insurance premiums. Enrollment in a retro requires your active participation to help control costs. By keeping claim costs to a minimum, you have an opportunity for a financial refund.

Retro gives you a financial incentive to increase your safety awareness, reduce workplace accidents and get more involved in minimizing the costs of the claims that do occur. In addition to helping you earn retro refunds, you'll be reducing your experience factor and premium rates.

# WHO IS ELIGIBLE?

Your company can participate in retrospective rating on its own or through "group plans" sponsored by many trade associations. Minimum premium levels are usually required for group participation and will vary by Association.

# HOW DO REFUNDS WORK?

L & I adjusts each retro plan year three times. The first adjustment is 11 months after the end of the plan year, with the second and third adjustments each following a year and two years after that. A percentage of the refund is distributed to the individual retro participants at the first adjustment, based on the recommendation of the participants in the retro group. At the time of final adjustment, all remaining refund monies are distributed to retro participants on a premium/ performance ratio compared with the rest of the participants in the group.

The group's refund is based on a comparison between the standard premium paid by the group to the Washington State Department of Labor and Industries and the claim losses incurred by the group within the plan year.

# BNCW AFFILIATED RETRO GROUPS

BNCW is proud to be able to offer our member companies access to a few high-quality Retro groups sponsored by both the SMART and PITB organizations. Both SMART and PITB groups utilize Approach Management Services (AMS) as the third-party administrator for their programs. AMS' history with group refunds is an exceptional one. The SMART Retro programs include a fantastic Retro group designed specifically for general contractors and sub-contractors. In addition, SMART has a group designed specifically for the retail, wholesale, and professional service industries, too.

The PITB Retro programs include Retro group options for member companies in the transportation, manufacturing, and food processing industries.

To learn more, please visit www.BuildingNCW.org or, contact BNCW at (509) 293-5840 to see if your company might qualify to participate in one of these quality Retro groups.



# Nigerian Fraud Ring helps Washington State lead nation in Unemployment Stats

By Glen Morgan

Washington State prides itself as a trend setter in many areas. Leading the nation in unemployment claims was not the indicator Washington State wanted to win. However, when formal nation-wide unemployment numbers were recently released, Washington State led the nation with unemployment numbers (according to the U.S. Dept. of Labor and the Bureau of Labor Statistics) of 30.8%.

This rate of unemployment is unprecedented in modern state history. However, these numbers may not be accurate thanks to a Nigerian-linked fraud racket, which managed to steal millions (apparently hundreds of millions!!!) of dollars from the Washington State Employment Security Depart-

#### The Unemployment numbers for Washington State are currently the worst in the nation

As reported in the New York Times and other various national news sources, last week, Washington State's Employment Security Department had to stop issuing unemployment checks for several days due to the unprecedented volume of fraudulent requests which were processed and paid by the

At this point, no state officials are admitting how much Washington State taxpayer funds were stolen (rumor in Olympia is that it is in the \$200 million+ range), and it appears unlikely that these funds will ever be recovered. According to media reports, the US Secret Service and other Federal Agencies are involved in the investigation, and their notice to the State probably prevented many millions more from being

SEE UNEMPLOYMENT STATS, PAGE 14

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# Building! MEMBER MESSENGER

**JUNE 2020 ASSOCIATION NEWSLETTER** 

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# Unemployment hits a record high and the trust fund balance is in freefall

By MARK HARMSWORTH



The latest unemployment numbers released from the Employment Security Department (ESD) shows that the unemployment trust fund is decreasing at a rate much higher than the state is projecting.

ESD continues to provide unclear and mis-leading reporting of the state unemployment fund balance and the rate of decline. By not calling out the exact fund balance remaining and the state portion paid each week, ESD is obfuscating the true economic condition of the

The May 21st press release shows the state spent \$1.01

billion (an increase of almost \$256 million from the previous week) of federal and state funds on unemployment benefits for the week of May 10-16. Based on previous estimates, \$334 million of the \$1.01 billion was spent from the state reserve.

The fund balance was \$4 billion on May 1st. This was the last official balance available from ESD. Simple math shows that at an average of payout rate of \$250 million a week means all the money will be gone in less than 100 days depending on the starting fund balance.

This weeks numbers show that \$250 million average may be too low and the fund is depleting at a higher rate.

These numbers are not readily available from the ESD press releases and contradict the departments own public statements. Recent reports of fraud will add to the additional burden on the

Depending on how long the COVID-19 lockdown goes on, it all adds up to a multibillion-dollar problem for the state. Legislators and the public need accurate information so they can start addressing the fix.

The Tax Foundation recently published a study on unemployment compensation claims and concludes that Washington state has the highest ratio of unemployment verses the private sector. This imbalance will continue to put additional pressure on the unemployment trust fund

Based on the slow-phased approach to reopening the economy, unemployment will be kept artificially high. The best way to regain the state's fiscal health is to bring jobs back. Once people go back to work, they start paying into the unemployment fund instead of drawing money out.

The longer businesses are forced to remain closed and workers are home, the larger this problem will become.

Improving lives through market solutions

Unemployment claim type	May 10	Week of	Week of April 26-May 2
Regular Unemployment Insurance (UI) initial claims	138,733	109,425	100,762
Pandemic Unemployment Assistance (PUA) initial claims	61,325	55,911	59,234
Pandemic Emergency Unemployment Compensation (PEUC) initial claims	59,630	47,626	40,267
Continued/ongoing weekly claims	1,410,892	1,088,602	885,768
Total claims	1,670,580	1,301,564	1,086,031



### CONTINUED FROM PAGE 13

# Nigerian Fraud Ring helps Washington State lead nation in Unemployment Stats

lost. Washington State bureaucracies have a legacy of incompetence and failure, but it isn't every day they fall for Nigerian fraud scams.

Which raises an impor-

tant policy question. Exactly how much of Washington State's unemployment data is phony or artificial thanks to the diligent and effective efforts of this Nigerian fraud

crew? This answer matters because Governor Inslee's special brand of covid lockdown theatre has been very successful in flatlining Washington State's economy, but nobody can yet quantify how bad the state's fiscal affairs have become. The first real glimpse will be the Office of Financial Management Report scheduled for June 17th. However, we may discover that Washington State's unemployment numbers are not as bad as they look right (although someone now

needs to review just how ineffective our fraud prevention program is at Employment Security).

It isn't great (or surprising) news that Washington's bureaucracy fell for a Nigerian fraud scam, but it could be good news that the unemployment numbers might be just as phony as the concept

of "fraud detection" and competency in Washington State's bureaucracy. In the middle of the storm clouds of covid mania, "snitch lists," and Inslee lockdown madness, nobody can say I'm not able to find a silver lining.

More information on the site WeTheGoverned.com

# **BNCW EVENTS**

### **BNCW's June Board of Directors Meeting**

■ Wednesday, June 19, 2020 7:00am to 9:00am **Building North Central Washington** 2201 N. Wenatchee Ave, Wenatchee **Chairman: Greg White** 

The Board of Directors is the policy-making body of the Association and is responsible for the business affairs of the Corporationaccording 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 Members SAVE on your cell** and health insurance costs! CALL 293-5840 TO LEARN HOW

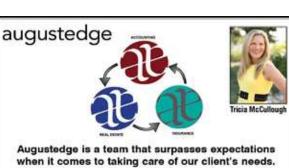


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# Washington PUDs elect Chelan's Arsenault to Executive Committee

#### Submitted by WPUDA

Olympia – Commissioners from four public utility districts assumed top leadership positions for 2020-2021 as the Washington Public Utility Districts Association (WPUDA) announced the election of its new officers.

Skamania County PUD Commissioner Liz Green was elected President after serving as Vice-President and Secretary; Jefferson County PUD Commissioner Kenneth Collins moved into the Vice-President's position after serving as Secretary; and Chelan County PUD Commissioner Garry Arseneault was elected to serve as Secretary. Former president, Chelan County PUD Commissioner Randy Smith will serve as Past-President.

The officers serve on the Association's Executive Committee and Board of Directors, providing oversight and recommendations in support of WPUDA's mission.

The Washington PUD Association represents 27 not-for-profit, community-owned public utility districts and one-joint operating agency, Energy Northwest. WPUDA member PUDs provide energy, water and wastewater, and wholesale telecommunications services to communities across Washington.

The new officers assume an important leadership role in achieving



Garry Arsenault

the Association's mission to "support, protect and enhance members' ability to conserve power and water resources of the state and to provide not-for-profit, locally-controlled utility services."

Chelan County PUD Commissioner Garry Arseneault is the newest member of the Executive Committee, elected to the position of Secretary. Arseneault has served on the Chelan County PUD Board of Commissioners since 2015 and currently serves as the Board's President. Arseneault's professional background includes 36 years in investment, banking, and municipal finance; selling his investment firm in 2013. He has been involved in business startups and retains a position as

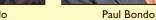
partner in a software venture.

Garry is an active community leader, having served on the Wenatchee Rotary board, the YMCA board and as an NSP Ski Patrol volunteer. He also volunteered on two Rotoplast cleft palate/lip missions in Asia and South America and served as chairman of World Community Service (WCS) to bring clean drinking water to Haiti. In addition, Garry established a Micro-Finance bank in Haiti for women, to help them rise from poverty. Garry is married to Karen; they have two boys (Greg & David) who are married, with four grandchildren and another on the way.

"I decided to serve in WPUDA leadership in order to embrace a role bigger in supporting the work PUDs do for communities throughout Washington," said Arseneault. "I believe in public service and hopefully will inspire others to achieve great things, to not just preserve but make better the value proposition public utilities deliver to their customer owners."

The Washington PUD Association was established in 1936. Its mission is to support, protect and enhance its members' ability to conserve the power and water resources for the benefit of the people of the State of Washington and provide not-for-profit, locally controlled utility services.





# Paul, Linda Bondo hired by Premier One Properties

Premier One Properties is proud to welcome **Paul** and **Linda Bondo** to our team of real estate brokers. Linda is a Managing Broker and Paul is a member of the Commercial Broker Association. Paul and Linda have a combined 25 years of experience in the real estate business. They look forward to assisting clients with their real estate needs as brokers at Premier One Properties.



Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion."

— Jack Welch

# 77

# State Corrections Employee in Okanogan County Wins Agency Award

OKANONGAN – Community Corrections Officer Craig Danielson has won a Department of Corrections agency award. Danielson, who works at the DOC's Okanogan Field Office won a leadership award.

The awards recognize employees for their continuous, outstanding work to improve public safety by positively changing lives as demonstrated by their accomplishments throughout the previous year.

"Each award recipient serves as a role model for their dedication and service to the department," said Secretary Stephen Sinclair. "It's a pleasure to be able to recognize our employees who go above and beyond to keep our communities and facilities safe."

Each year, staff members are nominated for the awards by their colleagues. A total of 169 DOC employees across the state re-



Craig Danielson

ceived agency awards out of a pool of 930 nominations.

Danielson, who was hired as a community corrections officer for the agency in July of 2014. He is the DOC employee in Okanogan County to win an award.

Community Corrections
Officers supervise formerly
incarcerated individuals
under DOC supervision in
local communities. They
provide guidance, support
and program opportunities
for justice-involved people
returning to their communities. They hold individuals
accountable to their release
conditions and work with

community stakeholders who have a vested interest in the successful reentry of inmates. The DOC currently employs 753 community corrections officers, who supervise more than 20,000 individuals in the community.

About the Award

The Leadership Award is presented to an employee who exhibits exceptional leadership qualities and provides a clear vision of what success looks like and how to achieve it. They strive for a safe and healthy environment for staff and/or individuals. They provide optimism and demonstrate integrity and have the ambition to succeed with the courage to take actions as needed. Understands the importance of delegating to promote employee growth and motivate the workforce and is seen as a reliable leader.

More information about the awards is available at http://www.doc.wa.gov/about/employees/awards.htm.

# **Wenatchee Community Corrections Officer Wins Agency Award**

WENATCHEE – Community Corrections Officer Lucas Bighouse has won a Department of Corrections agency award. Bighouse, who works at the DOC's Wenatchee Field Office, won an award for community corrections officer of the year.

The Department of Corrections Annual Awards recognize employees for their continuous, outstanding work to improve public safety by positively changing lives as demonstrated by their accomplishments throughout the previous year.

"Each award recipient serves as a role model for their dedication and service to the department," said Secretary Stephen Sinclair. "It's a pleasure to be able to recognize our employees who go above and beyond to keep our communities and facilities safe."

Each year, staff members



Lucas Bighouse

are nominated for the awards by their colleagues. The awards recognize employees' continuous work to improve public safety. A total of 160 DOC employees across the state received agency awards out of a pool of 930 nominations.

Lucas was hired with the DOC in its Moses Lake Field Office in January of 2017. He transferred to the Wenatchee Field Office in January of 2018. Lucas is the only DOC employee in Chelan County to win an award.

The DOC currently employs 753 community

corrections officers, who supervise more than 20,000 individuals in the community. Lucas was one of seven community corrections officers selected as Community Corrections Officer of the Year.

About the Award

Community Corrections Officer of the Year is presented to an officer whose performance goes above and beyond normal requirements and who demonstrates their commitment to the department's goals and mission. This officer maintains a positive attitude, provides sound decision- making, and a strong commitment to teamwork. They are an effective communicator, treating others with dignity, fairness, and respect. They are a positive role model and maintains professionalism at all times.

More information about the awards is available at http://www.doc.wa.gov/about/employees/awards.htm.



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# New Wenatchee Charles Schwab branch now available for virtual investing help, guidance

Schwab, one of the largest full-service investment services firms in the country, has opened a new independent branch here that provides investors with local access to a range of investing, wealth management and personal finance guidance, products and services.

As a result of COVID-19 and Schwab's commitment to the health and well-being of its representatives, personnel, clients and the community, the branch here is temporarily closed to public access, but fully available to support clients virtually during this period of economic and stock market volatility and uncertainty.

Schwab Independent Branch Leader Rick Deich, a financial services professional with more than 20 years of industry experience, is in charge of Wenatchee operations. Prior to joining Schwab's independent branch network, Rick was an independent financial advisor with Financial Alternatives here.

"Given the current environment, people have a lot of questions about how to approach their finances and investments, so it's more im-



portant than ever to make help and guidance accessible in Wenatchee," said Deich. "Although we are temporarily not able to meet with clients in-person, we remain focused on Schwab's commitment to be an advocate for the individual investor and provide them with the help and resources they

Located at 1048 Springwater Avenue, it is part of a larger franchising initiative Schwab announced in early 2011. Schwab's decision to begin opening franchise branches, in addition to its more than 300 existing company-managed branches, is grounded in a commitment to make financial advice and planning more accessible in local communities across

the country. Schwab's company-managed and independent branches deliver the same suite of brokerage products and services, pricing, and overall client service and experience.

Schwab is actively monitoring information and guidance provided by local, state and federal CDC officials and will communicate updates or changes to in-person branch access as quickly as possible.

Rick is a graduate of Cashmere High School and Eastern Washington University and a lifelong resident of the Wenatchee Valley. He has a BA in Business Administration and holds the Certified Fund Specialist designation. He is also on the Confluence Health Foundation Board of Trustees.

When he is away from work, Rick enjoys spending time with family and friends, hunting, hiking and following sports."

Once the branch reopens to public access, he expects to hold a range of complimentary educational investing workshops, which are available to Schwab clients as well as the general public. Clients and non-clients can contact him at 509-415-7120.



OLYMPIA - The Association of Washington Business, the state's oldest and largest business association, welcomed the governor's decision to allow some "lowrisk" construction projects to resume provided they meet newly created health and safety criteria.

"The spread of the corohealth crisis and an economic crisis the likes of which we haven't seen in a century," said AWB President Kris Johnson. "We are encouraged the data shows the spread of the virus is slowing and remain hopeful the trend continues. Today's news that some construction work will be allowed to resume soon was made possible thanks to the actions Washingtonians are taking, often at great sacrifice, to slow the spread of the virus.

"We need to continue doing everything we can to defeat this virus while also working to safely get people back to work and

beginning the long process of rebuilding our economy," Johnson added. "As many as 1 million Washingtonians are expected to be seeking unemployment insurance by next week, illustrating the enormous challenge facing our state."

The governor's decision to reopen parts of the navirus is both a public construction industry in a phased approach came as a result of declining infections as well as the work of a small roundtable group that worked with the governor's office to draft new safety and hygiene protocols for the industry.

"It was a great team effort with business and labor representatives working side by side," said Michael Ennis, director of government affairs at AWB and a member of the construction roundtable. "Construction is a critical part of the state economy, not only because of the direct impact it creates through jobs, but also because it's a linchpin for so many other parts of the economy that rely on the supply chain it supports."

Ennis added: "We continue to work on the next two construction phases, and we're hopeful the process will serve as a model for how to safely bring additional sectors of Washington's economy back online at the appropriate time."

#### About the Association of **Washington Business**

Formed in 1904, the Association of Washington Business is Washington's oldest and largest statewide business association and includes nearly 7,000 members representing 700,000 employees.AWB serves as both the state's chamber of commerce and the manufacturing and technology association. While its membership includes major employers like Boeing and Microsoft, 92 percent of AWB members employ fewer than 100 people. More than half of AWB's members employ fewer than 10. For more about AWB, visit awb.org.

# Cordell, Neher & Company team member receives promotion

Cordell, Neher & Company has announced the promotion of Joe Violette to Supervisor.

Violette has worked for the Firm as a Senior Accountant for the past two years.

Violette is a Tax Specialist who prepares business and individual taxes, with a focus on S-Corp and Partnership taxation.

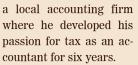
With eight years of industry experience, Violette prepares and reviews complex returns for the Firm.

"I am excited to continue to grow my career

at Cordell Neher & Company. I feel very fortunate to be part of such a wonderful team and culture here at the Firm, which really sets us apart when serving our clients in the Valley. I am eager to continue supporting our clients' growth into the future and assisting them by taking care of their taxation needs and questions," he explained.

Violette was born and raised in Portland, Maine and attended the University of Southern Maine and played for the baseball and golf teams while obtaining his Bachelor's in Accounting degree.

Upon graduation, Joe began work for



Joe joined Cordell, Neher & Company for the 2019 tax season.

He has passed the CPA exam and is currently finishing his licensing requirements and will obtain his CPA summer.

Cordell, Neher Company, PLLC is one of the largest Certified Public Ac-

counting firms in North Central Washington with individual and business clients spanning the globe. The Firm has been providing businesses, not-for-profit organizations and individuals with financial and tax planning assistance for more than 50 years. The Firm is comprised of experienced, dedicated professionals with widely diverse backgrounds and areas of technical expertise. Because business and personal accounting today is so broad in scope, specialized expertise is needed to offer a full range of accounting services.



### CONTINUED FROM PAGE 3

# A Guide to Paycheck Protection Program (PPP) Loan Forgiveness

must calculate average FTE during their chosen covered period and compare to average FTE between either the period from (i) February 15, 2019 to June 30, 2019 or (ii) January 1, 2020 to February 29, 2020. Seasonal employers may compare using either of those periods or any 12-week period between May 1, 2019 and September 15, 2019.

No employee may be considered greater than 1.0 FTE for this calculation. Exceptions are granted where an employee (1) Rejected a good-faith offer to rehire or (2) Was terminated for cause, voluntarily resigned, or voluntarily requested and received a reduction of their hours during the covered period. B orrowers who restore FTE and salary/ wage levels by June 30, 2020 are generally exempt from a reduction in forgiveness. As a community bank, we are here for our customers and

the communities we serve.

This means doing all we can to be a resource for families and local businesses. We understand that everyone's situation is unique, and we encourage anyone with questions or concerns to contact us for additional guidance.

Please contact the Peoples Bank Wenatchee Financial Center at 509-667-8822 for more information about PPP, commercial, or real estate

# Peoples Bank distributes \$219M in Paycheck Protection Program loans to local small businesses

WENATCHEE – Responding to the urgent demand for emergency funding to support small businesses impacted by the coronavirus pandemic, Peoples Bank has helped over 1,600 businesses obtain \$219 million in Small Business Administration (SBA)authorized Paycheck Protection Program (PPP) loans. A majority of these loans have been funded, with the remaining loans to be disbursed in the coming days.

As a preferred SBA lender, Peoples Bank began accepting applications when the program became operational on April 3, 2020 and continued through the second round of funding when the program reopened on April 27, 2020. The Bank processed applications from businesses across Washington State.

"As a community bank, we believe our mission is to do all we can to support our customers and our neighbors through this extremely difficult time." said Christopher Neros, Executive Vice President and Chief Lending Officer.

"Our team has worked extended hours to process the high volume of demand for Paycheck Protection Program loans and provide financial guidance and other lending options to our business partners. We will continue to provide assistance to the communities we serve." Since the inception of the Paycheck Protection Program, Washington banks have loaned roughly \$12.3 billion to small businesses in the state, according to the Washington Bankers Association. Overall, community banks in the U.S. have had a significant role in the disbursement of SBA PPP loans.

Roughly one million loans totaling more than \$60 billion, representing 32 percent of the total funds available to small businesses. have been disbursed by community banks and other financial institutions with less than \$10 billion in assets.

The Pavcheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. The SBA may provide forgiveness if the proceeds are used for allowable expenses in the eight weeks following receipt of the initial loan disbursement.

For more information about eligibility and to apply, please visit peoplesbank-wa.com/ sba-paycheck-protection/.

# REAL ESTATE

May 2020	WENATCHEE E	Busines	s Jour	NAL / NCWBU	ISINE	SS.COM						Pac	GE <b>17</b>
	TOP PRO	<b>OPE</b> F	RTIE	S – Apı	ril	2020							
Buyer	Seller	SalePrice	Address			City	Acreage	Sq. Ft.	Year Built	Bed- rooms	Bath- rooms	Pool	Fire- place
C & J CARLSON FAMILY REV TRUST	NEIR DAVID L	\$2,500,000	14224	IDLEWILD	RD	LAKE WENATCHEE	0.9500	1332	1997	I	I	N	γ
CARL ALBRECHT SEPARATE PROP HOLDINGS LLC	B2H PARTNERS	\$1,631,919	16	S MISSION	ST	WENATCHEE	0.2800	9920	1924			N	N
WOOD MATTHEW D & ANDREA L	CAPPUCCIO JOSEPH C JR TRT	\$1,495,000	20910	STELLER JAY	RD	LAKE WENATCHEE	5.0100	3542	1999	4	4.5	N	Υ
DUFFY WILLIAM J & JILL M	REILLY SUSAN	\$1,437,500	255	EAGLE CREST	RD	CHELAN	20.0100	3425	2005	4	5	γ	γ
GRIGG LORIN C & GAIL D	FULLETON FRIDE B	\$1,275,000	20500	S LAKESHORE	RD	CHELAN	0.5000	2063	1998	I	I	N	Υ
VALDEZ RODOLPH V & LISA ANN	CROY JONATHAN A & MONICA A	\$1,261,000	9136	ICICLE	RD	LEAVENWORTH	0.5600	1744	2015	3	3	N	N
GASZYNSKI BILL & PAMELA	MOAZED DAVID C & TERESA C	\$860,000		UNASSIGNED		LEAVENWORTH	0.8200	1360	1978	2	1.5	N	Υ
MASON STEVE M & KRIS T	WILLIAMS RICHARD M & PATRICIA J	\$790,000	107	E MOUNTAIN BROOM	( LN	WENATCHEE	0.5000	2432	2007	3	3.5	N	γ
WA MISSION & KITTITAS COMMERCIAL LLC	POWERS JOHN ETAL	\$720,000	224	S WENATCHEE	AVE	WENATCHEE	0.1000	4320	1929			N	N
WA MISSION & KITTITAS COMMERCIAL LLC	POWERS JOHN ETAL	\$720,000	230	S WENATCHEE	AVE	WENATCHEE	0.0800	1036	1927			N	N
WA MISSION & KITTITAS COMMERCIAL LLC	POWERS JOHN ETAL	\$720,000	232	S WENATCHEE	AVE	WENATCHEE	0.0600	1110	1927			N	N
WA MISSION & KITTITAS COMMERCIAL LLC	POWERS JOHN ETAL	\$720,000	234	S WENATCHEE	AVE		0.0200	626	1927			N	N
WA MISSION & KITTITAS COMMERCIAL LLC	POWERS JOHN ETAL	\$720,000	238	S WENATCHEE	AVF	WENATCHEE	0.1500	4054	1927			N	N
WAUDE TY & BONNIE	TIMBERWOOD HOMES LLC	\$716,476	272	BURCH HOLLOW	LN	WENATCHEE	0.3600	0	0			N	N
PASIELKO VICTOR & LIDIA	LAWRENCE MONICA C & TODD M	\$670,000	3651	DIANNA		WENATCHEE	0.4800	2800	2000	3	2.5	N	Υ
GREENE SHERRY B & JOHN W	FALKOWSKI ROBERT J & JACKIE D	\$625,000	5618	MOUNTAIN LANE	RD	PESHASTIN	10.5700	1534	1994	3	2.3	N	Y
WICKHAM BRIAN G & DEBOR H HUIZINGA	DIJ LIVING TRUST	\$619,000	109	JACOB	PL	CHELAN	0.4900	1081	2007	J	L	Y	N
PARZYBOK TIMOTHY I & BONNIE L	GORDON PAUL F & MARIANNE	\$609,700	387	ALLISON	ST	WENATCHEE	0.3100	2264	2014	3	2.5	N	N
PAULSON EUGENE C & KATHLEEN	MEDINA ANTHONY & KELLY	\$580,000	785	WAPATO		MANSON	0.2100	1224	2000	ז	2.3		
MOORE BRIAN C & KATHERYN L								0	0		L	N	N
	SPRINGWATER HOMES LLC	\$558,000	150	BURCH VIEW	LN	WENATCHEE	1.0100			,	э г	N	N
BROOD WESLEY R & BETHANY A	TUSZYNSKI THERESA A	\$542,000	1214	JEFFERSON	ST	WENATCHEE LAKE	0.3200	2110	1977	6	3.5	N	ľ
PARRICK MATTHEW & MARY ETAL	CUTTER MATT & ELISE	\$507,000	18225	SUNLAND	DR	WENATCHEE	0.4100	1274	2007	2	2	N	Y
HOLM WILLIAM D & SHELBY A RYBURN	GARIBAY SAUL M	\$499,000	949	SPRING MOUNTAIN	DR	WENATCHEE	0.1600	0	0		,	N	N
WEAVER SCOTT & CYNTHIA	ZETTEL CAMERON & STEPHANIE ETAL	\$486,311	12410	STONEFLY	DR	PLAIN	2.5000	3368	2007	5	3	N	Y
BUNKELMAN LOUIS E & JENNIFER S	F L CABIN LLC	\$475,000	2525	KINNIKINNICK	DR	LAKE WENATCHEE	1.1000	1916	1968	2	2.5	N	N
STACY MATTHEW & HEATHER	EMERSON LEANNE & MICHAEL P	\$460,000	182	FOX		WENATCHEE	0.3000	2209	2000	3	2.5	N	Υ
STADLER DAVID & DORIS	TRUJILLO TIMOTHY J	\$458,000	1	SUMMERCREEK	PL	WENATCHEE	0.2300	2255	1992	4	3	N	Y
DATTO LLC	ASMUSSEN TONYA	\$433,000	102	CREEKSIDE	PL	CASHMERE	0.2500	2198	1993	3	2.5	N	Y
CUMMINS SHAWN & HALEY	MAHER DANIEL G & SHANNON M	\$431,405	1419	SADDLEROCK	DR	WENATCHEE	0.2500	2406	1973	4	2.5	N	Υ
MAFFEY ETHAN & TAISA	CAPPELLINI DANIEL & MALENNA	\$427,000	7868	STINE HILL	RD	DRYDEN	0.6900	2048	2018	4	3	N	N
LITCHFIELD SIDNEY C & MARIE A	BASSETT TROY & ERIN	\$414,900	1321	WEDGEWOOD	AVE	WENATCHEE	0.2400	1493	1976	3	2	N	Y
WRIGHT RICHARD J & RACHEL J JOHNSON	GEAR GAVIN M & REBECCA A	\$410,000	115	RIVERFRONT		CASHMERE	0.2000	1450	1927	2	2	N	Y
WESTRA JAMES D & BROOKE A	MAYO LIONEL J	\$410,000	2141	CITATION		WENATCHEE	0.2200	1435	2011	3	2	N	Y
REILLY PATRICK	KORFIATIS PETER G & CAROLYN A	\$400,000	102	S FRANKLIN		WENATCHEE	0.1700	1872	1920	5	3	N	Y
GUNDERSON RICHARD & LAURA	EASTERN WA CONSTRUCTION INC	\$400,000	1096	SUNSET	LN	CHELAN	0.1800	0	0			N	N
ARINGTON SHAWN & BROOKE	TVERGYAK PAUL J	\$395,000	1021	N WESTERN	AVE	WENATCHEE	0.4600	1560	1916	4	1.5	N	N
REILLEY SUSAN W TRT	GULLEY JAMES D	\$395,000	305	ELDORADO		CHELAN	0.2900	1085	1992	3	2	N	N
AVILA FREDY FLORES & LUCIA ROMERO	A HOME DOCTOR INC	\$389,500	4149	DIXIE	LN	MALAGA	0.4100	0	0			N	N
ZIMMERMAN ERIC C & CASEY L	SAGE HOMES LLC	\$384,900	997	SPRING MOUNTAIN	DR	WENATCHEE	0.1600	1833	2019	3	2	N	Y
ESCOBEDO RICARDO & TANYA L	BRYAN JAY & HEIDI	\$381,500	16412	CHUMSTICK		LEAVENWORTH	21.1400	1344	1979	3	2	N	N
CARPENTER CAROL	BENSON DERIN M & KRISTEN L HYDE JTRS	\$380,000	501	N WILSON	ST	CHELAN	0.1800	1675	2014			N	N
JACKSON CHAD M	LOPEMAN PATRICK	\$370,000	310	W PETERS	ST	WENATCHEE	0.3500	2019	1954	4	2	N	Y
GRANDPRE JESSIE L & TED J	LATHAM JACK L & ANNA B	\$362,835	157	FUREY		MANSON	0.1700	840	1968	2		N	N
OBERFELDER JEFF E & SHELLY A	PASFIELD GEORGE III	\$360,000	116	ROLLING ROCK	RD	CHELAN	1.4200	2168	2014	4	3	N	Υ
BRUNO ALISA A & LANCE L	LOW JANICE M	\$357,975	406	COTTAGE	AVE	CASHMERE	0.2500	1768	1923	3	2	Y	Y
BESSETTE BRYCE H	FIVE AND ONE INVESTMENTS LLC	\$355,000	1251	MONTANA	ST	WENATCHEE	0.1800	1590	1952		-1	N	N
PETERSON JOHN & MEGAN K KOSEL	GANDEE ERIC E & MARY C	\$355,000	508	HAINSWORTH	ST	WENATCHEE	0.2500	1348	1962	2	I	Y	Y
CHURCH SEAN H	MILLER BRADFORD K & JANICE E	\$352,000	1130	GLENWOOD	AVE	WENATCHEE	0.1800	1680	1964	3	1.5	N	Y
JOYAL MELANI & DARREN	STARK LANCE D	\$351,000	205	VILLAGE	DR	MANSON	0.1000	1682	2015	3	2	N	N
BARGER LOREN E & TAMMY J	MILES COLLECTIVE LLC	\$350,000	5352	BINDER	RD	CASHMERE	0.3100	888	1934	2	Ι	N	Y

Wenatchee Business Journal **18** • June 2020

# Lifting Up Your Community through Estate Planning

by Christina M. Davitt, **Ogden Murphy Wallace PLLC** 

Many people are asking themselves how they can best support their community right now.

The COVID-19 crisis has brought on intense stress and suffering to so many of our neighbors and friends.

How can we help? While there are a number of immediate opportunities for volunteering your time or making donations, you might also think about how you can make a difference in the long-term.

As an elder law attorney, I often see clients who are struggling to decide whom to give their assets to when they pass away.

Close family members are natural beneficiaries, but some clients have very few or even no family or close relatives that they can name in their Will.

Even for those with family, I often get asked, "Is there anyone or anywhere you would recommend?"

Well, that's when I sit

back and ask them - have you considered a charitable gift? And then I let them think about that possibility for a few minutes.

Usually, their next question is, "What do you mean by a charitable gift?" I tell them I mean that leaving even a small portion of their estate to charity.

I ask them to seriously consider leaving up to 10%, which won't usually take away much from the gifts they intend for their family members.

And that 10% will mean a lot to charitable organizations and those they serve right here in the Wenatchee Valley.

We all know about the developmental tasks of toddlers and children, learning to tie their shoes, color within the lines and begin to assert their independence from their parents.

But what about the developmental tasks of adulthood and older adulthood?

One of the most important tasks of these ages is to identify ways in which

you can leave a legacy. Perhaps it's teaching your grandchildren to fish or your family's favorite apple pie recipe, but what if part of your legacy was a gift that kept on giving to your entire community for generations to come?

You can leave that sort of powerful legacy when you participate in the Community Foundation of North Central Washington's Give 10 program.

Leaving 10% of your estate to CFNCW to steward for you, means that your legacy benefits not only your children and grandchildren, but everyone's children and grandchildren both now and in the future.

Imagine your gift of \$10,000 going to help establish or support a college scholarship so that our community's young people can avoid the crushing debt of student loans while they become more educated, so they can succeed and then give back to our community.

Let's leave them more



than money - leave your children and grandchildren a legacy and a fine example of good work by participating in the Give 10 program.

Contact your estate planning attorney or the Community Foundation today to leave your legacy.

# Douglas PUD's Hydrogen project gets state funding

**Submitted by Douglas County PUD** 

EAST WENATCHEE - The 2020 Supplemental Capital Budget includes \$250,000 for Douglas PUD's Renewable Hydrogen Project requested by 12th District Representative Mike Steele.

"I am excited to be able to support the amazing innovation being championed by Douglas County PUD. As a state representative for the most hydro-dense district in the nation, I continue to be inspired by the way our PUD's harness this energy resource - keeping our rates low and energy clean. This investment into the future of hydrogen will again set us apart as national leaders in the delivery of efficient, clean energy," said Rep. Mike Steele, R-Chelan.

Just last legislative session, championed by Senator Brad Hawkins, PUDs were granted authority to produce, distribute and sell renewable hydrogen. Since then, Douglas PUD has been researching how to best utilize renewable hydrogen for the benefit of their customers. "My fellow Commissioners and I are humbled by the legislative support our renewable hydrogen project has created, said Molly Simpson, Douglas PUD Commission President. "We are looking for ways to maximize efficiency and revenue from the PUD's hydroelectric generation by producing renewable hydrogen, which will help keep the rates low and the lights on.

Douglas PUD has purchased property in the Baker Flats industrial area outside East Wenatchee to build the renewable hydrogen pilot project utilizing excess capacity from the Wells Hydroelectric Project. Anticipated to be operational in 2021, the Supplemental Capital Budget funds will be used for design and engineering primarily provided by RH2 Engineering, making this a public-private benefit.

"We are fortunate to have leaders such as Rep. Steele, the Douglas County PUD Commission and staff willing to step out of the box and innovate creative ways to utilize our natural resources," said Eric Howe, RH2 Engineering, Inc. Branch Manager. "This forward thinking will help propel Douglas County PUD and the State of Washington into the future for creating renewable fuels. This project will serve as a model for other hydropower agencies along the Columbia River and beyond."

"This project would not be possible without the efforts of the legislators in our 12th District supporting hydropower and the benefits it brings to the region," said Simpson.

# NCW STEM Showcase features 8 weeks of online challenges for students

Submitted by **NCW STEM** 

GWATA and the Apple STEM Network have announced a change of plans for their annual NCW Tech & STEM Showcase, which had been planned for May 15 at Quincy Public Market and May 16 at Pybus Public Market.

In lieu of a public gathering, the 2020 NCW STEM Showcase will go virtual and take place over the next 8 weeks. The NCW

STEM Showcase is open to any household, classroom, or school district in North Central Washington. Beginning on April 6, 2020 -May 25, 2020, a new STEM Challenge will be issued on the Apple STEM Network website and Social Media each Monday. Challenges will feature technology and engineering challenges, computer science, and digital design skills. In addition, students and educators will have an opportunity to share technology or STEM projects that they've been working on during the regular school year.

Since 2013, the NCW Tech & STEM Showcase has been an annual opportunity to highlight the incredible ways in which students and educators are utilizing science, technology, engineering, and math (STEM) in the classroom to the community. Past Tech & STEM Showcases featured K-12 presenters, projects, and innovations from all age ranges and abilities from throughout North Central Washington.

Now more than ever, the would like to take the opportunity to highlight, celebrate and engage students, educators, and local families who are utilizing Technology and STEM in their remote learning.

Each week, a Celebrity Judge will select one project winner from the weekly challenge submissions. Winners will receive a \$100 VISA Gift Card and have an on-air phone interview with Chris Hansen on KOHO Radio. Finalists and the winner each week will be showcased on the Apple STEM Network website and social media.

It is free to participate and submit projects in the Virtual NCW STEM Showcase, which is geared to K-12 students. Using the hashtag #TechMeOutNCW, students (and parents) are encouraged to post completed projects on social media. In order to qualify to be the rganizers of this event weekly winner, students simply have to submit their project through the Apple STEM website.

> Interested students, educators, and families can see details about the weekly challenges, see previous winners, and submit projects at: applestemnetwork. org/stem-showcase

# Wenatchee Business Journal's **RESTAURANT GUIDE**



Advertise your business lunch specials! Call Carol Forhan, 509-548-5286 or Lindsay Timmermans, 509-860-7301

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**JUNE** 2020

**WENATCHEE BUSINESS JOURNAL / NCWBUSINESS.COM** 

# How businesses can adapt, prosper in Post-Pandemic Economy

As the economy restarts after the forced shutdown caused by COVID-19, businesses face a litany of unknowns. How quickly



**GUEST** Bill Higgs

will shoppers return to their buying routines? Will temporary measures - working remotely, eating at home more, using delivery services - become permanent for large numbers of Ameri-

"Many businesses won't be able to return to their old **OPINION** way of doing things, but in some cases that might be just as well," says Bill Higgs, an authority on corporate culture and the ForbesBooks author of the Culture Code

Champions: 7 Steps to Scale & Succeed in Your Business culturecodechampions.com.

Often, those old ways probably weren't working, says Higgs, a founder and former CEO of Mustang Engineering who recently launched the Culture Code Champions podcast.

"Many companies have problems within their corporate culture that keep them from prospering the way they should," he says.

"They hire whoever is available instead of seeking out the best talent. They communicate poorly. They have silos within the company that create a lot of rework and foster competition instead of cooperation."

Now is a chance to do better, Higgs says, and he recommends a few thing business leaders should do as they work to bring their companies out of the economic downturn:

• Be a visible presence. Higgs says he has known instances where, during a downturn, leadership goes into hiding. "They would just disappear," he says. "They didn't want to face the music with their people. But as businesses struggle to recover from our current crisis, owners and CEOs need to get out and talk to their people. I call it 'management by wandering around.' They need to engage their team and discuss how everyone can pull together to get through this."

 Understand this could be an opportune time to hire. The unemployment rate spiked upward as the economy went into freefall, but that means there's an opportunity for businesses that want to build a strong team, Higgs says. "During just about any downturn, the people who lose their jobs include top-notch performers," he says. "Be on the lookout for that talent. Snap them up if you can. But even if you can't hire right away, it's important to be aware that those top performers are out there so you can go after them when the time is right."

• Don't get comfortable. One problem businesses encounter when good times return is that they revert to bad habits, Higgs says. They aren't as diligent about eliminating waste. They keep poor-performing employees long past the point where they should have parted ways. "Companies by necessity run lean in the lean times," he says. "But they also need to run lean in the good times, so they will be in better shape the next time the economy goes bust. Staying lean in the good times is a game changer."

"One more mistake businesses make in good times is that when they get really busy, they stop selling, or at least aren't as motivated to sell," Higgs says. "I always say you should sell while the shop is full. That way when your sales people are in a client's office, they don't come off as desperately begging for work. Instead, they are talking about all the fun stuff and good stuff you're doing at your company. That makes a big difference in how you are perceived."

Bill Higgs, culturecodechampions.com, an authority on corporate culture, is the ForbesBooks author of Culture Code Champions: 7 Steps to Scale & Succeed in Your Business. The website and book provide methods to self-implement a culture that will improve a company's bottom line. Higgs is a distinguished 1974 graduate of the United States Military Academy at West Point, former Airborne Ranger and combat engineer company commander.





# Provide real relief: Reopen our society

Over the past few weeks, I have conducted several conference calls with our Central Washington coun-

These calls give me the opportunity to speak with community leaders, business owners, healthcare professionals, and educators to learn how COVID-19 is affecting our counties and what Congress can do to help.

I recognize that we aren't going to return to normal operations overnight, but we must trust our citizens to do the right thing - maintaining healthy workplaces, continuing with social distance measures, and taking precautions to keep our communities safe.

It is truly heartbreaking to hear of from these people who are losing their livelihoods due to no fault of their

While Congress working to provide a bridge for them, the only way to really provide relief to these business owners is to allow them to reopen and continue serving their communi-

I recognize that Central Washington still has "hot spots" of COVID-19, and we cannot ignore the need for increased personal protective equipment or testing capabilities. But we also can't let our fear hinder our ability to function as a community.

With domestic violence, suicide, and crime rates on the rise, we have to take action forward and reopen our society.

I continue to urge Governor Inslee to realize the true impacts this state-wide shutdown is having, not only on our economy but on the well-being of our citizens. Many small business owners have asked for additional guidance from the Small Business Administration (SBA) on spending the funds from the Paycheck Protection Program (PPP).

**PAGE 19** 

I am working with my colleagues to obtain clarification from SBA, as well as extend and increase flexibility for the PPP.

In addition to the FIRST Act, a bill I introduced to allow businesses to continue to receive tax deductions for certain expenses while using PPP funds, there are several provisions that will help small businesses utilize this program as Congress intended that I expect we will debate next week.

#### CONTINUED FROM PAGE I

# Transportation Secretary Chao: \$7M for Link Transit COVID-19 Response

the agency's current request and may not represent the full amount the agency will receive.)

"This historic \$25 billion in grant funding will ensure our nation's public transportation systems can continue to provide services to the millions of Americans who continue to depend on them," said U.S. Transportation Secretary Elaine L. Chao.

"We know many of our nation's public transportation systems are facing extraordinary challenges and these funds will go a long way to assisting our transit industry partners in battling COVID-19," said FTA Acting Administrator K. Jane Williams. "These federal funds will support operating assistance to transit agencies of all sizes providing essential travel and supporting transit workers across the country who are unable to work because of the public health

In addition to the CARES Act funding, FTA issued a Safety Advisory that prompts transit agencies to develop and implement policies and procedures regarding face coverings and Personal Protective Equipment (PPE), cleaning and disinfection of frequently touched surfaces, physical separation, and hand hygiene consistent with Centers for Disease Control and Prevention (CDC) and Occupational Safety and Health Administration (OSHA) guidance. CARES Act funding can be used to cover 100 percent of these costs.



# Coronavirus and the US-UK Free Trade Agreement

The coronavirus has roiled global commerce. How will this pandemic influence



**MARKET UPDATE** Marc L. Busch

trade policy? The upcoming US-UK negotiations will serve as a test.

A US-UK trade deal has been in the works for years. It gets outsized attention because Britain's "Brexit" from Europe presents both sides with a "greenfield" opportunity to get things right. In the face of the coronavirus, this will be challenging.

The United States and Britain enjoy deep economic ties. The UK is America's single largest source of foreign direct investment, and the US is among Britain's foremost trade partners, in terms of both goods and services.

There are, to be sure, barriers to be resolved. But a US-UK trade deal represents so much more than just a fix for a number of lingering tensions. It's about building an agreement between two likeminded allies to hold up as a model for others to emulate.

The coronavirus has also shone a spotlight on trade policy. That's because access to medicines, medical equipment and other essentials around the world is being impeded by tariff and nontariff barriers.

Two of these problems also afflict US-UK trade, and should be prioritized as part of an "early harvest" to demonstrate their feasibility to other countries.

First, digital trade. The coronavirus has left people scrambling for information, best practices and access to supplies. Digital trade has been on the agenda for years, but the need to get things right has never been in sharper

The US and UK should lead in banning restrictions on the flow of data between them, and prohibit customs duties on digital products like software, books, film, and music.

Second, drug approval. The coronavirus has people waiting for a vaccine. The timeline on such a vaccine will depend on several factors, including a permissive regulatory environment, as well as strong enforcement of intellectual property. But even once a vaccine exists, approvals might be slower for imports, assuming they get a good look in the first place.

The US and UK must show the global economy how to tackle these challenges.

SEE CORONAVIRUS STORY, PAGE 21

Wenatchee Business Journal **20** • June 2020

# Private Market Update -Heard On The Street

#### Submitted by **Bridgepoint Investment Banking**

In light of recent market volatility, Bridgepoint is providing a real time update of

what we are hearing from our close private market relationships.

"We've seen a bonanza of deal opportunities arising from the covid-19 situation. We have an active pipeline opportunities across rescue financing, third party debtor in possession financ-**OPINION** ing, structured finance, high quality asset owners who can't obtain financing given current market conditions and buying discounted performing middle-mar-

ket traded bank loans (either downgrade related or forced selling due to fund liquidity issues) among many other opportunities.

**GUEST** 

Matt Plooster

"These are opportunities for us to provide capital to help bridge companies through this period - these are really healthy businesses that have issues due to the shelter in place as opposed to direct COVID-19 impacts but should come back once people are out again. They shouldn't have permanent impairment as a result of this slowdown, but instead have a short-term liquidity need as a result of the shutdown." - Business Development Company

"Currently, our portfolio is a mixed bag. We are seeing about 1/3 of our portfolio companies doing very well amidst the crisis, 1/3 are muddling, and 1/3 are struggling (mostly due to various end markets that have been more impacted by COVID-19)." - Private Equity Firm

"Traditionally, we have been 1/3 nonsponsor and 2/3 sponsor, but due to the limitations caused by the virus, we have been looking more at sponsor deals recently. We also are mostly looking at buyouts only in defensible sectors that aren't against the current trends including healthcare and business services. Our door is always open, but especially now, it needs to make sense."-Business Development Company

"The same part of the economy that cushioned the blow in past recessions is being hit directly in this one. That will make this downturn not just more severe than most, but structurally different. The recovery will probably look different, too." - Financial

"Word that many of the big banks are starting to sour on the second quarter is behind the change in tone. One suggesting that 2Q GDP is set to collapse by 30% versus the 1Q was not helpful and all this does is cause analysts/strategists/investors and asset managers to re-asses the state of the economy and wonder aloud about how long and how much this is really going to take to put this country back online especially since we are starting to emerge from quarantine and get back to work." - New York Stock

"Companies backed by private equity sponsors and their private credit lenders are gearing up for tough talks about how



bridgepoint | ====

to bridge the abyss of revenue lost from coronavirus-related shutdowns. Conversations between sponsors and lenders in the early days of the pandemic had been largely collegial and constructive, market participants say.

"The crisis has highlighted why direct lending is often easier than a broadly syndicated loan, with borrowers having to negotiate with one or a handful of lenders, instead of dozens. With a shared goal of keeping borrower companies alive, the two sides have aligned, at least initially, over measures to defend liquidity." - LCD News

"The market is busy, but choppy. Somewhat surprisingly, many private equity funds are bidding almost like nothing has happened. We're expecting buyers to continue to digest the outlook over the coming weeks and months as more data emerges, which will further impact the deal markets. On the equity side, valuations are still elevated but it is now a case of the haves and the have-nots as to whether there is an equity market for your company at all. Deals

are proceeding and being closed, albeit at a slower pace.

"There's so much capital that despite the near-term COVID impact on businesses, funds are still having to pick and chase winners. We're going to see a bonanza of financing (bank and non-bank) need over the next 6-9 months to support good companies through this cycle and are spending much of our time obtaining attractive financing and liquidity for these businesses, as well as helping them with their capital planning.

"Capital access and liquidity continues to be a competitive differentiator that bestin-class management teams are focusing us on. There are lots of people who need capital help and we're excited to be part of their solutions," stated Bridgeport Managing Director Matt Plooster.

Matt Plooster is co-founder and Managing Director of Bridgepoint who possesses 15 years of investment banking experience, including 6 years experience in private equity fund management.

# The risk of eminent domain on mortgage-backed securities

In October 2019, Fannie Mae's mortgage-backed security (MBS) disclosure documents revealed that the King County Housing Authority (KCHA), a municipal corporation created by the State of Washington, was



**GUEST OPINION** Kelvin Lin

officially authorized to acquire property through the exercise of eminent domain.

Eminent domain refers to the right of a government or its agents to expropriate private property for public use, with just compensation. Up until this point, eminent domain had primarily been used to acquire land for the construction of government buildings, public utilities, highways, and

railroads. However, KCHA has used eminent domain to seize multifamily properties in King County to preserve its goal of affordable housing in lieu of con-

Another point to consider is that with the coronavirus outbreak and an increased amount of authority from the states to take measures in the interest of public health during an epidemic, the risk of eminent domain seizures increases.

For example, in most cases where eminent domain is exercised, a highway project may be under development for years before the government seizes the property. According to media network Ozy, since the start of March 2020, 16 new cases have been filed, encompassing 1,000 acres of land, even with social distancing guidelines and a shutdown of nonessential services put in place. That along with the use of lodging properties for public use could spell changes for the future use of eminent domain.

# Risk of Eminent Domain on MBS Pay Structure

KCHA's intent to create affordable housing through the exercise of eminent domain poses a risk for investors in securities behind the properties condemned. In fact, if a property is taken by KCHA through eminent domain, Fannie Mae's loan documents do not require the borrower to pay a prepayment premium. This means that MBS investors could lose on three fronts:

- 1) the loss of flow of income from interest payments
- 2) an inability to collect the prepayment premium
- 3) the par value will likely be below the intended principal payment.

Note: Freddie amended its loan documents on January 1st stating that prepayment penalty will be required if the purpose of the seizure is for residential use as opposed to public projects like road widening.

### Payment of Par Value

When negotiations take place between the buyer and the seller, the buyer often has leverage when it comes to deciding on the amount of compensation. In one case, the Sandy Springs City Council authorized the condemnation of two tracts of land needed for a Roswell Road sidewalk project.

In negotiations between Roswell Road Development Partners - the owner of the two small strip shopping centers - and city representatives could not agree upon a price. Sandy Springs offered \$136,700 and \$200,300 to purchase the two properties while Roswell Road Development Partners LLC counter-offered with amounts of \$680,000 and \$840,000, respectively.

The discrepancy between the offered and demanded value is what often happens in negotiations on eminent domain, and often, the settled price is closer to the offer value in favor of the city rather than the property

### **Properties Seized**

In order to drive rent prices down in Washington State, the KCHA acquired the Fannie Mae properties Kendall Ridge Apartment Homes and Emerson Apartments in the cities of Bellevue and Kirkland in 2019 by eminent domain instead of condemnation. While both properties were agency-financed in this case, how the KCHA or how any other government entity chooses which properties to seize is indiscriminate of the financier of the loan.

Using Trepp's CRE data and TreppLoan, we have identified multifamily properties closely approximated to the two Fannie Mae properties taken in place of condemnation. Roughly 100 properties behind \$1.3 billion in CMBS loans are located within a 5-mile radius of the Kendall Ridge Apartment Homes in Bellevue, Washington. Within a 5-mile radius of the Emerson Apartments are around 100 outstanding properties with a total balance of \$1.5 billion.

Furthermore, Fannie Mae's MBS disclosure documents indicate that the KCHA has announced its intention to acquire a total of five properties using this method, which poses a legitimate risk to the Seattle multifamily properties in the area.

# **Takeaways**

Currently, KCHA is the only governmental entity that is using eminent domain as a part of its strategy to implement affordable housing. However, with the precedent set, more governmental entities may follow suit.



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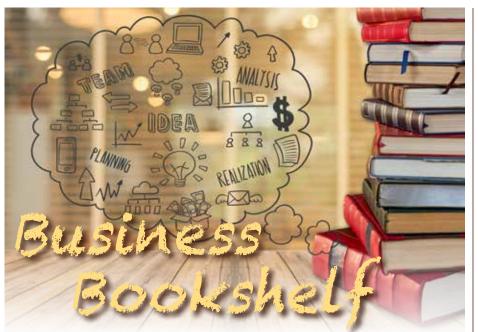
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Wenatchee Business Journal JUNE 2020 • **21** 



# **Become newsmaking** superheroes



What can Superman, Moses and Steven Seagal reveal about the art of public relations?

Plenty, in Bite the Dog, Gary Schneeberger's new book, an entertaining and insightful guide for building and executing a PR strategy to make news that matters.

Schneeberger shares 30 years of wit and wisdom about how authors, experts, speakers, coaches and consultants can turn their message into headlines.

Anyone who wants to change hearts with what's in their heart will find this an invaluable guidebook to creating "man bites dog" stories - those that exceed and upset the expectations of the press and their audi-

# About the author

Gary Schneeberger's three decades in journalism and public relations fuel his passion for, and success in, strategic marketing and communications.

As founder and president of ROAR, Schneeberger draws on his executive and executional experience in entertainment, ministry and media to help individuals and organizations engage audiences with the boldness and creative clarity that ensures they are heard.

The ROAR team has earned clients coverage in hundreds of local and regional news outlets, plus national platforms from The By Gary Schneeberger

"As a public relations executive, Gary possesses that intangible quality – an ability to identify an opportunity as well as craft and communicate a message in a compelling and captivating manner," Focus on the Family President Jim Daly says in his endorsement of the book.

"He is passionate and throws his heart and soul into every project he manages. So it should come as no surprise that in the writing of Bite the Dog, he's turned his blood into ink, delivering both a practical manual for PR as well as a wildly entertaining personal memoir."

"Whether you are a seasoned communicator or a newbie on the scene, Bite the Dog is a must read," says Mary Bono, former U.S. Congresswoman from California and now a principal at Faegre Baker Daniels Consulting, in her endorsement of the book.

"In his thoughtful and witty way, Gary has ef-

New York Times to USA

Today, Time to Sports Illus-

trated, NPR to the BBC and

every major broadcast and

cable TV network in your

He has advised Hollywood

studios (Universal, Warner

Bros., 20th Century Fox),

television networks (USA,

History, The CW), global

ministries (Focus on the

Family) and publishing

houses (Simon & Schus-

ter). He has counseled

and created communica-

tions platforms for authors,

experts, speakers, coaches

and consultants of every

conceivable stripe, from

some of the biggest names

in movies and TV to true

He has an extensive back-

mom-and-pop shops.

channel lineup.

fectively explained and modeled the time-tested importance of the art of effective public relations. The value of his expert coaching on being the most effective you can be is incalculable."

"Gary's experience as both a journalist and public-relations executive highlighted on these pages gives him the perfect perspective to help you shape your message and ensure it impacts others," Emmy-nominated actress and producer Roma Downey in her endorsement of the book.

Schneeberger unpacks why effective PR is neither rocket science nor dumb luck, through stories from his journalism and marketing careers.

He spotlights the importance of being prepared for interviews with tales from his days as a Hollywood PR executive and vice president at Focus on the Family (where he spearheaded the publicity efforts for the group's Super Bowl ad starring Tim Tebow); and >>



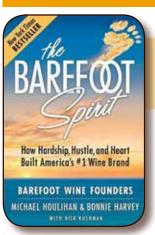
**Gary Schneeberger** 

ground as a spokesperson, appearing on the CBS Evening News, CNN This Morning, NPR and HLN, among dozens of others.

He also spent more than 15 years as an award-winning reporter and editor for newspapers coast-to-coast, including the Los Angeles

# The Barefoot Spirit

How Hardship, Hustle, and Heart Built America's #I Wine Brand



The NYTs bestseller, "The Barefoot Spirit" paperback introduced the indomitable spirit of a scrappy startup that hoisted itself, hand over

be uses examples from his current client roster at ROAR, the firm he founded in 2016, to explain to readers:

- How the mediasphere is like a Las Vegas casino buffet - and how you can always fill your plate
- · The secret to making sure you, not the reporter, are in control of every interview you do
- · What "fake news"

# By Michael Houlihan and Bonnie Harvey

hand, up the mountain of the impossible to become America's top wine brand. This unique and entertaining audiobook provides an immersive, fully-casted, listening experience, with actors playing the parts (notably Ed Asner and Gigi Perreau), including sound effects and an original musical score. "Transformative!" - Forbes.

An engaging, informative, and often humorous look into the struggles, ingenuity and humanity that founded the iconic national brand. Conveying important business lessons through "Business Audio Theatre," The Barefoot Spirit is a Finalist for BEST BUSINESS AU-DIOBOOK at the 2020 Audie Awards.

really is, how to spot it and how to avoid it · Why "spin" is a PR

- swear word, and "framing" is the essence of the art • The critical thing
- all newsmakers have in common with Starbucks, Hilton, Toyota and any other brand they can name
- · How even mistakes like the whopper he made in a CBS Evening News in-

terview (which readers can watch and laugh at at his expense) can be survived

· And why rerelevance may not be a word, but it must be every would-be newsmaker's goal

"If you want to become a newsmaking superhero, Bite the Dog is your gamma radiation," Schneeberger says. "Minus all those nasty side-effects, of course."

#### **CONTINUED FROM PAGE 19**

# Coronavirus and the US-UK Free Trade Agreement

Across many countries, tariffs and taxes are the main impediments to getting drugs to patients.

In US-UK trade, the problem lies mostly in nontariff barriers. US firms, for example, worry that their medicines can languish in the approval

Some are not approved at all. Of course, access to medicines isn't only, or perhaps even mostly, a trade issue.

But where it is a trade issue, the US and UK should take the lead in redressing those policies that get in the way of doctors doing their jobs.

It shouldn't take a pandemic to draw attention to the tariffs, taxes and other costs that countries

impose on the well-being of their citizens.

But that's exactly what the coronavirus has done. US-UK negotiations should rise to the occasion.

Marc L. Busch is the Karl F. Landegger professor of international business diplomacy at Georgetown University's School of Foreign Service.

Status of the 2020 Census in North Central Washington

# Okanogan County dead last in state return status

As of mid-April, 41.7 after which Census Takers ■ Wenatchee: 55.% percent of Chelan County households had returned their 2020 Census questionnaire, while 46.4 percent of Douglas County households had done so.

Okanogan County, with a 23.8 percent response rate, is the least responsive of Washington's 39 counties.

Among cities in North Central Washington the numbers varied widely from a low of 4.9 percent (Brewster) to a high of 58.8 percent (East Wenatchee).

Washington households still have time to selfrespond to the Census at 2020census.gov, via toll-free number at 844-330-2020, or by paper questionnaire,

will begin in-person visits. (Households in rural areas of North Central Washington which do not receive regular home mail delivery are asked to wait to respond; they will have a Census packet dropped-off at their doorstep this summer.)

United States average: 49.8% of households have returned their Census questionnaire. Below are the NCW counties, towns and cities ranked in order of returns as of mid-April:

- \*Washington average: 55.4%
- Chelan County average: 41.7%
- Douglas County average: 46.4%
- \*\*Okanogan County: 23.8% ■ East Wenatchee: 58.8%
- Cashmere: 57.7%

- Leavenworth: 43.7%
- Entiat: 32.4%
- Oroville: 32.2%
- Omak: 31.3% Okanogan: 27.8%
- Rock Island: 27.6%
- Chelan: 25.%
- Twisp: 13.2% Waterville: 11.5%
- Pateros: 10.9%
- Bridgeport: 7.7%
- Mansfield: 7.3%
- Brewster: 4.9%

\*6th most responsive state of the 50 states

\*\*39th least responsive county of Washington's 39 counties

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# Wheat

# Drivers: High supplies, limited alternative crop options, trade

China and the U.S. agreed on the phase one trade agreement. Early spring weather for most of the Northwest has allowed early field work. The U.S. Congress, Canada and Mexico passed the USMCA.

## 12-Month Profitability Outlook

In Washington, fall wheat was seeded into moisture throughout most of the region with decent stand establishment. The region experienced extremely cold temperatures toward the end of September, which halted fall seeding and harvesting of spring wheat and pulse crops. Some regions experienced snow and excessive moisture at that time

The winter was mild for most of the region with some dryness in central Washington and Oregon, however additional spring moisture can help these regions. Northwest FCS' 12-month outlook calls for break-even returns. USDA's projected 2019-20 season average farm price for all-wheat is \$4.55 per bushel, down \$0.61 from last year. Variability in yield and quality will drive individual producer profitability.

Supplies of peas, lentils and garbanzo beans remain at elevated levels. The Northwest had significant acreage reductions in most pulse crops, but the 2019 growing season had above average yields, negating any acreage decreases. Most industry analysts believe the market lows were established in fall 2019 and expect most prices to increase slightly in 2020. Early contract prices suggest this is correct. Despite higher prices, pulse crop profitability remains around break even for many producers.

Many plan to seed additional acres of spring wheat instead of pulse crops for the 2020 season.

Field work has already started in many western areas of the Washington Palouse with some fields already seeded to spring wheat. Many producers are waiting for warmer temperatures before they start field work.

Field work for most of Montana is not expected to be in full swing until the end of March or early April. Many areas still have frozen soils, which will limit any field work until warmer temperatures arrive. Moisture levels are above average for most of the state with growers optimistic about spring conditions. Montana growers plan on staying with their typical rotations of pulses, oilseeds, spring wheat and malting barley. Some regions might see an



increase in spring wheat.

#### USDA and Government Action

The USDA authorized the third Market Facilitation Payment to be made to producers who have been affected by the ongoing trade wars. The final payment shocked many producers due to earlier communication from the USDA that it looked doubtful. The final MFP program provided significant support, however USDA Secretary Sonny Perdue has already commented that another MFP program in 2020 is doubtful.

Ag producers were encouraged by their local Farm Service Agency to elect a new farm program option by March 13, 2020. Producers could change their current farm program election to PLC or ARC County. The election they chose will stay with that farm for two more years; in year three, they can switch coverage annually for the remaining three years. Most wheat producers who elected ARC in the previous farm bill were expected to elect PLC due to the potential payment.

# **US Situation**

U.S. wheat production increased 2% to 52.2 million metric tons in 2019-20 and domestic consumption increased 5% to 31.7 million metric tons. Exports of U.S. wheat increased by 7% to 27.2 MMT. U.S. wheat stocks continue to be above the lows in 2008-09 and 2013-14, however this has been the third straight year we have decreased our ending stocks. The U.S. dollar had

strengthened prior to the coronavirus, making the U.S. less competitive on the world market. The dollar recently started decreasing but other world currencies have also fallen, erasing any gain the export market could capture.

Mexico continues to be the largest U.S. wheat buyer followed by the Philippines and Japan.

It's anticipated with the recent passage of the USMCA we will see continued exports to our southern neighbor.

Milling-quality wheat has seen an increase in demand as consumers worldwide have been stocking up on flour due to the coronavirus. Many large mills have added extra work shifts to keep up with the demand.

# World Outlook

China purchased wheat from the U.S. at the end of March with the majority scheduled for delivery in 2020-21. They purchased 12.5 million bushels of hard red winter (HRW), which caught the market off guard due to their traditional purchases of dark northern spring or soft white wheat. The commodity market has reacted positively since the purchase with most prices trending upward.

Wheat production in 2020 for Australia, Russia and Ukraine is expected to be above US Wheat Supply and Demand average, potentially impacting any significant price recovery. Australia is coming off a significant drought in 2019 and winter in Russia and Ukraine had above average

temperatures. If drought was to develop again in Australia or if a cold winter was to occur in the Black Sea region, it could result in a significant decrease in exportable wheat for those regions in 2020.

Pulse crop consumption has seen an unanticipated increase due to the recent coronavirus outbreak worldwide. Most grocery stores throughout the developed world are having challenges keeping store shelves stocked. Industry representatives are hopeful this leads to continued demand as consumers start eating pulses on a regular basis. Market prices for growers have yet to see any increases due to the plentiful stocks.

# Additional Information

CME Group cmegroup.com, Columbia Grain columbiagrain. com, Columbia River Pilots colrip. com, GrainNet News grainnet. com, Kansas State AgManager Grain Marketing agmanager. info/grain-marketing, Merchants Exchange of Portland, Oregon pdxmex.com, Minneapolis Grain Exchange mgex.com, National Grain and Feed Association ngfa. org, Pacific Northwest Grain and Feed Association pnwgfa.org, Port of Portland portofportland.com, U.S. Wheat Associates uswheat. org, USDA - U.S. Department of Agriculture usda.gov, USDA National Agricultural Statistics Service nass.usda.gov/Publications, USDA Weekly Weather and Crop Bull letin usda.gov/oce/weather/pubs/ Weekly/Ww cb/, USDA World Agricultural Supply and Demand Estimates usda.gov/oce/commodity/wasde/index.ht m, World-Grain world-grain.com and World Malting Barley Report e-malt.com.



# New contractors Chelan-Douglas April 2020 Name Address City

Name	Address	City
CRAFTNCAST LLC	40 E SHOP AVE	CHELAN
HAZELNUT SERVICES	2301 N BAKER AVE	EAST WENATCHEE
HUNGRY MOUNTAIN TREE SRVC LLC	PO BOX 1516	CHELAN
A&V GUTTERS LLC	2590 AVIATION DR.	EAST WENATCHEE

Wenatchee Business Journal June 2020 • **23** 

# Wenatchee MSA – (Chelan and Douglas Counties) Labor Area Summary - February 2020

#### **Overview**

This report provides an update on the Wenatchee MSA economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data.

year-over-year (between February 2019 and February 2020) and average annual (between 2018 and 2019) changes in the labor

### Analysis focuses on **Unemployment rates**

Civilian Labor Force (CLF) data show that Washington's seasonally adjusted average annual unemployment rate stabilized at 4.5 percent in 2018 and 2019 - historically low rates for the Evergreen State.

Between the Februarys of 2019 and 2020 the rate fell one full point, from 5.2 to 4.2 percent.

In the Wenatchee MSA, the average annual unemployment rate rose from 4.8 to 5.2 percent between 2018 and 2019.

On a monthly basis, not seasonally adjusted rates crept upwards from December 2018 through November 2019.

But in the past three months, rates have decreased.

Between the Februarys of 2019 and 2020 the unemployment rate fell eighttenths of a point, to 6.2 percent, the lowest reading for the month of February in the Wenatchee MSA since electronic records were implemented in 1990.

from 2,700 to 3,000 jobs.

However, maintaining the relatively high number of construction jobs in 2019 versus 2018 is not necessarily the sign of a weakening local construction industry.

A glimpse at the number of closed sales Year-to-Date (YTD) in the first two months of 2020 versus January and February 2019 in the Wenatchee Market (i.e., in Wenatchee, Malaga, East Wenatchee, Orondo and Rock Island, WA) according to the February 2020 Real Estate Snapshot newsletter published by Pacific Appraisal Associates shows that the number of singlefamily homes or condominiums sold in the Wenatchee Market jumped from 110 closed sales in January and February 2019 to 142 closed sales in the first two months of 2020 (up by 32 sales and 29.1 percent).

◆ Year over year, employment in the retail trade industry in the Wenatchee MSA has either stagnated or has cut jobs in each of the past 16 months (November 2018 through February

Between the Februarys of 2018 and 2019 the number of local retail trade jobs fell from 6,100 to 5,900, a 200-job and 3.3-percent downturn.

A look at statewide, retail trade employment changes suggests that one of the factors exerting pressure on brick and mortar retail stores is consumer shifts towards internet shopping.

For example, between the Februarys of 2019 and February 2020 estimates indicate that Washington state's retail sector added 12,100 jobs (up 3.2 percent), rising from 379,500 jobs to 391,600 jobs, respectively.

◆ In February 2020 education and health services across the Wenatchee MSA elevated to 7,800 from 7,500 jobs in February 2019, a 4.0 percent increase. Virtually all the jobs in this combined "education and health services" category are in private health services.

Year over year, the Wenatchee MSA's private education and health servic-

es industry has either stabilized or expanded in each of the past eleven months (April 2019 through February 2020).

Statewide, the education and health services industry either stabilized or added jobs for at least the past 122 months (January 2010 through February 2020).

Year over year, employment in the Wenatchee MSA's leisure and hospitality industry (primarily hotels and eating and drinking places) has either stabilized or added jobs for the past 29 months (October 2017 through February 2020).

Recently, this industry provided 500 new jobs, rising from 6,300 jobs in February 2019 to 6,800 jobs in February of this year (up 7.9 percent).

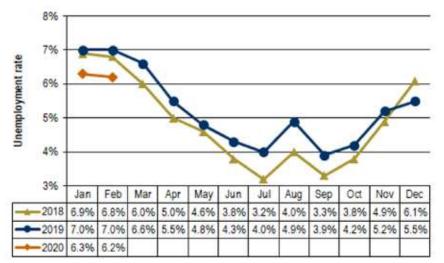
#### Agricultural employment

The Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department provides agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. In September 2019, revised annual average QCEW data for calendar year 2018 became available. An analysis of industry employment changes from 2008 through 2018 shows that in Chelan County:

- ◆ Total covered employment rose from 39,242 in 2008 to 45,085 in 2018, a 5,844-job and 14.9-percent upturn with an annualized growth rate of 1.4 percent. The number of agricultural jobs (a subset of total covered employment) increased from 8,445 in 2008 to 10,609 in 2018, a 2,164-job and 25.6-percent uptrend with an annualized growth rate of 2.3 percent.
- Total covered wages (not adjusted for inflation) rose from \$1.236 billion (in 2008) to \$1.828 billion (in 2018) a \$592.4 million and 47.9 percent upturn with an annualized growth rate of 4.0

#### Unemployment rates, not seasonally adjusted Wenatchee MSA, January 2018 through February 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 fell eight-tenths of a percentage point between the Februarys of 2019 and 2020.

#### **Total nonfarm** employment

Between 2018 and 2019, Washington's labor market 67.900 provided nonfarm jobs, an annual average increase of 2.0 percent. In February 2020, business and government organizations across Washington supplied 3,482,600 nonfarm jobs (not seasonally adjusted), compared to 3,381,700 jobs in February 2019, a 3.0 percent year over year employment increase.

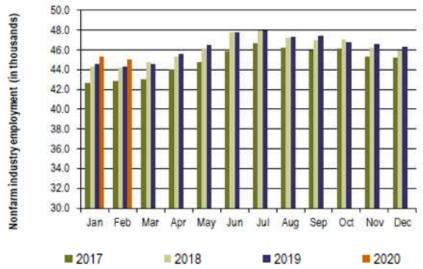
The state's economy has posted year over year nonfarm employment increases for the past 113 months (October through February 2020).

Estimates show that Wenatchee MSA's nonfarm labor market netted only 100 new jobs in 2019, a modest 0.3-percent

upturn - considerably less robust than the 2.8-percent growth rate in the MSA during 2018.

However, in February 2020, total nonfarm employment across this twocounty area tallied 700 more jobs than in February 2019, rising from 44,300 jobs to 45,000, a 1.6-percent

Nonfarm industry employment Wenatchee MSA, January 2017 through February 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 increased by 1.6 percent between the Februarys of

#### **Employment and** unemployment

Estimates indicate that Washington's Civilian Labor Force (CLF) grew by 119.123 residents (a 3.1percent upturn) from 2018 to 2019. The state's labor force has expanded, year over year, for the past 73 months (February 2014 through February 2020).

Preliminary estimates indicate that the Wenatchee MSA's CLF grew from 67,182 residents in 2018 to 68,823 in 2019, a 2.4 percent upturn.

Nevertheless, yearover-year growth in the Wenatchee MSA's Civilian

Labor Force (CLF) slowed to 0.6 percent in January 2020 and then to a minus-0.8 percent in February 2020.

of unemployed Chelan and Douglas residents dropped at a sharper, 12.4-percent pace between February 2019 (4,544 residents) and February 2020 (3,981 residents). It was this 12.4percent and 563-resident shrinkage in the number of unemployed which depressed the Wenatchee MSA's unemployment rate from 7.0 percent in February 2019 to 6.2 percent in February 2020.

## **Nonfarm industry** employment

Between the Februarys of 2019 and 2020 total nonfarm Fortunately, the number employment in Chelan and percent, from 44,300 to 45,000 jobs.

> Washington's nonfarm market expanded by 3.0 percent during this timeframe. Highlights of yearover-year changes follow:

> ◆ In the mining, logging and construction category most jobs are in "construction". Year over year, employment in the Wenatchee MSA's construction industry either stabilized or in

creased from August 2019 through February 2020.

Current estimates indicate that, rounded to the nearest 100, the local con-Douglas counties rose 1.6 struction industry provided 2,700 jobs in the Wenatchee MSA in February 2020 versus 2,500 in February 2019, a 200-job and 8.0percent upturn.

Estimates indicate that during 2019 that the pace of construction job growth stabilized at 3,000 jobs.

Conversely, during calendar year 2018 the construction sector averaged 300 more jobs than in 2017 (up 11.6 percent), rising

# **WENATCHEE BUSINESS JOURNAL'S PROFESSIONAL** SERVICES DIRECTORY

**ADVERTISING & MARKETING** 





# Donald W. Meseck, Regional Labor Economist

**Employment Security Department** 

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Wenatchee Business Journal **24** • June 2020



# 3 Ways a deck can make staying home more enjoyable

(BPT) - With so many people across the country staying put in their homes right now, a fun and functional outdoor space is more important than ever. Amusement parks and concerts are closed or canceled and spring is around the corner, beckoning families outdoors. Millions of people are working remotely and looking for a more natural option for their home offices. A well-thought-out deck could be the answer to making a staycation, whether forced or planned, more enjoyable.

Here are three ways a deck can improve the at-home experience.

1. Fewer screens, more fun When kids are out of school, screen time usually goes up. Whether it's TV, computers, video games, phones or tablets, screen time

is usually a sedentary activity. A deck can provide an alternative outdoor play space where kids can be active and stretch their imaginations, enjoy the outdoors and do things like bring their favorite toys like building blocks, action figures or doll houses



outdoors.

Worried about splinters hurting those little toes and fingers? Composite decking is a beautiful option that makes sanding, staining, sealing and splinters a thing of the past. While composite decking has historically had a higher price tag than traditional wood, boards like Envision Ridge Premium deliver the exotic hardwood beauty and low maintenance of composites at a budget-friendly price.

2. Home office with a side of vitamin D

Millions of Americans have moved to work-from-home situations recently and are looking for a way to get out of their stuffy home offices in favor of a workspace with natural lighting and a great breeze. Soaking up a safe amount of sun every day can reap big benefits for your health, according to physicians and the World Health Organization (WHO), includ-

ing elevating mood, improv-

ing sleep, promoting bone

growth and strengthening the

immune system. With the right patio furniture, a deck can make a great option for an outdoor workspace to soak up the benefits of the sun's rays. Choose a table of the appropriate height and a comfortable chair for extended work sessions, or a cushioned chaise lounge for shorter periods. Adding a

screen or pergola to a deck can provide some protection from the wind (fewer important work papers blowing around).

3. Family time all year long If there's an upside to the increase in people staying home, it's the ability to connect with the other people living in your home. Life can get so busy with work, friends and other commitments that it's difficult to find time to connect or have a family game night. A deck is a great place to gather the members of your household for a laidback evening of stargazing or

a rowdy game night. And those family connections don't have to end due to summer's heat or fall's chill. By adding an outdoor heater, firepit or fans, you can extend your deck's use as a family space to the majority of the

As you can see, a deck is a great way to expand the living space of your home and to provide an alternative space for all members of the family to enjoy.



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# 5 Fresh Ways to Frame Your Outdoor Space

(BPT) - When determining the look of your outdoor living space, decking is only half of the equation. In many cases, it's the deck railings that are most visible and the design element that makes the first impression.

"Railings serve a necessary safety function, but they also play an important aesthetic role," explains designer Alison Victoria, star of HGTV's "Windy City Rehab" and "Rock the Block." "They frame an outdoor space and define the setting's style and personality.

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Following are five fresh ways to frame up your outdoor space for maximum

enjoyment and curb appeal: Industrial inspiration

Industrial styling is all the rage, as homeowners seek to replicate the clean lines and modern looks found in todav's hottest hotels, restaurants and craft breweries. In backyards across the country, this commercial-toresidential trend can be seen in the increased use of aluminum railing styles that deliver sleek sophistication. One such example is Trex Signature Railing, which offers a range of designs, including horizontal rods, mesh panels or glass inserts, in addition to traditional spindles - all with the low maintenance and durability of aluminum.

Mixed materials

While railing matched to the decking remains perennially popular, an increasing number of homeowners are taking advantage of customizable design possibilities afforded by new railing materials, styles and finishes. Visual interest can be achieved by juxtaposing materials such as composite, aluminum, glass and brick. For an eye-catching color contrast, consider pairing chunky, white posts with slim, black balusters. Or, mix classic and contemporary looks by using a traditional, wide railing to frame the deck while installing a slimmer railing style on stair-

# **View-optimizing options**

If you want to enjoy your view, thin balusters finished in black are a great choice as they tend to optically blend into the environment, putting more visual emphasis on the natural surroundings. Glass panels are also ideal, of course, as are cable and rod rail designs. Conversely, if you have nosy neighbors or a view you'd rather minimize, opt for railings with thicker posts and more tightly spaced balusters to enhance privacy.

Form and function In certain cases, deck railings can be as practical as they are pretty. One of the biggest trends is "cocktail railing" or a "drink rail." This approach uses a deck board as a top rail to create a flat ledge at just the right height for holding drinks and plates. This level surface also offers an ideal resting spot for potted plants, candles and other decorative accessories. By using boards that match the decking, you can achieve a look that complements your deck, while making great use of space. Inviting illumination

Augment the beauty of your railing and lengthen the time you can spend enjoving your deck with discreet outdoor lighting that can be integrated into railing posts and caps. Not only will lighting set the mood, it also adds safety and security. Consider LED dimmable options to maximize energy efficiency, such as Trex Outdoor Lighting, which also are weatherproof and salt-air proof - ensuring they will last for years.

To learn more about different railing options and outdoor living trends, visit www.Trex.com.





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