

## W WalletHub

### Washington #2 as "Innovative State"

Information courtesy of Diana Polk, WalletHub Communications Manager

With the U.S. projected to spend \$581 billion on research and development in 2019 and NYC recently backing out of the deal for Amazon's HQ2, the personal-finance website WalletHub today released its report on 2019's Most

& Least Innovative States as well as accompanying videos.

In order to give credit to the states that have contributed the most to America's innovative success, WalletHub compared the 50 states and the District of Columbia across 24 key metrics.

The data set ranges from share of STEM professionals to R&D spending per capita.

#### Most Innovative State

- 1 Massachusetts
- 2 Washington
- 3 District of Columbia
- 4 Maryland
- 5 Colorado
- 6 California
- 7 Virginia
- 8 Utah
- 9 Delaware
- 10 Oregon

#### Least Innovative State

- 42 Nebraska
- 43 South Dakota
- 44 Kentucky
- 45 Hawaii
- 46 North Dakota
- 47 Tennessee
- 48 Iowa
- 49 West Virginia
- 50 Louisiana
- 51 Mississippi

#### Innovation in Washington

(1=Most Innovative, 25=Avg.)

- 3<sup>rd</sup> – Share of STEM Professionals
- 3<sup>rd</sup> – Projected STEM-Job Demand by 2020
- 19<sup>th</sup> – Eighth-Grade Math & Science Performance
- 2<sup>nd</sup> – Share of Science & Engineering Graduates Aged 25+
- 13<sup>th</sup> – Share of Technology Companies
- 7<sup>th</sup> – R&D Spending per Capita
- 5<sup>th</sup> – Venture-Capital Funding per Capita

To view the full report and your state or the District's rank: [wallethub.com/edu/most-innovative-states/31890/](http://wallethub.com/edu/most-innovative-states/31890/)

## Port of Chelan funds city of Chelan airport purchase



By Diana Piñon

CHELAN – Chelan City Councilman Ray Dobbs was the only Councilman who voted against finalizing and executing the interlocal agreement between the Port of Chelan County and the city to purchase the Kelly property near the Lake Chelan Municipal Airport.

The Chelan City Council meeting on March 12, was the end to back and forth negotiations between the two parties.

"We have been working on this non-stop since the previous council meeting, we heard the conversation with the council and we tried to address each of those items... but I feel much confident that we have reached an agreement that we should all be happy with," said City Administrator Mike Jackson.

He informed the council



SUBMITTED PHOTO

City Attorney Quentin Batjar

safe guards to this interlocal to make sure the property transfers to the airport," he clarified that night.

The agreement's intent is to have the city purchase the property but it would be entirely funded through the Port of Chelan.

"The purchase price would be \$294,500, the extra \$500 that we have not discussed before is for the consideration for an extension of a closing date deadline," said City Attorney Quentin Batjar.

He said that Mr. Kelly wanted \$500 to move forward with the extension.

Once the property is purchased the property would be assigned to the Port, then they would administer the property and do their storage business.

SEE CHELAN AIRPORT, PAGE 4

members that the Port's sole purpose for the purchasing the property is so they can turn it back to the airport as soon as possible.

"They are not trying to use it for other purposes, so we have built

## Cashmere Mill District already paying dividends

#### Port of Chelan news release

The Port of Chelan County has entered into a lease agreement for its first tenant at the Port's Cashmere Mill District Business Park.

Hurst International, a Chatsworth, California based fruit label printer and labeling equipment manufacturer, has agreed to lease approximately 6,500 square feet.

This recruitment success is expected to bring 10 new jobs and private investment exceeding \$1,000,000 to Chelan County.

In response to the news, Port of Chelan County Commission President JC Baldwin stated "Recruiting a manufacturer supporting our agricultural industry as the first tenant in Cashmere is a huge win. I couldn't be more excited about this news."

The founder of Hurst International, Ari Lichtenberg, stated "We have had a growing presence in the region with our cutting-edge products and processes. Now is the time to add a manufacturing presence to serve our growing list of customers in Washington State."

Current regional customers include Gebbers Farms, Auvil Fruit, and Chelan Fruit.

Chelan County Commission Chairman Kevin Overbay commented that "Chelan County made a financial contribution from its

SEE CASHMERE MILL DISTRICT, PAGE 2



COURTESY PHOTO

## Port of Chelan elects new officers for 2019

At the first Port District of Chelan Commission meeting of 2019, the Port Commissioners elected new officers. Left to right is President JC Baldwin, Secretary Rory Turner and Vice President Donn Etherington.



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\$2



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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  
Cashmere Valley Record,  
201 Cottage Ave., Suite 4

### Leavenworth

Dan's Food Market  
1329 U.S. Highway 2  
The Leavenworth Echo,  
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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# THE BOTTOM LINE

## Public school costs: A 1-2 punch to taxpayers

I just heard about the \$75 million bond the Lake Chelan School District wants to float.

Seven million of which is for the football field refurbishment. That \$7M includes a new artificial turf for the field itself.

Yikes!

High school athletes should play on real grass, dirt and mud so as to portray the grittiness of the game of football. They are not playing tennis or croquet, nor curling or judo, swimming or fencing.

The brutality of football should be paired with the earthiness of the earth itself, not some plastic imitation thereof.

The blood, sweat and tears

of young athletes should not be wicked off by man-made



**Gary Bégin**  
Managing Editor

venues, but by a sense of struggle and courage inherent in our Mother Earth.

Spend a million on the bleachers and relocating the restrooms, but leave the field

alone. The other six million can go to academic programs.

Bi-lingual STEM (science, technology, engineering and math) programs would advance our students well beyond mere athletic scholarships.

The reality of the world after high school graduation leans more heavily towards excellence in STEM than football or any other sport.

Let the kids play on quality fields, but make sure they know it is only play and whatever their endeavors on the field, their academic progress is far more important.

Are there any high school athletes or coaches or parents reading this? If so, you will all understand when

I caution: Bragging about a touchdown won't pay the bills as much as a degree in a STEM discipline.

I am also in fear that school bonds will cost homeowners millions statewide in property taxes. Some say, as in the case of Lake Chelan, that absentee "westside" owners will foot most of the bill, but I think they will only raise rent prices for those trying to actually live and work in this area.

The absentee owners will just pass along the increased costs of their investments.

That is not to say the locals won't also suffer with higher taxes. That was punch number one.

Punch number two is the ridiculous millions being forced upon counties throughout the state thanks to the McCleary decision by the state Supreme Court.

Public money isn't equaling up to student performance. Private and charter schools do a better job and generally have better teachers and mostly have few or no sports teams to waste money on.

Not that I am against high school sports, but too much emphasis is wasted on fun

and games.

The kids need real directions given them by real adults who understand the horrors of economic life that can befall them once emancipated from mom and dad.

I am not anti-sports nor anti-fun, but I am anti Little Johnny and Jane spending the next 10 years on the basement couch because they thought volleyball was the way to financial freedom.

So take the extra millions from the proposed budget and spend it, if you must, on vocational training or even ROTC programs. While you're at it, give a wad of cash to the FFA and 4H programs.

If Little Johnny can't afford to buy milk, maybe he can at least learn to milk a cow, grow oats, gather berries and raise beef cattle.

Our emphasis on sports only makes the athletes desire to go to the big city in search of fortune even more unreal.

Why stoke the flames of meaningless games when North Central Washington and the world needs doctors, engineers, scientists and technologists to forge a brighter future.

## port of chelan county *Cashmere Mill District already paying dividends*

CONTINUED FROM PAGE 1

dedicated economic development sales tax fund to assist the Port in constructing the buildings at the Cashmere Mill District Site. It is great to see an immediate return to the citizens of Chelan County."

In September 2018, the Port started construction on two general-purpose industrial buildings each containing 16,500 square feet. They are expected to be completed in late spring.

"Cashmere is excited to see Hurst join Louws Truss

in providing quality jobs in Cashmere. We look forward to more companies and jobs coming to this location. The Port has not even completed the buildings yet and the first tenant has been secured. I would like to thank the Port Commission-

ers for their forward looking investment in our community," said Cashmere Mayor Jim Fletcher.

The Port of Chelan County is governed by three elected Port Commissioners: JC Baldwin, Donn Etherington and Rory Turner.

berg at 818-701-0710, alex@hurstinternational.net, or go to [hurst-international.com/about-us](http://hurst-international.com/about-us) for additional information or comment from Hurst International.

Please contact Craig Larsen, Port of Chelan County Director of Business Development, at 509-663-5159 or [craig@ccpd.com](mailto:craig@ccpd.com) for additional information.



SUBMITTED PHOTO

This is an artist's rendition of the Cashmere Mill District.

**“A good plan violently executed now is better than a perfect plan executed next week.”**  
— George S. Patton

## W WalletHub

**Key Stats**

- The District of Columbia has the highest share of STEM professionals, 9.80 percent, three times higher than in Mississippi, the lowest at 3.30 percent.
- The District of Columbia has the highest share of technology companies, 8.40 percent, 3.2 times higher than in South Dakota, the lowest at 2.60 percent.
- New Mexico has the highest research and development (R&D) intensity, 6.52 percent, 16.3 times higher than in Nevada, the lowest at 0.40 percent.
- Florida has the highest share of public high-school students taking advanced-placement (AP) exams, 51.91 percent, 3.9 times higher than in North Dakota, the lowest at 13.22 percent.

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McKenna White and Senator Brad Hawkins



### McKenna White serves as page for Sen. Hawkins

OLYMPIA – McKenna White of Wenatchee, a 10th-grader at Wenatchee High School, spent a week working as a page for the Washington State Senate at the Capitol in Olympia. White was one of 25 students who served as Senate pages for the seventh week of the 2019 legislative session.

She was sponsored by 12th Legislative District Sen. Brad Hawkins. Hawkins serves Douglas and Chelan counties and parts of Grant and Okanogan counties.

“It was a pleasure having

McKenna page for my office,” Hawkins said. “There were a number of important bills being discussed on the Senate floor this week. I was glad she got the opportunity to get an in-depth look into the work we do in Olympia”

The Senate Page Program provides an opportunity for Washington students to spend a week working at the Legislature. Students transport documents between offices, as well as deliver messages and mail. Pages spend time in the Senate chamber and attend

page school to learn about parliamentary procedure and the legislative process. Students also draft their own bills and engage in a mock session. Additionally, McKenna had the special honor of leading the Pledge of Allegiance before floor action during the Senate Page Honor Guard on Wednesday.

“I was surprised to learn about the Senate majority and minority leaders at the Legislature,” White said. “Despite the difference in influence, they both have to

work together to get things done.”

White, 16, is a reporter for her high school’s newspaper and enjoys track and cross-country. She plans to attend a four-year university to earn a degree in Psychology and pursue a career in law enforcement.

White is the daughter of Will and Christy White of Wenatchee.

Students interested in the Senate Page Program are encouraged to visit: <http://leg.wa.gov/Senate/Administration/PageProgram/>.



Senator Brad Hawkins on Tribal Relations Committee

Senator Brad Hawkins discusses legislation with Sen. Hans Zeiger, R-Puyallup, during a recent meeting of the Senate State Government, Tribal Relations and Elections Committee.



Senator Brad Hawkins on Education Committee

Senator Hawkins, in his role as ranking Republican on the Senate Early Learning and K-12 Education Committee, discusses legislation with the committee’s chair, Sen. Lisa Wellman, D-Mercer Island.

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## Flywheel Investment Conference April 18

**38** companies from across Washington State applied to compete at the Flywheel Conference this year. The Top Six companies were selected for their unique company and mission.

The Top Six represent different industries, company stages, and come from different areas of Washington State.

During the Flywheel Conference, you have the opportunity to hear the Top Six share their pitch, product, and plans for the future.

In addition to a \$100,000+ investment award from angel investors – these companies will be competing for a \$5,000 audience prize.

### The Top Six:

**Beta Hatch**

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Primary Industry: Agriculture

**Lisi Global**

Based in Richland  
Primary Industry: Agriculture

**Prescriptive Health**

Based in Redmond  
Primary Industry: Healthcare Services

**Gestalt Diagnostics**

Based in Spokane  
Primary Industry: Healthcare Services

**Vita Inclinata Technologies**

Based in Seattle  
Primary Industry: Aerospace

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## Newhouse joins President in signing ceremony

This week, I was honored to join President Trump in the Oval Office as he signed a lands package into law that included authorization for the next phase of the Yakima Basin Project and protection for the Methow Headwaters. The future of our region's agriculture economy depends on access to water storage, and with President Trump signing this priority into law, today is an exciting day for everyone in Central Washington.

Not only does the success of this legislative effort show the way forward for bipartisan, bicameral cooperation, but it highlights the years-long work of state and local stakeholders, the agriculture community, irrigators, conservationists, and tribes as part of

the Yakima Integrated Plan Workgroup and Implementation Committee. I was proud to work across the aisle with my colleagues to get this water solution bill for the Yakima Basin across the finish line.

President Trump's signature of this legislation will also preserve the natural beauty of the Methow Valley for generations to come: This was a community-led effort on a priority for North Central Washington and the region's thriving recreational economy. I was proud to support this legislation to protect the natural wonder of the Methow Headwaters.

I congratulate David Bernhardt on his official nomination to serve as President Trump's Secretary of the Department of the

Interior. As DOI Acting Secretary, Bernhardt has shown that he understands natural resource issues that are so important for the West and for Central Washington. I especially look forward to working with Secretary Bernhardt on the proposed rule to delist the gray wolf and to make progress on the Odessa Groundwater Replacement Program and the Columbia Basin Project.

I was invited to address Pacific Northwest Waterways Association at their annual Mission to Washington conference to discuss infrastructure priorities and economic development in Central Washington. Port representatives, navigation stakeholders, longshoremen, and others from Washington, Oregon, and Idaho discussed

the importance upgrading infrastructure projects of all kinds – from highway and rail to water storage and river navigation projects – as well as ensuring the protection of our Snake and Columbia River dams. I am grateful for their input as the House begins to work on a comprehensive infrastructure package, and I will work with my colleagues to ensure Central Washington's priorities are included.

To stay current on the work I am doing around the District and in Washington D.C., I encourage you to follow me on Facebook, Twitter, and Instagram and to read updates on my website. It is an honor and a privilege to represent you in Congress.



David Bernhardt, left, Congressman Newhouse, right.



Newhouse speaks to the Pacific Northwest Waterways Association.

## CONTINUED FROM PAGE 1

### Port of Chelan funds city of Chelan airport purchase

The payoff made whole to the Port would be taken from the revenue created of the three acre property.

Total payback of the property should be by Jan 1, 2035 or sooner with 2.5 percent rate in return on purchase price.

"Some of their expenses are going to be operating and maintenance and capital expenses, they have a load of trailers there that they are going to do something with. That's going to cost them money," said Batjer.

If the Port doesn't recover their money from the storage revenue by the date agreed, the city wouldn't have to pay the reminding balance.

Jackson mentioned that Port Director Jim Kuntz proposed investing money into

the storage units and concrete floors.

"They are looking at about \$100,000 in capital expenses in 2020."

For councilman Tim Hollingworth, the Port and the city have a good division of labor.

"It's closer to the Port's mission to take on a long term development at the airport, as a city we have a lot of demands on our capital budget, so I think this is the Port doing what its mission tells them to do and the city is going along with that," he stated.

Chelan Mayor Mike Cooney referred to the deal as a good partnership, "they are thinking of it as growth, they are thinking of it as potential," he said.



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# Tax Time Guide: IRS publication helps small businesses, self-employed understand what's new for taxes

WASHINGTON – The Internal Revenue Service wants business owners and the self-employed to know that a publication on IRS.gov has information they can use to learn which recent tax-law changes impact their bottom line.

This news release is part of a series called the Tax Time Guide, a resource to help taxpayers file an accurate tax return. Additional help is available in Publication 17, Your Federal Income Tax, and the tax reform information page.

Publication 5318, Tax Reform: What's New for Your Business, is a 12-page electronic document.

Pub. 5318 provides a general overview of many of the Tax Cuts and Jobs Act (TCJA) changes enacted in December 2017 that impact business taxes.

Publication 5318 includes sections on:

- ◆ Qualified Business Income Deduction
  - ◆ Depreciation
  - ◆ Business related losses
  - ◆ Business related exclusions and deductions
  - ◆ Business credits
  - ◆ S corporations
  - ◆ Farm provisions
  - ◆ Miscellaneous provisions
- A few key provisions include:



### Qualified Business Income Deduction

Many individuals, including owners of sole proprietorships, partnerships, and S corporations and beneficiaries of trusts and estates, may be entitled to a deduction of up to 20 percent of qualified business income (QBI), plus up to 20 percent of their qualified real estate investment trust (REIT) dividends and qualified publicly traded partnership (PTP) income.

Generally, this deduction is the lesser of the combined QBI, REIT dividend, and PTP income amounts, or 20 percent of taxable

income minus the taxpayer's net capital gain.

Claimed on Form 1040, Line 9, the new deduction is generally available to eligible taxpayers whose 2018 taxable incomes fall below \$315,000 for joint returns and \$157,500 for other taxpayers.

The deduction may also be available for those whose incomes are above these levels but additional limitations may apply.

### Temporary 100 percent expensing (bonus depreciation)

Businesses can write off most depreciable business assets in the year they placed them in service.

The 100-percent depreciation

deduction (bonus depreciation) generally applies to depreciable business assets and certain other property.

Machinery, equipment, computers, appliances and furniture generally qualify.

The deduction is generally allowable for qualifying property acquired and placed in service after Sept. 27, 2017, and before Jan. 1, 2023. For more information, see Publication 946, How to Depreciate Property.

### Expensing depreciable business assets

A taxpayer may elect to expense the cost of any section 179 property and deduct it in the year the property is placed into service.

The new law increased the maximum deduction from \$500,000 to \$1 million. It also increased the phase-out threshold from \$2 million to \$2.5 million.

After 2018, the \$1 million and \$2.5 million thresholds will be adjusted for inflation.

### Business related losses

For most taxpayers, a net operating loss (NOL) arising in tax years ending after Dec. 31, 2017 can only be carried forward. Certain NOLs of farming businesses and

insurance companies (other than life insurance) can still be carried back two years.

The deduction of NOLs arising in tax years beginning after Dec. 31, 2017, is limited to 80 percent of taxable income, determined without any NOL deduction.

This 80 percent limitation does not apply to insurance companies (other than life insurance). Rules for existing or pre-2018 NOLs remain the same.

Taxpayers can find answers to questions, forms and instructions and easy-to-use tools online at IRS.gov. No appointment required and no waiting on hold.

“The happiness of your life depends upon the quality of your thoughts: therefore, guard accordingly, and take care that you entertain no notions unsuitable to virtue and reasonable nature.”  
— Marcus Aurelius



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CHELAN COUNTY

## New substations are being designed with technology in mind

*Chelan PUD on track for building at four locations in the next two years*

WENATCHEE – With an eye on using technology to improve customer service, Chelan PUD has updated substation standards as employees prepare to start building at four locations this year and next to meet growing load across the county.

Chelan County PUD commissioners Monday heard about the new standard for substation locations that provides room to respond to growth as it occurs and puts technology to work to improve reliability.

Chad Rissman, Distribution director, said using 2-acre sites, rather than 1 acre, gives room for advance monitoring, switching and metering equipment, improves safety and offers the ability to install additional capacity to meet growth. (At 00:29 on the board meeting audio recording)

The new standard will guide land purchases for future substation locations, Rissman said.

Andrew Wendell, Customer Service director, said work is on track to start building the Ohme Substation north of Wenatchee this year. (00:39)

New substations in Leavenworth and on the north shore of Lake Chelan are set for construction next year.

Wendell said growing load in downtown Wenatchee led to the need to enlarge the Wenatchee Substation on Worthen Street. Construction is targeted for next year.

PUD staff also is focused on finding a location for a new substation near the Chelan Dam and for one south of Wenatchee towards Malaga.

In other business, commissioners:

➤ Discussed ways to make Chelan PUD's finances more resilient, with the ability to weather the storm during a financial downturn.

Chief Financial/Risk Officer Kelly Boyd reported on recent testing of "what if" scenarios of low water supply, low prices and higher spending on major projects and/or operations and maintenance needs.

Boyd said the District has the tools in place to adjust and keep finances strong. Among the tools for board consideration is

the possibility of small rate increases over time to help avoid large increases even in low-revenue years. The information will be shared with stakeholders who are considering rate options for strategic planning. (01:20)

➤ Thanked Christina Detering, hydro support specialist, and Chris Shimer, journeyman wireman and EMT, for taking ownership and calling for medical aid when they saw a coworker become confused and disoriented during a fire drill. Two days after the drill, the employee had urgent surgery and now is recovering. Their concern and quick action kept the situation from taking a tragic turn. (00:019)

➤ Congratulated Gregg Carrington, Energy Resources managing director, who was honored for his service to hydropower with the Pamela E. Klatt Award from the Northwest Hydropower Association.

The award recognizes hydropower professionals dedicated over their career to supporting the region's waterpower as clean, efficient, renewable energy while protecting fisheries and environmental quality that characterizes the Northwest. (02:08)

*Service Center open houses, 4-6 p.m.:*

- March 18 – Wenatchee Valley Museum and Cultural Center, 127 S. Mission, Wenatchee
- March 19 – Cashmere Riverside Center, 201 Riverside Drive
- March 20 – Chelan County Fire 3 station, Leavenworth, 228 Chumstick Hwy
- March 21 – Lake Chelan Chamber of Commerce, Chelan, 216 E. Woodin Ave
- March 25 – Entiat Fire Hall, 2200 Entiat Way

*Upcoming events:*

- March 29 – Northwest Mariachi Festival, Town Toyota Center
- April 1 – Commission meeting, 10 a.m., boardroom
- April 13 – Greater Wenatchee Arbor Day celebration, Walla Walla Point Park
- April 20 – Earth Day celebrations, Chelan and Wenatchee

## Columbia Riverkeeper, Chelan PUD settle pollution complaint

Columbia Riverkeeper reached a settlement with Chelan County Public Utility District (PUD) to end uncontrolled toxic pollution from the Rock Island and Rocky Reach dams.

This marks the first time that a PUD-operated dam on the Columbia River will comply with the Clean Water Act's requirement that polluters obtain a permit to monitor and reduce harmful pollution.

"People rely on the Columbia River for clean water and healthy fish. Today's settlement is part of a broader effort to reduce the threat of large oil spills from dams up and down the Columbia and Snake rivers and reduce toxic oil that routinely leaks into our rivers," stated Brett VandenHeuvel, Executive Director of Columbia Riverkeeper.

The settlement requires the PUD to apply for pollution discharge permits from the Washington Department of Ecology and investigate switching to eco-friendly oils.

Hydroelectric dams like Rock Island and Rocky



Reach routinely discharge oil and other pollution to the Columbia River, which threaten fish, wildlife, and the people that rely on locally-caught fish.

Pollution discharge permits required under the settlement will require that the PUD monitor and reduce the amount of pollution entering the Columbia.

"The settlement sends a powerful message: PUDs have the same responsibility as private companies and the federal dam operators to reduce toxic pollution and prevent dangerous oil spills," explains VandenHeuvel.

The settlement builds on Riverkeeper's legal victories against the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation.

In 2013, Riverkeeper sued the Corps for illegally discharging oil and other pollution from the eight federal dams on the

Columbia and Snake rivers without pollution permits required under the Clean Water Act.

Riverkeeper brought a similar case against the U.S. Bureau of Reclamation in 2016 for unlawful pollution from the Grand Coulee Dam.

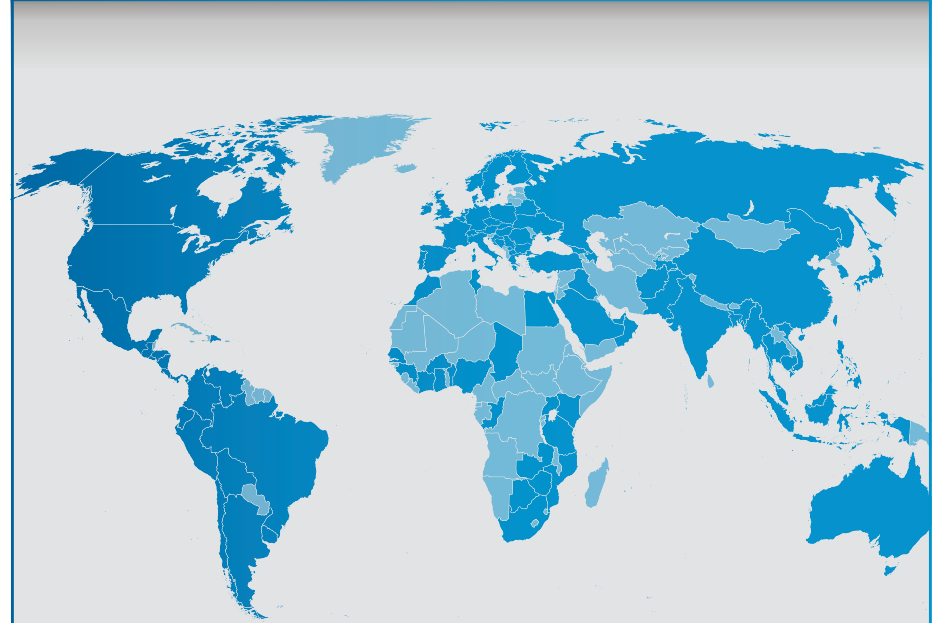
Riverkeeper reached settlements with both federal agencies that required the agencies to obtain permits-to-pollute and investigate using less harmful oils in dam equipment.

Last year, Riverkeeper sent notices of intent to sue to three PUDs that operate dams in the Columbia River: Douglas County, Grant County, and Chelan County PUDs. The Chelan PUD settlement, signed March 19, marks the first legal settlement.

Columbia Riverkeeper is a nonprofit organization working to protect and restore the Columbia River and all life connected to it.

Riverkeeper's staff attorneys and Brian Knutsen of Kampmeier Knutsen, PLLC represented Riverkeeper in the legal action against Chelan County PUD.

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*PUD Commits to actions that will enhance Safety*

# PUD commissioners review independent investigation Of Rock Island Dam fatality

**Chelan PUD news release**

Chelan County PUD Board of Commissioners Monday reviewed an independent investigation into the factors that led to the tragic fatality of PUD employee Eddie Bromiley in June 2018.

The incident involved a heavy steel beam falling during the lifting of a spillway gate. The investigation included multiple site visits, 25 interviews with staff and review of historical records, reports, design drawings and internal communications. (At 0:48 on the board audio recording.)

The investigation concludes that, for the most part, latent design weakness from the 1990s was the engineering root cause. At least one employee recalls there being a recognition of the design weakness in the 1990s. But the lack of procedures for documenting safety concerns in the 1990s led to none of the PUD employees associated with the spillway operation at the time of the incident being aware of the design issue or its risk.

The investigator's report identifies three engineering recommendations and two human and organizational performance improvement recommendations. The PUD has committed to fully imple-



menting all five recommendations. These cover areas such as changes to dam spillway design, new procedures for crane lifts and assessment of employees' awareness of safety reporting systems.

The report identifies 11 additional considerations. Some of those items already were addressed, and the PUD will fully evaluate all of the remainder for action, said General Manager Steve Wright.

"Since June, we have been keenly focused on supporting an investigation that needed to be thorough, comprehensive, and was completely candid with its advice

and recommendations," Wright said. "We are committed to using that information to make the PUD a safer work environment."

The report from the independent investigation, conducted by the Lane Powell law firm of Seattle, is available on the PUD website. In other business, commissioners:

◆ Congratulated electrical engineer Adam Couey for taking ownership and doing extra research when he heard plans for "lock-out/tag-out" on a project that "didn't seem right to him." His quick work got vital information added to the plan for safety

before work started, protecting contractors and District staff.

◆ Applauded Jim Caldwell, transmission engineer, and Steve Wickel, transmission engineering manager, for the good news that their wildfire risk assessment received regional and national engineering awards from the American Council of Engineering Companies.

◆ Reviewed capital funding needs for Rock Island Dam through 2020 and a recommendation to use an internal loan from District cash reserves to meet an expected gap in dedicated funds from long-term power contracts.

Heather Ireland, lead treasury analyst, said using available cash follows the board-affirmed debt "philosophy" and benefits customers by using existing cash balances, reducing new debt and interest costs and keeping PUD finances strong. Commissioners will be asked to act on a proposed internal loan of up to \$87 million on March 18. Proposed terms are 25 years at about 4.5 percent interest.

◆ Received an update on managing the level of Lake Chelan during what is forecast to be a below-average water year, even with last month's snowfall. Energy Resources Analyst John Wasniewski said basin snowpack remains at about 80 percent of average, but still within normal operating range. He expects lake level to meet the July 1 lake level target, although power generation may be reduced.

◆ Heard from John Stoll, Customer Utilities managing director that a survey of customer-owners on issues important to the utility is expected to begin later this week. The Cocker Fennessy research firm will contact Chelan County households – some by email, some by phone – over a two-week period as part of strategic planning.



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# Wells Fargo donated \$3.3M to Washington nonprofits in 2018

## Wells Fargo news release

SEATTLE – Wells Fargo today announced the company donated over \$3.3 million through more than 250 grants to Washington nonprofits, schools and community organizations in 2018 to help the communities and people of Washington.

Wells Fargo's philanthropic contributions build on a long history of collaboration with nonprofits and community leaders across Washington state to make a positive impact by addressing urgent community issues such as affordable housing, environmental sustainability, small business growth and access to education.

When combined with the \$761,500 donated by Wells Fargo's Washington team members during its annual Community Support Campaign, nonprofits in the state received a total of \$4.1 million from Wells Fargo and its team members in 2018.

"Across our community, many residents are working hard to make ends meet. Here in Washington, we want to help people find a stable place to live, help small business owners

expand, and help young people gain a quality education that prepares them for the workforce," said Wells Fargo Northwest Community Relations Senior Manager Stephanie Wall. "We are determined to help people and communities, especially in underserved areas, succeed financially. We will continue to provide philanthropy, volunteers, expertise and other resources to revitalize and strengthen local neighborhoods."

Beyond philanthropy, Wells Fargo team members in Washington recorded 32,200 volunteer hours in 2018, which equates to a \$852,000 contribution to Washington nonprofits and schools.

"Part of what makes Wells Fargo unique is the generosity of our team members who help multiply our community impact," said Wall. "Sometimes giving our time is even more valuable than money because it puts our desire to build a strong community into action and gives us a tangible way to personally make a difference."

United Way Worldwide recently recognized Wells Fargo for having the No. 1



workplace giving campaign in the U.S. for the tenth consecutive year.

## Making an impact in Washington

Wells Fargo concentrated its local philanthropic contributions on addressing urgent community needs such as:

**Affordable housing.** To help increase affordable, stable housing and homeownership in low- and moderate-income neighborhoods, Wells Fargo collaborated with grantees such as Housing Hope and Mercy Housing Northwest to provide homebuyer education, down payment assistance and other affordable housing solutions.

**Small business growth.** Small businesses are criti-

cal to job creation and a vibrant community. Many diverse-owned small businesses, especially those in rural and low- to moderate-income communities, face unique challenges and often lack access to the full spectrum of resources necessary for growth and success. Nonprofits serving small businesses – including Goodwill Olympics and Rainier Region and Rainier Valley Community Development Fund – received grants to provide access to capital and training for entrepreneurs in rural and urban markets.

**Economic equity and inclusion.** Support included grants to nonprofits that directly serve diverse and historically underserved groups, including initiatives focused on the development

of women and diverse talent, education, vocational training, and other solutions for communities with limited access to traditional financial services. For example, Wells Fargo is a strong supporter of Community Development Financial Institutions such as Northwest Native Development Fund and Ventures.

**Access to education.** Support included grants for local K-12 schools, scholarships for post-secondary or vocational training, and financial education. Examples include the College Success Foundation and Junior Achievement of Washington.

**Minimizing the impacts of climate change.** The company supported the work of nonprofits such as Craft3 and Islandwood that help communities become

more resilient in the face of a changing climate, including environmental education, resiliency planning, green infrastructure and bringing renewable energy to low-income communities.

## About Wells Fargo

Founded in 1852 and headquartered in San Francisco, Wells Fargo & Company (NYSE:WFC) provides banking, investment and mortgage products and services, as well as consumer and commercial finance, through 7,800 locations, more than 13,000 ATMs, and the internet (wellsfargo.com). Wells Fargo's vision is to satisfy customers' financial needs and help them succeed financially. With approximately 259,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 26 on Fortune's 2018 rankings of America's largest corporations. In 2018, Wells Fargo donated more than \$444 million to nearly 11,000 nonprofits in support of affordable housing, small business growth, financial education, and sustainability, among other community needs. For 10 consecutive years, Wells Fargo has held the honor of No. 1 in workplace giving by United Way Worldwide. Wells Fargo team members also make a difference by donating more than 2 million hours of volunteer time in the last year. News, insights and more information on the company's corporate responsibility are available at Wells Fargo Stories.

## 'WorkSpace' not affiliated with 'MakerSpace'

Last month's article about a "MakerSpace" on Page 21 inadvertently showed photos that have nothing to do with the Wenatchee Valley Museum and Cultural Center's MakerSpace. The editorial content about the Museum's MakerSpace is correct, but was accidentally mixed with photos from a future article about the WorkSpace enterprise owned and operated by J. Michael Walker, pictured. It is located at 1737 N. Wenatchee Ave. Suite B. For more information about WorkSpace go to: [wenatcheeworkspace.com](http://wenatcheeworkspace.com).



## Despite record revenue, Democrats propose tax increases

With larger majorities in the Legislature, Democrats have signaled they want to increase state spending beyond the natural growth of state tax collections. This would require them to increase existing taxes or create new taxes. There are several proposals on the table and perhaps more to come. Below are bills proposed by Democrats, to date: A new capital gains income tax. **House Bill 1343 | Senate Bill 5129**

An elimination of the prohibition on local net income taxes. **Senate Bill 5928**

A new electricity mandate that would raise utility bills. **House Bill 1211 | Senate Bill 5116**

A new tax/fee on carbon and a gas-tax increase. **Senate Bill 5971**

A B&O tax rate increase for professional

services. **House Bill 1343 | Senate Bill 5129**

Various graduated real estate excise tax proposals. **House Bill 1228 | Senate Bill 5130 | Senate Bill 5582 | Senate Bill 5991** A new way to make it easier to raise property taxes. **House Bill 2145**

A new CEO compensation tax. **House Bill 1681 | House Bill 1778**

A possible precursor for creating a new state income tax. **House Bill 2117 | Senate Bill 5973**

A new B&O tax on radio and TV stations that air pharmaceutical ads. **Senate Bill 5659**

A new B&O surtax on prescription opioid drugs. **Senate Bill 5940**

Higher fees on vehicle registration, license, weight, motor homes. **Senate Bill 5971**

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In a bittersweet presentation, Joni Parks (holding award) accepted the Citizen of the Year award on behalf of co-winner Dot Jess, who passed away one month earlier on Feb. 14. Jess, nominated for the award by Parks, served as the Brewster Senior Center site director for Okanogan County Transportation and Nutrition for 24 years before her retirement last January.



Mike Mauk, second from left, owner of Mauk Fishing Stuff accepts the award for Small Business of the Year from Brewster Chamber of Commerce president Anna Marie Dalbey, left, vice president Jose Said Velasco, and director Manny Hurtado, right, during at the Chamber's annual awards banquet held at Camperos Restaurant last Thursday. In 2018, Mauk Fishing Stuff was selected to represent Washington state in the Made In America Product Showcase held in the nation's capital last July.

Late Dot Jess is co-winner

# Brewster Chamber recognizes Citizen, Businesses of Year

By Mike Maltais

BREWSTER – The Chamber of Commerce honored the 2018 Brewster Citizen and Businesses of the Year at its second annual awards banquet held at Camperos Restaurant last Thursday, March 14.

A call was put out to the community in January for

nominees for Citizen of the Year, Large Business of the Year (11 or more employees) and Small Business of the Year (1-10 employees). Voters had until March 2 to get their ballots in to be counted toward the winners.

Nominees for Large Business of the Year included Crane Family Orchards,

Confluence Health Center, and Brewster Marketplace. Crane Family Orchards won the Large Business award. Crane president Rachel Sullivan accepted the award on behalf of the company.

Small Business of the Year nominees were Mauk Fishing Stuff, Brewster Quick Lube, Coldwell Banker,

Boesel Construction, and Ag Supply. Mauk Fishing Stuff won the distinction and owner Mike Mauk accepted the award. In July 2018 Mauk Fishing Stuff was selected as the Washington state representative to attend the Made in America Product Showcase held at the White House in Washington, D.C.

Nominees for Citizen of the Year included the late Dorothy “Dot” Jess, Anna Marie Dalbey, Sabrina O’Connell, Conner Wiggs, and Joe Lopez. Dalbey and Jess were co-winners of this year’s Citizen award.

Joni Parks accepted the award for Jess who passed away on Feb. 14. Jess had just retired from her 27-year tenure as Brewster site director for Okanogan County Transportation and Nutrition.



PHOTOS BY MIKE MALTAIS

Rachel Sullivan, center, holding the award, accepted the Large Business of the Year honors from chamber president Anna Marie Dalbey, second from right. Also pictured from left is chamber treasurer Lainie Hammond, chamber director Kathy Lowry, chamber secretary Mike Mauk, and at far right, chamber vice-president Jose Said Velasco.



Chamber president Anna Marie Dalbey, left, accepts the Co-Citizen of the Year Award from Brewster Senior Center president Kathy Lowry, right, and chamber secretary Mike Mauk. Dalbey was co-winner with the late Dorothy “Dot” Jess.



On February 25th The Wenatchee Downtown Association (WDA) celebrated the annual Appreciation Dinner where Downtown’s Best Awards were presented.

This year the following were honored:

- ◆ **Downtown’s Best Bite** went to **McGlinn’s Public House**
- ◆ **Downtown’s Best After Hours spot** went to **The Sidecar Lounge**
- ◆ **Downtown’s Best New Business** was **Firehouse Pet Shop**
- ◆ **Downtown’s Best Customer Service** there were two: **Pickle Papers & Alphabet Garden**

- ◆ **Downtown’s Best Window Display** went to **The Gilded Lily**
- ◆ **Downtown’s Best** went to **The Tumbleweed**

Also recognized with a **Preserving History Award** were:

- ◆ **Josh Tarr** and **American Shoe Shop** for the renovation of their new space both inside and out.
- ◆ **Mike Doneen** and **the Doneen Family** for the significant Façade Improvements at their buildings on the West Side of the street between Kittitas & Yakima (Taco Loco and North).

The final award of the evening was for

the “*Spirit of Downtown*” award.

That went to **Dean & Donna Parsons** and the **Parsons Photography Family** for

their years of providing “Free Photos With Santa” and significant impact to the many families in our community with that effort.

**About WDA**  
The Wenatchee Downtown Association is a non-profit organization that believes implicitly in the value of each individual’s contribution, whether it be financial contributions, great ideas or hours spent volunteering.

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# IRS lists this year's 'Dirty Dozen' scams:

**Phishing:** Taxpayers should be alert to potential fake emails or websites looking to steal personal information.

The IRS will never initiate contact with taxpayers via email about a bill or tax refund. Don't click on one claiming to be from the IRS. Be wary of emails and websites that may be nothing more than scams to steal personal information. (IR-2019-26)

**Phone Scams:** Phone calls from criminals impersonating IRS agents remain an ongoing threat to taxpayers. The IRS has seen a surge of these phone scams in recent

years as con artists threaten taxpayers with police arrest, deportation and license revocation, among other things. (IR-2019-28)

**Identity Theft:** Taxpayers should be alert to tactics aimed at stealing their identities, not just during the tax filing season, but all year long.

The IRS, working in conjunction with the Security Summit partnership of state tax agencies and the tax industry, has made major improvements in detecting tax return related identity theft during the last several years. But the agency reminds taxpayers that they can help in

preventing this crime. The IRS continues to aggressively pursue criminals that file fraudulent tax returns using someone else's Social Security number. (IR-2019-30)

**Return Preparer Fraud:** Be on the lookout for unscrupulous return preparers. The vast majority of tax professionals provide honest, high-quality service. There are some dishonest preparers who operate each filing season to scam clients, perpetuate refund fraud, identity theft and other scams that hurt taxpayers. (IR-2019-32)

**Inflated Refund Claims:** Taxpayers should take note

of anyone promising inflated tax refunds. Those preparers who ask clients to sign a blank return, promise a big refund before looking at taxpayer records or charge fees based on a percentage of the refund are probably up to no good. To find victims, fraudsters may use flyers, phony storefronts or word of mouth via community groups where trust is high. (IR-2019-33)

**Falsifying Income to Claim Credits:** Con artists may convince unsuspecting taxpayers to invent income to erroneously qualify for tax credits, such as the Earned Income Tax Credit. Taxpayers should file the most accurate tax return possible because they are legally responsible for what is on their return. This scam can lead to taxpayers facing large bills to pay back taxes, interest and penalties. (IR-2019-35)

**Falsely Padding Deductions on Returns:** Taxpayers should avoid the temptation to falsely inflate deductions or expenses on their tax returns to pay less than what they owe or potentially

receive larger refunds.

Think twice before overstating deductions, such as charitable contributions and business expenses, or improperly claiming credits, such as the Earned Income Tax Credit or Child Tax Credit. (IR-2019-36)

**Fake Charities:** Groups masquerading as charitable organizations solicit donations from unsuspecting contributors. Be wary of charities with names similar to familiar or nationally-known organizations.

Contributors should take a few extra minutes to ensure their hard-earned money goes to legitimate charities. IRS.gov has the tools taxpayers need to check out the status of charitable organizations. (IR-2019-39)

**Excessive Claims for Business Credits:** Avoid improperly claiming the fuel tax credit, a tax benefit generally not available to most taxpayers. The credit is usually limited to off-highway business use, including use in farming.

Taxpayers should also avoid misuse of the research credit. Improper claims often involve failures to participate in or substantiate qualified research activities or satisfy the requirements related to qualified research expenses. (IR-2019-42)

**Offshore Tax Avoidance:** Successful enforcement

actions against offshore cheating show it's a bad bet to hide money and income offshore. People involved in offshore tax avoidance are best served by coming in voluntarily and getting caught up on their tax-filing responsibilities.

(IR-2019-43)  
**Frivolous Tax Arguments:** Frivolous tax arguments may be used to avoid paying tax.

Promoters of frivolous schemes encourage taxpayers to make unreasonable and outlandish claims about the legality of paying taxes despite being repeatedly thrown out in court.

The penalty for filing a frivolous tax return is \$5,000. (IR-2019-45)

**Abusive Tax Shelters:** Abusive tax structures including trusts and syndicated conservation easements are sometimes used to avoid paying taxes.

The IRS is committed to stopping complex tax avoidance schemes and the people who create and sell them.

The vast majority of taxpayers pay their fair share, and everyone should be on the lookout for people peddling tax shelters that sound too good to be true.

When in doubt, taxpayers should seek an independent opinion regarding complex products they are offered. (IR-2019-47)



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# MEMBER MESSENGER

“Driven to Promote and Protect Small Business”

APRIL 2019 ASSOCIATION NEWSLETTER

PAGE 1

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## MEMBER HIGHLIGHTS

### Renewing Members This Month



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

- Complete Design, Inc. – 17 years
- G.L. White Construction, Inc. – 21 years
- JLS Custom Woodcraft & Construction, LLC – 2 years
- modFORM LLC – 2 years
- Noble Truss & Lumber, Inc. – 22 years
- North Cascades Bank – 13 years
- Peoples Bank – 16 years
- Red Bench LLC – 1 year
- Riverview Landscaping Inc. – 3 years
- Steel Structures America, Inc. – 11 years
- Town Chrysler Jeep Dodge Nissan – 7 years
- Wenatchee Electric LLC – 1 year
- Wessman Construction, LLC – 6 years
- Apple Valley Pumping Service – 21 years
- All American Waterproofing and Spray Inc. – 2 years
- Chadderton Tax and Financial Services – 1 year



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## Jim Blair II Passes

Dear Members,

By now, you likely have heard that Jim Blair II recently passed away. Jim held just about every leadership role within Building North Central Washington possible – including 2017 BNCW Chairman.

Jim served tirelessly on many, many committees including BNCW's Government Affairs Committee – an ongoing effort for which he held great passion.

While serving fellow BNCW members through his tireless commitment to our Association, Jim also served the citizens of Chelan County as a long-time member of the Chelan County Planning Commission – working diligently to protect private property rights and address the affordable housing crisis.

Jim also advocated for our industry at the state level, serving as a state director for the Building Industry Association of Washington (BIAW), where he rose in rank to become BIAW's 2nd Vice President in 2012.

Jim was a man of rock solid faith, character, principle and integrity. He was generous in every way possible and cared deeply for his fellow man.

All of his BNCW family will miss Jim beyond measure and we are forever grateful for all he did to serve our organization and his fellow BNCW members.

God Bless, Jim!

## 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](http://www.BuildingNCW.org) and click on the membership directory tab. Thank you!

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Michael Monteith  
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- Cascade Mechanical  
Tim Nehls  
509-682-5923
- Greg Brault, CPA  
Greg Brault  
425-985-2914
- HCD Homes LLC  
Brian Favor  
509-741-2548

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





# MEMBER MESSENGER

*“Driven to Promote and Protect Small Business”*

APRIL 2019 ASSOCIATION NEWSLETTER

PAGE 2

## BNCW's:

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- Equipment Inspection requirements

## Reminder of L & I Updated Maximum Penalty Levels

A safety citation, also known as a Citation and Notice, is issued to an employer to notify them of Division of Occupational Safety & Health (DOSH) inspection results including any safety and health violations found, penalties, and correction (abatement)

dates. January, 2019 Update: L&I is required to adopt maximum penalty levels at least as effective as The Federal Occupational Safety and Health Administration (OSHA).

OSHA recently announced their new maximum penalty

levels for 2019, and these new amounts are effective as of January 23, 2019.

For any inspection opened on or after 1-23-2019 and until new maximum/minimum levels are announced by Federal OSHA in January 2020, the chart below applies:

Type of Violation	New 2019 Maximum
Serious	\$13,260 per violation
Willful* or Repeated	\$132,598 per violation
Failure to Abate	\$13,260 per day beyond the abatement date

\*The minimum Willful penalty in effect is \$9,472

BNCW would like to remind our General Contractor members that in Washington State, the Department of L&I has interpreted the Washington State Supreme Court's Stute decision to mean that if there is a serious violation by a subcontractor, the prime contractor may be cited for that violation, too.

For more information, please contact BNCW or visit the Members Only area of the BNCW website at [www.buildingncw.org](http://www.buildingncw.org).



## FREE Member Classifieds

### BNCW Member Classifieds

Looking to fill an open staff position? Have something you wish to sell or purchase? Want to share information with other BNCW members? No problem! We can help! As a valued BNCW member you can post your information on the BNCW website for free!

There are two ways to make this happen. Feel free to choose whichever method is most convenient for you.

■ You can contact the BNCW office at (509) 293-5840 and we'll take your information and post it for you on BNCW's website, or

■ You can login at [www.BuildingNCW.org](http://www.BuildingNCW.org) using your user name and password, and post your message directly in the classifieds section of the website.

## Need a Meeting Room?

As a valued BNCW member company, you're welcome to utilize the BNCW conference room if you require a place to meet with clients or prospective clients, or simply need access to a meeting room. The room will seat up to 16 people comfortably, has wireless internet access and other amenities.

Please contact Kim Fenner at (509) 293-5840 to make the necessary arrangements. This is a membership benefit and is available to you at no additional cost!



# Building! MEMBER MESSENGER

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

APRIL 2019 ASSOCIATION NEWSLETTER

PAGE 3



## Safety Compliance

- You must develop a **formal accident-prevention program (APP)**, tailored to the needs of the particular plant or operation and to the type of hazard involved.
- The following are the **minimal program elements** for all employers: A safety orientation program describing the employer's safety program and including: (a) How, where, and when to report injuries, including instruction as to the location of first-aid facilities. (b) How to report unsafe conditions and practices. (c) The use and care of required personal protective equipment. (d) The proper actions to take in event of emergencies including the routes of exiting from areas during emergencies. (e) Identification of the hazardous gases, chemicals, or materials involved along with the instructions on the safe use and emergency action following accidental exposure. (f) A description of the employer's total safety program. (g) An on-the-job review of the practices necessary to perform the initial job assignments in a safe manner.
- You must outline each accident-prevention program (APP) in written format.
- You must conduct crew leader-crew safety meetings as follows: (a) You must hold crew leader-crew safety meetings at the beginning of each job, and at least weekly thereafter. (b) You must tailor crew leader-crew meetings to the particular operation.
- Crew leader-crew safety meetings must address the following: (a) A review of any walk-around safety inspection conducted since the last safety meeting. (b) A review of any citation to assist in correction of hazards. (c) An evaluation of any accident investigations conducted since the last



- meeting to determine if the cause of the unsafe acts or unsafe conditions involved were properly identified and corrected. (d) You must document attendance. (e) You must document subjects discussed.
  - You must prepare minutes of each crew leader-crew meeting and you must maintain a copy at the location where the majority of the employees of each construction site report for work each day.
  - You must retain minutes of crew leader-crew safety meetings by the employer for at least one year and you must make them available for review by personnel of the department, upon request.
  - You must conduct walk-around safety inspections as follows: (a) At the beginning of each job, and at least weekly thereafter, you must conduct a walkaround safety inspection jointly by one member of management and one employee, elected by the employees, as their authorized representative. (b) You must document walk-around safety inspections and such documentation must be available for inspection by personnel of the department. (c) You must maintain records of walk-around inspections until the completion of the job.
- As a valued BNCW member, we can assist you with maintaining compliance. Give us a call at (509) 293-5840.

## BNCW Health Choice

A Health Insurance Solution that just makes sense

Why settle for one Health Insurance quote, when you can choose from them all?

**Building North Central Washington** offers its members competitive health insurance rates from several insurance carriers.

Call our office today to receive your **Free Health Insurance quote!**

**509-293-5840**

## Marson & Marson Lumber hosts first NBN of 2019!

On the second day of spring, Marson and Marson Lumber hosted our very first Nothing but Networking event at their newly remodeled Leavenworth location!

Despite a conflicting event and a Gonzaga game, there was still a wonderful crowd that showed up to mingle and check out their new digs!

We all enjoyed some great food, an array of beverages, some fun give-a-ways and of course a lot of networking!

Everyone that came left with a nice new Marson and Marson hat, too!

Many thanks to all of the staff at Marson and Marson Lumber for putting on a wonderful evening of networking!

Your store is beautiful and we appreciate you having all of us out to enjoy it with you.

For those that missed the opportunity to attend, be sure to make the drive to Leavenworth soon and check it out for yourself.

They have so much cool stuff to help you get ready for spring... it will be time well spent!

## Mark your calendars for our April NBN event!

**HOST:** People Ready  
**WHEN:** April 25, 2019  
 5:00pm – 7:00pm  
**WHAT:** As a valued BNCW member company, People Ready is excited to host our April NBN.

This will be a great opportunity for BNCW members and guests to learn about what sets People Ready apart.

There will be great food, drinks and fun door prizes throughout the evening.

Our monthly NBNs are a fantastic way to meet other fellow member and guests while networking in a very casual and enjoyable way!

*Be sure to RSVP online or by calling the BNCW office at (509) 293-5840.*





# MEMBER MESSENGER

“Driven to Promote and Protect Small Business”

APRIL 2019 ASSOCIATION NEWSLETTER

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## You Might Have To Pay Someone Else’s Workers’ Comp Premiums

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

- You, the prime contractor, and your subcontractor(s) are registered as contractors under **RCW 18.27** (app.leg.wa.gov) or licensed under **RCW 19.28** (app.leg.wa.gov).
- Your contracted work is the work of a contractor as described in **RCW 18.27.010** (app.leg.wa.gov).
- Your subcontractor maintains a set of books and records that reflect all of the business’ income and expenses. (You need to review them for your protection.)
- Your subcontractor works out of their own

storefront location or home office that is used regularly and exclusively for the business and is eligible for an IRS business deduction. (You need to visit his or her place of business and make sure.)

- You are not supervising your subcontractor or their employees. *See A*

### Guide to Hiring Independent Contractors in Washington State (F101 063 000).

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

- You must verify this when you hire a subcon-

tractor and each year by checking their Employer Liability Certificate at **Verify Workers’ Comp Premium Status**. Print it and keep it on file, then remember to check it again a year later.

OR

- You may fill out a Subcontractor Tracking Request form at **Verify Workers’ Comp Premium Status**, and L&I will notify you if your subcontractor falls behind on workers’ compensation requirements.

*\* Note: If your subcontractor is a sole proprietor who meets all the above requirements but does not have employees, they’re not required to have an industrial insurance account. You must ensure that all of the above requirements are met to receive protection from liability for your sub’s unpaid premiums. Please note that you will NOT receive protection from liability if you only meet the last requirement.*



## BNCW EVENTS

### BNCW’s April Board of Directors Meeting

■ April 18, 2019, 7:00am to 9:00am  
Building North Central Washington  
2201 N. Wenatchee Ave, Wenatchee  
**Chairman: Amy Gustin**

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

Our Directors meet the Third Wednesday of each month in the boardroom of the BNCW offices.

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

### BNCW’s May CPR & First Aid Training

*April class is FULL!*

■ May 14, 2019, from 4:00pm to 6:00pm  
Held at Building North Central Washington,  
2201 N. Wenatchee Avenue, Wenatchee  
\$49/person, includes Continuing Ed credits and is good for new and recertification.  
**Call BNCW at (509) 293-5840 to Register!**

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

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

**Pre-registration Required.** Seats are limited to 15 and fill-up quickly, so reserve your spots early!  
**You may also register online at [BuildingNCW.org](http://BuildingNCW.org).**

# VOLUNTEER OPPORTUNITIES

## We Want You!

Do you enjoy being part of a team helping to shape an event or effort?

If so, we’re eagerly seeking members who would like to participate on a couple of committees. Regardless of how involved you’re able to be, we want you!

Specifically, the planning committee for the 2019 Sangster Motors and BNCW Home Tour & Remodeling Expo will soon begin meeting regularly.

If you’re interested in contributing

your energy and ideas and would like to be a part of this important

planning committee, we encourage you to contact Lindsay Rey, BNCW’s Membership & Events director, at (509) 293-5840, or via email at [Lindsay@BuildingNCW.org](mailto:Lindsay@BuildingNCW.org).

This is a great way to play an important role in helping to shape this key event, while getting involved in your Association!

Remember, you’re always free to contribute as little or as much time



as you wish – it’s always up to you.  
**Thank you!**

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### Leenders hired by John L. Scott Real Estate

Darlene Leenders has joined John L. Scott Wenatchee & Leavenworth as Operations Manager.

She brings years of experience in management and statistical reporting working alongside both Realtors and Appraisers.

**Darlene Leenders**



### Smithson recognized by Cigna

Kathy Z Smithson of Smithson Insurance Services recently earned recognition from the Cigna Health and Life Insurance Company for her business' sales of Medicare Plans in 2018. She is one of the top five sales leaders in Washington State.

**Kathy Z Smithson**

### North Central Educational Service District adds to team

North Central Educational Service District (NCESD) announces the hire of **Seth Sampson** as a Net-Serv Technician. Previously, Sampson served as a Net-Serv Intern with the organization.

*The North Central Educational Service District is a resource to the 29 districts in Chelan, Douglas, Grant and Okanogan counties.*

## Realtor announces staff awards



**Tracy Franklin**



**Karie Rolan**



**Randy Baldwin**



**Adam Franklin**

John L. Scott Wenatchee announces that **Tracy Franklin** was awarded the Presidents Elite Award, **Karie Rolan & Randy Baldwin** was awarded the Presidents Gold Award, **Adam Franklin, Eric Russell and Susan Kim** was awarded the President's

Award, and **Diana Batson** was awarded the Emerald Award for outstanding production in 2018.

They all exemplify John L. Scotts' vision of "Living Life as a Contribution" through their service, consultation, and professionalism.



**Eric Russell**



**Susan Kim**



**Diana Batson**



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### Hurst Chiropractic adds two DC's to staff

**Dr. Megan Gouldin DC** and **Dr. Holly Bator DC** have recently received their certification from the Academy Council of Chiropractic Pediatrics.

The comprehensive 16 module program is designed to expand the professional ability in treatment, evaluation, and assessment of different stages of development, from pregnancy through childhood.

They are now the only



**Dr. Megan Gouldin DC**

certified pediatric chiropractors within 50 miles of the Wenatchee Valley.



**Dr. Holly Bator DC**

Dr. Megan and Dr. Holly practice at Hurst Chiropractic in East Wenatchee.



### Douglas County Commissioner Straub now on Upper Columbia Salmon Recovery Board



**Marc Straub**

#### UCSRB news release

The Upper Columbia Salmon Recovery Board (UCSRB) is pleased to announce the appointment of Orondo's **Marc Straub** to its five-member board.

For the last 16 years Douglas County Commissioner Straub has served as CEO of Building North Central Washington, a

non-profit trade association headquartered in Wenatchee.

His previous experiences include small business ownership and management.

Straub studied business finance and economics at Central Washington University. His hobbies include camping, fishing, hunting and hiking.

## PUD's Gregg Carrington honored for service to hydropower

*Award recognizes his efforts to preserve, protect and enhance hydro benefits*



**Gregg Carrington**



WENATCHEE – A career focused on promoting renewable, carbon-free hydropower while protecting fish and the environment has earned Chelan PUD's **Gregg Carrington** a Northwest Hydropower Association award for exemplifying the organization's mission.

Carrington, Energy Resources managing director, received the Pamela E. Klatt Award at the association's recent annual meeting in Portland, Ore. It honors hydropower professionals who are dedicated to supporting the region's waterpower as clean, efficient, renewable energy while protecting the fisheries and environmental quality that characterizes the Northwest.

Attributes for award winners include:

- ✓ Approaches each project

with a strong commitment to the balance between resource protection and resource development

- ✓ Demonstrates a true appreciation for the views and responsibilities of everyone involved

- ✓ Demands the best work, always, from themselves and others; and

- ✓ Encourages others' professional development as mentor and colleague

Carrington's 36-year career includes work in hydro project design, relicensing, natural resource management, federal dam license implementation and most recently overseeing power trading and planning and managing wholesale

revenue.

He also is active in industry groups and has particular interest in bringing young professionals to the hydropower industry. He joined Chelan PUD in 1997.

Carrington is optimistic about hydropower's clean, renewable carbon-free future.

"What will keep us viable in the future is our ability to continue to adapt to change," Carrington said when receiving the award.

"We will have our challenges just like we always have – but, we will find a way to change, to adapt and to continue our tradition of providing a resource like no other."

*Learn more about Chelan PUD at [www.chelanpud.org](http://www.chelanpud.org) and find us on Facebook.com/ChelanPUD and follow us on Twitter @ChelanPUD.*

## KEEPING UP WITH PEOPLE

**New hires, promotions, special training, awards? Share your company's news with other businesses through the Wenatchee Business Journal**





# Co-Working Space Is Poised to Take a Larger Share of the Office Sector

By Serge Reda

Famous architect R. Buckminster Fuller once said: "You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete." Whether or not one feels that commercial real estate needs a new model, it has already received one. Thanks to companies like WeWork, co-working has been brought to the CRE mainstream and introduced a new model for the way buildings are used.

The common condition in commercial real estate is that landlords simply treat their space as a commodity, which is marketed through long-standing relationships and asymmetric information. The landlords' chief concern is the long-term leasing of large spaces to high-credit tenants, because these "guaranteed" rent payers are paramount to obtaining property financing.

As a result of this paradigm, building design for most of the 20th century favored creating the maximum amount of unspecialized space at the lowest cost. In other words, the "Space-as-a-Commodity" model was the guiding principle.

However, an evolution in commercial real estate is currently underway. Some pioneers are changing the Space-as-a-Commodity model to Space-as-a-Service, as evidenced by companies like The We Company and IWG. The burgeoning co-working, co-living, and, potentially, co-everything options provide a new model that is concerned more

with how the end user of the space experiences that space and what services it can yield from it. (To us, the user experience doesn't just pertain to how we interact with websites or apps.)

With there being so much demand for exceptional office user experiences, the amount of independent flexible workspace has grown dramatically. According to a January 2019 Colliers Report, the ~27 million-square-foot US flexible workspace market grew by approximately 48% between 2016 and Q2 2018, with WeWork alone accounting for approximately 45% of the market square footage.

More importantly, the question does not center on where we are now, but rather, where we are going.

The Colliers report shows that in 2018, the amount of independent flexible workspace only comprised 1.6% of the national office stock. However, JLL predicts that as the industry evolves and shifts, the total amount

of flexible office space and shared amenity spaces will grow to 30% of the total office stock by 2030, which would include all operator types from traditional executive office suites to co-working to incubators. This is enough of a threat to cause some of the larger and well-financed office landlords to begin creating their own co-working spaces. It was recently reported that CBRE, a giant in the space of CRE services and investments, is launching its own co-working operation called Hana. Hana's first location will be a chunk of space in a new Dallas, Texas, office project.

As this evolution of space continues, there will be, as always, an event horizon where a point of no return will be reached. (Netflix essentially phasing out the hard-copy media of VHS and DVD is a prime example.)

Will such an event horizon occur in commercial real estate? If so, there will be a clear dividing line between

those who adapted and those who didn't.

The adapters will continue to evolve and create an operating model that transcends Space-as-a-Service to Place-as-an-Ecosystem. This new model moves beyond the utility that a suite of services provides, and to the utility made possible by a suite of data-transparent, interconnected experiences. Ideally, this new model might be able to measure the User Experience as distinct investment Alpha.

Those who don't adapt will remain focused on volume commodity space at the lowest price, and perhaps the lowest profit. My money's on the adapters.

Serge Reda is part of the Development Feasibility team for Cedar Realty Trust and an adjunct professor at Fordham University. Serge has utilized Trepp's products extensively for a number of his courses. If you're a professor who manages a real estate program or teaches CRE finance courses, click here to learn more about Trepp University.



Dear Friends and Neighbors,

Greetings from Olympia! With some important session deadlines behind us, legislators in both the House and Senate are now back in their respective committees considering bills approved by the opposite chamber.

*The state's 2019-21 revenue forecast*

The Economic and Revenue Forecast Council released its recent state revenue forecast this week.

State tax collections continue to be very strong. In fact, they've been strong since the last budget was written.

Current state spending hovers around \$44.4 billion and forecasted revenue for 2019-21 is \$50.6 billion.

I'm pleased to see this revenue growth for our state. However, I'm mindful that as our state's economy grows, we need to be fiscally responsible. Despite these strong collections, the governor and other lawmakers continue to look to impose hefty tax increases.

Now is not the time to go on a tax dollar spending spree. We do not need to raise taxes! Simply put, we need to learn to live within our state's very ample means.

## City of Wenatchee New Business Licenses February 2019

MacArthur Sales LLC 405 S Chelan Ave Wenatchee, WA 98801 509-663-7973	John A MacArthur Firearms retail
Yerlin Landscaping, Inc. Wenatchee, WA 98801 509-630-6100	Yerlin Cruz Landscaping & Outdoor job services
Pathways to Enlightened Parenting Wenatchee, WA 98801 509-888-6945	Dee Cummings Serv. Preg Mothers & parenting teens
Patriot Processing Malaga, WA 98828 509-630-7433	Jake Simmons Process server
Monroe Street Glass dba AllStar Glass Company Spokane Valley, WA 99206 509-536-5022	Daniel Martinez Commercial Glazing SubCo
Masergy Communications, Inc. Plano, TX 75093 469-291-8352	Irene Peterson Telecommunications
JRC Construction, Inc. Cashmere, WA 98815 509-670-4341	John Chidester General Contractor
Good Housekeeping, Inc. Wenatchee, WA 98801 509-630-6100	Reyna Cruz Janitorial home/business
View Arbnb Wenatchee, WA 98801 425-350-4825	Christine Hansen Renting out guest suite
Veksel Consulting & Contracting LLC 615 N Wenatchee Ave Wenatchee, WA 98801 509-293-0506	Erik Bondo General Contractor
Raite Express Wenatchee, WA 98801 509-293-2123	Olivia Jimenez Transportation services
Godoy's General Construction, LLC. East Wenatchee, WA 98802 509-670-4724	Alberto Godoy Interior remodeling
Furniture Blessings Wenatchee, WA 98801 509-423-3347	Michael Gutierrez Buying, fixing, reselling furniture
First Choice Floor Coverings, LLC. 1630 N Wenatchee Ave, Ste. 1 Wenatchee, WA 98801 509-663-6200	Scott Sanders Flooring retailer
E+ Voila Macarons Wenatchee, WA 98801 509-669-2892	Kimberly Shanley Macaron baking business
Embellish 735 N Wenatchee Ave Wenatchee, WA 98801 509-860-5834	Megan Johnson Permanent Cosmetics
Catholic Charities of the Diocese of Yakima 135 S Worthen St. Suite 200 Wenatchee, WA 98801 509-662-6761	Darlene Darnell Social Service agency- behavioral health services
Cartozian Bookkeeping Wenatchee, WA 98801 509-885-4063	Michelle Cartozian Bookkeeping and taxes
Allen Family Therapy, LLC. 610 N Mission St. Suite 202 Family Wenatchee, WA 98801 509-763-8876	Jamie Allen Mental Health individual and Therapy practice

### WENATCHEE BUSINESS JOURNAL'S RESTAURANT GUIDE

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## TOP PROPERTIES – February 2019

Buyer	Seller	Sales Price	Address	City	Acreage	Sq Footage	Year Built	Bed-rooms	Bath-rooms	Pool	Fire-place
PUBLIC UTILITY DISTRICT NO 1	PORT OF CHELAN COUNTY	\$8,298,180	OLDS STATION	RD WENATCHEE	3.9200	0	0			N	N
817 PIONEER AVENUE LLC	CASHMERE PROPCO LLC	\$2,000,000	PIONEER	AVE CASHMERE	0.7300	0	0			N	N
NASON CREEK LLC	WOLF KATHLEEN A	\$1,785,000	815 FRONT	ST LEAVENWORTH	0.0800	5950	1910			N	N
PORT OF CHELAN COUNTY	CHELAN COUNTY PUD	\$1,400,000	285 TECHNOLOGY CENTER	WAY WENATCHEE	5.0600	0	2003			N	N
NORTH MISSION ENTERPRISES LLC	DAVIS JACK N	\$1,000,000	GRUBB	RD WENATCHEE	4.7700	0	0			N	N
J & P ORCHARDS LLC	BICKFORD MONROE L & DIANA J	\$844,300	451 GOOSE ROCK	LN MALAGA	9.5500	500	1960			N	N
WHITEMAN CHANDLER LLC	KANSAS CITY LIFE INSURANCE CO	\$789,000	739 N WENATCHEE	AVE WENATCHEE	1.2900	15600	1951			N	N
FRANKLIN RYAN R & TIANNA R	FRANKLIN RONALD D	\$750,000	5916 WOHLERS	RD CASHMERE	1.5000	2688	1969	5	3	Y	Y
FOX & HAMMER LLC	SMITH ROBERT S & ANNE B	\$680,000	220 US HWY 2	LEAVENWORTH	0.2400	2281	1996			N	N
WILLKOMMEN LLC	SPENCE GARY D	\$640,000	1451 US HWY 2	LEAVENWORTH	0.4900	3027	1991			N	N
MIKKELSEN STEVEN & PAULA	SUTTON R GREG ETAL	\$630,000	IDLEWILD	RD LAKE WENATCHEE	0.2300	0	0			N	N
REED SHORELINE CORPORATION	STEVENS PROPERTIES LLC	\$595,000	10 WAPATO POINT	PKWY MANSON	0.4800	0	0			N	N
MC DOWELL JOHN P & HEATHER K	DE ROSA BRANDON ETAL	\$580,000	16537 LAKEVIEW	DR LAKE WENATCHEE	1.6900	1192	1984	2	3	N	Y
WILLIAMS BENJAMIN & APRIL	KLUDT JONATHON D	\$525,000	233 HARVEST	LN MANSON	1.4700	1887	1975	2	1.5	N	Y
DUNN CAMILLE D	NIXON SHAWN ELLIOTT & CRISTELLA E NIXON	\$480,000	3662 DIANNA	WAY WENATCHEE	0.4600	1879	2003	3	2	Y	Y
TRAXLER RUTH & BENJAMIN	SALMON ROBERT L	\$474,900	136 S MILLER	ST WENATCHEE	0.3800	3172	1960	3	2	N	Y
CHRISTENSON DONALD M & VICKI	MONREAN MARK J & ELIZABETH	\$465,000	404 BUTTE	RD CHELAN	0.2000	1412	1979	3	2	N	Y
TRUJILLO MARIA & TIMOTHY	CANTU MARIO	\$437,000	7 SUMMERCREEK	PL WENATCHEE	0.2300	2255	1992	3	2	N	Y
MINNOCK JAMIE & KERRY	D & T CAMPBELL INVESTMENTS LLC	\$429,000	181 MANZANITA	DR MANSON	0.2300	2075	2018	3	2.5	N	N
PILKINTON BARRY & LISA	YEARTY TERENCE G & BARBARA J	\$419,000	1905 ASPEN CREEK	LN WENATCHEE	0.3000	2431	1993	3	2	N	Y
VRADENBURG STEVEN LEO	BITTERMAN STARR	\$415,000	401 VALLEY VIEW	DR CASHMERE	0.3000	1769	1962	3	2.5	N	Y
TAYLOR JOSEPH Z	THOMPSON MARK	\$407,000	218 OHME GARDEN	RD WENATCHEE	0.7400	2001	1918	3	2	N	Y
JOHANSON DAVE & JOANNE	JEWELL JACK A	\$400,000	2578 DICK RANCH	RD ENTIAT	17.5800	2017	1968		1	N	Y
GIORDANO GREGORY M	FAHEY AMIE & CHRIS	\$399,000	100 LAKE CHELAN SHORES	DR CHELAN	0.0000	1060	0			N	N
GLOCKNER JOSEPH ETAL	BURROW JOEL	\$395,000	19010 US HWY 2	LAKE WENATCHEE	0.7300	2016	1991	2	2	N	Y
RUSSELL CHRISTOPHER & LAYCEANN PHILLIPS	ADAMSON LOIS M	\$385,000	1511 ELMWOOD	ST WENATCHEE	0.2900	2491	1986	4	2	N	Y
MARKOFF PAUL S & JILL S	BAUER EDWARD R	\$385,000	23340 LAKE WENATCHEE	HWY LAKE WENATCHEE	2.5500	1285	1974	1	1	N	Y
RYAN BETTINA & PATRICK	WITHERIDGE ROBERT JR	\$378,400	1630 ORCHARD	AVE WENATCHEE	0.2100	2056	1976	4	2.5	N	N
SATTERFIELD KEITH A & MICHELLE M	SODERSTROM DAVID R & JENNIFER K	\$375,000	24 DIETRICH	RD CHELAN	0.7100	1836	1967	4	2	N	Y
WISDOM JACOB T & MADDEN ELIZABETH	LOPEZ CANDELARIO I & MARINA L	\$362,000	452 SPRING VIEW	PL CHELAN	0.1800	1696	2018	3	2	N	N
PEPIN ROBYN & NATHAN	IVIE TYLER M & RACHAEL B EVANS	\$360,000	1916 2ND	ST WENATCHEE	0.3500	1880	1995	3	2	N	N
CARPUS LLC	CATTON SCOTT & GABRIELLE D FOX-CATTON	\$358,000	710 MONROE	ST WENATCHEE	0.2100	2122	1930			N	N
AHL DEREK A	K & L HOMES LLC	\$356,000	424 SPRING VIEW	PL CHELAN	0.1700	0	0			N	N
GALE CHRISTINE D	LAUTZE JOSEPH C & TEMPA P	\$355,900	1602 BRANDI	TER WENATCHEE	0.2000	1746	2002	3	2.5	N	Y
HUGHES WILLIAM V	SMITH IRENE LIVING TRUST	\$355,000	2322 5TH	ST WENATCHEE	0.2400	1936	1957	3	1.5	N	Y
CARLSON TROY & BRENDA	BOND ANDREW P & LEAH J	\$350,000	234 PARKWAY	DR MANSON	0.0800	1535	2005			N	Y





# WSDOT partners with Business Impact NW to help diverse firms get loans

OLYMPIA – A unique partnership between the Washington State Department of Transportation, Sound Transit and Washington state-based credit unions will help underserved businesses participating in WSDOT’s Capacity Building Mentorship program with alternative financing options.

The mentorship program has been operating successfully since July 2018; however, access to capital continues to be a primary barrier to small businesses and those owned by minorities, veterans and women.

Verity Credit Union, BECU and Harborstone Credit Union are making



a total of \$750,000 in loans available in support of Washington’s diverse business community.

Business Impact NW will administer the loans to firms participating in the mentorship program.

“Washington state continues to lead the nation in support of its underserved

entrepreneurs,” said Gov. Jay Inslee.

“Ensuring these small businesses have contracting opportunities gives Washington government access to a wider array of business solutions and helps drive innovation. State partnerships with programs such as the Ca-

capacity Building Mentorship program supports these initiatives and strengthens our economy.”

“For many small, start-up businesses, getting financing for things such as equipment and other business needs can be a big hurdle, especially for new diverse firms,” said Secretary of Transportation Roger Millar.

“We’re pleased that our local credit unions are stepping up to help these protégé businesses as they work to grow their capacity and experience.”

The Capacity Building Mentorship program pairs small, minority-, veteran- and women-owned busi-

nesses with successful prime contractors and consultants.

These mentors provide technical assistance and business advice to strengthen the protégés’ capacity to work with WSDOT and

Sound Transit.

The mentorship program is part of WSDOT’s State Funded Contracts – Diversity Roadmap and one of the highlighted efforts of the Governor’s subcabinet on Business Diversity.



## Wenatchee MSA (Chelan and Douglas Counties) Labor Area Summary – February 2019

### Overview

This report provides an update on the Wenatchee MSA economy incorporating not seasonally adjusted, nonfarm employment

and civilian labor force data. Analysis focuses on year-over-year (between February 2018 and February 2019) and average annual (between 2017 and

2018) changes in the labor market.

### Unemployment rates

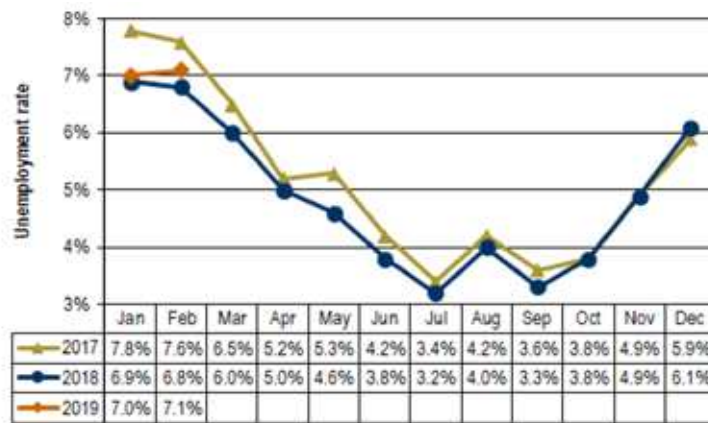
Preliminary Civilian Labor Force (CLF) data show that Washington’s not

seasonally adjusted average annual unemployment rate fell two-tenths of a point between 2017 and 2018, from 4.7 percent to 4.5 percent. Between the Februarys of 2018 and 2019 the rate dipped one-tenth of a point, from 5.3 to 5.2 percent.

In the Wenatchee MSA, estimates show the average annual unemployment rate fell from 5.1 to 4.8 percent between 2017 and 2018. This 4.8 percent reading for 2018 was a historically low reading. However, rates have crept upwards in the past three months (December 2018 through February 2019). The rate rose three-tenths point between the Februarys of 2018 and 2019, from 6.8 to 7.1 percent, respectively.

### Unemployment rates, not seasonally adjusted Wenatchee MSA, January 2017 through February 2019

Source: Employment Security Department/WITS; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



The Wenatchee MSA’s unemployment rate rose three-tenths of a percentage point between the Februarys of 2018 and 2019.

### Total nonfarm employment

Preliminary estimates indicate that between 2017 and 2018, Washington’s labor market provided 84,900 new nonfarm jobs, an average annual increase of 2.6 percent. In February 2019, businesses and government organizations across Washington supplied 3,405,200 nonfarm jobs (not seasonally adjusted), compared to 3,340,800 jobs in February 2018, a 1.9 percent year over year employment increase. The state’s economy has posted year over year nonfarm employment increases for the past 101 consecutive months (October 2010 through February 2019).

The Wenatchee MSA’s nonfarm labor market provided 1,300 new jobs between 2017 and 2018, an increase of 2.9 percent, more

robust than Washington’s 2.6-percent job growth rate during 2018. Total nonfarm employment in this two-county MSA has increased

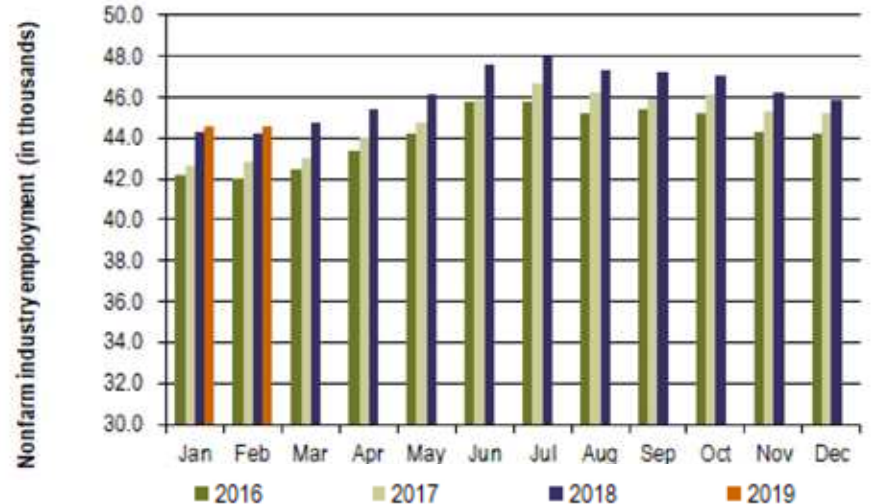
or stabilized, year over year, in each of the past 82 months (May 2012 through February 2019).

Between the Februarys

of 2018 and 2019 the number of nonfarm jobs in the Wenatchee MSA (Chelan and Douglas counties) rose by 400, a 0.9 percent upturn.

### Nonfarm industry employment Wenatchee MSA, January 2016 through February 2019

Source: Employment Security Department/Labor Market and Economic Analysis (LMEA)



Nonfarm employment in the Wenatchee MSA rose 0.9 percent between the Februarys of 2018 and 2019.

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**Donald W. Meseck, Regional Labor Economist**  
Employment Security Department

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Website: <https://esd.wa.gov/labormarketinfo>





## Back to the Obama Economy

Our economy added a mere 20,000 jobs in February. After averaging more than 200,000 jobs a month over the last year, that disappointing number convinced many people in the financial world that our economy was spiraling down towards an eventual recession.



**MARKET UPDATE**  
Brad Blackburn

Fortunately, I think those people are a little bit too eager to bury our still-solid economy.

I think the weak jobs report was a fluke. On a month-to-month basis, our employment statistics are notoriously fickle.

If you pay too much attention to any one month, it's likely to give you a skewed vision of reality. In this case, you only need to add the month of January, when we gained a whopping 310,000 new jobs, and the picture looks much better.

However, the overall economy is clearly slowing, which means the flukes are likely to get flukier.

Recently, we've seen a slowdown in real estate, retail sales, car sales, and manufacturing. But that's no reason to

panic. If a car slows down to 40 after going 65, it's not such a terrible thing. In fact, at a more manageable speed like 40, there's much less risk of a catastrophic crash.

To me, this feels a lot like the same old economy we've had since the Financial Crisis. In other words – it's the Obama economy.

Perhaps the Trump tax cuts gave us a temporary boost, but now we are settling back into a very familiar routine of slow and steady growth.

That's not such a bad thing. There's still plenty of good news in the economy too: A lot of people have jobs, consumers are still consuming, and home prices are high. Just because the economy is slowing down doesn't mean it will slow ALL the way down.

If it can continue to slowly roll forward for a few more years, that would be great news for investors. After all, the Obama economy wasn't so bad for the stock market.

*Brad Blackburn, CFP®, is the owner of Blackburn Financial, Registered Investment Advisor at 121 Cottage Ave., Cashmere. He can be reached at 509-782-2600 or email him at brad@blackburnfinancial.net.*



## Crying Wolf Over Socialism Doesn't Help Anyone

When Representative Ocasio-Cortez decided to pay her entry-level staff a salary of \$52,000 per year, hosts on Fox News called it, "socialism and communism on display."



**GUEST OPINION**  
Morris Pearl

This clearly isn't actually communism, but the attack is a familiar one to anyone watching Fox news.

Socialism and Communism have long been the boogymen of the Republican Party as they smear any attempt to address the many issues that cripple our nation.

But these days, the attack is becoming increasingly trite. We face the largest disparities of wealth since the gilded age, stagnating wages, and a tax bill from Congress that gave away billions

in tax cuts to major corporations and the wealthy under the guise of helping the middle class.

Working to fix these problems by expanding the safety net and curbing wealth inequality isn't socialism or communism, it's a return to the policies that truly made America great.

As much as it would pain Fox News to hear, America isn't a solely capitalist country. Ever since the 18th century debates about fire departments being public, our nation has had a mixture of public and private ownership.

Conservative scare tactics aside, the issue isn't how you label these ideas – the real issue is that the GOP uses fear mongering to oppose policies that would make life better for all Americans.

The right uses 'socialist' to conjure up Cold War fears against programs that

## Growth of a business

Growth, or frequently referred to as scaling, of a business can take several forms. This article addresses making the decision to grow your business and the different avenues one might take.

First and foremost it is important to understand that without some form of growth your business may die a slow death.



**BETTER BUSINESS**  
David S. Murray

Ask yourself where you want to see the business in 5, 10, or even 20 years? That's paramount before you can determine if growth is in your plans. Depending on your answer, there are a number of ways you can develop a strategy plan for growth.

A plan to grow your business can be based on three fundamental methods.

First, is to increase your footprint in a given market by expanding your operations current floor space or adding other locations to increase revenues.

Second, is to acquire a like business. And, the third is keep the footprint the same while growing the revenues. All three are growth vehicles. All assume your business is experiencing an increase in demand for your product or service.

**GROWTH BY INCREASING THE FOOTPRINT.** If expansion via enlargement of your current operational space or adding a second outlet is your plan, consider the

following:

- Cost of building or leasing
- Additional employees
- Fixed overhead cost increases
- What will the revenues need to be to cover the added costs

An example of a successful expansion of a health club proved the theory, "built it and they will come", truly works. They expanded and the membership doubled. Prior to that membership was on the decline.

Expansion through adding multiple locations carries the added benefit of blocking a competitor from entering your market.

**GROWTH THROUGH ACQUISITION.** An acquisition of an established business can sometimes be easier than increasing the footprint. That said, the business you are acquiring should be profitable and well established. Their audited financial reports will guide you on past and forward expected earnings. A plan should be developed so you can maintain those levels. Improvements through the synergy of reduced costs once the two businesses are combined should be included. Your CPA has the ability to run the numbers so you have a clear path for this growth option.

**GROWTH WHILE MAINTAINING YOUR FOOTPRINT.** You might ask how on earth you can talk about growth without expansion. Depending on the type of business, there are several ways to improve

SEE **BETTER BUSINESS**, PAGE 21



would benefit working Americans.

When Representative Ocasio-Cortez raised wages for her staff, the debate became about ideology rather than workers earning a living wage.

In a consumer economy like ours, when people spend money, it helps create a stronger and more robust economy. When people have the ability to spend more, we all benefit. Let's bring this conversation back to reality: Increasing the wage doesn't just help workers, it helps everyone.

The right loves to besmirch the minimum wage, but when workers are paid poverty level wages they rely on public assistance to get by. Corporations like McDonalds and Walmart pay their employees so little they rely on federal programs to keep themselves afloat.

That is the kind of socialism that I am afraid of. These corporations have become so focused on increasing shareholder profits that they have neglected the employees who make that possible.

Considering that talking heads on the right call government safety nets 'socialist

programs,' the corporations that support them seem reliant on federal assistance to provide for their workers so they don't have to. If they were as pro-free market as they claim, then they would be fighting for workers to get off assistance and have more cash in hand to exercise their economic freedoms.

According to Fox News any proposed tax increase on the wealthiest Americans is considered socialist.

Recently they've been targeting proposals like Representative Ocasio-Cortez's 70% marginal tax rate or Senator Warren's wealth tax, calling them a "new scheme".

Yet just over a year ago the GOP passed a massive tax break they claimed was for the middle class and a year later and all working Americans have seen is another 'new scheme' for the wealthy.

The wealthy class have kept their boons to themselves thanks to record amounts of stock buybacks, while most Americans are receiving smaller refunds than they

SEE **GUEST OPINION**, PAGE 20





# Were they lying to us?

For years, through politics, teacher strikes and court cases, we have heard that state lawmakers were underfunding schools.



**GUEST OPINION**  
Liv Finne

Then, with great fanfare, state leaders came together in 2017 and passed an historic bill that raised property taxes, reduced inequity and provided adequate funding for schools.

The law made two important changes in school funding. First, by raising taxes, it greatly increased state funding for all schools.

Second, it increased fairness and reduced inequity between property-rich districts and property-poor ones by reducing local dependence on levies to fund schools. Lawmakers rightly thought it was not fair that a child living in Seattle received thousands of dollars more for her education than a child living in Kettle Falls.

As a result, the state budget saw a massive increase in spending on schools. Funding soared by \$9.3 billion, up 68% in just six years (inflation over the same period was under 10%).

Today public school funding is over \$14,500 per student, more than the tuition at most private schools.

The state supreme court blessed the plan, and the governor joined lawmakers of both parties in celebrating their achievement.

Governor Inslee said, "This

budget, at long last, meets our constitutional obligations to fully fund basic education, and addresses the responsibilities we have...to equitably fund our schools."

Senator Christine Rolfes (D-Bainbridge Island), responding to a reporter who asked about students getting different funding in different zip codes, said, "We have fixed a lot of that problem... We can't eliminate all inequities, but we will have closed the gap significantly."

Later, when voting for the bill, Sen. Rolfes said, "the future of our state is maintained with ample funding and the right policy to make sure that that funding is fairly distributed throughout the state and benefits every single child." The majority of Democrats and Republicans agreed.

Now, some legislators want to repeal the 2017 law and re-introduce inequity and funding discrimination to public schools.

So when lawmakers passed the school equity bill, were some of them lying to us? It's hard to say.

What we do know is that the push for inequity comes from lawmakers who represent the wealthiest districts in the state. Case in point is Senator Lisa Wellman (D-Mercer Island), who is sponsoring SB 5313, a bill to enhance the privilege of rich communities over poor ones.

SB 5313 would reward wealthy school districts like Seattle, Bellevue, Redmond and Mercer Island, and punish poor districts.

This bill would also hurt working families by calling for more property tax increases, on top of the one already imposed by the state.

Fiscal analysis shows SB 5313 would increase the tax burden on families by up to \$3.9 billion, on top of the \$50 billion in taxes Washingtonians pay now. Worse, the bill would once again introduce discrimination in school funding, disproportionately harming children in communities like modest-income Kettle Falls, compared to their peers in upscale Mercer Island.

School boards in some districts have put their budgets into deficit and want SB 5313 so they can get more money. This is to be expected. Some school board members always say they want more money, despite getting massive funding increases. In most districts, though, school officials manage funding increases more responsibly, and are keeping their budgets on a sound footing.

Right now lawmakers are being pressured to violate the commitment they made to education funding equity.

They should resist. Instead, lawmakers should protect stable, fair and equitable school funding, and not give in to ideas that would privilege rich districts in ways that disproportionately harm children living in poor and modest-income areas of the state.

*Liv Finne is the director of the Center for Education, Washington Policy Center.*

CONTINUED FROM PAGE 19 - GUEST OPINION  
**Crying Wolf Over Socialism Doesn't Help Anyone**

did last year.

A reorientation of the tax burden could help negate the destabilizing wealth inequality that the tax cuts exacerbated.

Taxes have long been one of the best ways to combat wealth inequality. They aren't socialist or communist, new or radical. They are a return to our national roots.

When Fox News paints a picture of their ideal America they often recall the glory days of post war America. But what made those times so great is that we taxed the rich to pay for the social programs that provided for all Americans.

We had stronger safety nets, more aggressive oversight, and higher marginal tax rates. Reviving that historic prosperity requires progressive policies.

Today's Republicans slap the socialism label on any attempt to bring back the programs and policies that that this country desperately needs. If the right truly wants to make America great again then I suggest they embrace the programs that actually created it and can fix our current mess, rather than crying wolf about socialism.

*Morris Pearl is a former managing director at BlackRock, Inc. and Chair of the Patriotic Millionaires, a coalition of high-net worth Americans concerned about the destabilizing concentration of wealth and power in the U.S.*

**About the Patriotic Millionaires**

Proud "traitors to their class," members of the Patriotic Millionaires are high-net worth Americans, business leaders, and investors who are united in their concern about the destabilizing concentration of wealth and power in America. The mission of The Patriotic Millionaires organization is to build a more stable, prosperous, and inclusive nation by promoting public policies based on the "first principles" of equal political representation, a guaranteed living wage for all working citizens, and a fair tax system. You can find out more at [patrioticmillionaires.org/about/](http://patrioticmillionaires.org/about/)

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Case No./Title	Judgment Description	Judgment Date
10-04988-FPC7 Kerry Alan Barta and Shannon Marie Barta	Avoid Lien	3/13/2019
	Document: 36	
	Avoid Lien	3/13/2019
	Document: 35	
11-01830-FPC7 Roderic Lance Rice, Jr.	Avoid Lien	3/13/2019
	Document: 37	
	Avoid Lien	3/20/2019
	Document: 36	
12-03067-FLK7 Maura M Chacon	Avoid Lien	3/6/2019
	Document: 33	
13-00798-FPC13 Matthew M. Alexander and Kari L. Alexander	Avoid Lien	3/19/2019
	Document: 52	
15-03276-FPC7 Monte L. Masingale and Rosana D. Masingale	Allowing Sale Free and Clear of Liens	3/13/2019
	Document: 404	



CONTINUED FROM PAGE 19 - BETTER BUSINESS

## Growth of a business

revenues.

Think of it this way, you have a 2 inch dia. pipe where water flows through it. Only so much water will flow given the size of the pipe and the pressure pushing the water.

The solution would be to add a second pipe to increase the volume. In the real world of business perhaps a second shift or longer hours of operation might improve your revenue.

Another option might be to offer more services to your offering. Examples of this option are endless. Items such as free delivery, customer loyalty programs, online ordering, seminars or workshops, tours of your business, volume rebates and the list goes on.

For example one business owner in the home maintenance business offered a free home inspection, much like one does when buying a home, to those customers signing up for a year of his core maintenance service. His customer list grew as did his revenues.

Another, in the automotive repair business offered, for a limited time, a free 100 point inspection of your vehicle. In this case the results were 40% of the vehicle he inspected he repaired and gained new long term loyal customers.

Or, you can incorporate products that complement your core products. A paint store, as an example, sells tarps, masking tape, brushes, rollers, thinners, wallpaper and the like connected to the core product, paint. Complementary products are meant to increase volume through cross selling. If the added products do not complement, don't add them. That can be costly if they fail to sell.

All of these ideas are considered passive income streams that compliment your core business. Each method discussed increases the value of your brand in your customers view. The risk you run by maintaining your size or offering and do nothing is that new or current competition might capitalize on your inaction.

Scaling your business requires that you have in place employees who understand your strategy to grow the business. Second, focus on your established customers to ensure they will support your efforts.

Benjamin Franklin once stated: "Without continual growth and progress, such words as improvement, achievement, and success have no meaning." I believe he was correct, business must focus on some form of growth or run the risk of being eliminated by those that do. Keep one thing in mind, "status quo won't go".

*Dave Murray is a retired CEO, COO and VP of Sales and Marketing now living in Wenatchee. He is associated with several organizations along with a private consulting firm. He may be reached at tmtdm4@aol.com. His views and opinion expressed or implied should be reviewed by a recognized professional prior to any implementation. This article is not intended as a substitute for professional business advice.*



## Coffee Giant Votes to Remain Liberal Enclave

# Starbucks Board Opposes Viewpoint Diversity

Free Enterprise Project news release

SEATTLE – Starbucks shareholders followed the board's advice and rejected a shareholder proposal seeking inclusion of conservatives within the coffee giant's board of directors March 21.

The vote occurred at the annual meeting of Starbucks investors, held at the WaMu Theater in Seattle, in response to a shareholder resolution submitted by the National Center for Public Policy Research's Free Enterprise Project (FEP).

"Starbucks continues to be a company that virtue signals and caters to a far-left clientele," said National Center General Counsel and FEP Director Justin Danhof, Esq., the author of the resolution. This small-minded thinking limits the company's potential customer base.

"Our proposal offered Starbucks leaders an opportunity to expand their thinking and appeal to a broader contingency. That would have been a win for its investors. And it's sad that Starbucks refused to engage with us to protect long-term shareholders."

At the meeting, Danhof



stated: Across corporate America, company after company is adopting board diversity policies based on race and gender.

These procedures have the stated goal of reducing corporate groupthink and require companies to interview an underrepresented minority and a woman for each open board spot.

This isn't diversity. It's racism and sexism. Not all women think alike based on the fact that they are women.

Similarly, not all Asian or Latino or black Americans think the same based on their respective skin color.

Rather than promote racism and sexism, we urge the company to consider viewpoint diversity when it makes its board selections.

Through the years, especially under its former CEO Howard Schultz, Starbucks has earned a well-worn reputation for being a left-of-center corporation.

Under Schultz, the

company staked leftist positions on immigration, religious liberty, climate change and marriage, and had a dicey relationship with racial issues.

Interestingly, now that he is considering a presidential run, Schultz has been met with scorn by the leftists whom he supported and promoted for years, since he is a billionaire who made his money from that scary "C" word – capitalism.

Many of today's liberals prefer socialism, in which government takes control of industry and regulates capitalism out of existence.

How many of you here would prefer government-run coffee over Starbucks? I bet most of you would prefer Starbucks.

"We will continue to make the case for corporate boards to adopt policies encouraging diversity of thought," said Danhof.

"Notably, the two major companies that have pushed back on this initiative are Starbucks and Apple – two of America's most liberal corporations.

"This is not dissimilar to what we are seeing on college campuses nationwide, where liberals increasingly oppose the mere opportunity for students to hear and consider diverse opinions. It appears that effort to stifle free speech and conservative thought has now reached the corporate board room."

### About FEP:

Launched in 2007, the National Center's Free Enterprise Project focuses on shareholder activism and the confluence of big government and big business. Over the past four years alone, FEP representatives have participated in over 100 shareholder meetings – advancing free-market ideals about health care, energy, taxes, subsidies, regulations, religious freedom, food policies, media bias, gun rights, workers' rights and other important public policy issues. As the leading voice for conservative-minded investors, FEP annually files more than 90 percent of all right-of-center shareholder resolutions.

## Young Apple Leaders visit D.C.

USApple Association news release and photo

Seven Washington individuals travelled to Washington, D.C. to meet with members of Congress on March 13, 2019 to advocate of behalf on the apple industry.

- Toni Lynn Adams – Washington Apple Commission
- Nicole Gordy – Sage Fruit Company
- Logan Janin – Taggares Fruit Company
- Garrett Joeckel – CMI Orchards
- Tyler Monson – Monson Fruit Company
- Aylin Moreno – McDougall and Sons, Inc.
- Marianne Plath – Washington Fruit and Produce

As part of the USApple Association annual fly-in, the group of young apple leaders were selected by the organization to meet one-on-one with Representative Dan Newhouse, Senator Maria Cantwell and six other congressional representatives to discuss hard-hitting issues affecting the future of U.S. agriculture.

The focus for the Washington group centered around impacts of trade on the apple industry and agriculture labor issues.

"It was a privilege and honor to join with other young apple advocates across our state and the country to serve and represent the apple industry in USApple Association's Capitol Hill day visits. It was a great experience to meet with our state's representatives to educate them on challenges our industry faces and advocate for policy change to improve the economic climate for apple growers," says Garrett Joeckel, CMI Orchards.

The Young Apple Leaders, alongside industry principals, outlined their concerns regarding retaliatory tariffs impacting apple exports and shortage of labor. They urged congressional leaders to support the passing of the United State-Mexico-Canada Agreement (USMCA) and improvements to the H-2A guest worker program.

The USMCA is detrimental to healthy trade between Washington and top export markets. The H-2A guest worker program is necessary to provide an adequate labor supply but also is costly and challenging to growers.

SEE YOUNG APPLE LEADERS, PAGE 23



# Grant County profile

## updated February 2018

### Overview

#### Regional context

In 1902, Grant County was carved out of Douglas County as its own county. Grant County is fourth largest in the state in terms of land area, but is sparsely populated. It is located toward the central-eastern edge of the state in the Columbia Basin. On the north end of the county is the Grand Coulee Dam, which is the largest electric power-producing facility in the United States and one of the largest concrete structures in the world.

Grant County is relatively flat, making it ideal for raising livestock on its dry grassland, which was the primary draw for white settlers in the mid-1880s. The coming of the railroad helped move more settlers into farming as it provided a means to get products to market. The semi-arid climate created a challenge for farming, with most farmers locating near water sources.

#### Local economy

Grant County industry has been heavily concentrated in ranching and agriculture. Many of the county's early residents were sheep and cattle ranchers. The transition to fruit and crop farming as the dominant industries resulted from the development of adequate irrigation capacity starting in the 1930s.

Today, agriculture still plays a large role for the area which is known for its tree fruit, irrigated farming of a variety of crops and the associated food processing industry, which makes up a large part of the nondurable-goods manufacturing sector. In 2017 for example, food processing (NAICS 311) provided 42.0 percent of the 4,874 manufacturing jobs in Grant County. Employers in this sector manufacture frozen fruits and vegetables, as well as frozen specialty foods and canned fruits. Grant County food processors know and trust the quality and variety of locally grown crops including potatoes, apples, wheat, barley, carrots, corn, onions, peaches, cherries, mint, beans, etc. According to the Grant County Economic Development Council, the county's 1,858 farms annually produce

crops and livestock valued at \$1.19 billion. Crops processed here in Grant County make food processing a \$364 million industry which still has plenty of room to grow. Access to Interstate 90 and the Burlington-Northern Santa Fe main line make it easy to transport goods by truck or rail to major metro centers such as Seattle, Portland and Chicago. Some of the food processors in Grant County are Amway/Nutriline, AstaReal, Basic American Foods, Lamb Weston, Washington Potato Co., Pacific Coast Canola, Quincy Foods, J.R. Simplot Co. and National Frozen Foods.

A testimony to the importance of agriculture to the Grant County economy was provided in the 2012 Agricultural Census produced by the USDA's National Agricultural Statistics Service (NASS). According to the NASS, in calendar year 2012, Grant County registered the highest volume of agricultural sales (\$1.7 billion) in all of Washington's 39 counties. Crop and livestock sales in the County were \$1.1 billion in 2007, the last year in which NASS released county-level sales data. A July 9, 2014 Columbia Basin Herald article entitled Grant County Leads Washington State in Agricultural Sales reported: "The increase between the 2007 and 2012 census was enough to bump Grant County up one spot on the state's list of top agricultural sellers. In 2007, Grant County had the No. 2 spot on the list, coming in after Yakima County which recorded \$1.2 billion in agricultural sales that year." Yakima County came in a close second to Grant County during 2012, tallying \$1.6 billion in sales.

The area's low-cost electricity, availability of rail transportation, abundance of reasonably priced land, easy access to Interstate 90 and a high-speed fiber optic network have made Grant County attractive to software and manufacturing firms. For example, Microsoft, Intuit, NTT Data, Oath, Sabey, Vantage, and Server Farm Realty all call Grant County home. With a combined total of over 1.5 million square feet, these data center operations enjoy a diverse

fiber optic network, reliable electric supply at the lowest costs in the nation, and a climate that allows for air economizers. Grant County is also home to an international airport, a foreign trade zone, industrial power rates that average 2.88 cents per kilowatt hour, a high speed fiber optic network, low tax rates, a highly trained workforce, and an abundance of inexpensive land. Interstate 90 virtually bisects the County. In addition, the Burlington Northern Santa Fe main line makes it easy to ship freight in and out of the area. These are some characteristics which have helped make Grant County a formidable location for industrial expansion, and have helped attract major manufacturing companies like SGL Automotive Carbon Fibers, Genie Industries, REC Silicon, General Dynamics and Guardian Industries.

#### Outlook

The Grant County nonfarm economy has been on a recovery path since the depressed economic years of 2009 and 2010. During the past eight years (from 2011 through 2018, inclusive) average annual nonfarm job growth has ranged from lows of 0.7 percent in 2012 and 2017 to a high of 3.9 percent in 2014. It is encouraging that the pace of average annual nonfarm job growth in Grant County was 3.8 percent in 2018 – close to the 3.9 percent record growth pace in calendar year 2014.

Long-term nonfarm employment projections (ten-year data produced by the Employment Security Department) show a 1.3 percent average annual growth rate from 2016 to 2026 for the five-county (Adams, Chelan, Douglas, Grant and Okanogan) North Central Workforce Development Area (WDA). Washington state had a slightly more rapid growth rate at 1.6 percent.

#### Labor force and unemployment

(Source: Employment Security Department)

Current labor force and unemployment statistics are available on the Labor area summaries page.

During the recent recession, the average annual not seasonally adjusted unemployment rate in Grant

County rose to an apex of 10.9 percent in 2010. The unemployment rate then fell for seven consecutive years (from 2011 to 2017, inclusive) to 6.3 percent in 2017. Preliminary civilian labor force (CLF) data show that the average annual unemployment rate stabilized in 2018 at 6.3 percent. These 6.3-percent readings in 2017 and 2018 are the lowest average annual unemployment rates in Grant County since electronic records were implemented by our agency in 1990 – encouraging news for the local economy.

Grant County's CLF expanded by 363 residents (a 0.8 percent increase) from 2017 to 2018. More recently, between December 2017 and December 2018, the local labor force grew by 586 residents, a 1.4 percent upturn. Less encouraging is the fact that the number of unemployed increased at a 5.3 percent pace with 186 more Grant County residents out of work in December 2018 than in December 2017. Hence, the December 2018 unemployment rate of 8.5 percent was a four-tenths point upturn from the 8.1 percent reading in December 2017.

Estimates indicate that Washington's CLF grew by 57,044 residents (a 1.5 percent upturn) from 2017 to 2018. The state's labor force has expanded, year over year, for the past 59 months (February 2014 through December 2018). In December 2018, Washington's CLF tallied 3,836,549 residents versus 3,748,141 in December 2017 equating to 88,408 more Washingtonians in the CLF (up 2.4 percent).

#### Industry employment

(Source: Employment Security Department)

Current industry employment statistics are available on the Labor area summaries page.

The analysis in the first part of this "industry employment" section is derived primarily from Quarterly Benchmarked (WA-QB) data. One advantage of these data is that the employment information is very current and data are updated monthly using WA-QB employment estimates. However, estimates are nonfarm related (i.e., they do not include agricultural employment figures).

The analysis in the second part of this ➤➤

➤➤ "industry employment" section is derived from the Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department. Although it takes a little longer to acquire QCEW data (than WA-QB data), the economic information provided is broader and more detailed than that provided by WA-QB.

First, QCEW includes employment, wage and size of firm figures for the agricultural sector, which WA-QB does not include.

Second, QCEW data provides employment, wage and size of firm figures for businesses and government organizations in Grant County down to the 3-digit NAICS sub-sector level (i.e., more detail than WA-QB). QCEW data include agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. Also included are data for Federal Government agencies covered by Title 5, U.S.C. 85. Covered employment generally exceeds 85 percent of total employment in the state of Washington.

Types of jobs not covered under the unemployment compensation system and hence not included in QCEW data include casual laborers not performing duties in the course of the employer's trade or business; railroad personnel; newspaper delivery people; insurance or real estate agents paid on a commission basis only; non-covered employees working for parochial schools, religious, or non-profit organizations; employees of sheltered workshops; inmates working in penal institutions; non-covered corporate officers; etc.

Analysis using Quarterly Benchmarked data:

The National Bureau of Economic Research (NBER) announced that the national recession occurred from December 2007 through June 2009.

The effects of this recession hit the Grant County economy lightly in 2008 (down 0.2 percent), hard in 2009 (down 3.7 percent) and then lightly in 2010 (down 0.3 percent), in terms of losses in total nonfarm employment.

The number of nonfarm jobs across Grant County stood at a pre-recession peak of 27,610 jobs in 2007 and it took seven years (until 2014) for the local economy to regain and surpass this figure. In 2014 total nonfarm employment averaged 28,650 jobs.

A brief synopsis of

average annual local nonfarm employment trends from 2008 through 2018 follows:

- In 2008 - Total nonfarm employment ebbed 0.2 percent in 2008 (down 60 jobs) to an average annual figure of 27,550. Nonfarm employment across Washington grew a modest 0.9 percent in 2008.

- In 2009 - Both Grant County and Washington state faced the full brunt of the national economic recession. Grant County's nonfarm employment lost 1,030 jobs, a 3.7-percent contraction, from 27,550 jobs in 2008 to 26,520 in 2009. Manufacturing employment lost 660 jobs (down 14.3 percent), construction netted 130 fewer jobs (down 8.0 percent) and professional and business services, which includes temporary agencies, provided 510 fewer jobs (down 31.5 percent). If there was any consolation to the dismal performance of the local economy in 2009, it was that the state's nonfarm market fared even worse – falling by 4.4 percent between 2008 and 2009.

- In 2010 - Total nonfarm employment dipped 0.3 percent (down 70 jobs) from 26,520 in 2009 to an average annual figure of 26,450. Although some industries fought back (i.e., nondurable goods manufacturing grew by 110 jobs and private education and health services averaged 180 more jobs), the local construction industry continued to tumble and job losses were severe. Construction plummeted from 1,490 to 1,200, an annual average loss of 290 jobs and a 19.5-percent retrenchment. The state's nonfarm market contracted by 0.9 percent during 2010.

- In 2011 - Grant County's economy rebounded. The number of nonfarm jobs rose from 26,450 in 2010 to 27,140 in 2011 a 2.6-percent and 690-job increase. This recovery was led by a 420 job average annual increase in manufacturing, which grew from 4,000 jobs in 2010 to 4,420 in 2011. Durable goods manufacturing lengthened payrolls by 14.8 percent while nondurable goods manufacturers saw employment rise by 7.3 percent. Washington's economic recovery also got underway as total nonfarm employment expanded by 1.3 percent in 2011.

- In 2012 - The local nonfarm market expanded by 0.7 percent, to 27,340. This equated to a 200-job average annual upturn. Durable goods manufacturers in Grant County increased the number of workers from 1,780 to 1,920, accounting for 140 of this 200-job upturn. Washington's nonfarm economy moved upwards by 1.6 percent between 2011 and 2012.



**Donald W. Meseck, Regional Labor Economist**  
Employment Security Department

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Website: <https://esd.wa.gov/labormarketinfo>





“How did my state lawmakers vote in Olympia?” Readers of the Wenatchee Business Journal would like to know.

WashingtonVotes.org provides a free, periodic roll call service to media outlets as long as the Legislature is in session.

The reports are customized to the legislative districts in your market area and feature individual legislators’ votes on key issues, including recorded votes on amendments.

We encourage you to publish this report in print or on-line to help keep your readers informed and engaged about how their representatives perform in Olympia.

To update your information, or to let us know you will publish the report, please drop us an e-mail at [wavotes@wavotes.org](mailto:wavotes@wavotes.org).

As this year’s scheduled 105-day legislative session nears the halfway point, state lawmakers worked long hours this week to meet today’s deadline for passing bills out of transportation and finance committees in their originating chamber.

The full Senate passed more than two dozen non-controversial bills on its consent calendar by unanimous votes, along with more contentious measures that passed with close votes along party lines.

As Governor Inslee announced his climate change-focused presidential campaign this morning, the state Senate took up a sweeping proposal to move the state to a “clean energy” economy as early as 2025:

**Senate Bill 5116, Supporting Washington’s clean energy economy and transitioning to a clean, affordable, and reliable energy future. Passed the Senate on Friday, March 1, 2019 by a vote of 28-19, two members excused.**

Under this bill, Washington’s electric utilities would have to eliminate all coal-fired energy sources by 2025 and meet 100 percent of its retail electric load using non-emitting and renewable resources by January 1, 2045. ?

In support of the bill, Democrats said the state has an entrepreneurial economy that can move toward a clean energy economy.

Solar and wind are the future, and this bill provides a common sense framework for bold actions toward a carbon-free electricity, they said.

Republican senators offered nearly two dozen amendments to the bill, pointing out that Washington utilities already rely heavily on clean hydroelectric power and that the bill’s provisions would really only result in additional costs and rate increases to be borne by consumers.

Most of the amendments failed, and the bill passed along strictly partisan lines, with one Republican and one Democrat member excused.

The bill was sent to the House Committee on Environment and Energy, which has scheduled a public hearing for March 5th.

**12 Sen. Brad Hawkins (R) N (Douglas County)**

**Senate Bill 5395, Concerning comprehensive sexual health education. Passed the Senate on February 27, 2019 by a vote of 28-21.**

This is an all-grades sex education proposal that would require schools to provide comprehensive sexual health education as an integral part of the curriculum.

The curriculum would be “evidence-based and inclusive,” and would encourage healthy relationships based on mutual respect and affection, free from violence, coercion, and intimidation.

It would also teach how to identify and respond to attitudes and behaviors contributing to sexual violence and emphasize the importance of affirmative consent.

Supporters of the bill said in order for young people to make “good choices,” they need help understanding the ramifications of their choices.

They said comprehensive sexual health education provides this information and is essential to students’ health, relationships, and meeting their life goals. Opponents said the decision to offer this type of education should lie with school boards and ultimately parents.

Republicans opposed to the measure proposed more than a dozen amendments including proposals to block the classes from being taught to the youngest students.

The amendments failed and the bill passed with a partisan 28-21 vote. Sen. Tim Sheldon (D-Mason County), who has joined Republicans in the past, was the only Democrat to vote against the bill. The bill was sent to the House Education Committee for further consideration.

**12 Sen. Brad Hawkins (R) N (Douglas County)**

**Senate Bill 5689, Concerning harassment, intimidation, bullying, and discrimination in public schools. Passed the Senate on February 27, 2019 by a vote of 29-20.**

Current law requires each school district to have a policy and procedures that prohibits harassment, intimidation, or bullying (HIB).

School districts must designate a primary contact regarding the policy with certain responsibilities.

Under this bill, school districts would have to adopt or amend such policies to specifically include transgender students.

They would also have to designate a primary contact to oversee transgender policies and procedures. Debate on the bill went back and forth between Democrats, who said it was needed to protect certain students.

Republicans called it state government interference in local school districts’ decisions and pointed out that rules against bullying already exist.

They said the legislature should not keep adding new groups of protected students.

The bill passed along 29-20 along close party lines, with one Democrat against, and one Republican in favor. It was sent to the House Education Committee for further consideration.

**12 Sen. Brad Hawkins (R) N (Douglas County)**

**SOURCE:** WashingtonVotes.org is a project of the Washington Policy Center. Please visit [WashingtonVotes.org](http://WashingtonVotes.org) and check out our new Olympia news service, [Washingtonvotes.org](http://Washingtonvotes.org) News, which is featured on the home page. We’re also on Facebook and Twitter, at [washingtonvotes.org](http://washingtonvotes.org).

Y = Yes, N = No, E = Excused, X = Not Voting

CONTINUED FROM PAGE 21

# Young apple leaders visit D.C.

The visit provided an opportunity for those in the beginning of their career to learn more about the issues and take an active role in advocacy.

“2019 USApple Capitol Hill Day was an amazing experience. It is true what they say about collaborating with likeminded people, ‘plenty of energy and fire in the room’. Voicing our needs was an incredibly rewarding experience and encouraged me to become more involved in our industry,” says Aylin Moreno, McDougall & Sons.

“The Young Apple Leaders program provided a great opportunity for industry members across the United States to come to together

and spread our message to our state representatives,” says Logan Janin, Taggares Fruit.

Apples are the largest agricultural product grown in the state.

Washington apples account for 65% of U.S. apple production.

Each year, the state exports one-third of its fresh apple crop which represents approximately 90% of all U.S. apple exports.

The fertile land, arid climate and available water sources provide ideal growing conditions.

There are 1,300 apple growers and 69 packers in Washington producing and supplying apples consumed

across the nation and the world.

To learn more about Washington apples, visit [bestapples.com](http://bestapples.com).

**The Young Apple Leaders** program is possible through the sponsorship and support of agriculture organizations and businesses. A special thanks to Domex Superfresh Growers, Columbia Fruit Packers, Yakima Fresh, Sage Fruit, Wilbur-Ellis, Northwest Farm Credit Services, Farm Credit East, Knouse Foods, California Apples, Ohio Apples, Michigan Apples, New York Apples and Hudson River Fruit. To learn more about the Young Apple Leaders Program, visit [usapple.org](http://usapple.org).



SUBMITTED PHOTO

From left to right: Toni Lynn Adams, Logan Janin, Nicole Gordy, Aylin Moreno, Garrett Joeckel, Tyler Monson.

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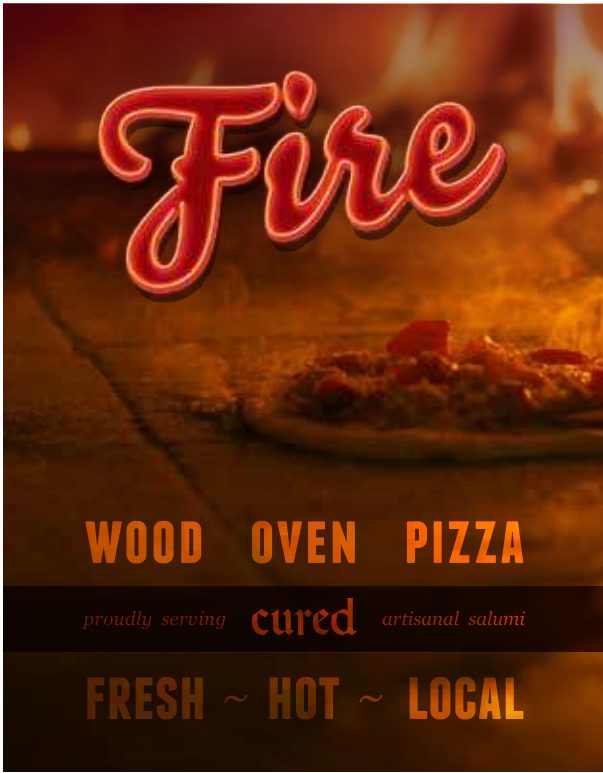
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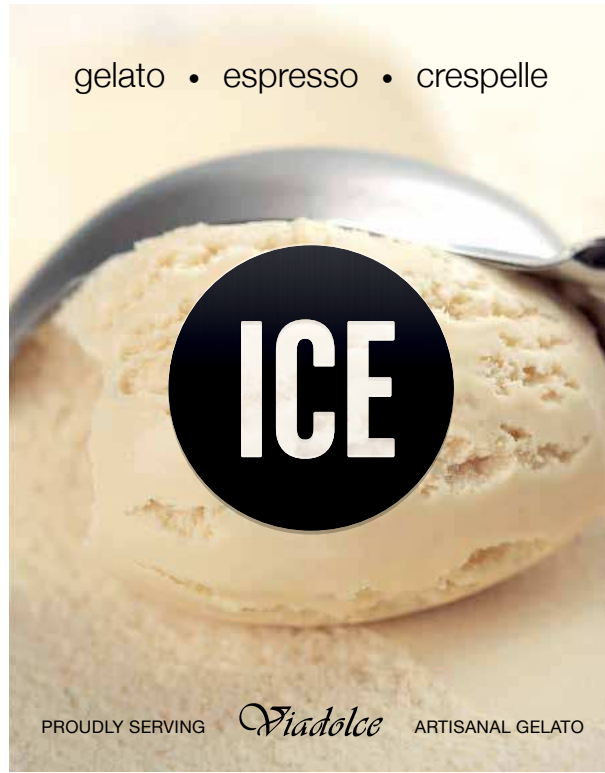
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## H2 Pre-Cast of East Wenatchee wins 'Sustainability Award'

INDIANAPOLIS – A joint project between H2 Pre-Cast of East Wenatchee and Wilbert Precast of Spokane earned a first-place award in the National Precast Concrete Association's annual Sustainability Awards competition.

The award was given on Feb. 28 in Louisville, Ky., during The Precast Show 2019; recognizing the companies' work on a wildlife crossing project that keeps both motorists and

wildlife safe along the corridor between Seattle and Spokane.

H2 Pre-Cast manufactured arched sections that form twin tunnels while Wilbert Precast produced wall panels used as part of a bridge over I-90 that allows elk and other wildlife to naturally migrate across without endangering themselves or motorists.

The crossing is covered to imitate the natural surroundings of the forest.

The project is the first of its kind in the state, and the Washington State Department of Transportation is looking at adding more wildlife crossings to ensure the safe passage of animals and commuters.

"Recognizing companies like H2 Pre-Cast and Wilbert Precast for implementing sustainable solutions is important because it reminds us that all parts of the supply chain have valuable contributions to make,"

said Ty Gable, president of National Precast Concrete Association.

The National Precast Concrete Association (precast.org) represents more than 600 manufacturing firms and more than 300 supplier companies operating in the precast concrete sector of the construction industry in North America. Based in Indianapolis, NPCA provides technical services, educational programs, safety expertise and certification programs for the industry.



COURTESY PHOTO

Company owners and National Precast officials pose for a photo at the awards ceremony.

### Pybus April Events

**Tuesdays**, Pybus University: 7 p.m.

**Thursdays**, Dance Enthusiasts: 7 p.m.

**Friday Night Music** 6 - 8 p.m.

**April 13**

- K-9s and Wines, 2 - 5 p.m.

**April 20**

- 2nd annual Wenatchee Earth Day Fair: 10 a.m - 2 p.m.

**April 26**

- Family Game Night 7 - 8:30 p.m.

**April 27**

- Dahlia Tuber Sale 8 a.m. - 2 p.m.
- WSU Master Gardener Plant Sale 9 a.m - 2 p.m.

For more activities go to  
[PybusPublicMarket.org](http://PybusPublicMarket.org)

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