



1452 Hudson Street, U.S. Bank Building, Suite 208, P.O. Box 1278 , Longview, WA 98632
Phone: (360) 423-9921 | Fax: (360) 423-1923
sprague@cowlitzedc.com

In the Loop

To: CEDC Board of Directors, CEDC Members and Interested Parties

From: Ted Sprague, CEDC President

Date: 4/29/10

CEDC MEMBERSHIP MEETING WITH KEYNOTE BY SENATOR MURRAY

On April 8th over 170 members of the Cowlitz EDC came together to listen to a Keynote speech delivered by Senator Patty Murray. The speech covered a wide range of topics from the recent health care vote, her work with assisting veterans to her key assistance in the funding of the Columbia River Channel Deepening project. Looking to the future assistance will now be needed, with her leadership, in repairing the jetties at the mouth of the Columbia River to ensure the deepening of the channel and shipping is maintained. Thank you again to all those that purchased a table and to our event sponsors - - **Pacific Tech Construction, Weyerhaeuser, Longview Fibre and Propel Insurance.**



*Senator Murray and CEDC Chair, Mike Karnofski of Weyerhaeuser - -Keynote Speech and Q&A
Photos courtesy of Mr. C's Photography*

KARLINGTON ELECTRIC SIGNS LEASE AT THE PORT OF KALAMA

Congratulations to the Port of Kalama on the recent signing of a lease to bring Karlington Electric, of Umatilla Oregon to a 10,000 square foot facility at the Port. As you know the Port Commission team of **Fred Swanstrom** (*CEDC Board member*), **Randy Sweet** and **Jim Lucas** do an excellent job of providing leadership and direction to Executive Director **Lanny Cawley** (*CEDC Board and Executive Committee member*) and his staff to bring in quality and innovative businesses such as Karlington Electric.

Karlington manufactures submersible electric motors for the pumping industry which encompasses uses in agricultural, municipal and industrial applications as well as some domestic water well applications. In addition, they provide motors for off-shore applications which include fire suppression for off-shore drilling and pumping as well as motors that power underwater remote vessels. Karlington also supplies specialty products for the coal bed methane, mining and similar energy market applications.

Karlington's product line includes electric submersible motors in ½ HP through 250HP in standard or custom configuration and pumps in stainless, cast iron and SS/Noryl materials. They now produce products that no one else in the world produces and are on track to interface additional innovative technology and products into their markets. The company plans to make the transition from importing product to assembling and manufacturing domestically. This would be in addition to continuing their relationship with existing plants in Italy and Turkey.

SMALL BUSINESS DEVELOPMENT CENTER HOSTING BEST BUSINESS PRACTICE SESSION

Our SBDC is hosting a Best Business Practices Session on May 5th from 7:30 a.m. to 10:30 a.m. at the LCC Student Center Meeting Room, a will be Continental Breakfast included.

The May session will be a three-member panel including a representative from the insurance industry, the technology industry and the business continuity planning industry to discuss how you can mitigate risks in your business. The session is sponsored by **Fibre Federal Credit Union**. If you or someone that you know would be interested in attending, have them call 360-442-2946 to register.

THE LEGISLATIVE SESSION ENDS

Pretty snappy headline, I know, but it was a tough session with an overtime session for added tension. Our legislators faced a daunting task of trying to rectify decreased revenues with previous increases in expenditures. During these times of economic distress all that derive resources from state revenues faced an unsure time as the legislators and Governor hammered out solutions to our budget dilemma. The Economic Development system in the State of Washington is a strong one. We have a proven public/private model with state support, but local boards and leadership. Through this model we have proven a strong return on investment for the state revenue we receive. We are taking a 9.1% budget cut from our contract. We took the cut last July, before session even began, and the legislature confirmed the cut. This amounts to a \$645,955 cut statewide.

The legislature took a hard look at incentive programs and infrastructure monies during the course of the session as well. All programs were critically reviewed and needed to be justified. As a result, our highly successful Community Economic Revitalization Board (CERB) was not cut, but it was not allocated any money either. This program funds much needed infrastructure across the state and is only given to projects that demonstrate private job creation. I am hopeful that in coming sessions we will see CERB obtain a sustaining revenue source.

SHB3014 was a piece of legislation we monitored through the session as it will modify the sales and use tax deferral program for investment projects in rural counties. This is one of the few incentive programs we are able to use when competing for job creation projects against other states and countries. Beginning July 1, 2010, the manufacturing sales and use tax deferral program is changed to include only distressed counties. A distressed county means a county that has an unemployment rate which is at least 20 percent above the state average for three years. The Department of Commerce is required to establish a list of distressed counties, which is effective for 24 months. The former way of determining the incentive was based on the overall population of the county. This modification should not affect Cowlitz County, but it could end the program for others.

More changes were passed for the Department of Commerce. Through the leadership of the department Director, **Rogers Weed**, SHB2658 passed and will refocus the department to job creation and will transfer some programs. There are a total of 6 programs being removed or abolished from the department, down from 11 when the

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bill was originally introduced. In addition the bill requires the department, with guidance of an advisory committee, to develop and present to the Legislature an updated state energy strategy and implementation report beginning December 1, 2010, and every five years thereafter. The bill also directs the department to create a central point of access for small business and entrepreneurial assistance and to establish a separate division for community services and housing programs.

COWLITZ PUD EMPLOYEES DONATE OVER FOUR TONS OF FOOD TO THE HELP WAREHOUSE!

Cowlitz PUD employees teamed up to collect 8,615 pounds of food and household goods in the past month and are delivered it to Lower Columbia Community Action Program (CAP) on Thursday. During February-March, the PUD's 165 employees were split into two teams that waged a friendly five-week competition to see which group could raise the most food to donate to CAP's Help Warehouse.

Besides donating food, the teams sponsored different activities to raise funds—including a pizza feed and several raffles—to purchase additional food and household items. In a close competition the office employees gathered 350 more pounds of food than the team from the operations department. The losing team will be cooking for the winners at an all-employees breakfast.

“This is the PUD employees’ third food drive since 2007,” said Lois Shelton, Help Warehouse Program Manager. “Overall, they’ve donated nearly 10 tons of food to Help Warehouse in that time, making it the largest food drive by any one company. Only the Walk n’ Knock, Postal Carriers and Bill Ammons’ community food drives are bigger.”

PUD Board President **Ned Piper** also joined in the competition with fellow commissioners **Buz Ketcham** and **Mark McCrady**. “Our employees have a great sense of community spirit,” Piper said. “It’s rewarding as a Board member to watch them have so much fun while they are helping people who are in need.”

For more information about how to organize a food drive, call Lois Shelton at Help Warehouse at 360-425-3430, ext 281.