



GRANT COUNTY ECONOMIC DEVELOPMENT COUNCIL
2003 ANNUAL REPORT

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My day job is about people. The power people have to enact change, make a difference and improve lives. People, with the strength to get the job done, find success and empower others to do the same, are everywhere in this community. As president of the Grant County EDC, I have seen, and become a part of establishing and cultivating relationships which have yielded results, and more importantly, brought much promise for the future.

Barely on the job a couple of months, I was fortunate enough to represent the board and the EDC's members in Grant County's first delegation visit to Gunpo City, South Korea – our sister city. This is the beginning of a mutually beneficial relationship and a worthy endeavor to take on behalf of all of Grant County's citizens. Personal contact makes for effective business partnerships – ones that have already resulted in exports to Korea.

Furthermore, teamwork and perseverance by our area leaders have been integral to making Moses Lake a viable and highly desirable location for Boeing's 7E7 "Dreamliner". It may not have landed in Moses Lake, but it has made us more than ready for the next opportunity.

As we move on in years to come, we know that the power of building relationships has increased the opportunities and enhanced the overall business climate in our community.

It is the people who make Grant County what it is. And that, is a good thing.

Linda Chambers
Grant County EDC President

2003 Board of Directors

President

Linda Chambers

Basin Employment Service and Training

Vice President

Paul Burke*

Columbia Basin Herald

Secretary

Brian Kuest

Port of Quincy

Treasurer

John McMahan

Directors

Scott Campbell

Samaritan Healthcare

Paul Charlton

Mid State Bank

Mike Conley

Port of Mattawa

Terry Dorsing

Dorsing Farms, Inc

Greg Franklin

Bank of Whitman

Tom Heath

Washington Trust Bank

Kent Jones

Port of Moses Lake

Ralph Kincaid

Windermere/K-2 Realty, LLC

Philip Leitz

Royal City

Brian Meiners

Basic American Foods

Valli Millard

US Bank

Les Parr

Les Parr Real Estate

Rachel Pulis

American West Bank

Wayne Rimple

Moses Lake Steel Supply

Tim Snead

Grant County Commissioners

Bob Trask, Jr.

Robert M. Trask Agency

Dawn Woodward

Grant County PUD

Ex-Officio Directors

Jim Berschauer

Berschauer's Ace Hardware

Lee Blackwell

City of Moses Lake

Mardine Brower

Grant County Farm Bureau

Bruce Buckles

McKay Healthcare & Rehabilitation

Barbara Deycous

Port of Ephrata

Mike Dietrich

Consolidated Disposal Service

Matt Eisen

Key Bank

Stephanie Eloff*

Center for Business and Industry Services

Mark Fancher

Tomlinson Black Ranch and Home, Inc.

Jim Flores

ASIMI

Calvin Greene

EKA Chemicals

Skip Gregoire

Inland Oil

Lloyd Knopp

Advance Cartridge & Printer

Jim Perdue

Sonico, Inc.

Vivian Peterson

City of Ephrata

Don Swartz

J & M Electric, Inc

Dale Walker

Columbia Basin Seeds

** Denotes Directors who did not serve a full year term*

2003 Membership

COLUMBIA (\$25,000 +)

Grant County

GRAND COULEE (\$10,000 - \$24,999)

City of Moses Lake
Grant County PUD
Port of Moses Lake

WANAPUM (\$5000 - \$9999)

ASPI Group, Inc.
Washington Trust Bank

PRIEST RAPIDS (\$2500 - \$4999)

AmericanWest Bank
City of Ephrata
Columbia Basin Seed
Key Bank
Moses Lake-Othello Association of Realtors
Port of Quincy
Tomlinson Black Ranch & Home, Inc.

DRY FALLS (\$1000 - \$2499)

City of Quincy
City of Warden
Columbia Basin Railroad Co., Inc.
Consolidated Disposal Service, Inc.
EKA Chemicals
J.R. Simplot
Lukins & Annis, P.S.
Port of Ephrata
Port of Mattawa
Port of Royal Slope
Port of Warden
TITAN
Town of Mattawa
Windermere/K-2 Realty, LLC

SADDLE MOUNTAIN (\$750 - \$999)

Best Western Hallmark Inn
City of Royal City
City of Soap Lake
Inland Oil
Samaritan Healthcare
Western Polymer Corporation
Weyerhaeuser

FRENCHMAN HILLS INVESTOR (\$500 - \$749)

Bank of America
Basic American Foods
Basin Employment Service & Training Inc.
Terry & Shirley Brewer
Columbia Basin Federal Credit Union
Columbia Basin Herald
Desert Graphics, Inc.
Genie Industries
Port of Hartline
Quincy Farm Chemicals, Inc.
Robert M. Trask Agency, Inc.
Sonico, Inc.

ROCKY FORD CREEK (\$250 - \$499)

Advance Cartridge & Printer
Advanced Silicon Materials LLC
Advantage GMAC Real Estate
Air America Fuel & Service Inc.
Animal Medical Center, Inc.
Avista Utility
Bank of Whitman
Basin Refrigeration & Heating
Berchauer's Ace Hardware

Big Bend Community College
Business Interiors Equipment, Inc.
Cascade Natural Gas Corporation
Central Bonded Collectors
Chemi-Con Materials Corporation
Chicago Title Insurance Company
City of George
City of Grand Coulee
Columbia Basin Machine
Columbia Colstor, Inc.
Columbia Pacific Aviation
Columbia Potato Inc.
Dano Law Firm, P.S.
David Rodstol Inc.
Dorsing Farms, Inc.
Eckenberg Farms, Inc.
Gary Mann Real Estate - Dan Eliers
Gary Mann Real Estate - Jim Weitzel
Grant County Association of Realtors
Grant County Farm Bureau
Grant County Land Company
Housing Authority of Grant County
J.R. Newhouse & Co., PLLP
Jeffers, Danielson, Sonn & Aylward, P.S.
Joseph Hughes Construction, Inc.
Lad Irrigation Company, Inc.
Lakeside Disposal & Recycling
Lakeside Optical & Dispensary, Inc.
LC Farms, Inc.
Lenroc Company
Major Mortgage
Lisa Marcusen
Martin-Morris Agency, Inc.
McKay Healthcare & Rehabilitation
Mid State Bank
Midway Beverage, Inc.
Millers Fine Jewelers, Inc.
Moses Lake Steel Supply, Inc.
Pistoresi Distributing Inc.
Port of Seattle
Rock Steel Structures
Sage Hills Golf Club & RV Resort
SkillSource
Skone & Connors Produce, Inc.
Sterling Savings Bank
Sutter, Kunkle & Thompson P.S.
Tommer Construction
Total Employment and Management
Town of Coulee City
Town of Electric City
US. Bank
Washington Mutual Business Bank
Western Mortgage
Wheatland Bank
Wilber-Ellis Company - Mattawa
Wilber-Ellis Company - Quincy
Work Source Moses Lake Affiliate
Zip Truck Lines, Inc.

FRIENDS OF THE EDC (\$75)

Lynn Alderson
Bob Arnold
Steven Ausere
Carl Barr
Roger Biallas
Lee Blackwell
Brent Blake
Tom Bollinger
Bruce Campbell
Randy Dickinson

David Dinges
Ray Fioanini
Maury Forman
Ed Forster
Don Godard
Tom & Jill Health
Mary Ann Hopperstad
James & Frances Irwin
Kent Jones
Lisa Leitz
Fred Lischka
John McMahan
Clyde Owen
Alice Parker
People for People
Dr. G.C. Petersen
Larry Peterson
Craig Plummer
Dave Pulis
LeRae Redal
Donna Roe
Doug Sly
Jim Sperry
Ted Thomas
Jack and Mary Tobin
Town of Hartline
Howard & Karen Wagner
Hank Worden
Ladell & Bernie Yada
Dick Zimbelman

IN - KIND

Able Building Supply, Inc.
Al Briggs
Big Sky Airlines
Carpenter Construction
Central Washington Asphalt, Inc.
Chematron Electric
Columbia Paint Company
Cost Less Carpet
Danco Construction
Ferguson Construction & Maintenance
Gies Construction
Harden Construction
J & M Electric
Jesse Builders
LeMaster & Daniels PLLC
Lumberman's Building Supply
Maiers Development Corporation
Majestic Structures, Inc.
Mr. Build Total Construction
Ornamental Iron
Penhallurick's True Value
Pope's Plumbing
Right Choice Painting
Sanco Masonry
Signs Now
Skaug Brothers Carpet One
Stoneway Electric Supply

RECRIPICAL
Big Bend RC & D Council
Columbia Basin Development League
Ephrata Chamber of Commerce
Grand Coulee Dam Area Chamber of Commerce
Ice Age Floods Institute
Moses Lake Business Association
Moses Lake Chamber of Commerce
Moses Lake Golf & Country Club
Quincy Valley Chamber of Commerce

Aiming to Land a Dreamliner in Moses Lake

One of the largest site selection endeavors in recent years was undertaken in 2003 by the Boeing Company for the final assembly of their new 7E7 “Dreamliner”. Everybody wanted in on it. However only a selected few could truly accommodate the project.

The state leadership took no chances and pulled together to form “Action Washington”, a dedicated team to winning the project. The Grant County EDC was asked to take part in this joint effort, both for the primary goal of keeping Boeing’s assembly plant in Washington, and also to be the lead agency to offer Boeing a second option in Washington: Moses Lake.

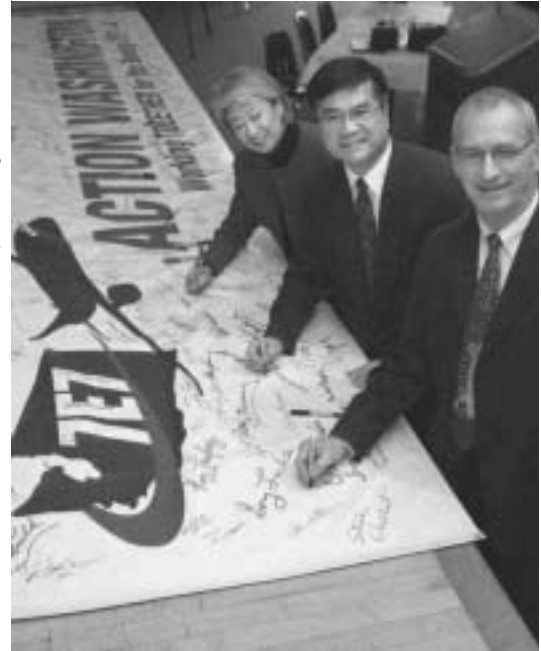
The Grant County EDC is proud to have been a player on the Action Washington Team – especially with the final results of landing the project in Washington. Of course, it would have been a far more exciting prospect to welcome the project in the

"There are a lot of exciting things happening in Moses Lake, and this experience has put them on the world's radar as a great place to do business" -- Governor Gary Locke

county and expand Boeing’s presence here. We cannot be sore losers or just be content to have been in the running. The entire process has offered Grant County and Moses Lake some welcomed benefits and hopefully some new opportunities.

Media outlets flogged the area looking for the story. They seemed to awaken to the possibilities Moses Lake and its surroundings offer businesses. Very few failed to understand or appreciate the viability of the area for a manufacturing project of this magnitude.

CTED Director Martha Choe, Governor Gary Locke and EDC Executive Director Terry Brewer sign the Action Washington Commemorative banner following a presentation in Moses Lake in December.



"The state's Moses Lake partners showed true dedication and outstanding effort in the development of the Boeing 7E7 Dreamliner proposal. They elevated the community to a top contender for the project and brought themselves global attention to the amenities the region has to offer to regional, national and international corporations."

-- CTED Director Martha Choe

Even a quick tour of our area makes evident the availability of properly zoned lands for industrial development, near unlimited room for growth, low-cost and reliable hydro-electric power, as well as fiber optics and an abundant workforce. The area is also served by natural gas, a system of railways connecting major ports, a network of interstate and state roads, as well as the Grant County International Airport which can handle test flights, air cargo, and so much more.

In light of this particular project's demands, Moses Lake and Grant County discussed plans to adequately meet the needs such an influx of people and activity would bring. To say that the community was prepared for such a manufacturing endeavor would be an understatement. No stone was left unturned to provide the best possible project site option.

Boeing's search was both extensive and nationwide. It required that the county, city, and many other partners in the region come together to both meet and exceed the expectations of the aerospace giant. From our perspective, the EDC and its partners did everything possible to make the Moses Lake site compatible with Boeing's needs, competitive in the country for manufacturing projects, and a partner in the global marketplace.

Perhaps only in the final analysis did Moses Lake not become the perfect combination for the 7E7. There will be another company, one whose needs, requirements and values fit right into our community.

We are ready for them.

Maximizing the Benefits of the Gunpo City Relationship

Friendship is at the core of the increasingly close relationship between Grant County and its new sister-city, Gunpo City, South Korea.

Though only begun in 2002, the connection to Gunpo City has been an unmistakable advantage to Grant County by increasing awareness and visibility for the two regions. Advancing goals of economic cooperation, friendship, and exchange, two official delegations visited each of the communities during 2003. First, a seven-member group from the cities of Ephrata and Moses Lake made the trip to South Korea: EDC Executive Director Terry Brewer, EDC President and local business owner Linda Chambers, Grant County Commissioner Tim Snead, Ephrata Mayor Pro Tem Wes Crago (now City Administrator), Ephrata Senior Planner Vivian Peterson, Moses Lake Mayor Lee Blackwell, and Big Bend Community College Trustee Katherine Kenison.



The Grant County Official Delegation posed with the Gunpo City Council outside city hall following the signing of the sisterhood agreement on April 21, 2003

"We are expecting more profitable economic development and an interchange of trade"-- Gunpo City Mayor Yoon Joo Kim

During the week-long visit to Gunpo City, the sisterhood relationship agreement was signed, solidifying the relationship and allowing for greater opportunities to develop. The agreement calls on both communities to promote mutual benefit by cooperating in the fields of economy, culture, education, youth and health.

The delegates participated in the annual citizen's festival, attended meetings with the Chamber of Commerce, CEO Conference (the equivalent of an economic development council), visited private industries and experienced cultural sites.

Gunpo City Mayor Yoon Joo Kim reciprocated by participating in a second



With Executive Director Terry Brewer looking on, EDC President Linda Chambers presents an honorary membership plaque to Gunpo City Mayor Yoon Joo Kim during his meeting with the EDC's Board on August 12th, 2003.

delegation visiting Grant County in August, coinciding with the Grant County Fair. Along with many city and private industry representatives, Mayor Kim renewed his commitment to the sisterhood relationship while also becoming better acquainted with the area. The EDC's Board of Directors, Grant County legislators, area Chambers of Commerce representatives and other decision-makers met with the delegation to increase familiarity and open new avenues of communication.

Ahead of the visit, four dairy cooperative representatives from the Ansong region, one of the more important dairy areas in South Korea, toured the county and came away with not only an enhanced knowledge of Grant County's hay production, but also placed an order for a large shipment of high-quality hay. Subsequent orders have been placed and it is highly probable that shipments will continue on a regular basis.

"It will inspire mutual cooperation, benefitting us all in the areas of economic growth, education and youth." -- Grant County Commissioner Tim Snead

This first result of the relationship is evidence of the ways the connections are already benefiting the area. Diplomatic relations and the determination of local leadership are increasing the discovery of new ways to partner with Grant County's sister-city.

Gunpo City and Grant County representatives have shown great leadership in bringing the two communities to the table and finding ways to take the relationship to the next level. Every step on the road has shown great promise.

EDA Grant: Foundation of Public-Private Partnerships for Development

A boost in the quest to have available the infrastructure to entice commercial and industrial development came in August with a \$2.32 million matching grant from the Economic Development Agency, a subsection of the US Department of Commerce.

As a cooperative effort between the Grant County EDC, Grant County and the City of Moses Lake, the project is a true public-private partnership making private entrepreneurship in the area that much more attractive, bringing economic development benefits directly to residents.

The matching grant will serve to enhance infrastructure in the area bordering Loring Drive, and the creation of Westover Drive and Owens Drive to the north of Route 17 in Moses Lake. The improvements will include road widening and construction, and the building of water and wastewater services for retail, commercial and industrial usage. The goal of the project is to provide the requisite infrastructure for large retail “big box” stores, as well as other commercial projects.

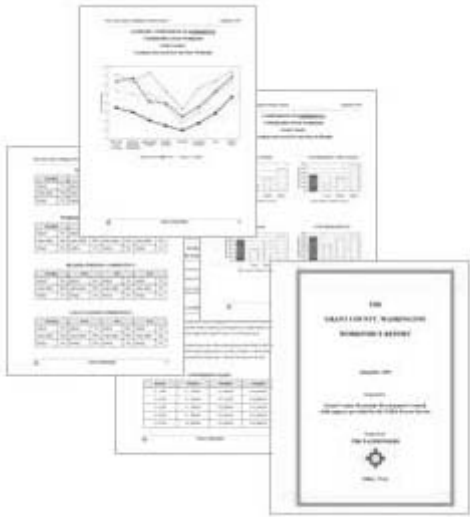
The EDA grant award was accepted on behalf of the applicants by Grant County Commissioner Deborah Moore, Moses Lake Mayor Lee Blackwell, EDC President Linda Chambers and U.S. Congressman Doc Hastings.

A sign presently marks the area where the project will be taking place. Efforts to recruit businesses to move into the project area are already underway. The EDA has provided the community with the fuel to make the recruitment machine run. This counts as a major development tool offering great potential for Grant County.



A \$2.32 million check, a sizable push towards economic development, as it is accepted by representatives from the County, City of Moses Lake and Grant County EDC.

Locating the Right Workforce for Success



Each of the reports is available online for viewing as a service to local industries and potential new companies to the area.

When the EDC ran short of ways to tell potential new companies that Grant County had the workforce they required, there was nothing else to do than prove it.

With the help of The Pathfinders, three reports were commissioned to increase knowledge about the available workforce, as well as the wages and benefits offered by local employers.

The results have raised a few eyebrows and with good reasons. The two workforce surveys indicated that there were some 19,300 available workers in the tri-county area of Adams, Douglas and Grant. Furthermore, the report identified an estimated 11,500 underemployed workers, those with skills and education able to take on a different job. In Grant County alone there is a pool of some 7,100 of these underutilized individuals.

The EDC is indebted to the financial support of the North Central Workforce Development Council which enabled us to complete the workforce surveys.

The EDC also surveyed Grant County's largest employers in order to identify wages and fringe benefits offered to employees. The results proved useful to potential new companies as well as local enterprises in their human resources functions, in addition to facilitating expansion plans.

Each of these reports provides invaluable information for the recruitment of new industries to the area as they show a more accurate picture of the present workforce climate.

Community Involvement and Developments

The Grant County EDC was honored by the Columbia Basin Herald as one of the “Best in the Basin 2003” for making the region a better place in which to live and do business. Such an honor reflects the organization’s ongoing commitment to community development and to support various efforts on diverse fronts.

"Today and Tomorrow" provided leaders in Ephrata with a fresh look at the central business district and the tools to conduct community revitalization.



The USDA Forest Service Grant-sponsored Ephrata Marketing Project moved ahead with a revealing downtown retail study. Not just an eye opener, it has allowed the community to identify issues to be addressed immediately and others to work on in the future.

In addition, the EDC has continued its involvement in the Workforce Development Council, the Grant-Adams County Advisory Group and the Tech-Prep Advisory Committee.

The EDC has also provided input and assistance to local community projects such as the Moses Lake Response Team, the Soap Lake Revitalization Committee and the Moses Lake Area Marketing Association – all of which experienced considerable forward momentum in 2003.

Strategic Infrastructure Program Applications Approved in 2003

	<i>Grant</i>	<i>Loan</i>
<i>Port of Quincy: Intermodal Traffic Study & Geotechnical Report</i>	\$0	\$40,000
<i>City of Soap Lake: Infrastructure/Tourism Enhancement Project</i>	\$38,500	\$16,500
<i>Port of Mattawa: Sewer & Water Line Extension in Industrial Park #1</i>	\$29,854	\$0
<i>Port of Mattawa: Well & Fireflow System in Industrial Park #2</i>	\$24,000	\$10,300
<i>Port of Royal Slope: Wastewater Engineering Study</i>	\$16,747	\$7,000
<i>Port of Moses Lake: Moses Lake Railroad Project Engineering</i>	\$0	\$50,000
<i>Port of Quincy: Quincy Municipal Airport Runway Reconstruction</i>	\$5,000	\$5,000

3rd Annual Duel in the Desert Breaking all the Rules



The 2003 Celebrity Pros put on a great show for players and sponsors. Superbowl MVP Mark Rypien and PGA Pro Rick Fehr had stories and tips, providing two great days of entertainment.

Picture this: a beautiful summer's day, not too hot and not cold at all, with determined players on the golf course and the ultimate goal of being the coveted Duel in the Desert champs. Not to say that all players who joined in the annual event did so for competition – many were simply doing their part to lend a hand in economic development by showing their support while having a great time.

As the 3rd annual event, the ever-increasing success is overwhelming. With over 45 sponsors and many other contributors, both the Duel in the Desert and the Party on the Green have exceeded expectations as events to look forward to. They have become not only fundraisers but also community events.

The weekend event netted over \$30,000 for the EDC's dedicated economic development efforts.

Thank you sponsors and participants!

2003 Sponsors and Contributors

Able Building Supplies - Advantage GMAC Real Estate - Air America Fuel & Service, Inc. - American West Bank - Armada - Bank of America - Basic American Foods - Basin Employment Service & Training - Best Western Hallmark Inn & Resorts - Big Sky Airlines - Bucci Sunglasses - Chemi-Con Materials Corporation - Chicago Title Company - Columbia Basin Herald - Columbia Basin Seeds - Columbia Colstor - Cost Less Carpet - Food Pavilion - Gary Mann Real Estate - Genie Industries - Hayden Estates - In Home Medical Inc. - Inland Oil - James Auto Center - Key Bank - Laser Planet - LeMaster & Daniels PLLC - Lovins Inc. - Lukins & Annis, P.S. - Lumbermens - Maiers Development Corporation - Michael's on the Lake - Midway Beverage Inc. - Moses Lake Golf and Country Club - Ornamental Iron Works - Papa's Casino/AmeriHost Inn & Suites - Pet Town USA - Quincy Farm Chemicals - Randy Dickinson - Edward Jones - Safeway of Moses Lake - Security Title Guaranty - Signs Now - Starbucks - Stratford Road Estates - The Bridges at Moses Pointe - The Links at Moses Pointe - Tomlinson Black Ranch & Home Real Estate - Tri-State Outfitters - Unique Properties - US Bank - Valley Eye Care - Vern's Meats - VIB TV - Wal-Mart of Moses Lake - Washington State Potato Commission - Washington Trust Bank - Weyerhaeuser - Windermere/K-2 Realty, LLC - Ziggy's

2003 Financials

Balance Sheet

As of December 31, 2003

ASSETS

Current Assets	\$204,322.29
Accounts Receivable	<u>\$16,755.00</u>
Total Current Assets	\$221,077.29
 Fixed Assets	
Total Fixed Assets	\$36,261.48
 Total Assets	<u><u>\$257,338.77</u></u>

LIABILITIES AND EQUITY

Total Liabilities	\$1,686.67
 Equity	
Fund Balance	\$251,207.72
Retained Earnings	(\$6,818.42)
Net Income	<u>\$10,625.80</u>
Total Equity	\$255,652.10
 Total Liability and Equity	<u><u>\$257,228.77</u></u>

The 2003 year-end financial statements were reviewed and approved by the Grant County EDC Board of Directors on January 21st, 2004. The Grant County EDC operates on an accrual basis. Income and expenses reflect transactions incurred in 2003.

Income Statement

January 1 to December 31, 2003

INCOME

Membership Dues	\$187,501.86
Interest Income	\$5,145.86
Grants	\$23,603.00
Contract Income	\$28,500.00
Special Events	\$82,380.00
Miscellaneous	\$39,554.74
Total Income	<u>\$366,684.91</u>

EXPENSES

Salaries	\$142,711.08
Insurance	\$15,473.35
Retirement Plan Contribution	\$6,890.04
Taxes	\$15,599.73
Automobile	\$5,299.19
Conferences/Dues/Education	\$8,618.85
Meals/Entertainment	\$25,327.39
Equipment	\$1,738.00
Supplies	\$23,420.19
Postage	\$5,662.64
Professional Fees	\$53,423.62
Rent/Utilities	\$3,813.93
Telephone	\$4,337.37
Travel	\$8,931.59
Event Fees	\$14,894.67
Rental Fees	\$6,186.96
Marketing	\$7,982.21
Trade Shows	\$5,748.30
Total Expenses	<u>\$356,059.11</u>
Net Income / (Loss)	<u><u>\$10,625.80</u></u>



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