

August 2016 Newsletter

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Eric LaFontaine Love the Grant County Culture



"They are really good," Eric LaFontaine says of the people of Grant County. "Most people have a genuine heart." LaFontaine is

the Publisher of the Columbia Basin Herald and a member of the Board of Directors for the Grant County Economic Development Council. He has lived in Moses Lake since 1999 when he got his first job here.

LaFontaine was born in Seattle. In 1980, when he was six, his mother moved to Richland to work for the Department of Energy. She was tasked with leading a new arm of the energy conservation program. LaFontaine smiles as he says her job was to be anti-nuclear in a pro-nuclear town. LaFontaine grew up in a blended family with a half-Latin, half-Columbian stepfather. His biological father was one-half Native American making LaFontaine one-quarter native. This meant he was a minority student when he attended the University of Washington.

LaFontaine entered UW with dreams of becoming a highschool math teacher. Then he found out what a math teacher made and switched to political science, thinking about becoming a lawyer. But when he took pre-law courses, he discovered that wasn't for him. "I wasn't passionate about it," he explains.

He did manage to obtain an internship at the Washington State Legislature where he worked under a senator. He again smiles as he says he got 15 credits at a 4.0 grade and got paid for it.

His first job out of college, after earning his Political Science degree, was in Moses Lake, working at Grant County Mental Health Care as Director of Public Relations and Development. The job involved a lot of contract development and grant writing. He says he wrote the grant that first funded the New Hope domestic violence shelter. After three years, he was bored with that job. He had been a volunteer fireman with the Moses Lake Fire Department and wanted to become a full-time firefighter. But that didn't work out and so he joined the Navy Reserves as a Petty Officer Third-Class: Journalist. At the same time he worked on obtaining his MBA in Finance from Regis University in Denver. He spent two years working in finance for Allstate Financial and Washington Mutual Bank as a registered financial advisor. It paid his bills for graduate school, but included a lot of evening work and he preferred being home with his family, so he quit in 2007.

The publisher of the Othello Outlook asked LaFontaine if he'd be interested in the newspaper business. He likes writing, photography and had journalism experience, so he agreed to take over the Outlook. At the time, the paper was losing a quarter-million dollars a year. LaFontaine was given the keys to the building and told to "fix it." He started with a staff of himself and one other person. At the same time, the Othello Independent, a free weekly came out as competition. Still, in 2-3 years, LaFontaine had made the Outlook profitable and the Independent had gone bankrupt. And the Outlook was winning awards for journalism and advertising.

In November of 2014, LaFontaine was hired by the Hagadone Group to be publisher of the Columbia Basin Herald. He says the interview process lasted thirteen hours with various members of the company.

LaFontaine loves the "speed" of everything involved in being the publisher of the Herald. "My brain moves very quickly," he says. He loves the daily challenge and the daily deadline. "I love the people here," he adds, saying he has forty people working with him.

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AMERICA'S Washington Small Business **Development Center and The Grant County EDC Presents:**

Funded in part through a cooperative agreement with the U.S. Small Business Administration

Export Readiness Seminar

- Looking for new ways to increase your sales?
- Want to know how you can expand sales with export strategies?
 Learn who can provide your business with real-world assistance
- Learn about the risks and rewards of doing international business

Oct. 19 & 20, 2016

8:00 am - 4:30 pm **Columbia Basin Technical Skills Center** 900 E Yonezawa Blvd, Moses Lake

Topics include:

- Basics of Export Readiness and Market Fit Analysis using Market Research
- Keys to Market Selection and Proven Market Entry Methods
- Financing Tools and available resources along with Reliable Methods of Payment
- Best Practices in Shipping and Logistics Real world presentation by a freight forwarder
- Basics of a good Export Business Plan and Export Compliance Requirements
- Intellectual Property and Trade Marks learn about the risks and how to protect yourself
- SWOT Analysis of your market position (strengths, weaknesses, opportunities and threats) You will meet one-on-one with a trade specialist to discuss what your export assessment means to you and how to use SWOT in your business to make better informed decisions.

This (2) Day Exporting Seminar is offered at a very low cost of \$50.00 Per Person

- Pre-registration is required -

Register on line at: http://wsbdc.org/events/category/wsbdc-training-event/

For questions regarding registration call the SBDC 509.358-7890









Sonico, Inc. Breaks Ground on New Facility

In early 2013, Sonico President W.B. "Bill" Perdue was between a rock and a hard place. The largest of the WWII-era buildings he had been leasing from the Port of Moses Lake for his aircraft parts repair and maintenance business needed long-deferred repairs and Port officials wanted him out by October 1.

The problem, Perdue said, was that there was nowhere to go, at least not in Moses Lake. He had been leasing several buildings at the Port of Moses Lake since 1981 and new construction had been on the drawing board for years. Sonico owned about seven acres on nearby Randolph Road, but finding financing had been a problem and there was no way they could meet a July 1 deadline.

The simplest solution was to pull up roots and move the business closer to the I-5 corridor and SeaTac, where they'd have easy access to their customer base and a variety of leasing options.

But, Bill Perdue and his son, Jim Perdue, vice president at Sonico, were not interested in the simple solution. Instead they redoubled their efforts to secure financing for new construction to keep their business in Moses Lake.

They missed their October 2013 deadline—fortunately Port officials worked with them on the move out date—but this June, after three years of meetings with architects, engineers, city officials, county officials, zoning boards, loan officers, appraisers, Port officials and the FAA, Sonico broke ground on their new 28,000-square-foot building. Construction is expected to take about a year.

It may not have happened, Bill Perdue said, without the assistance of the Washington Small Business Development

Center (SBDC) and the Grant County Economic Development Council.

Bill Perdue had a long-standing relationship with Terry Brewer, the former executive director of the Grant County EDC, but he reached out to the SBDC in July 2013 for help building a loan application, identifying prospective lenders, and preparing for meetings with those lenders.



The Washington SBDC is a network of more than two dozen business advisors working in communities across the state to provide confidential, no-cost advising to entrepreneurs and business owners who want to start, grow or transition a business.

Hosted by Washington State University, the SBDC also receives funding from the U.S. Small Business Administration (SBA) and other institutions of higher education and economic development. The SBDC office in Moses Lake is co-located with the Grant County Office of Economic Development.

The Perdues first met with Allan Peterson, the SBDC advisor in Moses Lake since 2013, and Peterson then called in Alan Stanford, an SBDC advisor based in Spokane who has more than 30 years' experience in banking.

The Perdues were under a lot of pressure to move quickly, they said, but it was a complicated situation and everything took longer than they expected. With all the twists and turns, Perdue said, he and his son counted on the SBDC to provide calm, competent and consistent counsel.

"Every time I felt uncomfortable or needed help, I called," Bill Perdue said. "There was not one time when they were | too busy to help me."

One of the most difficult obstacles was that the Perdues wanted to build a topnotch manufacturing facility with space for offices, aircraft parts storage and parts maintenance and repair.

Unfortunately, the appraisal for the value of that building, once built, came in significantly lower than the estimated \$4 to \$5 million construction cost.

The appraiser valued the building in line with other basic warehouse space, but because Sonico is an FAA-certified Repair Station, the Perdues were required to build to a much higher standard, including an emission control system, chemical waste containment, and a full-building heating and cooling system. "We didn't get credit for any of that," Bill Perdue said.

Stanford's expertise helped Bill Perdue understand what he could negotiate and what was probably non-negotiable negotiate. They had also discussed different loan terms and fees, so Bill and Jim Perdue could run the numbers to figure out what they could afford without hurting the long-term viability of their business. The Perdues had meetings with lenders at six banks, but none were willing to finance the project at terms they could live with.

Finally, at the eleventh hour, the Perdues found a lender in Pendleton, Ore., with experience in FAA-

Department of Ecology's Proposed Revisions to the Solid Waste Handling Standards (WAC 173-350)

This new rule revision proposes several aggressive and significant changes to how solid waste is handled with very significant liability, cost, penalties, and schedule implications for any activity that imports or exports soil or sediment as part of a construction project.



The proposed new rule text and supporting documents are available for review at the WA Department of Ecology's website.

Public Comment Period ends Tuesday, September 6, 2016; Please submit comments to w2rrulemaking@ecy.wa.gov

<u>Landau Associates</u> has provided the following information, has a brochure

available, and has staff willing to discuss the implications:

Who's Affected?

Anyone that is involved in the import or export of soil to a property, including:

- Agricultural producers
- Architectural/engineering consultants

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LaFontaine Cont.

The challenges of the job are that news on newsprint is "struggling." Readers are going digital "faster than most people realize." Readers of newspapers are old and dying, he explains. But he has a change that is going to be rolled out in the next few months to answer that challenge.

LaFontaine smiles and says he got on the EDC Board of Directors "by default." The previous publisher of the Herald was on the board and LaFontaine stepped in to take his place. He adds that he was "tasked" by Hagadone with getting involved in "everything" and the EDC was on that list. To get up to speed with the EDC, he had then-Executive Director Jonathan Smith give him a "crash course" in economic development in Grant County. Juanita Richards also asked him to be on the Executive Committee and he agreed. LaFontaine is currently the Treasurer of the EDC. "You don't know how good you can be until you try it," he says, adding that the next generation of leaders need to step up and help.

"The EDC is the main driving force and the glue that's going to keep economic development going in the county,"

LaFontaine says. When the port districts formed, LaFontaine adds, they didn't realize that working together works better. The EDC, as the glue, brings these organizations, including the cities and the counties, together to promote economic development, he explains.



The EDC,
LaFontaine
adds, is "our
future" at a
macro
development
level. While
Grant County
has many
assets
including low-

cost power, the EDC is the "tip of the spear" to make economic development happen, LaFontaine says. When a company announces it's building in Grant County, what people don't realize is that the EDC has been working behind the scenes for 12-18 months helping bring that company here, LaFontaine explains. "There are more great things going on in Grant County per square mile than anywhere else in the state," he says.

LaFontaine is also on the Board of Trustees of the Washington Newspaper Publishers Association. He's involved in the Boys and Girls Club as a board member, and has been a member of Rotary since 2008.

"When I got here in '99 I felt very comfortable. I never grew up around racism and I never saw it here," he says. While he'd like to see more shopping, he says Moses Lake and Grant County are "amazing." He adds that "I can get out and be active just about anywhere." He likes that he can run home at lunch, feed the dog, and get exercise. LaFontaine is a runner and has done five marathons. "I like to eat which is why I like to run," he says.

LaFontaine loves the "national-level" monuments in Grant County such as Grand Coulee Dam and the gorge. He likes the people, the slow pace, and the different cultures. He says his family is an "outdoor" family who bikes, hikes, and paddle boards. LaFontaine is also an "old school" baseball card collector. "One of the things I enjoy most outside of running."

Sonico Cont.

certified buildings who was willing to make the loan.

"This was really a case of, 'I know a guy who knows a guy,'" said Peterson, who had been networking across Eastern Washington to help identify possible lenders. If Old World Federal Credit Union hadn't stepped up, Bill Perdue said, he doesn't know what he would have done.

"I didn't want to put up any old building," he said. "To the best of my ability, I wanted to do it right."

Perdue, who grew up in tiny Cowiche, Wash., has always wanted to "do it right." After graduating from Washington State College (now Washington State University) in 1961, Perdue went to work for Boeing. In the late 1970s, unhappy with some internal politics in his division, he began thinking of going out on his own. Eventually, he chose to locate his aviation repair service in Moses Lake, where he could afford to lease buildings at the Port and could get back and forth to Seattle easily. By aligning wages with Seattle and Snohomish counties, he said, he was able

to attract great employees who enjoyed the weather and lifestyle in Eastern Washington.

"For many years, we were one of two companies doing all of Boeing's repair work," Bill Perdue said. In the early days they were servicing and repairing parts on 707s, 727s, 737s, as well as DC-8 and DC-9.

Perdue remembers one time they got a call that Air Force Two was grounded in Colorado needed a replacement part. Bill doesn't remember who the vice president was at the time, but he remembers the part was a leach relay.

A jet was dispatched to Moses Lake to pick up the part immediately. Perdue laughs when he says the part cost about \$500, but "shipping" was closer to \$5,000.

Another brush with fame was when Sonico was tapped to repair a component of NASA's SOFIA, the largest airborne observatory in the world. Sonico has a letter of appreciation signed by engineers at NASA.

With construction underway on their new facility, the Perdues do believe that the sky is the limit for Sonico. They are expanding their manufacturing capabilities and also have plans to develop their export market. When they do, the Washington SBDC can provide export assistance as well.



"Without the help of Alan and Allan, there is an awfully, awfully strong possibility that we wouldn't be in Moses Lake," Perdue said. He laughed and added, "But, I worked really hard, too."

"That's true," Peterson said, "Bill worked hard, he really, really did." And as a result, he said, 45 good-paying jobs stayed in Moses Lake, along with a business that cares about the community.

Department of Ecology's Cont.

- Land use and environmental attorneys
- Construction companies
- Developers
- Ports
- Public agencies
- Property owners

- Solid waste handling and recycling facilities
- Utilities

Why Should You Be Concerned?

The proposed rule applies to and expands a wide array of defined soils and sediments. It offers new definitions, exemptions, due diligence requirements, testing and sampling guidelines, and restrictions; along with new onerous

liability and penalty conditions. Many of these formerly normal activities would potentially increase costs of development and impede economic activity, or impact the ability of governments or utilities to provide for utility and safety improvements.

What Should You Do About It? Comment!

For more information you can subscribe to the <u>ECY-SW-Handling-Standards List</u>.

Partners & Investors

Founders Circle (\$75,000+ up)

ASPI Group City of Moses Lake City of Quincy **Grant County Grant County PUD** Port of Moses Lake Port of Quincy

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Silver Division (\$15,000-\$24,999)

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Bronze Division (\$2,500-\$14,999)

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Aviation Technical Services B & D Communications Basic American Foods Barrett Business Services, Inc.

Belle Enterprises Inc.

Big Bend Community College

Canfield & Associates

Cavuse Lake View Home Sites **Central Bonded Collectors**

City of Electric City City of George City of Royal City City of Soap Lake City of Warden

Coldwell Banker Tomlinson Ranch & Home

Columbia Basin Development League

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Columbia Northwest Engineering

Bronze Division Continued

Consolidated Disposal Service, Inc. Dano Law Firm, PS **Express Employment Professionals** Gary Mann Real Estate General Dynamics—OTS **Guild Mortgage Company** Horizon Credit Union Housing Authority of Grant County Inland Cellular Inland Tarp & Liner, LLC ITC Services, Inc. J & M Electric

Key Bank

Lad Irrigation Co., Inc. Lamb Weston, BSW Landau Associates, Inc.

JR Newhouse Co., PLLP

LC Farms, Inc. Lenroc Company **Linage Logistics**

Live Nation-Gorge Amphitheatre

Mardon Resort Martin Morris Agency Million Air Moses Lake

Moses Lake Chamber of Commerce Moses Lake Community Health Center

Moses Lake School District National Frozen Foods **Northland Communications** Northwest Farm Credit Services Pillar Rock Grill/Moses Lake Golf Club Polhamus Heating & Air Conditioning

Port of Coulee City Port of Hartline Port of Royal Slope Port of Warden

Quincy Farm Chemicals, Inc.

Quincy Foods Rock Steel Structures

SGL Automotive Carbon Fibers

Skaug Brothers, Inc. SkillSource

Skone & Conners

Total Employment & Management (TEAM)

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Western Pacific Engineering Western Polymer Corporation Windermere K-2 Realty Zip Truck Lines, Inc.

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