



## Pend Oreille County

# Board of Commissioners

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June 15, 2017

The Honorable Shelly Short  
Washington State Senate

RE: Industrial Development Project of Statewide Significance

Senator Short:

Thank you so very much for coming to the Courthouse to meet with the President of HiTest Sand and me. As you know, Pend Oreille County is one of the most economically distressed communities in the state, and your efforts to bring a new \$325 million state of the art industry to northeast Washington is of critical importance to our community. As we discussed, HiTest will be creating over 150 direct new jobs and up to 400 construction jobs that will have a substantial economic multiplier effect in our community.

As a border community, we understand there may be a question about the number of jobs that would be filled by Washington residents. While we work closely with our regional partners in Northern Idaho, as a practical matter almost all the new jobs will be filled by Washington residents. We know from experience that employees prefer to live close to their work, and there are very limited housing opportunities in Northern Idaho. In addition, Idaho has an income tax, so there is an economic incentive for workers, especially in higher wage jobs to live in Washington State. Our experience is supported by a survey we just conducted of the largest employers near Newport, the proposed site of the HiTest facility. Please note, the vast majority of employees live in Pend Oreille, Stevens, and Spokane counties.

- |   |                       |                          |
|---|-----------------------|--------------------------|
| • Pend Oreille Public Utility District #1 | 99 employees          | 93% Washington residents |
| • Ponderay Newsprint Company              | 144 employees         | 97% Washington residents |
| • Newport School District                 | 162 employees         | 88% Washington residents |
| • Newport Hospital and Health Services    | 338 employees (total) | 66% Washington residents |
| ○ Hospital Management & Providers         | 51 employees          | 88% Washington residents |
| • Pend Oreille County                     | 163 employees         | 81% Washington residents |

It is important to mention that our largest employer in Pend Oreille County, Newport Hospital and Health Services, is comprised mostly of Washington residents. Hopefully this information lays to rest any concerns about the economic benefits of this project. The last time we had an opportunity to bring this many new jobs to our community was over thirty-five years ago. Given the many challenges we face as a rural county in Eastern Washington, we must do everything we can to build a sustainable economic base for our community. Please don't hesitate to let us know how we can further assist you in your efforts!

Sincerely,

/s/

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Mike Manus, Commissioner

CC: Representative Jacquelin Maycumber  
Representative Joel Kretz  
Commissioner Karen Skoog  
Commissioner Steve Kiss