



# May 2016 E-Update

## Newsletter Contents

Message from the President	2-3
Companies Seek To Improve The Attractiveness of Yuma	4
Greater Yuma EDC Quarterly Investors Luncheon	5
\$8 Million Cut For Business Passes House	6-7
YPG: Congressional Staffers Get “Blown Away” At YPG	8-9
Major Utilities Say They’re Ready To Handle Arizona Summer	10
CenturyLink, Inc. (CTL) Has Potential To Increase 34 Percent	11-12
Greater Yuma EDC Website	13
Greater Yuma EDC Staff	14
Greater Yuma EDC Board of Directors	14

## Greater Yuma EDC

### Mission Statement:

To expand economic activity within Yuma County by attracting commerce and industry to the region, and by assisting in developing the region's existing industry to its fullest potential.

### Vision Statement:

Greater Yuma will be recognized as a globally competitive region— one that embraces advancing technology, attracts and retains human capital and continues to develop & foster the amenities that make the Yuma Region a great place to live and work.



# Message from the President



There are several things to report from the Month of April.

## **Americas Competitiveness Exchange**

Yuma County was host to an International Delegation that was part of the Americas Competitiveness Exchange. We were very fortunate to have 24 countries represented by 48 delegates. The group began their tour of Yuma County at the Yuma Center of Excellence for Desert Agriculture where Dr. Shane Burgess, Robert Barkley and Paul Brierley hosted an informative presentation and tour of the property. They traveled next to the Joe Foss Hanger at the Yuma International Airport where they learned about the Public/Private partnership that was the impetus for development of this critical asset for Yuma County. Upon leaving the Joe Foss hanger the group traveled to the Quarter Master Depot where they were met by a group of young Hispanic Traditional Dancers. The Board of Directors from Greater Yuma EDC was in attendance and met with the delegates to discuss business and trade opportunities for Yuma County. This tour was led by Economic Development Administration. Several high ranking officials traveled with the group and attended the dinner. U.S. Assistant Secretary of Commerce Mr. Jay Williams and Sandra Watson, President/CEO of the Arizona Commerce Authority were both guest speakers at the event. Included is a link to the YouTube Video of Day Three which consisted of Yuma. Barrett Haga who works for the EDA and coordinated the event sent GYEDC an email congratulating us on the ACE Dinner for being the highlight of the entire trip! Thank you to the GYEDC Board of Directors, Robert Barkley, Dr. Shane Burgess, Gladys Wiggins and GYEDC staff for all the work that went into hosting this wonderful group of people. Yuma Representatives will now be invited to participate in two future ACE Tours to be held out of the U.S. and in the U.S.

<https://www.youtube.com/watch?v=u7aUrqQtgqc>

## **The Yuma 50**

The Yuma 50 Board of Directors and Gala Committee hosted our inaugural Yuma 50 Gala Dinner on April 29, 2016. I want to express our sincere gratitude to those of you who were able to attend this very important event supporting our Military Bases, enlisted service members, their families and Veterans of Yuma County. The Yuma 50 is Not for Profit organization that was formed at the behest of Senator McCain. Base Realignment and Closures also known as BRAC are on the decline however budget maneuvering is having the same effect as a BRAC and is cause for alarm for Yuma County. The need to

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protect both our bases and their missions is paramount and this is the Mission of the Yuma 50. The website is operational however it will be updated very soon. You can become a member of the Yuma 50 simply by visiting the website and completing the on-line application. This industry sector is Yuma County's second largest economic driver. This is a call to action for our community to become engaged and support the efforts of the Yuma 50.

The current officers of the Yuma 50 are:

Chairman – Ken Rosevear

Vice Chairman – Tim Frank

Secretary – Julie Engel

Treasurer – Linda Morgan

The organizations By-laws require an annual meeting of the membership to be held in May, please be sure to get registered as a member in order to participate in the annual meeting.

Attached are a few photos from Friday nights Gala.

Again, many thanks to our supporters and Greater Yuma EDC's Investors.

Julie Engel  
President/CEO



# COMPANIES SEEK TO IMPROVE THE ATTRACTIVENESS OF YUMA

In an effort to help our local employers find common strengths to recruit and retain their valued employees, GYEDC has partnered with some of our region's largest companies to start a strategic campaign aimed at making Yuma a more attractive destination for talent. Companies within our community face a constant struggle to recruit skilled professionals due to a myriad of factors. The HR challenge can be very cumbersome and resources dedicated to the work continue to increase year over year. This is an issue that will not go away any time soon so a collection of organizations have taken a proactive approach to change the image of Yuma through a series of initiatives.

Phase I of the action plan is the commissioning of a qualitative study that aims to identify our hiring and retention challenges across a broad subset of industries. In order to address the dilemma we must understand the root problems, some of which may be tangible and others more subtle. Once we have completed this report we will use the data as a guide to steer our next steps for improving the local hiring environment.

We ask that if you are contacted by our consultant (Cuckler Media) to partake in the survey that you please respond. Many of us came to Yuma for an opportunity at success. This same dream can be a reality for the next wave of residents if we continue to improve on how we tell our story.

We thank you for your continued support!



**By Greg LaVann**  
**GYEDC Senior Vice President**



## Greater Yuma EDC Quarterly Investor Luncheon

### **SPEAKER**

Eric W. Emmert

Vice President

Dorn Policy Group, Inc.

### **TOPIC**

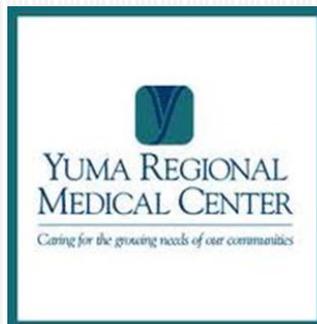
#### **2016 LEGISLATIVE REVIEW**

Eric Emmert will share issues of interest before the 2016 Regulation Session of the Arizona Legislature and discuss both the Senate and House budgets

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# \$8 Million Cut For Business Passes House

Alia Beard Rau and Mary Jo Pitzl, The Republic | azcentral.com 12:37 p.m. MST May 3, 2016

Gov. Doug Ducey's promised income-tax cut won House approval Tuesday morning, leading off debate and votes on the state budget.

The proposal allows businesses to more quickly depreciate the deduction they can take for purchases of new equipment. It is estimated to cost \$8 million next year, doubling to \$16 million in fiscal 2018. The income-tax cut passed with unanimous House Republican support, while Democrats united against it.

The votes came as legislative leaders ended a weeklong stalemate over education funding. The compromise holds schools harmless for the coming year, delaying policy changes that would have led to cuts for numerous school districts with declining enrollment, among other measures.

Lawmakers are expected to continue their work on the budget throughout the day and possibly into the night.

Under the \$9.58 billion budget originally proposed, the K-12 budget proposal would have cut \$21 million from the state's public district and charter schools — after a required annual baseline funding increase for inflation and student-population growth are accounted for.

That reduction was the primary sticking point as Republican struggled to find a compromise with enough legislative support to send the budget to the governor.

The concerns over education funding were addressed in amendments provided to lawmakers Tuesday morning. Additional amendments could still be introduced, but the budget proposal in its current form:

- Delays for a year a change lawmakers enacted last year to fund schools based on current-year attendance instead of prior-year attendance. The move is expected to cost schools \$31 million.
- Provides funding to mitigate cuts approved last year to district-sponsored charter schools. The cuts would have cost about \$1.2 million.
- Provides funding to mitigate cuts approved last year to decrease funding to smaller charter schools. The cuts would have cost about \$6.5 million.
- Eliminates a change in the original budget that determined how schools qualify for new construction. The change would have affected projects in the Agua Fria and Chandler high school districts. If Agua Fria doesn't meet the existing threshold, it won't get the promised \$16.6 million.

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House and Senate Republican lawmakers indicated they were ready to debate and vote on a state-budget deal Tuesday.



*Photo: Mark Henle/The Republic*

Budget amendments propose other education-related changes, including:

- Providing another \$400,000 to administer the Empowerment Scholarship Account program, which provides public funds for certain students to attend private schools.
- Adding a \$31 million one-time current-year replacement funding for the Classroom Site Fund, which is used for teacher and classroom costs.

As the House started budget debate Tuesday morning with a bill that shifts money among state agencies and extends a tax-amnesty program, Democrats jumped at the opportunity to propose a five-year freeze on cuts to the corporate income tax.

“It’s time to create some ongoing revenue by looking ahead and telling our corporations that for a few years, we’re going to ask you to take the burden that our schools took during the recession,” said Rep. Randy Friese, D-Tucson.

Noting the Legislature’s concern with creating a structurally balanced budget, Friese offered an alternative to cutting state services: increase revenue through a temporary tax freeze. His motion failed on a party-line vote.

The House then approved the tax-cut package on a party-line vote.

As a prelude to their budget work, the Senate late Monday approved two bills that appeared central to sealing the deal:

- A bill that expands the state Supreme Court to seven justices from five is on its way to Gov. Doug Ducey, after passing on a party-line vote with Republicans in support and Democrats opposed.
- The Senate also approved House Bill 2568, one of House Speaker David Gowan’s priorities. The bill would allow developers to create taxing districts to support infrastructure for their developments. It has faced stiff opposition from cities and towns, as well as the Central Arizona Homebuilders Association. Opponents have said it would turn over taxing authority to unelected boards. Supporters of the bill, which was heavily lobbied by Senate leadership, argue its passage was vital would allow housing developments to be built more quickly.

# YPG: CONGRESSIONAL STAFFERS GET “BLOWN AWAY” AT YPG

A dozen staffers from Democratic and Republican congressional offices throughout Arizona recently made a whirlwind tour of state military activities, including an afternoon stopover at Yuma Proving Ground that extended into the evening.

Why so long? The answer is that their last YPG stop was at the vertical wind tunnel where the staffers had the rare opportunity of suiting up and “flying” within the tunnel’s flight chamber. Most had never done anything like this before and found it a once-in-a-lifetime thrill.

Everyone agreed that the experience of free-falling was fun and exhilarating, but the YPG visit had a serious side as well. They viewed a lot of military equipment undergoing testing and exchanged thoughts with YPG personnel. Col. Randy Murray, commander, provided a detailed YPG briefing and test officers provided short briefings on a wide variety of subjects.

Michael Brownlie, deputy chief of staff for Rep. Christine Sinema (D-AZ), says it gave everyone the chance to see the breadth, importance and integration of military installations within communities throughout Arizona, as well as the diversity of military assets within the state.

“Seeing things first hand leads to a better understanding of how we can be supportive back in Washington, D.C., when coming up with budgets,” he said. “It’s good to see the value of what is accomplished at YPG and throughout Arizona, and it helped us see what we need to do when fighting for our state.”

Jeremy Hayes, professional staffer for the Senate Armed Services Committee and Chairman Senator John McCain (R-AZ), agrees the visit was valuable, and was even revelatory to those having no military background or visiting for the first time.

“The federal budget differs each cycle and, as a result, our challenges are different, so it’s very useful to see how dollars are spent,” he said. “These visits allow us to view what is happening on the ground versus what we hear verbally or see on PowerPoint charts back in Washington, D.C.”

Hayes says he has been in his job for two years. To illustrate how things change, he pointed out that the Islamic State, known as ISIS, was not a known potent threat two years ago. The war in Syria has greatly grown during that time. “Events like these have effects out here in Arizona, just like in Washington, D.C.,” he said.

Posted: Sunday,  
May 1, 2016 2:00  
am

By **Chuck  
WullenJohn**

[Continue next page ...](#)

Hayes says there is a push on Capitol Hill to fix the military acquisition process — to make the process faster and cheaper. He says some feel testing is an area in which time and money can be saved. He is quick to add, however, that neither he nor Senator McCain agree.

“What we have seen over the decades in combat operations is that if you don’t do the proper testing up front, you end up finding out downrange that the weapon system doesn’t work the way it should,” he explained. “That winds up having a battlefield impact and harms our soldiers.”

He said the Government Accountability Office (the independent, non-partisan watchdog for Congress) recently conducted a year-long investigation to study this issue and reported that no evidence exists that testing caused cost overruns or delays.

“The issue for us is that testing is good and we need to keep doing it to ensure full value for the American taxpayer and the safety of our soldiers,” Hayes said.

YPG employee Mike Dickerson, safety engineer in the Munitions and Weapons Division, who provided an overview of testing of the M777 155mm howitzer, echoed many at the proving ground when he extolled the importance of visits like this.

“It’s essential for Yuma Proving Ground to project a strong image to visitors,” he said.

“It underlines our significance to the Army and the critical importance of the testing we perform. Congress controls the purse strings, so the better face we show, the better for us.”

Brownlie of Rep. Sinema’s office believes the visit was an excellent demonstration of how members of the two major political parties, liberal and conservative, can work successfully together, despite the polarization that exists on some issues.

“When it comes to issues important to our state, we all come together as one delegation to fight for Arizona” he said with a confident smile.

Chuck Wullenjohn is the public affairs officer at the U.S. Army Yuma Proving Ground. He can be reached by email at [charles.c.wullenjohn.civ@mail.mil](mailto:charles.c.wullenjohn.civ@mail.mil).



Loaned photo

## Learning to fly

What does it feel like to “fly” within the flight chamber of Yuma Proving Ground’s vertical wind tunnel? People who have experienced it say it’s a never-to-be-forgotten thrill, for it accurately replicates the experience of free-falling, albeit with an ever-present instructor alongside and no danger.

# MAJOR UTILITIES SAY THEY'RE READY TO HANDLE ARIZONA SUMMER

Posted: Saturday, April 30, 2016 8:32 am | Updated: 9:06 am, Sat Apr 30, 2016.  
Associated Press |

PHOENIX (AP) — Arizona's major electric utilities are telling state regulators they're positioned to handle the upcoming summer heat and the season's demand on their systems.

The Arizona Corporation Commission on Thursday heard presentations from Arizona Public Service Co., Tucson Electric Power, the Salt River Project and other utilities about their preparedness for the upcoming summer.

APS is the state's largest electric utility, serving nearly 1.2 million customers in 11 counties.

The Phoenix-based company says its customers last summer experienced the most outages related to wind, rain and lightning in five years and that last August was the second hottest August on record.

But APS says it drew the necessary lessons and has built what it called "a stronger, faster, smarter" grid that means the company is well prepared heading into the summer.



# Century Link, Inc. (CTL) Has Potential To Increase 34 Percent

Author: Charlie Hefron Posted On: April 29, 2016  
**CWRU Observer**

CenturyLink, Inc. (CTL) has just caught the analyst's attention after losing -0.7 percent in the last trading session. They have a much less favorable assessment of CenturyLink, Inc. (CTL), with a mean rating of 2.9. The stock is rated as buy by 3 analysts, with 2 outperform and 9 hold rating. The rating score is on a scale of 1 to 5 where 1 stands for strong buy and 5 stands for strong sell.

For the current quarter, the 15 analysts offering adjusted EPS forecast have a consensus estimate of \$0.68 a share, which would compare with \$0.67 in the same quarter last year. They have a high estimate of \$0.7 and a low estimate of \$0.65. Revenue for the period is expected to total nearly \$4.43B from \$4.45B the year-ago period.

For the full year, 17 Wall Street analysts forecast this company would deliver earnings of \$2.6 per share, with a high estimate of \$2.68 and a low estimate of \$2.43. It had reported earnings per share of \$2.6 in the corresponding quarter of the previous year. Revenue for the period is expected to total nearly \$17.67B versus 17.90B in the preceding year.

The analysts project the company to maintain annual growth of around -1.2 percent over the next five years as compared to an average growth rate of 1.48 percent expected for its competitors in the same industry.

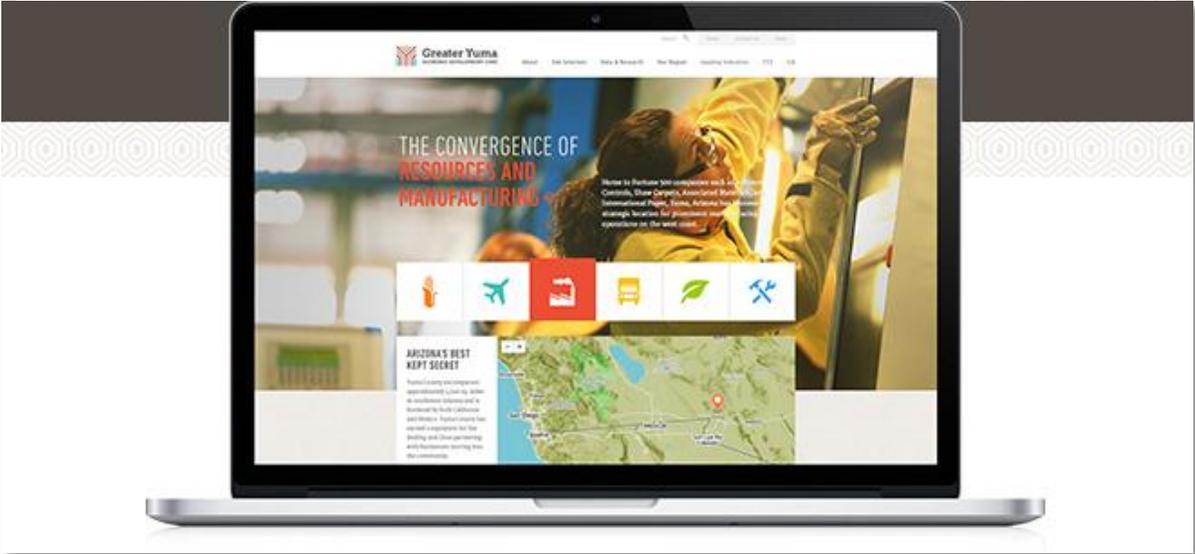
Among the 15 analysts Thomson/First Call tracks, the 12-month average price target for CTL is \$29.6 but some analysts are projecting the price to go as high as \$42. If the optimistic analysts are correct, that represents a 34 percent upside potential from the recent closing price of \$31.36. Some sell-side analysts, particularly the bearish ones, have called for \$22 price targets on shares of CenturyLink, Inc..



In the last reported results, the company reported earnings of \$0.8 per share, while analysts were calling for share earnings of \$0.65. It was an earnings surprise of 23.1 percent. In the matter of earnings surprises, the term Cockroach Effect is often implied. Cockroach Effect is a market theory that suggests that when a company reveals bad news to the public, there may be many more related negative events that have yet to be revealed. In the case of earnings surprises, if a company is suggesting a negative earnings surprise it means there are more to come.

CenturyLink, Inc. provides various communications services to residential, business, wholesale, and governmental customers in the United States. It operates through two segments, Business and Consumer. The company offers high-speed Internet services, which allow customers to connect to the Internet through their existing telephone lines or fiber-optic cables; multi-protocol label switching, a data networking technology to support real-time voice and video; and private line services for the transmission of data between sites. It also provides Ethernet services, including point-to-point and multi-point equipment configurations that facilitate data transmissions across metropolitan areas and wide area networks (WAN); colocation services that enable its customers to install their own information technology (IT) equipment; and managed hosting services comprising cloud and traditional computing, application management, back-up, storage, and other services. In addition, the company offers video entertainment services and satellite digital television; Voice over Internet Protocol, a real-time, two-way voice communication service; and managed services that consist of network, hosting, cloud, and IT services. Further, it provides local calling, long-distance voice, integrated services digital network, WAN, and switched access services; and data integration, which includes the sale of telecommunications equipment and providing network management, installation, and maintenance of data equipment, and the building of proprietary fiber-optic broadband networks. Additionally, the company leases and subleases space in its office buildings, warehouses, and other properties. As of December 31, 2015, it served approximately 6 million high-speed Internet subscribers and 285 thousand television subscribers; and operated 59 data centers in North America, Europe, and Asia. CenturyLink, Inc. was founded in 1968 and is headquartered in Monroe, Louisiana.

# GREATER YUMA EDC WEBSITE



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## Newsletter Contents

<a href="#"><u>Message from the President</u></a>	2-3
<a href="#"><u>Companies Seek To Improve The Attractiveness Of Yuma</u></a>	4
<a href="#"><u>Greater Yuma EDC Quarterly Investors Luncheon</u></a>	5
<a href="#"><u>\$8 Million Cut For Business Passes House</u></a>	6-7
<a href="#"><u>YPG: Congressional Staffers Get “Blown Away” At YPG</u></a>	8-9
<a href="#"><u>Major Utilities Say They’re Ready To Handle Arizona Summer</u></a>	10
<a href="#"><u>CenturyLink, Inc. (CTL) Has Potential To Increase 34 Percent</u></a>	11-12
<a href="#"><u>Greater Yuma EDC Website</u></a>	13
<a href="#"><u>Greater Yuma EDC Staff</u></a>	14
<a href="#"><u>Greater Yuma EDC Board of Directors</u></a>	14