FALLS CITY ECONOMIC DEVELOPMENT & GROWTH ENTERPRISE VOLUME I = 2014

Our mission is to encourage economic development and growth and improve the business conditions of the Falls City area.





BEST: People, Product, Practices

The best way to predict your future is to create it!

Abraham Lincoln

A Message from the EDGE President:

On behalf of our Executive Committee, Board of Directors, and staff, I am pleased to present the Falls City Economic Development and Growth Enterprise (EDGE) Annual Report. We proudly present our achievements which earned Falls City the coveted "2013 Governor's Showcase Award". This report is a testament to our commitment to building a stronger region and as you peruse through the report you will see EDGE has been at center of a true transformation in our area. We have played a major role in sowing the seeds of change by helping to secure key strategic investments and partnerships, fostering the expansion of local businesses, attracting new business and investment. preparing the region for future growth.

We are seeing real dividends and with the positive environment we are operating in we believe anything is possible! Since EDGE's inception, there has been a

reported \$250+ million dollars in capital investment in Falls City/ Richardson County with two of those key investments, the Missouri River Bridge and Consolidated Grain and Barge, being completed in 2013. Those are major accomplishments that will assist with the flow of commerce in the tri-state area and serve as an economic driver in our region for generations to come.

EDGE Investors make these successes possible and we welcomed approximately 75 new Investors in 2013! Our Investors span the spectrum from business, to government, to individuals and the not-for-profit sectors. We all clearly recognize the value of pooling our efforts to advance economic development. Many of the activities and goals that have been accomplished are the result of a dedicated staff and volunteer base who work hard to improve business conditions and the quality of life for the citizens of Richardson County. *Continue to page 3* >>

In this issue

- 2013 BEST Highlights P.2
- Welders: In Demand P.3
 - Annual Meeting P.4
 - Industry Update P.5
 - Merz Expansion P.6
 - FABTECH P.6
 - Dickey's BBQ Pit P.6
 - Rulo Bridge P.7
- CGB Multiplier Effect P.7
 - Director's Message P.8







2013 BEST Highlights

Best People

 Falls City EDGE has so many public and private Investors that have graciously pledged their financial support. We saw remarkable growth in the number of EDGE Investors in 2013 with the addition of approximately 75 new

investors resulting in \$24,299 dollars in new investments. Thanks to our Investor Recruitment Team, EDGE's membership has reached a record high of 161 member investors.

U.S. Senator Deb Fischer stopped in Falls City for a tour of our community as well
as a meet and greet with the public. An open house was held at the EDGE office
followed by a community tour which included visits to WASP, the CGB
construction site and a walk thru Main Street's downtown district..



Best Product

• In the area of workforce development and recruitment:



- EDGE's unique partnership with the local UNL Extension office fosters manufacturing and agricultural partnerships with our local schools including the FCHS Ag Class touring Consolidated Grain and Barge Co.
- The Southeast Nebraska Partners for Progress (P4P), including Nemaha, Richardson, Pawnee, Johnson and Otoe counties, partnered with Southeast Community College and area employers to develop training courses that address regional workforce development needs. In 2013, P4P was awarded \$10,000 to offer Supervisor Boot Camp and Blue Print Reading Certification Courses. Locally, 11 employees from WASP and Airlanco participated in the training.
- Falls City EDGE partnered with the City of Falls City and Falls City Homefront, LLC to garner additional investment in the Wilderness Falls Subdivision. Two newly constructed homes with full basements and a double car garage will be available in early 2014.

Best Practices



- Stephanie's Epic Cakes opened in the Falls City downtown business district in a newly remodeled building. Stephanie Wendtlandt collaborated with many partners along her journey to opening a new business including Falls City EDGE, Rural Enterprise Assistance Program, Southeast Nebraska Community Action Partnership, and the Small Business Administration.
- Kevin Malone, Bart Keller, and Beckie Cromer completed a corporate visit with senior executives at Herzog in April discussing business conditions, how the economy impacts their services, and the strength Herzog has in its diversified product offerings. Officials were pleased with their local workforce specifically noting the stability of their long term employees and the exceptional record of no loss time accidents.

Presidents Message continued

EDGE Investors and the leadership in our community have been critical to the progress we've made over these past 7 years. Your ongoing investment and support will ensure the continuation of that progress in the years ahead.

Falls City/Richardson County is well-positioned for even greater success and we must capitalize on the momentum through collaboration and action to create the most powerful, long-lasting, generational change. In 2014, EDGE pledges to continue to bring stakeholders together to pursue the next phase of development and to serve as a catalyst for growth in this region.

Kudos to all of us and may our successes continue into 2014 and beyond and as Abraham Lincoln once said....The BEST way to predict your future is to create it.



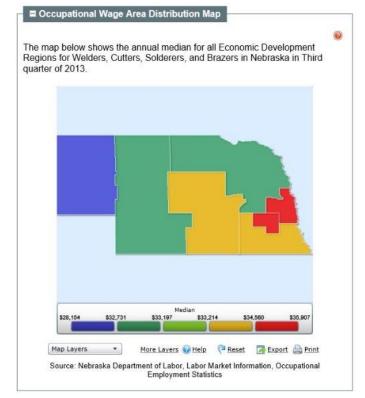
BART KELLER, EDGE PRESIDENT



Welders: In Demand

Welding---it's highly skilled, in demand and in the news! The Bureau of Labor Statistics reports that welders have a bright job outlook in coming years, projecting a 15 percent growth rate in the number of welder positions between 2010 and 2020. That is slightly higher than the average rate for all occupations. The BLS estimates that an additional 50,000 welding positions will be added during the decade.

Falls City industries, including WASP, Airlanco, and Herzog, are among those employers that will become part of those national averages as they look to grow and expand in 2014 and beyond. Their need for welders is great and therefore a unique partnership is being created among Falls City EDGE, Southeast Community College (SCC), Falls City High School and our local industries via SCC's customized training division. Our mission is to design, develop and deliver a welder training program that will assist our local industries in meeting their employment growth projections.





SCC's assessment team toured Herzog as part of our local evaluation.

Southeast Community College's welding assessment team recently toured our high school industrial arts lab and our industries in order to devise an advanced welding program that will meet the needs of our industry by providing technical skills to industry applicants. This coordinated effort will create a pipeline of qualified applicants for our industries and we look forward to launching this program in May/June of 2014. The program will include 40 welding lab hours as well as 20 hours in the classroom. For more information about the upcoming program contact the Falls City EDGE office at 402.245.2105 or director@fallscityedge.com.

EDGE Welcomes Our New Committee Members!

Jerry Duerfeldt & Mitch Merz - Marketing and Sales Rachel Witt - Product Development and Public Policy Denise Daake - Investor and Community Relations

Positive Messages at EDGE Annual Meeting

The EDGE Annual Meeting and Banquet was held on Wednesday, January 8th with approximately 110 member-investors attending the event. Beckie Cromer, EDGE Executive Director, served as Master of Ceremonies. In her opening comments, Cromer said "The banquet is a special time to recognize the hard work and accomplishments of everyone here tonight and to thank each of you for your continued support whether that's financially or in time given through board or committee representation—or both."

The banquet is an annual event that brings together so many volunteers who do so much for the community. EDGE's top accomplishments for 2013 were showcased in a display and the 2013 Annual Report was distributed to investors at the meeting. The most notable success stories of 2013 included a historic week that included grand opening celebrations of two 20+ million dollar projects including the Missouri River Bridge at Rulo and Consolidated Grain and Barge. Hundreds of area citizens attended the events. Not many rural communities of our size in the nation can say they celebrated projects of that scope and magnitude in one week. The report also highlighted strong manufacturing growth with 3 local industries at 5 year employment highs, the record membership of Falls City EDGE at 161 investors, adding to the next generation workforce



via the <u>InternNE program</u>, construction of new single family homes, small business growth, the multiplier effect of the CGB construction project and much more.



Dr. Dan Hansen

This year's keynote speaker was Dr. Dan Hansen who is the 33rd President of Peru State College. Dr. Hansen gave an update on the college and its economic impact on Southeast Nebraska specifically stating the college infuses \$40-\$50 million dollars into the economy annually and is one of the region's largest employers. He also provided information regarding the educational influence of the college in Richardson County noting more than 900 residents had taken at least one class at Peru State College over the last 10 years. Finally, banquet attendees heard about all the great things going on around campus including details about the \$60 million dollars in recent construction projects---the Oak Bowl, Al Wheeler Activity Center, the Jindra Fine Arts building, Hoyt Science building, Morgan Hall along with a redesigned library and new fitness center. Dr. Hansen and his wife Elaine joined the Peru State College family in 2009 and many of the great things going on at Peru State College, including near record enrollment figures, are the result of their dedication and leadership on campus. They have been a great addition to Southeast Nebraska and a great

Charlie Radatz, chairman of the Investor & Community Relations Committee, presented the 2013 EDGE "Investor of the Year" acknowledgements. "Tonight we honor a company that has made one of the largest investments in our community by a single business that I have seen in the 32 years I have resided in this community," said Radatz, as well as "two leaders of what we are proud to say is our number one industry in Richardson County, namely agriculture." The 2013 Investor of the Year Award went to Consolidated Grain and Barge (CGB). CGB invested \$25 million dollars in a rail grain-handling facility that was completed in the fall of 2013. CGB is not just a "passive investor," but is active in the community. They immediately recognized the importance of EDGE and they joined our ranks as a \$5,000 Visionary Investor and are providing leadership on our EDGE Board of Directors. CGB has also supported community organizations, including Falls City Recreation.



Pictured from left to right: Paul Deffenbaugh, Jay Bechtold, Gavin Mitchell, Seth Post, Carla Rhodd, and Eric Kresin



partner in regional economic development efforts.

Pictured from left to right: Jerry Duerfeldt, Linda Duerfeldt, Nicole Dunn and Andy Dunn

Two new farmer members, Jerry Duerfeldt and Andy Dunn, were awarded the 2013 Individual Investor of the Year Award. Their support is "most essential to the success of our community," said Radatz. Jerry and Andy understood how producers would benefit from having a nearby unit-train facility bidding for the grain they produce. They collected money from farmers and other supporters and paid for a newspaper ad, with a photo (Falls City Journal) of those same supporters at the CGB construction site demonstrating their support. In addition, they became EDGE investors and volunteered to serve on the Investor Recruitment Team.

During the business meeting, Charlie Radatz was elected to serve another 3-year term as a General Director. EDGE President Bart Keller concluded the meeting by saying, "We are

always excited to have new members get more involved with EDGE at the board and committee levels. If you want to find out more about becoming involved in the exciting things EDGE is doing, please talk to <u>Beckie Cromer</u> or any board member. I urge you to get involved and help make a difference in Falls City and Richardson County."

Falls City Industries - Making an Impact Locally and Globally



WASP Inc., headquartered in Glenwood Minnesota, is a designer and manufacturer of ground support equipment for major airlines and package conveyor companies worldwide. They expanded operations to include a Falls City location in 1989 and business is booming at both plants. Jerry Koopman, Plant Manager notes, "We have plans to add to our employee owner base (WASP is 100%)

Employee Owned) and when all is said and done we hope to have 100+ employees in Falls City in 2014. I am currently looking to fill 4 second shift positions in the welding department with plans to add 3 fabricators, at least 2 assemblers and potentially adding workers in our paint/prep area." WASP is also making a significant investment in their equipment with plans to install a 275 ton press/brake in the fabrication area during the 2nd quarter adding to the potential for continued employment growth at the Falls City facility. Koopman is excited about the goals the Falls City plant has for 2014, "We are looking for a 20% gain in production for the Falls City facility through increased employee owners, state of the art equipment and efficiency gains! All in all I think it will be a very exciting year for us! In 2013, we saw a 17.31% increase in production by our employee owners with total sales for the Falls City shop at \$17.8M. We are looking to eclipse that in 2014!"

<u>Airlanco</u>, a division of Ag Growth International, is a leading manufacturer of grain handling, conditioning and storage equipment for customers both home



and abroad. It's aeration systems are custom built and designed specifically for each application to provide optimal storage conditions, from farm storage to major terminals and more. Airlanco opened a 2nd Falls City location in 2012 which houses their research and development department. Their professional engineering staff use this facility to develop custom equipment and test new product lines. Airlanco is seeing its highest employment in 5 year --81 employees-- and they are currently looking to add Product Engineers, Designers/Drafters, and Sales Engineers to their staff in 2014.



<u>Vantec</u> Inc. is headquartered in Webster City, IA and their mission..."to make *you* more successful." Vantec has grown to be known as a top manufacturing resource for plastic molded parts with a solid reputation as an innovative leader in quality custom injection molding services. Owners Willie and Bev Van Wyhe opened their second facility in Falls City in November of 2008 with the addition of a 40,000-sq.-ft. facility capable of

holding 20 injection molding presses and the ability to double to 80,000-sq.-ft of production. The new Nebraska plant was built to add capacity as well as to be closer to customers and be more responsive to their needs. Vantec's marketing team continually works on increasing its customer base at the Falls City plant and Sherri Hotzler, President and CEO, provided the following update regarding Falls City operations, "We will be running the Falls City plant 24/7 over the next 2-3 months to keep up with customer demand." This is a milestone moment for the local plant as it's the first time Vantec has operated its Falls City location 24/7 and they are currently looking for employees. Hotzler concluded, "We are accepting applications through Staffing Services, Inc. for 8 hour shifts, Monday through Friday, as well as 12 hour shifts for Saturday and Sunday. Vantec has certainly assisted Falls City EDGE in being successful on the economic development front—holding true to their companies mission!

Herzog Railcar Shop in Falls City provides expert, cost effective rail car repair services for railroads, leasing companies as well as their own fleet of railcars. Falls City's location on the Union Pacific and BNSF rail lines make this an ideal site for Herzog whose rail car repair facilities are fully equipped to handle



most any repair maintenance service. They provide preventive maintenance, wheel replacement, car modifications, and exterior and interior painting. These state-of-the-art equipped shops are AAR M-1003 and M-214 certified. Herzog purchased the Falls City location in 1998 and has made tremendous improvements to the facility.

Merz Farm Equipment Expansion

The Merz Farm Equipment construction project is well underway and they are excited about the significant investment they are making in the future of Falls City. The planning effort for this project began in 2011 and after much due diligence and planning, the Merz family unveiled their plans for expansion during their 60th anniversary open house in June of 2013. The project includes a design built with a focus on serving their customers and includes a new office building, customer lounge and, for the viewing pleasure of their customers, a state of the art showroom big enough to display an array of Massey Ferguson products and equipment. Merz Farm Equipment also plans to maintain an expanded product offering, construct a brand new service office and conference room in order to



The new expansion at Merz Farm Equipment to be completed spring 2014.

better serve the immediate needs of their loyal customer base. This new facility will give their staff an ideal environment to gain the skills and knowledge to better serve the customer and will provide the service techs all the tools they need to make sure farmers are in the field and running at all times. It's a great project for Falls City and it will have a positive impact on our agricultural community. Look for a grand opening event sometime this spring!

FABTECH 2013

In November, Beckie Cromer, along with members of the Lincoln Area Development Partnership and Nebraska Public Power District, attended FABTECH in Chicago, IL. This tradeshow is the largest metal forming, fabricating, welding and finishing event in North America. After the show completed, it was announced that FABTECH in Chicago set records for numbers of attendees (40,667) and exhibitors (1,573) as well as floor space (650,000 square feet). EDGE Executive Director, Beckie Cromer stated, "It was one of the best tradeshows I have ever



Brian Vasa of NPPD and Beckie Cromer work the Nebraska booth at

attended. The Nebraska booth saw a lot of traffic and we received many businesses contacts/project leads. The group will be participating in this event in 2014 and NPPD has already secured booth space for next year's show."

Coming Soon....DICKEYS BARBECUE PIT

Barbequing is one of the hottest hobbies in the country and Brian and Rachel Witt, BBQ enthusiasts, are taking it to the next level with the opening of their new franchise, Dickey's BBQ Pit. In 1941, Travis Dickey set out to perfect Texasstyle barbecue in Dallas, TX and today every location smokes all of their meats on-site the same way it was done "back in the day". Dickey's serves up beef brisket, pulled pork, ham, polish sausage, turkey breast and chicken, with an extensive array of home-style sides from jalapeño beans to macaroni and cheese. Buttery rolls are served with every meal along with the complimentary ice cream and dill pickles. Kids eat free on Sundays too! Dickey's Barbecue Pit prides itself on authenticity, innovation and barbecue sauce, and its customers are wooed by the home-style flavor and family friendly atmosphere.

Brian and Rachel plan to open Dickey's BBQ Pit in April at 117 West 17th St. They plan to offer catering and curb side service with the goal of adding a vending truck that will serve the lunch crowd on-site at various locations throughout the city! The party room is available for public use during the transition. For more information, to reserve the party room, or to learn more about joining the Dickey's BBQ Pit team call 402.245.2000



In March of 2013, Ames True Temper -- a leading manufacturer of striking tools announced it would cease operations at their Falls City plant by the end of 2013 due to a consolidation plan being implemented by company officials. John Martin, local Plant Manager, recently offered the following update, "We still have the main crew (24 personnel) working 2 shifts per day, 6 days per week. This abnormally cold and snowy (in the northeast) winter has depleted all our winter related inventory companywide and has set back the startup of our Striking Tools Forge Line at Camp Hill Pa. by approx. 45 days. We are scheduled to continue working at the Falls City location through the end of February at least."

Out with the Old in with the New

A new bridge spans the Missouri River at Rulo so the old bridge is coming down one span at a time. On the crisp morning of January 19, a large crowd watched as one third of the historic Rulo Bridge plunged into the icy Missouri River. A 425-foot-long span of the 75-year old bridge is no more. "It went very well; it's down in the river where it's supposed to be," said Mike Habegger, Construction Manager with the Nebraska Dept. of Roads. Preliminary work on the \$1.73 million dollar demolition project was completed months ago as is takes much preparation in bringing down an old bridge. In the next few weeks, Jensen Construction Co. will bring down the other two spans in a similar manner making the old bridge just a memory.



Demolition of the first section of the old Rulo bridge. Photo by Jason Schock

Although the old bridge carried a lot of history it couldn't carry modern traffic such as large farm equipment but the new \$25.7 million dollar bridge can! Hundreds of citizens witnessed the first combine to cross the Missouri River without any trouble at the grand opening of the new Missouri River Bridge on September 1st, 2013. A ceremony was held on a warm Sunday afternoon to celebrate and thank those for their efforts. Lt. Governor Lavon Heidemann acknowledged the hard work stating, "We knew that we needed a bridge, so this is a very important day for Nebraska and the Midwest to get this thing done. Four years ago we had a goal in mind and we are standing on that goal today." The bridge was opened to the public following an official ribbon cutting and a ceremonial passage.



Cutting the ribbon at the opening of the new Missouri River Bridge, from left: Chuck Simmonds, Karl Forehand, Steve Roberts, Mitch Glaeser, Mike Habegger, Curt Mueting, Tom Goodbarn, Michael Rinehart, Lt. Gov. Heidemann, Sen. Dan Watermeier, Randy Peters, Rod Vandeberg, Monty Frederickson, Charlie Radatz, Beckie Cromer, Anthony Fee and Allen Donigan. Photo by Randy Gottula

The Multiplier Effect - CGB's Impact

The multiplier effect....it's an important piece to a development puzzle. CGB's yearlong construction project increased the demand on many local businesses which in turn created more wealth in the region.

Businesses Impacted Include:

Southeast Ready Mix/Concrete Industries, Compass Pumping and Conveying, Snethen Trucking, Donnie Stevens/ Triple S Construction, Kaster Trucking, Huettner Trucking, Staffing Services, Tri-State Electric, AHRS, Jones Air Conditioning, Hullman's Ford, Armbruster Motor Co., Wolfes Printing, Sapp Bros, Farm & City Supply, Scholl Lawn and Landscaping, Hoy's Ideal Cleaners, Airlanco, K&F Welding, SNC, Falls City Journal, Mary's Appliance, new partnerships with area grain elevators, Hotels, Restaurants, and many more..



CGB's Grand Opening and Ribbon Cutting was held on September 5, 2013. Cutting the ribbon from left to right: (front) Gary Jorn, Eric Kresin, Governor Heineman, Greg Beck, Senator Dan Watermeier, Seth Post, and Beckie Cromer. (Back) Chuck Bebermeyer, Charlie Radatz, Mayor Tim Hersh, Jerry Oliver, Bart Keller and Dorothy Towle

A Message from the EDGE Director

January.... out with the old and in with the new, the beginning of a new year, a time to make resolutions, and in Falls City---banquet season for the many organizations that give so much of their time and talents to the community. Falls City EDGE Investors came together in January during our annual banquet to celebrate the many successes realized in 2013 and you can see our year in review by pursuing our 2013 Annual Report. Falls City Mayor Tim Hersh also gave the City Council and his administration a powerful message to start the new year in his "state of the city" address giving a real shot in the arm to a group of men and women who are devoted to moving the community forward in a positive direction. Mayor Hersh noted Falls City has "continued to grow" and he challenged community leaders to "remain on track and move (the community) forward." He went on to say, "it takes a community to move a community forward."

As we embark on a new year on the economic development front we will continue to work hard for the citizens and businesses of Falls City and Richardson County. We are already off to a great start with the addition of Dickey's BBQ Pit in downtown Falls City, employment growth planned in our manufacturing sector, the continued development of the Wilderness Falls sub-division including 2 newly constructed homes with full basements and a double car garage by Falls City Homefront LLC, as well as an application being submitted for a second phase of senior housing which would include 14 new units (8-three bedroom and 6-two bedroom) and a clubhouse.

Let's all work together and make 2014 the best year on record and, as Mayor Hersh said, "strive toward making Falls City the best city in Southeast Nebraska."

~Beckie Cromer, EDGE Executive Director

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Beckie Cromer, Executive Director
Carla Rhodd, Administrative Assistant

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