

Phelps County Business Journal

A QUARTERLY NEWSLETTER HIGHLIGHTING ECONOMIC DEVELOPMENT IN PHELPS COUNTY, NE-



Holdrege Ranked Happiest

Holdrege has been ranked as the happiest place to live in Nebraska by Zippia, a career advisory company.

The study based its ranking on the following criteria: being well educated (population with at least a bachelor's degree), unemployment rate, a short commute to work, low cost of living, having a family, owning a home and the poverty rate.

"There's a search that we are all on that dwarfs our job or career search — the search for happiness," the study's organizers said. "And as we all know, where we live and the job we have can all play a big part in our overall sense of contentment and happiness."

"As it turns out, life is all rainbows and butterflies in Holdrege, the happiest place in Nebraska."

— Zippia Study

LOCAL COMPANY CELEBRATES 35 YEARS

Aldama New Leader at Hawkins

Although Hawkins Manufacturing celebrates its 35th year of business in Holdrege this year, it's still relatively unknown in the community.

New General Manager Karen Aldama wants to change that.

"We've been pretty quiet for a long time, and so I think it's time for us to get out there and start making a bigger impression on the community as well as other Nebraska dealerships," she said. "We are really excited to become a more present member of the community."

The farm equipment manufacturer has been in the same location at 2120 Fourth Ave. in Holdrege since it started in Holdrege in 1981. It began when Harlan Hock purchased the business from a company in Colorado and moved the production of the row-crop ditcher to the thriving Phelps County farming community.

Aldama, a Holdrege native, started work at Hawkins in 2011 as the bookkeeper.

"Because we are a small company, everybody wears a lot of hats," Aldama said. "I just kind of got involved in anything that I was capable of doing."

She gravitated most toward the sales part of the business.

"The sales side of things is really interesting to me," she said. "I really enjoy going out and talking to all the dealers, and the farmers as well, promoting our products."

Aldama was promoted to general manager in August after Wayne Karschner retired.

It was a good fit for the hometown



Karen Aldama was promoted to General Manager at Hawkins in August. She is working to grow demand for the farm equipment manufactured at Hawkins and help the company become a bigger presence in the local community. A tip from PCDC helped Aldama and Hawkins receive a state training grant.

girl who majored in hospitality management at Central Community College of Hastings. Instead of organizing large Las Vegas conventions as she had originally planned, she's organizing staff trainings and promoting the sale of farm equipment made in her hometown at farm shows around the country.

She enjoys the challenge of her work and raising her three children in Holdrege.

"Raising kids in Holdrege is probably the best place for them," she said. "That's where I stayed because I really wanted them to have the experience living here and growing up. Having this

opportunity here at Hawkins has been really great to expand from bookkeeping into everything else."

Aldama said that Hawkins manufactures seven main products: the original row-crop ditcher that has been updated over the years, the down corn reel, the fertilizer applicator, the crust breaker, the sub-soiler, the stabilizer and tool bars.

These products are sold to farmers through more than 500 dealerships around the United States and a few in Canada. They are sold locally at LandMark Implement and Titan Machinery.

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Group Considers Local Research Farm

A potential agricultural research farm in Phelps County could help local producers in their efforts to grow crops more efficiently and protect the environment.

The Phelps County Development Corporation has allocated \$5,000 in 2016 for board members to research the possibility of bringing a facility to the area.

Board member and local farmer Reed McClymont is leading the charge.

McClymont and other board members visited the Irrigation Research Foundation's 320-acre farm in Yuma, Colo., last summer and were impressed with how the facility has improved local farming practices and profitability during its 22-year existence.

Phelps County officials are hopeful that the Colorado facility would consider opening a sister facility in Phelps County.

If the Irrigation Research Foundation would have an interest in a satellite facility in Phelps County, McClymont said the project could take off in the next year.

"If we've got to re-create the wheel and find a director and start from ground zero, it would take longer," he said. "Being able to do something cooperatively with the group in Yuma would get the project moving faster."



Reed McClymont

During his previous visits to the research farm, McClymont made connections with AgriMeasures, a South Carolina company that helped the Colorado farmers test and save money on water and nitrogen usage.

McClymont is organizing a group of local producers to offer the same testing in Phelps County this spring.

Through the use of sensors, farmers will be able to determine the exact amount of water and nitrogen needed to grow a crop.

McClymont said AgriMeasures is unique because it has developed a system to collect information and give daily recommendations to farmers so that water and nutrients are provided only when needed and only at the levels needed.

"Hopefully, we can learn things and reduce our water usage and put the water and nitrogen on it at the most effective time for the crop," McClymont said.

Based on similar research at the Yuma facility, McClymont said farmers have been able to reduce nitrogen usage by 50 percent.

The cost for the sensors is about \$2,500 per quarter section of farm ground. McClymont said if farmers are interested in participating in this research, they can still do so this spring by contacting him.

The water and nitrogen sensors are just one of the types of research projects that could be offered through a local research farm to assist local producers.



PCDC Connects Business Owners to Resources

The Phelps County Development Corporation has a tool box full of ways to help local businesses thrive.

Succession planning, researching new product lines and loans and grants are just some of the ways that PCDC can help business owners.

Hawkins Manufacturing General Manager Karen Aldama said she is grateful for PCDC's tip that led her company to receive a \$5,000 training grant through the Nebraska Department of Labor to train her employees in LEAN manufacturing principles.

"PCDC has been an enormous resource for me especially with all of the contacts they have, and they have been able to steer us toward other economic development opportunities," Aldama said.

Here's some other ways that PCDC can help:

Transition/Succession Planning: Two of PCDC's roles are to support entrepreneurs and retain current businesses, so it makes sense to match entrepreneurs with retiring business owners.

"We encounter people that are exploring opportunities but are finding it extremely difficult to dream up ideas on their own," PCDC

Executive Director Monica Boyken said. "Buying an existing business is much easier."

She encourages business owners looking at retirement in the next 5-10 years to obtain a realistic valuation of their business' worth and be sure it doesn't include too much "blue sky."

Market Trends: Which area of town has the highest traffic count? What are the shopping patterns and household income levels for Phelps County residents? PCDC has access to this information and other statistics that can help local business owners make important future decisions.

"We have statistics about what the average person purchases each year, and we know what purchases are leaving town," Boyken said. "A little more research, and you can begin to determine if that's because that product isn't offered here or if a local offering just can't compete with big box or online sellers. There's also demographics to look at. If you want to sell high-end merchandise, yet only 30 households in the area make more than \$100,000, you probably don't have a business.....or at least you don't have a sustainable one."

Building Expansion or Location Services: Boyken said PCDC never competes with local realtors but can be helpful in researching options and talking through the pros and cons of certain locations. Sometimes, PCDC has information about buildings that aren't yet advertised to the general public and that may be "just the break

that the client needs."

Financing and Loans: PCDC has nearly \$700,000 in loan funds available to help businesses through the revolving loan fund. The loans fill a gap between what a bank will loan and what a business needs to proceed with a project or to just get started. These loans are available for technology updates, remodels, start-up costs and succession planning. The loan fund can lend up to 50 percent of a project's total cost and owners must provide at least 10 percent equity.

PCDC regularly informs businesses about state grants or loans for which they may be eligible. (You can find one in an article within this publication!)

Business in Motion Group: PCDC hosts the monthly Business in Motion group to help business owners set aside time to "work" on their businesses. Each meeting gives attendees a chance to learn hints and tips through a professional video series and discussions with other business owners. The group meets at 8:30 a.m. on the first Tuesday of each month at Fourth Avenue Coffee.

Confidential Meetings: PCDC staff can meet with business owners any time to confidentially discuss plans and goals. While it may be tempting to keep thoughts about retirement and other changes to themselves, business owners may find that sharing those ideas confidentially can often result in solutions or connections.



Monica Boyken

Hawkins Looks To Expand Staff

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Aldama said that Hawkins recently began distributing quad-copter drones that she hopes will tie in with future precision-agriculture products.

Hawkins is owned by Janice Hock, and Tim Hock is the president. Aldama oversees the daily operations of the plant, which employs 13 people including a draftsman, welders, production workers, painters and shipping and receiving workers. Aldama is actively seeking to hire an engineer and a salesperson to help grow the business.

Aldama said she is appreciative of the help from the Phelps County Development Corporation as she looks for ways to improve and create higher demand for products.

"PCDC has been an enormous resource for me especially with all of the contacts they have, and they have been able to steer us toward other economic development opportunities," Aldama said.

Through information provided to her by PCDC staff, Aldama was able to secure a \$5,000 training grant through the Nebraska Department of Labor's Nebraska Worker Training Program. The grant is being used to to train current employees in

LEAN manufacturing principles to help with waste elimination.

Aldama said a few years ago, PCDC also pointed Hawkins in the right direction to receive a grant to help update equipment.

"The other thing that has been enormous for me is the support that Monica (Boyken) has been able to give," Aldama said. "She's really stellar and outstanding in supporting me and Hawkins as far as providing guidance and just moral support. Knowing you have not just her but the entire (PCDC) program in your corner is really encouraging."

5-Year Program Spurs \$40 Million Growth

Five years ago, PCDC set some aggressive goals for securing a strong future for Phelps County with the Prosperity Project Campaign and Initiative.

In 2011, PCDC investors donated \$1.3 million to that five-year plan that will be complete at the end of 2016. Those local investments, combined with a portion of LB840 sales tax funds, have made a substantial impact on the Phelps County economy during the first four years of the initiative.

The investments spurred a \$40 million expansion to the local economy through the following projects:

Janssen & Sons Ford (\$2 million expansion): PCDC sold a 5.5-acre parcel of land to Janssens for the construction of a new 17,000-square-foot store. PCDC also assisted with the tax-increment financing application to make the project possible.

Holdrege Downtown Revitalization (\$540,000): PCDC invested \$180,000 into a matching façade improvement grant program that assisted 14 businesses and improved the image of three of Phelps County's business districts.

The Dale Loft Apartments and Business Center (\$500,000): PCDC provided a \$70,000 loan that was used to rehabilitate the business center and add a new restaurant, El Agave.

Cargill (\$30 million expansion): Cargill's project coordinator told PCDC officials that without financial incentive, it would be difficult to encourage corporate to expand in Phelps County. With the help of PCDC, the Village of Atlanta skip-annexed the project and provided tax-increment financing to seal the deal.

Allmand Bros. (\$2 million expansion): PCDC provided a loan to secure the land to the north of Allmand's 140,000-square-foot expansion, providing access and space for finished goods storage. Briggs and Stratton has since purchased Allmand Bros. The sale would have been more difficult had the company been land-locked.

Orscheln Farm and Home Store (\$3.4 million building): Orscheln



Farm and Home built a new 33,000-square-foot location for added visibility on Highway 6 & 34. PCDC encouraged the high-grossing store to move and expand. PCDC had originally recruited Orscheln's to Holdrege to fill an 8,000-square foot building located a block south of the highway.

Ag West (\$2 million expansion): PCDC provided gap financing for Ag West to construct its new headquarters in Holdrege to better accommodate its expanding workforce. PCDC originally recruited Ag West to Holdrege to fill a vacant building near the airport.

In addition to the \$40 million impact, PCDC has supported entrepreneurship through education and training and helped retiring business owners sell to new owners. PCDC has also set the stage for future expansion and recruitment with the purchase of the 134-acre Iron Horse Business and Industry Park and has provided \$58,500 in scholarships to local students who are interested in returning to Phelps County for future careers to help secure future workers.

Goals, strategies and funding options for the next five years (2017-2021) have been sketched and are currently being reviewed and analyzed by stakeholders and investors. Watch for more details on Prosperity Project 2 in upcoming Phelps County Business Journals or in monthly PCDC online newsletter updates.





2015 Making the Future BRIGHTER

DEVELOP A MARKETABLE PRODUCT

- Created a strategic name — the Iron Horse Business & Industry Park — for PCDC's 134-acre recruitment site.
- Encouraged the successful annexation of the Iron Horse Business & Industry Park into the Holdrege city limits, which was the first step toward making the site eligible for Tax Increment Financing to be used as an incentive for businesses.
- Assisted with a tasting event for a restaurant franchise that wants to expand to Holdrege.
- Sold a 5.53 acre site and provided assistance in applying for Tax Increment Financing, a tool that businesses can use to offset the high costs of a new development, for the Janssen & Sons Ford expansion.
- Funded a hotel feasibility study after area business owners expressed concern about a lack of hotel rooms. The study determined a new hotel was needed, and information was shared with potential investors.



LEVERAGE FINANCIAL RESOURCES

- Led the successful LB840 campaign that resulted in voters passing the half-cent sales tax for economic development by 83 percent! This could generate \$8 million between 2017 and 2032 for growth projects!
- Completed the facade improvement grant program that awarded funds to 13 downtown businesses as part of an overall Downtown Revitalization Project.

COLLABORATE & PROMOTE

- Began a partnership with the Community Venture Network to identify businesses seeking to expand or relocate, resulting in 17 leads of companies specifically interested in locating in rural areas.
- Partnered with NPPD to create a community guide to be used as a recruitment tool for new and existing businesses.
- Promoted economic development highlights and shared information and statistics to help local business owners and managers through the quarterly Phelps County Business Journal and monthly e-newsletters and press releases.
- Attended the National Plastics and FABTECH (metal forming, fabricating, welding and finishing industries) trade shows to promote the Iron Horse Business & Industry Park.



INSPIRE & RECRUIT TALENT

- NINE** local entrepreneurs helped in the 2015 EDGE class.
- EIGHT** business owners encouraged and educated in the Business in Motion Network.
- \$30,000** in scholarships awarded to nine area students who plan to return to Phelps County after pursuing more education to work in local high-demand jobs.
- DOZENS** of area youth inspired to consider hometown careers through YELP, tours of three large Phelps County employers and participation in the Chamber's Career Fair.

OUR MISSION:

The mission of the Phelps County Development Corporation is to encourage business retention and promote economic development while preserving the quality of life in Phelps County, Nebraska.

Find out more by visiting www.phelpscountyne.com.



Landmark Expands To 17 Locations

LandMark Implement has doubled its sales and service area by adding seven John Deere dealerships across Nebraska and Kansas through a recent merger with Oregon Trails Equipment LLC.

As a result of the merger, LandMark dealerships can now be found in 17 Midwest locations stretching from Gothenburg to Marysville, Kan.

"We're extremely proud of the new affiliation with the Oregon Trail employees and customers," said Andy Grollmes, chief executive officer of LandMark Implement Inc. "With the addition of seven new LandMark Implement locations, we will be able to offer an even more extensive parts and service network; a larger new and used equipment inventory and specialized product support."

LandMark Implement started in Holdrege as McClymont Implement in 1947. The company's headquarters are located in Holdrege at 915 Brewster Road.

LandMark also was recently recognized by John Deere for 10 years of outstanding service as an authorized John Deere dealer.

Countryside Market Receives Grant

A PCDC façade improvement grant is helping enhance the Countryside Market in Bertrand.

Owner Brenda Johnson said the matching grant provided funds for new energy-efficient interior lights and will help fund exterior brick repair and painting and the installation of new energy-efficient windows that will also improve the appearance of her store at 522 Minor Ave. in Bertrand. The interior lighting has already been completed, and the other improvements are planned for this spring.

"As a small business owner, our budget is super tight and if it wasn't for the grant, we wouldn't have been able to do half of what we are doing," Johnson said. "It's a huge part of it, and we so greatly appreciate that we had the grant opportunity."

Countryside Market offers groceries, a deli with daily meal specials and a gift shop. Johnson has also encouraged visitors to the market by offering "Crafting Gone Wild" nights several times a month. For more information about the market, become a fan of Countryside Market Bertrand on Facebook.



June 1 Completion Expected For Janssen Ford Project

In just a few months, Janssen & Sons Ford will move a few blocks west to its new location on west Highway 6 & 34.

"We are very excited about it," said owner Dan Janssen of the dealership's new building.

Janssen said construction is tentatively expected to be completed by June 1 on the new 17,000 square-foot building. Janssen purchased the 5.5 acres of ground for the new location from PCDC.

The new location will give the dealership about 5,000 more square feet. It will also allow the company space to offer customers a new quick-service lane for oil changes, tire fixes and other minor repairs without having to make an appointment.

Janssen said they are currently seeking to hire a quick lane manager and quick lane technician for the new location.

Once the current Ford dealership is moved to the new location, Janssen said he plans to move the Janssen Chrysler Jeep Dodge Ram business from its location at 305 S. East Avenue to the current Ford location at 601 W. 4th Ave. The Chrysler building would then be offered for sale.

Melton Remodels Downtown Building For Leadfoot Gun Store

Local entrepreneur Joe Melton has purchased the building at 317 East Ave. to house his Leadfoot gun silencer manufacturing business and gun store.

Melton has operated Leadfoot manufacturing for about four years now and currently manufactures silencers and sells guns from his Melton Plaza location at 716 4th Ave.

He purchased the East Avenue building in February and plans to move that portion of his business to the new location in May after he renovates both the exterior and interior of the building. His exterior renovations include adding a metal Nebraska mural to the front window.

Also in the past six months, Melton has opened the Ultimate Tans business inside the Melton Plaza. He also operates his Rustic Nebraska furniture business out of the same location. Current other renters in the plaza are Salon 31 hair studio and Esbee Photos. Melton said renovations to the plaza's balcony will continue after the gun store project is complete making space for another renter in the plaza.



FINDING FUTURE TALENT

Internships Enhance Employee Recruitment

Last summer, University of Nebraska at Kearney student Chelsea Thurlow landed an internship in cardiac rehab at Phelps Memorial Health Center.



Chelsea Thurlow

That's where the Atkinson native discovered she loved Holdrege and would like to return to the town after graduation. Although there were no openings in cardiac rehab, she found a position at the Don Sjogren Community YMCA and recently was promoted to Human Resources and Business

Manager at the Y.

Her internship connected her to the community and encouraged her to return for a future career.

Many area employers see the value in internships when recruiting future employees.

Ben Lans, Sales Leader at Cargill, said his company hires close to 450 interns nationally each year. Locally, Cargill hires between two and six interns annually.

Cargill interns are hired across multiple functions, including accounting and finance, commodities, engineering, food safety, health and safety, human resources, management, marketing, engineering, food safety, operations, sales and supply chain.

"Most internships have project work assigned that aligns with their area of study," Lans said. "There is ongoing training throughout the summer, and we also bring all interns to Minneapolis for a few days for a broader view of the company and additional training and events."

Lans said the interns aren't the only ones who benefit from the experience.

"The benefits we receive from our interns are significant," Lans said. "They are able to assist with work and projects that otherwise would not get done. They also add value with their unique perspective, bringing in an outside view. We've had instances where through the efforts of our interns, we've found cost savings reaching into the millions."

InternNE.com Businesses Can Receive Grants To Hire Interns

The Nebraska Department of Economic Development has a grant program to help Nebraska employers hire paid interns. The program, Intern Nebraska (InternNE), connects college students and employers from across the state, providing a unique opportunity for them to co-invest in the future. It is state funded and started in 2011.

Rose Baker, Job Training and InternNE coordinator with the NDED, said the biggest benefit to employers who provide internship opportunities is the students.

"Students provide fresh energy and new ideas. They are a great resource when trying to complete short term projects. Also, providing students with a great internship can prove to be an invaluable recruiting tool for employers who are trying to attract new talent."

Internships create lasting connections between students and the region; more

than 50 percent of interns become full-time employees at their place of internship, according to the National Association of Colleges and Employers.

InternNE employer participants can list their internship opportunities on the InternNE web site, where registered InternNE students can apply.

Students are recruited to the program through career fairs, speaking engagements and social media accounts (Facebook, Twitter and Instagram).

Employers who are establishing new internships can apply for grants to be reimbursed for 50 percent of the cost of an intern's salary of up to \$5,000. The next grant application deadline is April 30.

For more information, visit <http://neded.org/business/talent-a-innovation-initiative/internne>.

Although he said training interns does take time, the benefits outweigh the hurdles.

And when it comes time to seek quality employees, the benefits are even greater.

"We use our internship program as a feeder into our full-time associate and trainee positions," he said. "This is the pipeline for bringing young, top talent into the organization."

He said 55 percent of interns become full-time Cargill employees.

CHS Agri Coop also has a successful summer internship program.

Sales Manager Matt Broekemeier said CHS typically hires two or three summer interns locally. They work in the three main departments – agronomy, grain and fuel. CHS interns also are treated to a week of training at the CHS headquarters in Minneapolis.

"What we don't want them to do is grunt work every day," Broekemeier said. "That's part of it, too, but we want them to learn what a job in agriculture could be some day, not just doing the stuff we don't want to do."

Broekemeier said they recruit interns based on applications through the corporate web site (which attracts about 50 applicants per year) and through local recommendations and applications.

Lans said Cargill recruits interns through sending recruitment teams to specific college campuses.

Broekemeier agreed that the internship program helps when it comes to future employee recruitment.

"It's kind of our way of finding and training young talent that can work for us later on," Broekemeier said.



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Learn more news about business and development in Phelps County by signing up for the PCDC e-newsletter.



Phelps County Business Journal

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Volunteers Celebrated At Annual Meeting

About 75 people attended the PCDC annual meeting on February 18 at the Holdrege Country Club, where LB840 volunteers were celebrated for helping shine a light on a brighter Phelps County Future.

Reed McClymont was given the 2015 President's Priceless Pick award that honors a board member who has gone above and beyond typical board member duties. McClymont offered solutions and equipment to remove trees and debris from the new Iron Horse Business & Industry Park, and he is leading efforts on a possible research farm in Phelps County.

