

December 2019

# A Report on the Reports

Examining public records relating to the  
Center for Economic and Business Research's  
2014 and 2019 'Employment at Cherry Point' reports

Prepared by

**The Searchlight Review**

Sandy Robson

## **Table of Contents**

Introduction	3
Executive Summary	5
Overview	10
CEBR's 2014 Employment at Cherry Point report	12
Period between the 2014 and 2019 Employment at Cherry Point reports	22
CEBR's 2019 Employment at Cherry Point report	33
Conclusion	53
About the Author	54

## Introduction

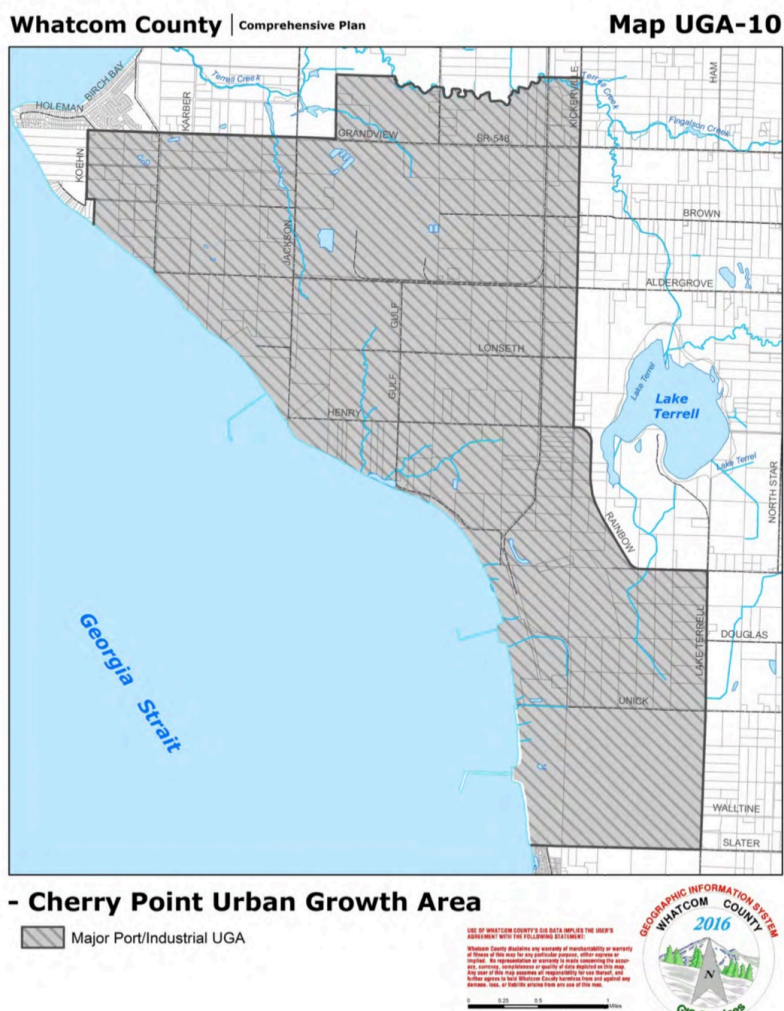
This report assembled by *The Searchlight Review* focuses on the 2014 “Employment at Cherry Point” report, and the 2019 “Employment at Cherry Point” update to the 2014 report, both of which, were prepared by Western Washington University’s Center for Economic and Business Research (CEBR). CEBR was commissioned by the Whatcom Business Alliance to prepare the two reports. Western Washington University (WWU) is located in Bellingham, Washington.

CEBR’s 2014 Employment at Cherry Point report was prepared starting in the summer of 2014, and it was released in October of 2014. The 2014 Employment at Cherry Point report was co-authored by CEBR Co-Director and Associate Professor, Department of Economics, Dr. Hart Hodges, and Dr. William Beyers, Professor Emeritus, Dept. of Geography, University of Washington.

CEBR’s 2019 Employment at Cherry Point report which updated its 2014 report was prepared starting in the summer of 2018, continuing through early 2019, and was released in March of 2019. The 2019 Employment at Cherry Point report was prepared by CEBR co-directors, Dr. Hart Hodges and James McCafferty, and research analyst, Allison Rucker.

*The Searchlight Review’s* report examines public records related to the 2014 Employment at Cherry Point report which were obtained in October of 2017 from Western Washington University (WWU), and examines public records related to the 2019 Employment at Cherry Point report which were obtained from the university which were sent in installments during the months of April, May, June and July of 2019.

For the purpose of this report, and for CEBR’s 2014 and 2019 Employment at Cherry Point reports, the Cherry Point Industrial Zone is defined as the Cherry Point Urban Growth Area, as pictured in the map on the following page.



*Image above is a screenshot (taken from the current Whatcom County Comprehensive Plan) showing the Cherry Point Urban Growth Area is shown shaded in light grey*

## Executive Summary

The goal of *The Searchlight Review*'s report is to provide information based primarily on public records obtained from Western Washington University (WWU) regarding the preparation of both the 2014 and 2019 "Employment at Cherry Point" reports created by WWU's Center for Economic and Business Research (CEBR). CEBR was commissioned by the Whatcom Business Alliance (WBA) to prepare each of those reports. *The Searchlight Review* focused on the records of communications exchanged including those between CEBR and the WBA and other parties involved in those, as well as records of internal CEBR communications, all of which, related to both the 2014 and 2019 Employment at Cherry Point reports.

CEBR's 2014 Employment at Cherry Point report provided "a point of reference in discussions about the jobs that currently [in 2014] exist within the Cherry Point Industrial Zone in Whatcom County," according to the report's Executive Summary.

CEBR's 2019 Employment at Cherry Point report updates the 2014 Employment at Cherry Point report created by our Center and provides a more current reference point for discussions about the economic contribution, commonly referred to as an economic impact, made by businesses within the Cherry Point Industrial District in Whatcom County, Washington," according to the report's Executive Summary.

### *The Searchlight Review's research finds:*

- In its 2014 Employment at Cherry Point report, CEBR allowed Gateway Pacific Terminal (GPT) applicant SSA Marine/Pacific International Terminals (PIT) and its paid consultants to provide input on the draft report, using the Whatcom Business Alliance (WBA) as a conduit for SSA Marine/PIT's interests.
- The 2014 Employment at Cherry Point report has been used for advocacy purposes by pro-Cherry Point development interests, despite the fact that in its report CEBR states in the Executive Summary, Introduction and Conclusion sections that the report was not intended to serve any advocacy purposes.
- Email records show, before even receiving a green light to proceed with the original Employment at Cherry Point report in 2014, CEBR co-director, Hart Hodges, suggested to WBA president, Tony Larson, that they (CEBR and WBA) discuss ways to get multiple organizations in support of the report. Hodges told Larson that he had talked to a few people about that possibility and he thought the best option would be to produce the report and then circulate it to a few organizations, and ask those organizations to say that they consider the report to be balanced and useful.
- Records show that SSA Marine/PIT's paid consultant on the GPT project, Craig Cole connected Loyd Drain with WBA president, Tony Larson. At that time, Drain

was the executive director of the Wyoming Infrastructure Authority (WIA), an instrumentality of the state of Wyoming that plays a vital role in supporting, advocating, monitoring, and promoting its state's energy resources.

- SSA Marine's VP of business development, Joe Ritzman, was included in some of those email communications. Drain expressed the WIA's readiness to become a part of the 2014 Employment at Cherry Point report and contribute to its cost, and to meet to discuss the report's Scope of Work to ensure all the parameters would be addressed.
- CEBR co-director, Hart Hodges, suggested to WBA president, Tony Larson, the idea of having a few people review the 2014 draft Employment at Cherry Point report and to make edits based on their feedback. The individuals Hodges listed included: GPT consultants Megan Watt and Craig Cole, Port of Bellingham's economic development specialist, Dodd Snodgrass, Steve Jilk at Whatcom County Public Utility District #1, regional director of public affairs and communications for Phillips 66, Jeff Callender, and others.
- Records show that a draft of the 2014 Employment at Cherry Point report was distributed for review to GPT consultants Megan Watt and Craig Cole, along with Bruce Boram, a Seattle-based political and public affairs consultant who has worked with the Washington State Republican Party, the House and Senate Campaign Committees, and the Oregon House Republicans.
- Records pertaining to the 2014 Employment at Cherry Point report show that approximately three months after CEBR started working on the report, and after the draft report had already been sent out in early October of 2014 to various individuals, CEBR's co-director, Hart Hodges, was advised by two groups at WWU, that he and his co-author of the report, Dr. William Byers, not use any outside help with the report. Dr. Byers is a professor at the University of Washington.
- During the interim between the release of the 2014 Employment at Cherry Point report and before CEBR started working in 2018 on the 2019 Employment at Cherry Point report, the WBA was working with at least two public affairs consultants who were included in communications with CEBR's co-directors Hart Hodges and James McCafferty and the WBA regarding the proposed Cherry Point Amendments to Whatcom County's comprehensive plan and code.
  - One of those consultants was BP's director of communications and external affairs - Northwest for BP America, who was assigned as a part-time resource for the WBA for several months to help with work related to the proposed Cherry Point Amendments to Whatcom County's comprehensive plan and code.
- During the interim between the release of the 2014 Employment at Cherry Point report and before CEBR started working in 2018 on the 2019 Employment at Cherry Point report, the WBA made multiple requests of CEBR's co-directors to

take several actions which would be considered to be advocacy efforts related to the proposed Cherry Point Amendments to Whatcom County's comprehensive plan and code.

- At least one of those requests originated from SSA Marine's V.P. of project development, Skip Sahlin, and was sent to Hodges by the WBA on behalf of Sahlin. From reviewing the records released by WWU indicate that, eventually, Hodges told the WBA that he and McCafferty would not be able to help them in terms of those specific requests.
- According to email records, in August of 2018, WBA president, Tony Larson, asked CEBR co-directors, Hart Hodges and James McCafferty, if WWU/CEBR would be interested in doing an update to the 2014 Employment at Cherry Point report previously produced by CEBR.
  - It took approximately three minutes for CEBR's co-directors to make the decision to prepare the update to the 2014 Employment at Cherry Point report for the WBA, ignoring the fact that Hodges had acknowledged to his co-director, McCafferty — that what the WBA wanted was CEBR's (and by extension, the university's) name on an advocacy piece. Giving the go-ahead in an email, Hodges told McCafferty, "Then go forth and generate revenue."
- The 2019 Employment at Cherry Point report has been used for advocacy purposes by pro-Cherry Point development interests, despite the fact that in its report CEBR states in the Executive Summary section that the report was not intended to serve any advocacy purposes.
- Email records indicate there was at least one meeting (in September of 2018) with CEBR co-director, James McCafferty and WBA president, Tony Larson, at which political and public affairs consultant Bruce Boram was present. Email records also indicate that Boram was working with the WBA and CEBR on the 2019 Employment at Cherry Point report up through the WBA's March 19, 2019 rollout event for the report, including a number of days after the event.
  - In 2014, CEBR co-director, Hart Hodges, had previously refrained from getting further help from Boram on CEBR's 2014 Employment at Cherry Point report based on the advice of two groups within WWU.
- Email records show that WBA president, Tony Larson, had to provide specific contacts at Cherry Point companies for CEBR to contact, and in a number of cases he had to contact those businesses himself to encourage them to provide the information for the 2019 report.
  - At least one of the businesses needed assurance that the WBA was involved in the 2019 Employment at Cherry Point report in order for it to cooperate by providing the information regarding employee numbers and wages requested by CEBR.



- According to email records, CEBR co-director, Hart Hodges, voiced frustration to his co-director, James McCafferty, that the WBA asked for a section on affordable housing in the 2019 Employment at Cherry Point report which was not in the original Scope of Work.

  - Hart Hodges told his co-director, James McCafferty, in an email, that it was “quite a reach to let the WBA say something political.” While Hodges expressed his dislike for it, he and James McCafferty still included a section on affordable housing in the 2019 Employment at Cherry Point report.
  - The affordable housing section that was added to the report consisted of three pages and was ultimately titled, “Affordable Housing and Poverty.”
  - Even though Hodges suggested in an email that CEBR add a footnote in the report to say that the “Affordable Housing” section was added at WBA’s request (which he described in an email as “a CYA move”), no such footnote appeared in CEBR’s 2019 report.
  
- Email records indicate that the WBA specifically wanted something to be included in the “Conclusion” section of the 2019 Employment at Cherry Point report that would show the median home price in Whatcom County that would be affordable at the average wage level in Whatcom County, and the home price that would be affordable for Cherry Point workers at their average wage level. CEBR did include a version of what the WBA had specifically wanted to have included in the “Conclusion” section of the report.
  
- The WBA held a March 19, 2019 event at which the 2019 Employment at Cherry Point report was rolled-out and there was a panel discussion of the report featuring eight panelists. Among the attendees, there were numerous elected and public officials who were invited by the WBA.

  - The majority of the panelists’ remarks perpetuated the message that the proposed Cherry Point Amendments are too restrictive for Cherry Point businesses. They also advocated for easier and predictable permitting processes.
  - The emcee for the event, WBA president, Tony Larson, claimed that there is a formalized group in our area “whose stated goal is to deindustrialize Cherry Point,” but he presented no evidence of such a group.
  
- The moderator for the March 19, 2019 event, Jim McKinney, perpetuated the idea that the Whatcom County Council has been problematic in its handling of the process for those amendments. However, the Cherry Point amendments process that has been ongoing for several years is a public process which includes detailed work and extensive review by the County Planning Commission, the County’s Planning and Development Services department, an outside legal firm, and the County Council.

  - There has been public testimony regarding the Cherry Point Amendments delivered verbally to the Whatcom County Council and the Whatcom



County Planning Commission during their meetings and public hearings, as well as written public comments which have been submitted to them. Additional opportunities are upcoming for public comment on the amendments throughout the Planning Commission's and County Council's review process.

- Email communication records show that the WBA provided some specific names (and their contact information) of individuals at Cherry Point businesses for CEHR to contact for its report.
- According to email communication records, in a number of instances, the WBA provided data to CEHR rather than that data having come directly from the Cherry Point businesses to CEHR.
  - WBA president, Tony Larson, provided Puget Sound Energy's charitable giving numbers for 2018 in a March 12, 2019 email he sent to the CEHR research analyst working on the 2019 Employment at Cherry Point report.
  - WBA president, Tony Larson, provided data directly to CEHR regarding BP's charitable giving numbers when he asked CEHR to make a correction to BP's volunteer hours number in its draft report in a March 13, 2019 email he sent to the CEHR research analyst working on the 2019 Employment at Cherry Point report.
- Email communication records related to both the 2014 and the 2019 Employment at Cherry Point reports indicate that the analysis presented in those reports prepared by CEHR was not truly independent from the funding source which was the WBA, nor was that analysis truly independent from entities such as SSA Marine/PIT, Phillips 66 Ferndale refinery, BP Cherry Point refinery, and even the Wyoming Infrastructure Authority, all of which have provided funding to the WBA and have, or had, financial interests in Cherry Point.

## Overview

According to the Executive Summary of CEBR's 2019 "Employment at Cherry Point" report, it updates the 2014 "Employment at Cherry Point" report that was prepared by WWU's Center for Economic and Business Research (CEBR), and "provides a more current reference point for discussions about the economic contribution, commonly referred to as an economic impact, made by businesses within the Cherry Point Industrial District in Whatcom County, Washington." The Executive Summary of CEBR's 2019 report also stated that "This report is not intended for any advocacy purposes."

CEBR is an outreach center at WWU located within the College of Business and Economics, according to its website. The center's website states that CEBR "works in partnership with businesses, non-profits, government/quasi-governmental entities and tribal communities to respond to data and analysis needs."

Records show that an invoice for \$6,500 for CEBR's work in preparing the 2019 Employment at Cherry Point report was sent to the WBA via a March 26, 2019 email, which also included a copy of the Scope of Work for the report. WBA's payment for that fee was received by the university, according to WWU's public records officer.

*The Searchlight Review* had also obtained public records from WWU in October of 2017 which related to CEBR's initial Employment at Cherry Point report that was released in October of 2014.

The 2014 Employment at Cherry Point report was about the economic impact from the businesses in the Cherry Point Industrial Zone. That 2014 report was co-authored by Dr. Hart Hodges, and Dr. William Beyers, Professor Emeritus, Dept. of Geography, University of Washington. Bill Beyers has authored numerous economic impact studies and has been primarily responsible for the maintenance of the Washington State Input-Output tables, according to the short summary of his background in CEBR's draft Scope of Work dated June 11, 2014, that was provided in email records.

The draft Scope of Work indicated that the initial preliminary budget estimate for CEBR's work preparing the 2014 report was \$10,000. Records show an invoice dated November 4, 2014 was sent to the WBA from WWU for CEBR's work in preparing the 2014 Employment at Cherry Point report, and that the university received the payment from the WBA on January 6, 2015.

Both the 2014 Employment at Cherry Point report released in October of 2014 and the 2019 Employment at Cherry Point report released in March of 2019, were commissioned by the WBA's board of directors. The WBA, created in 2012, is a business support and advocacy member group. Its organization's website states: "The WBA advocates on behalf of all businesses and industries in Whatcom County,

providing they are good actors, follow the rules and comply with all local, state and federal laws.”

The WBA and its founder, Tony Larson, who has been associated with conservative politics in Whatcom County, were strong advocates for the Gateway Pacific Terminal project proposed in 2011. According to its Project Information Document filed with the County, if built, coal terminal applicant Pacific International Terminals, a subsidiary of SSA Marine, planned to export 48 million tons of coal per year from Cherry Point, in Whatcom County, for the first ten years of its terminal’s operation.

In its endeavor to acquire the necessary permit approvals for that project, Pacific International Terminals (PIT) and its affiliated advocates, were willing to take actions that would have abrogated the tribal treaty rights of the Lummi Nation. Ultimately, on May 9, 2016, the U.S. Army Corps of Engineers ruled that the project would have adversely impacted the treaty-protected fishing rights of Lummi Nation, and that its agency may not permit a project that abrogates treaty rights.

The WBA’s website states: “The WBA is actively engaged in fact-based business research, education, communication, and advocacy with its members on issues important to local business success and community prosperity. The WBA has built an extraordinary level of influence and credibility because it gathers credible data and information and shares it in a thoughtful, respectful, and solution-focused manner.” It goes on to state, “We also engage in education and advocacy for businesses on policy matters that are deemed to be detrimental to business success.”

From its organization’s actions since its inception and from reviewing its website, it is clear that advocacy is at the core of what the WBA does. Because of that fact, it is unclear then, how a state funded educational institution like WWU, through its affiliated CEBR, allows itself to be involved in preparing reports or studies for the WBA, an organization which is advocating for businesses and industry in Whatcom County.

Inserting a disclaimer or multiple disclaimers such as, “This report is not intended for any advocacy purposes,” in a report that CEBR produces for a business and industry advocate such as the WBA, does not remove the reality that the report is being used, and has been used in advocacy efforts by the WBA and other organizations. Email records reviewed in the preparation of *The Searchlight Review*’s report show that CEBR co-director, Hart Hodges, was aware of the WBA’s intent to use the reports for advocacy purposes. That awareness however, did not cause him or his co-director at CEBR, James McCafferty, to turn away the prospect of preparing the economic impact analysis paid for by the WBA.

## CEBR's 2014 Employment at Cherry Point report

Starting back with the [2014 "Employment at Cherry Point" report](#), CEBR's Hart Hodges had contacted WBA president, Tony Larson, in a June 11, 2014 email, providing him a draft Scope of Work for the report that WBA had wanted CEBR to prepare.

Larson replied the next day, via a June 12, 2014 email, and told Hodges that the framework looked good to him, and he would present it to his WBA Executive Committee the next morning, adding that he would check the calendar for a date for the stakeholder rollout. Eight minutes later that same day, June 12, 2014, Hodges sent an email to his co-director at CEBR, James McCafferty, and said, "Tony didn't seem to blink at the \$10k in the budget for the Cherry Point project. We'll see what his exec committee says tomorrow - but it looks like we're moving forward."

Before getting the green light from Larson and the WBA that its organization wanted CEBR to officially proceed on preparing the report, Hodges, assuming that the WBA was wanting to move forward, suggested in an email to Larson that they discuss ways to secure multiple organizations' support of the report. In a June 25, 2014 email that Hodges sent to Larson, he wrote:

"Did your board make any decisions about the Cherry Point jobs study? Assuming you want to move forward, we should discuss ways to get multiple organizations in support of the report. I've talked to a few people about that possibility and am thinking the best option may be to do the report and then circulate it to a few organizations and ask them to say that they consider it to be balanced and useful. If we can get that sort of support, it can be a good reference point in future conversations. Just a thought..."

**From:** Hart Hodges  
**To:** [Tony Larson](#)  
**Date:** Jun 25, 2014, 3:15 PM  
**Subject:** Cherry Point study

Tony,  
Did your board make any decisions about the Cherry Point jobs study?  
Assuming you want to move forward, we should discuss ways to get multiple organizations in support of the report. I've talked to a few people about that possibility and am thinking the best option may be to do the report and then circulate it to a few organizations and ask them to say that they consider it to be balanced and useful. If we can get that sort of support, it can be a good reference point in future conversations. Just a thought...

Thanks,  
Hart

*Screenshot of June 25, 2014 email sent by CEBR co-director, Hart Hodges, to WBA president, Tony Larson*

Larson replied in an email later that same day, June 25, 2014, saying that the WBA's board agreed to move forward with the report, which was essentially the notice to proceed that CEBR needed to begin its work. He also agreed that it would be valuable to have feedback regarding the report, and said he would work on that as well as putting together a stakeholder event to roll-out the report publicly.

The 2014 Employment at Cherry Point report was introduced at the NW Business Expo and Conference that was organized by the WBA, and held on October 23, 2014, in Bellingham. Hodges gave a presentation on the report at the event. Larson told *The Bellingham Herald* in an October 24, 2014 article that the report did not factor in the then-proposed GPT project, and said the reason for the study was "to highlight what currently exists at Cherry Point and have a set of data in place while the community considers future economic development in the area."

However, the GPT project was the 48 million ton elephant in the room that the "report did not factor in," and appeared to be the primary motivation for the WBA having commissioned CEBR to prepare the report. In the Herald article, Larson stated, "This is the beginning of the conversation," adding that he, "feels that the economic development component has been missing from the conversation about Cherry Point, particularly when it comes to the proposed Gateway Pacific Terminal coal terminal." In reality, "the economic development component" had actually been the centerpiece of the conversation when it came to GPT, since the project was first announced in early 2011.

Records show that numerous individuals connected to the GPT project were involved in email communications with WBA president, Tony Larson, and Hart Hodges in connection to CEBR's 2014 Employment at Cherry Point report.

On July 14, 2014, Bellingham resident and PIT's paid consultant on the GPT project, Craig Cole, sent an email to Larson and to Loyd Drain, who was the executive director of the Wyoming Infrastructure Authority (WIA). According to its website, the WIA which was created by the State of Wyoming, is an instrumentality of that state, and plays "a vital role in supporting, advocating, monitoring, and promoting Wyoming's energy resources."

In his July 14, 2014 email, Cole claimed there was a "serious movement to de-industrialize the region's economy and the use of land and waterways at Cherry Point," and he emphasized the importance of presenting an analysis of the economic impacts of industry at Cherry Point. He said that the "business community is going to have to step up in terms of its knowledge base and reasoned advocacy." That led him to the motivation for his email introducing Lloyd Drain and Tony Larson: "I wanted the two of you to be able to discuss the possibility of collaborating in getting this study launched."

On Mon, Jul 14, 2014 at 5:59 PM, Craig Cole [REDACTED]  
Loyd and Tony—

This is an email introduction and the presentation of an opportunity that may be of mutual interest and benefit. Loyd runs a very important Wyoming entity that seeks to improve market capacity and demand for his state's products, and he recently honored us with a visit to Whatcom County. Tony is head of the Whatcom Business Alliance, publishes a business magazine, and is a former Whatcom County Councilman.

The Cherry Point heavy industrial area includes two major oil refineries (BP and Phillips) plus an aluminum smelter and numerous support vendors. It is also the site of the proposed Gateway Pacific Terminal, which would improve the nation's export infrastructure for dry, bulk commodities. All of these industries are instruments of interstate commerce and international trade. They are also high-wage employers that contribute greatly to the national and regional welfare; but how much?

There is a serious movement to de-industrialize the region's economy and the use of land and waterways at Cherry Point, in favor of a more gentrified economic structure. Whatcom County is reviewing its Comprehensive Land Use Plan and is being encouraged to conduct a wide-ranging EIS process in order to identify environmental impacts associated with having industry at Cherry Point, both existing and potential. But decision-makers should also be informed of the economic impacts, as well, so that a balanced cost/benefit analysis can be presented and deliberated. Otherwise, the discussion is one-sided. The public needs to understand what life would be like with more or less industry in the job portfolio. The business community is going to have to step up in terms of its knowledge base and reasoned advocacy.

There is an absence of thorough, recent, and credible research on the value of the Cherry Point industrial area, and this is a hindrance to good public policy deliberation. Hence, the attached proposal which is being pursued by the Whatcom Business Alliance. The study proponents are highly regarded, and this work can serve as a model for other communities or used for reference in various venues to illustrate what industry means to a region's economy. However, the implications are much more than local, because these industries support the processing and transport of products produced by several states. We are all interconnected.

I wanted the two of you to be able to discuss the possibility of collaborating in getting this study launched. Of course, I would be pleased to be of assistance.

Warmest regards,

Craig

Craig Cole  
Straight Talk Consulting, LLC  
[REDACTED]

*Screenshot of July 14, 2014 email sent by SSA Marine/PIT's consultant on its GPT project, Craig Cole, to WBA president, Tony Larson, and Loyd Drain, executive director of the Wyoming Infrastructure Authority*

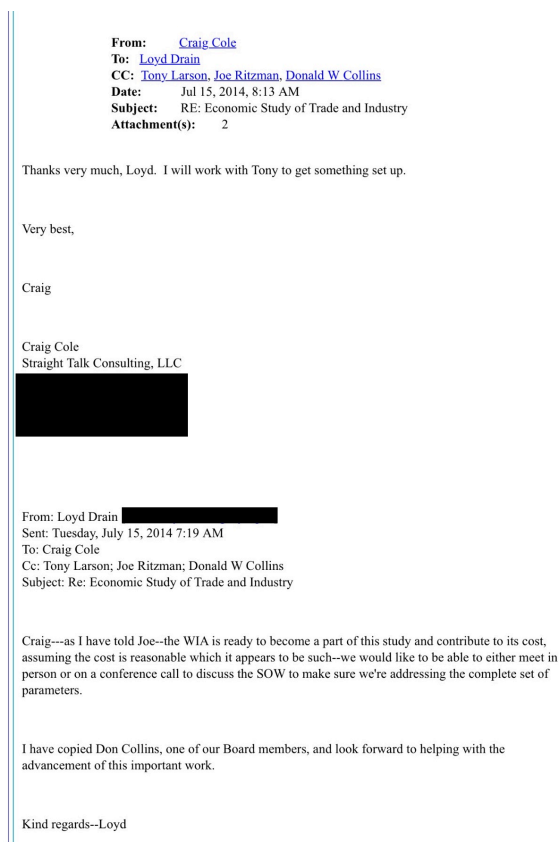
Cole said he was attaching a copy of what he referred to as the proposal being pursued by the WBA, which appears to have been CEBR's Scope of Work document.

WIA executive director, Drain, replied the next day in a July 15, 2014 email sent to Cole, on which he Ccd Larson, along with SSA Marine's (coal terminal applicant PIT's parent company) VP of business development, Joe Ritzman, and Donald Collins, the CEO of Western Research Institute and a board member of the WIA.

"Craig---as I have told Joe--the WIA is ready to become a part of this study and contribute to its cost, assuming the cost is reasonable which it appears to be such--we would like to be able to either meet in person or on a conference call to discuss the

SOW [Scope of Work] to make sure we're addressing the complete set of parameters," Drain wrote in his email.

Later that same day, Cole replied, via email, to Drain and Ccd Larson, Ritzman, and Collins on that email, saying that he would work with Larson to get something set up.



*Screenshot of July 15, 2014 email sent by Wyoming Infrastructure Authority (WIA) executive director Loyd Drain to SSA Marine/PIT's consultant on its GPT project Craig Cole (Ccd to WBA president, Tony Larson, SSA Marine's VP of business development, Joe Ritzman, and Donald Collins, CEO of Western Research Institute and a board member of WIA). Also shown in screenshot is a July 15, 2014 reply sent by Cole to Loyd Drain (Ccd to Larson, Ritzman, Collins)*

According to a September 2, 2014 email sent from CEBR's Hart Hodges to WBA president, Tony Larson, they had set a target date of late August/beginning of September for completing a draft of the Employment at Cherry Point report, and he was almost done with that draft. In his email, Hodges asked Larson:

"Should we have a few people review the draft and make edits based on their feedback - before doing anything major? If so, do you want me to pick a small group?"

Assembled by *The Searchlight Review*



Do you have some people you'd like to have be part of that group? (I would ask you, Megan [Watt] or Craig [Cole], Dodd Snodgrass at the Port, perhaps David Nelson, perhaps Steve Jilk at PUD #1, Jeff Calender [Jeff Callender, regional director of public affairs and communications for Phillips 66], and a few others.) Also, when are you hoping to be able to share the report with a broader audience?"

**From:** Hart Hodges  
**To:** [Tony Larson](#)  
**Date:** Sep 2, 2014, 11:15 AM  
**Subject:** Cherry Point report

Tony,  
We had set the end of August / beginning of Sept as a target date for a draft report on jobs in the Cherry Point area.  
Believe it or not, I'm almost done with a draft.

Should we have a few people review the draft and make edits based on their feedback - before doing anything major? If so, do you want me to pick a small group? Do you have some people you'd like to have be part of that group? (I would ask you, Megan or Craig, Dodd Snodgrass at the Port, perhaps David Nelson, perhaps Steve Jilk at PUD #1, Jeff Calendar, and a few others.)  
Also, when are you hoping to be able to share the report with a broader audience?

Thanks,  
Hart

*Screenshot of September 2, 2014 email sent by CEBR co-director, Hart Hodges, to WBA president, Tony Larson*

Email records show that Craig Cole and Megan Watt, who along with Cole, was also a consultant for the GPT project and worked with him, were involved in email communications with both Hodges and Larson relating to the 2014 Employment at Cherry Point report.

Watt sent a September 17, 2014 email to Hodges and Larson, forwarding a September 16, 2014 email sent to her by Cole about him having been contacted regarding interest in the Cherry Point report coming from outside of Whatcom County, specifically from a state official in Wyoming. Cole's email had reported that Wyoming would be sending an observer to the WBA rollout of the report, and he expected other states and interests to do the same.

Larson told Hodges in a September 20, 2014 email that he had organized what he referred to as a Cherry Point stakeholder meeting for September 22, 2014 at BP Cherry Point Refinery, and they would have a "great group of people there and will be seeking funding for the study and our (WBA's) research and education fund." Larson said he expected around fifteen to twenty companies at the meeting.

Meanwhile, Larson, working things on his end, had also sent a September 19, 2014 email to Hodges, asking him if he could meet at Phillips 66 the following week to provide a review of the draft report.

In an October 6, 2014 email from Hodges to Megan Watt and Ccd to Larson, he sent a draft copy of the Employment at Cherry Point report, and asked them to let him know if “we should share this draft with anyone from the meeting to get their feedback.” Hodges added that Watt and Larson could forward it directly if they would like.

Two days later, on October 8, 2014, Watt replied to both Hodges and Larson, asking, “Do either of you mind if I share this draft with Craig [Cole]?”

Hodges replied in an email he sent to Watt on which he Ccd Larson that same day (October 8, 2014), and said: “I’m definitely interested in getting Bruce’s help with packaging the report (a question in your previous email) - but I don’t have his contact info. Either you or Tony [Larson] may certainly forward the current draft to him for formatting help, edits, etc. I’m also comfortable having Craig [Cole] provide feedback on this draft.”

From: Hart Hodges [REDACTED]  
 Date: Wed, 8 Oct 2014 15:12:36 +0000  
 To: Megan Watt [REDACTED]  
 Cc: Tony Larson [REDACTED]  
 Subject: Re: status of employment report

Megan,

I'm definitely interested in getting Bruce's help with packaging the report (a question in your previous email) - but I don't have his contact info. Either you or Tony may certainly forward the current draft to him for formatting help, edits, etc.

I'm also comfortable having Craig provide feedback on this draft. Tony?

Thanks,

Hart

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From: Megan Watt [REDACTED]  
 Sent: Wednesday, October 08, 2014 7:35 AM  
 To: Hart Hodges  
 Cc: Tony Larson  
 Subject: Re: status of employment report

Do either of you mind if I share this draft with Craig?

Sent from my iPhone

On Oct 6, 2014, at 5:05 PM, Hart Hodges [REDACTED] wrote:

Tony and Megan,

I've attached a draft of the report to let you see where I am at the moment.

You'll notice some highlighted areas where I still have questions or am trying to get clarification.

Please let me know if we should share this draft with anyone from the meeting to get their feedback. (You may forward it directly if you'd like.)

Also, it looks like Bill Beyers will be able to attend the luncheon on the 23rd.

Thanks,

Hart  
 <Employment at Cherry Point.docx>

*Screenshot of October 8, 2014 email sent by CEBR co-director, Hart Hodges, to Megan Watt, and Ccd to WBA president, Tony Larson, and SSA Marine/PIT consultant on the GPT project. Also shown in screenshot is an October 8, 2014 email reply sent by Watt to Hodges and Larson, and an October 8, 2014 email reply sent by Hodges to Watt and Larson*

That same day, October 8, 2014, Larson replied in an email to Hodges and Watt, and he Ccd Bruce Boram, and said: “It would be great to have Craig [Cole] take a look as well. I sent Bruce a copy yesterday. He is ready and willing to assist in the layout, etc. Drop him an email or give him a call to discuss.”

In his email to Hodges, Larson provided Boram’s email and phone contact information, and told him to send Boram an email or call him to discuss. Bruce Boram is a Seattle-based political and public affairs consultant.

Sixteen minutes after receiving Larson’s October 8, 2014 email, Hodges sent Boram an email, telling him that it was his understanding that Larson had already forwarded a copy of the draft of the Employment at Cherry Point report/study, but said to let him know if he did not have the draft report. Hodges also told Boram that he welcomed his feedback on the content, and any help he could provide on formatting.

As a political and public affairs consultant, Boram has worked with the Washington State Republican Party, the House and Senate Campaign Committees, and the Oregon House Republicans. Boram’s name may be familiar to Washingtonians from the highly publicized 2017 election race for Port of Vancouver Commissioner between oil terminal-backed candidate Kris Greene, and his opponent who publicly opposed the proposed oil terminal, Don Orange. Boram was a member of Greene’s campaign advisory committee.

Greene received nearly \$600,000 in contributions, with \$225,000 of that total coming from Vancouver Energy, a joint venture of Andeavor (formerly called Tesoro Corporation and Savage Companies, and \$145,000 coming from Tesoro Savage Petroleum Terminal LLC). Ultimately, Orange won that election race. Some people in Washington state believed that particular Port Commission race would decide the fate of the country's largest proposed crude-by-rail terminal. The Port of Vancouver was the site for Vancouver Energy’s crude-by-rail terminal project.

An October 12, 2017 article published by The Columbian described Boram as someone, “who works with organizations that push and advocate for fossil fuel projects around the state, including the Vancouver Energy oil terminal.” According to the article, “Andeavor’s vice president of state government affairs, Dan Riley, said the Vancouver Energy officials have connections with Boram.” The article included some emails involving Boram which were provided to its publication.

Boram was also described in *The Columbian* article as, “a contractor with Keep Washington Competitive, a trade-focused group of unions, businesses and agricultural groups.”

Keep Washington Competitive (KWC) was spun-off from the Association of Washington Business in early 2014. AWB, according to its website, works as the state’s chamber of commerce and the manufacturing and technology association. According to KWC’s

registration with Washington's Office of the Secretary of State, Boram is listed as a Governor, along with Tom Gurr. DeSmogblog.com describes KWC as "an apparent front-group for fossil fuel companies fighting regulations affecting fossil fuel exports."

KWC promoted and garnered support for the proposed coal export terminals that were being considered at Cherry Point and Longview, and for Vancouver Energy's crude-by-rail terminal. KWC had co-sponsored two pro-GPT events held in Bellingham; one in 2014 and one in 2015, both of which were also sponsored by the WBA. Hart Hodges was one of several panelists at the 2015 event.

Boram replied to Hodges' October 8, 2014 email that same day, and confirmed that Larson had forwarded him a draft copy of the Employment at Cherry Point report, and that he was reading it. Boram suggested that he and Hodges get together on the phone sometime that week to talk about formatting.

Later that same day, on October 8, 2014, Hodges sent a reply email to Boram, saying, "I'd be happy to talk," and gave him his cell number and a couple suggested days that week on which they could have their phone call.

From: Bruce Boram [REDACTED]  
Sent: Wednesday, October 08, 2014 10:32 AM  
To: Hart Hodges  
Subject: RE: status of employment report

Hart:

Yes, Tony did forward it to me and I am reading it now. We should probably get the phone this week and talk about your thoughts on the formatting.

Bruce Boram  
(206) 618-1386

From: Hart Hodges [REDACTED]  
Sent: Wednesday, October 8, 2014 8:41 AM  
To: bruceboram [REDACTED]  
Subject: Fw: status of employment report

Bruce,  
I believe Tony forwarded to you a copy of the recent draft of the Cherry Point employment study. Please let me know if you do not have it.  
I welcome your feedback on content and any help you can provide on formatting.

Best regards,  
Hart

Hart Hodges, Director  
Center for Economic and Business Research  
Western Washington University

From: Tony Larson [REDACTED]  
Sent: Wednesday, October 08, 2014 8:25 AM  
To: Hart Hodges; Megan Watt  
Cc: Bruce Boram  
Subject: Re: status of employment report

It would be great to have Craig take a look as well. I sent Bruce a copy yesterday. He is ready and willing to assist in the layout, etc.

Drop him an email or give him a call to discuss:  
Bruce Boram [REDACTED]  
[REDACTED]  
Tony

*Screenshot of October 8, 2014 email reply sent by WBA president, Tony Larson, to CEBR co-director, Hart Hodges, and SSA Marine/PIT consultant for its GPT project, Megan Watt (and Ccd to Seattle-based political and public affairs consultant Bruce Boram.) Also shown in screenshot is an October 8, 2014 email sent by Hodges to Boram, and an October 8, 2014 email reply sent by Boram to Hodges*

There were subsequent emails between Hodges and Boram which occurred five days later, on October 13, 2014. Two days later, Hodges sent an October 15, 2014 email to Boram on which he Ccd GPT consultant Megan Watt and WBA president, Tony Larson. In his email, Hodges said:

“I had two groups at the University today (after we spoke) recommend strongly that Bill [Beyers, co-author of the report] and I not use any outside help with the report. They know that the Whatcom Business Alliance is funding the report, but advised that we not get help with anything in preparation. I’m sure you understand – even though it might seem a bit silly in some ways.

“Let me know what we should do about the call on Friday.

“Most of all, thank you for being available, and offering the assistance you did. I look forward to talking with you and to seeing you soon.”

From: Hart Hodges  
Sent: 10/15/2014 7:14 PM  
To: BRUCE BORAM  
Cc: Megan Watt; Tony Larson  
Subject: Re: status of employment report

Bruce,  
I had two groups at the University recommend strongly today (after we spoke) that Bill and I not use any outside help with the report. They know that the Whatcom Business Alliance is funding the report, but advised that we not get help with anything in the preparation. I’m sure you understand – even though it might seem a bit silly in some ways.

Let me know what we should do about the call on Friday.

Most of all, thank you for being available and offering the assistance you did. I look forward to talking with you and to seeing you soon.

Sincerely,  
Hart

From: BRUCE BORAM [REDACTED]  
Sent: Monday, October 13, 2014 10:54 PM  
To: Hart Hodges  
Subject: RE: status of employment report

Sounds good, thanks.

Sent from my Windows Phone

From: Hart Hodges  
Sent: 10/13/2014 8:55 PM  
To: Bruce Boram  
Subject: Re: status of employment report

Bruce,  
I’m still in Portland with limited time to work on the paper. I’ll get you something by end of the day Wednesday.

Best regards,  
Hart

From: Hart Hodges  
Sent: Wednesday, October 08, 2014 10:42 AM  
To: Bruce Boram  
Subject: Re: status of employment report

Bruce,  
I’d be happy to talk. The best number will be my cell phone [REDACTED] as I’m back and forth between work places. Today is awful in terms of my schedule. Tomorrow or Friday afternoon would be better.

Thanks,  
Hart

*Screenshot of an October 8, 2014 email reply sent by CEBR co-director, Hart Hodges, to Seattle-based political and public affairs consultant Bruce Boram. Also shown in screenshot is an October 15, 2014 email sent by Hodges to Boram*

Boram replied a few hours later via email, and said he understood. Two days later, on October 17, GPT consultant Megan Watt replied to Hodges’ October 15 email and said she understood his reasoning not to use Boram, and told him, “Good call.” Not showing any signs of reluctance to give direction, albeit politely, to the authors of the

report, she also made a suggestion to Hodges about making sure to include the number of employers in Whatcom County in the report to provide context for how significant the impacts are from Cherry Point industries. About twenty minutes later, Hodges replied to Watt, thanking her for the suggestion, and encouraging her to, “Keep the thoughts coming.”

*Despite the fact that just two days earlier Hodges had informed Boram that two groups with WWU had advised him (Hodges) that he and his co-author of the report, Bill Beyers, not use any outside help with the report, he still encouraged Watt, a consultant on the GPT project, to keep making suggestions to him.*

Contrary to the multiple disclaimers stating that, “This report is not intended for any advocacy purposes,” which were inserted into the 2014 Employment at Cherry Point report, since WBA’s October 23, 2014 launch of the report, it has been used for advocacy in various ways. For example, it has been used to garner support for the then-proposed GPT project at Cherry Point, and it’s been used by a number of groups in public comments submitted on the Cherry Point Amendments to the County’s comprehensive plan and County code, and by local campaigns for candidates and ballot initiatives in Whatcom County elections.

## **Period between the 2014 and 2019 Employment at Cherry Point reports**

The original Cherry Point Amendments, proposed by the Whatcom County Council to the County's comprehensive plan, first began being considered by the County Council in 2016. On August 9, 2016, the County Council unanimously passed Emergency Ordinance 2016-031 which imposed an emergency moratorium that became effective immediately, on the filing, acceptance and processing of applications and permits for new or expanded facilities that would facilitate the increased shipment of unrefined fossil fuels out of Cherry Point.

The Emergency Ordinance then became a 6-month interim ordinance which was approved by the County Council on September 27, 2016, that would keep in place the same substance of that moratorium imposed at Cherry Point. The 6-month interim moratorium has been extended by the County Council numerous times and it is still presently in place. The interim moratorium has been vital in order to provide protection of the public's health and safety, critically sensitive marine environment in and around the areas at Cherry Point, as well as protecting the culturally and spiritually significant properties of Lummi Nation and Lummi treaty rights during the time period that the Cherry Point amendments to Whatcom County's comprehensive plan and code are still under additional review and are being considered by Whatcom's Planning Commission and County Council.

Having that temporary ordinance in place has meant that any companies wanting to either propose new development projects at Cherry Point that would facilitate increased transshipment of unrefined fossil fuel such as the then-proposed coal terminal or a pipeline expansion, etc., cannot file for such permits and that there will be no acceptance and processing of applications and permits for such development at Cherry Point.

Approximately two months after the interim moratorium was approved in September of 2016 by the County Council, then-communications director for the WBA, Laura McKinney, sent a November 18, 2016 email to CEBR co-director, James McCafferty, informing him that their organization was "doing quite a lot with the Whatcom Planning Commission and Cherry Point." In her email, Ms. McKinney asked if McCafferty could have a conference call with her and the WBA's public relations advisor about the 2014 Employment at Cherry Point report CEBR prepared as they were, "thinking about a possible update and/or having you come a offer [sic] in to record some key points." She asked McCafferty what his schedule availability would be for the following week. In the public records released by WWU to *The Searchlight Review*, there did not appear to be an email response to that November 18 email from Ms. McKinney.



**From:** [Laura McKinney](#)  
**To:** [James McCafferty](#)  
**Date:** Nov 18, 2016, 12:41 PM  
**Subject:** Con call next week - Cherry Point

Hi James,

We are doing quite a lot with the Whatcom Planning Commission and Cherry Point. Wondered if you could discuss with me and our public relations advisor about the Cherry Point study you guys did. We are thinking about possible update and/or having you come a offer in to record some key points.

What is your schedule next week?

Thanks,  
Laura

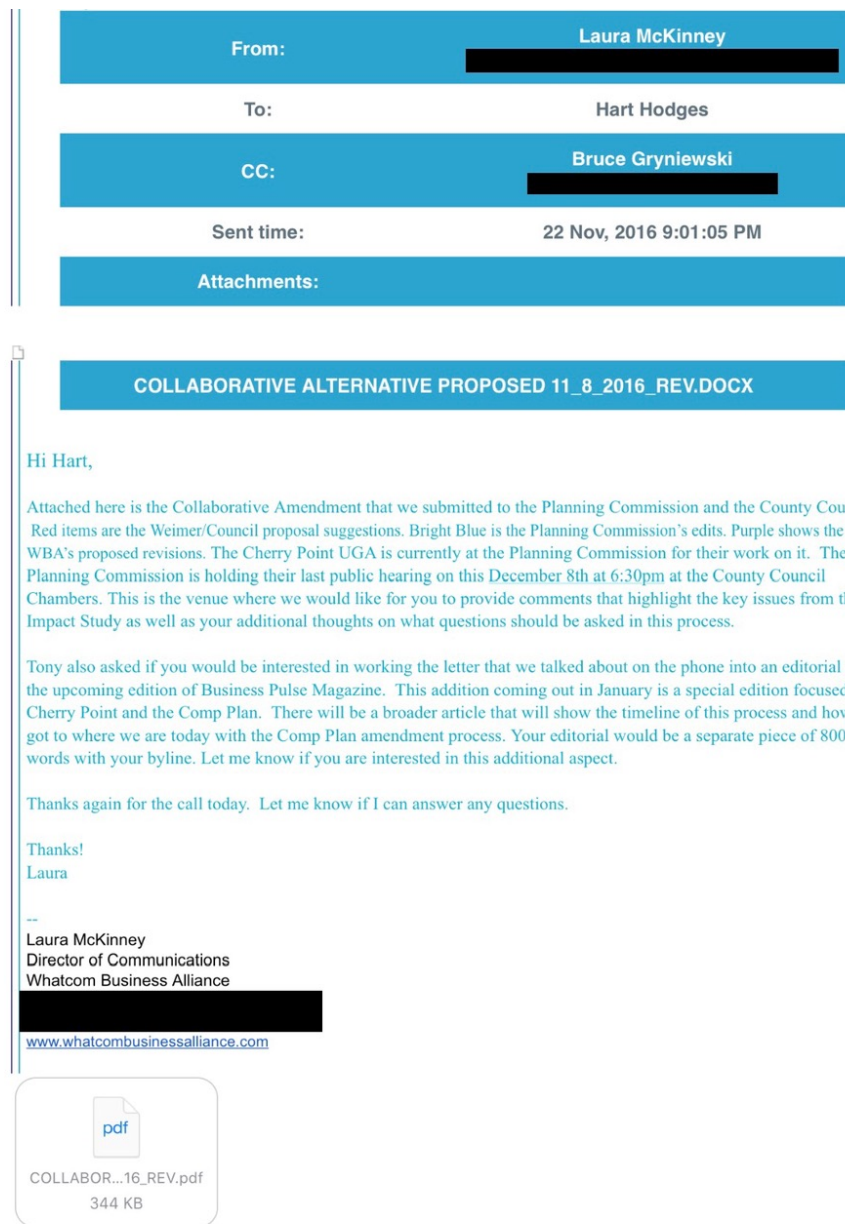
Sent from my Sprint Samsung Galaxy S® 6.

*Screenshot of a November 18, 2016 email sent by then-communications director at WBA, Laura McKinney, to CEBR co-director, James McCafferty*

Records show that about one week later, Ms. McKinney sent a November 22, 2016 email to CEBR's Hart Hodges on which she Ccd Bruce Gryniewski, the managing partner at Gallatin Public Affairs in Seattle, Washington. Gallatin handled public affairs for Millennium Bulk Terminals for its proposed coal export terminal project which, if permitted and built, plans to ship 44 million tons of coal annually out of Longview, Washington, where the project site is located. Washington state denied key permits necessary for the project, and there were legal challenges initiated regarding those denials. The project is still in litigation, presently.

In her November 22, 2016 email, Ms. McKinney sent a copy of the WBA's proposed changes to the Cherry Point Amendments that its organization submitted to the County Planning Commission and County Council for consideration. She told Hodges that the Planning Commission's final public hearing on the Cherry Point Amendments would be held on December 8, 2016, saying, "This is the venue where we would like for you to provide comments that highlight the key issues from the Impact Study as well as your additional thoughts on what questions should be asked in this process." Ms. McKinney added:

"Tony [Larson] also asked if you would be interested in working the letter that we talked about on the phone into an editorial for the upcoming edition of *Business Pulse Magazine*. This edition coming out in January is a special edition focused on Cherry Point and the Comp Plan. There will be a broader article that will show the timeline of this process and how we got to where we are today with the Comp Plan amendment process. Your editorial would be a separate piece of 800 words with your byline. Let me know if you are interested in this additional aspect."



*Screenshot of a November 22, 2016 email sent by then-communications director at WBA, Laura McKinney, to CEBR co-director, Hart Hodges (Ccd to Bruce Gryniowski, managing partner at Gallatin Public Affairs in Seattle, Washington)*


On November 30, 2016, Ms. McKinney sent Hodges an email saying she wanted to check back with him on the letter to the Whatcom County Planning Commission regarding Cherry Point they had spoken about, and to see if he was interested in writing the editorial for the upcoming edition of WBA's *Business Pulse Magazine*, along the same lines.

**From:** [Laura McKinney](#)  
**To:** [Hart Hodges](#)  
**Date:** Nov 30, 2016, 2:05 PM  
**Subject:** Follow up on Cherry Point letter

Hi Hart,

I just wanted to check back with you on the letter for the Planning Commission on Cherry Point and to see if you are interested in writing the editorial for Business Pulse along the same lines. Let me know what you think.

Thanks,  
Laura

--  
Laura McKinney  
Director of Communications  
Whatcom Business Alliance  
  
[www.whatcombusinessalliance.com](http://www.whatcombusinessalliance.com)

*Screenshot of a November 30, 2016 email sent by then-communications director at WBA, Laura McKinney, to CEBR co-director, Hart Hodges*

Email records show that approximately two and a half months later, Ms. McKinney sent a March 3, 2017 email to CEBR co-director, Hodges, on which she Ccd Tony Larson and Tom Wolf, the director of communications and external affairs - Northwest for BP America, who is also a registered lobbyist for BP, according to the Washington state Public Disclosure Commission's website. The subject line of Ms. McKinney's March 3, 2017 email read: "4th Pier analysis."

*The Searchlight Review* sent a November 21, 2019 email inquiry to BP America's director of media affairs, U.S. downstream, Michael Abendhoff, regarding Wolf's role with the WBA since his email address shown in email communication records was a WBA email account. Abendhoff sent an email reply the next day, explaining Wolf's role with the WBA:

"Tom Wolf is a BP employee who started with the company in 2014. For a few months in 2016 and 2017, Tom was assigned as a part-time resource within the Whatcom Business Alliance (WBA). During that time, the organization worked to engage on potential changes to the Whatcom County comprehensive plan that were proposed by the Whatcom County Council. During that time, Tom used a WBA email account for his communications related to the organization."

In her March 3, 2017 email, Ms. McKinney explained that the County Council would be taking-up the Cherry Point Amendments at their upcoming March 7 Council meeting, and said that, "We need some economic analysis of the cost to the County of eliminating the possibility of the 4th pier at Cherry Point."

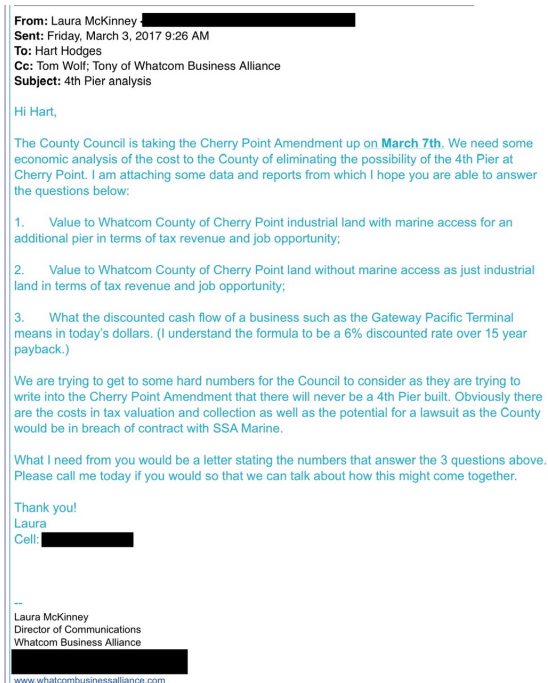
Specifically, Ms. McKinney listed three questions which she hoped to get answered by Hodges and CEBR. Those questions were:

1. "Value to Whatcom County of Cherry Point industrial land with marine access for an additional pier in terms of tax revenue in job opportunity;
2. "Value to Whatcom County of Cherry point land without marine access as just industrial land in terms of tax revenue and job opportunity;
3. "What the discounted cash flow of a business such as the Gateway Pacific Terminal means in today's dollars. (I understand the formula to be a 6% discounted rate over 15 year payback)."

Ms. McKinney further explained in her email to Hodges:

"We are trying to get to some hard numbers for the Council to consider as they are trying to write into the Cherry Point Amendment that there will never be a 4th Pier built. Obviously there are the costs in tax valuation and collection as well as the potential for a lawsuit as the County would be in breach of contract with SSA Marine.

"What I need from you would be a letter stating the numbers that answer the 3 questions above. Please call me today if you would so that we can talk about how this might come together."



**From:** Laura McKinney [REDACTED]  
**Sent:** Friday, March 3, 2017 9:26 AM  
**To:** Hart Hodges  
**Cc:** Tom Wolf; Tony of Whatcom Business Alliance  
**Subject:** 4th Pier analysis

Hi Hart,

The County Council is taking the Cherry Point Amendment up on **March 7th**. We need some economic analysis of the cost to the County of eliminating the possibility of the 4th Pier at Cherry Point. I am attaching some data and reports from which I hope you are able to answer the questions below:

1. Value to Whatcom County of Cherry Point industrial land with marine access for an additional pier in terms of tax revenue and job opportunity;
2. Value to Whatcom County of Cherry Point land without marine access as just industrial land in terms of tax revenue and job opportunity;
3. What the discounted cash flow of a business such as the Gateway Pacific Terminal means in today's dollars. (I understand the formula to be a 6% discounted rate over 15 year payback.)

We are trying to get to some hard numbers for the Council to consider as they are trying to write into the Cherry Point Amendment that there will never be a 4th Pier built. Obviously there are the costs in tax valuation and collection as well as the potential for a lawsuit as the County would be in breach of contract with SSA Marine.

What I need from you would be a letter stating the numbers that answer the 3 questions above. Please call me today if you would so that we can talk about how this might come together.

Thank you!  
Laura  
Cell: [REDACTED]

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Laura McKinney  
Director of Communications  
Whatcom Business Alliance  
[REDACTED]  
[www.whatcombusinessalliance.com](http://www.whatcombusinessalliance.com)

*Screenshot of a March 3, 2017 email sent by then-communications director, Laura McKinney, to CEBR co-director, Hodges (Ccd to Tony Larson and Tom Wolf, director of communications and external affairs - Northwest for BP America)*

About ten minutes later that same day (March 3), Hodges replied via email and said that, “with the different scenarios, you could try to show the revenue with those.” He added, “The Council will almost certainly note that each scenario also has a set of risks. Would you want to mention the risks along with the potential revenues?”

Shortly after receiving the email, Ms. McKinney responded to both Hodges and McCafferty, via email, and explained that the three questions she had listed in her previous email were pointed at SSA Marine (coal terminal applicant PIT’s parent company), and that they should look at the answers as those would pertain to SSA Marine. She told the co-directors that Skip Sahlin, Vice President of Project Development with SSA Marine, knew she was reaching out to them and had sent the information she was including in her email shown below “as a giggle test” for Hodges and McCafferty:

“1. NPV of EBITDA, 50 year at 4% discount rate is \$3Bn in today’s dollars

“2. NPV of Net Income, 50 year at 4% discount rate is \$1Bn in today’s dollars

“The tax revenue loss and the exposure to a lawsuit with real numbers for damages is a very real scenario for the County. Skip has told us that the County is in breach of contract and the County knows it. We want to come back with some actual numbers for them to consider.

“I know we have a meeting set already for Monday. Would it be worth having Skip [Sahlin] join us for a bit to talk about this aspect? Our goal is to get a letter from Hart that we can submit to the Council and read into testimony on Tuesday night.”

From: Laura McKinney [REDACTED]  
Sent: Friday, March 3, 2017 9:52 AM  
To: Hart Hodges  
Cc: James McCafferty  
Subject: Re: 4th Pier analysis

Hi Hart & James,

So the 3 questions are really pointed at SSA Marine. We should look at the answers as they would pertain to SSA Marine. Skip Sahlin knows I am reaching out to you, and sent this information “as a giggle test” for you:

1. NPV of EBITDA, 50 year at 4% discount rate is \$3Bn in today’s dollars
2. NPV of Net Income, 50 year at 4% discount rate is \$1Bn in today’s dollars

The tax revenue loss and the exposure to a lawsuit with real numbers for damages is a very real scenario for the County. Skip has told us that the County is in breach of contract and the County knows it. We want to come back with some actual numbers for them to consider.

I know we have a meeting set already for Monday. Would it be worth having Skip join us for a bit to talk about this aspect? Our goal is to get a letter from Hart that we can submit to the Council and read into testimony on Tuesday night.

Thanks!  
Laura

On Fri, Mar 3, 2017 at 9:37 AM, Hart Hodges [REDACTED] wrote:  
Laura,  
It seems like you need specific/illustrative scenarios to support \$ estimates.  
One scenario might be no business added. The status quo.  
One scenario might be a business that does not need the pier.  
Another scenario might be a business that does build and use the pier.

Am I thinking about it correctly?  
With the different scenarios, you could try to show the revenue with different scenarios.  
The Council will almost certainly note that each scenario also has a set of risks. Would you want to mention the risks along with the potential revenues?

James - what are your reactions?

Hart

*Screenshot of a March 3, 2017 email sent by then-communications director WBA, Laura McKinney, to CEBR co-director, Hart Hodges (Ccd to CEBR co-director, James McCafferty)*

On that same day, March 3, 2017, about eight hours later, Hodges sent his co-director, McCafferty, an email saying he was worried that Ms. McKinney's email from earlier that day was "a request for a stamp from CEBR on some numbers that are pie in the sky, and generated by someone else."

In his email, Hodges went on to ask his colleague, "What might the County have received if SSA had built the facility and IF it had been operated a particular way?" Appearing to take Sahlin's narrative of the supposed legal peril the County was knowingly facing as though it were actually a stipulated fact, Hodges wrote, "Moreover, there are legal challenges lurking in the shadows. Do you think we should find a way to politely decline?"

Fw: 4th Pier analysis

From:	Hart Hodges
To:	James McCafferty
Sent time:	03 Mar, 2017 6:18:44 PM

James,  
??????

I worry the email below is a request for a stamp from CEBR on some numbers that are pie in the sky, and generated by someone else.  
What might the County have received if SSA had built the facility and IF it had been operated a particular way.  
Moreover, there are legal challenges lurking in the shadows.  
Do you think we should find a way to politely decline?

HH

*Screenshot of a March 3, 2017 email sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty*

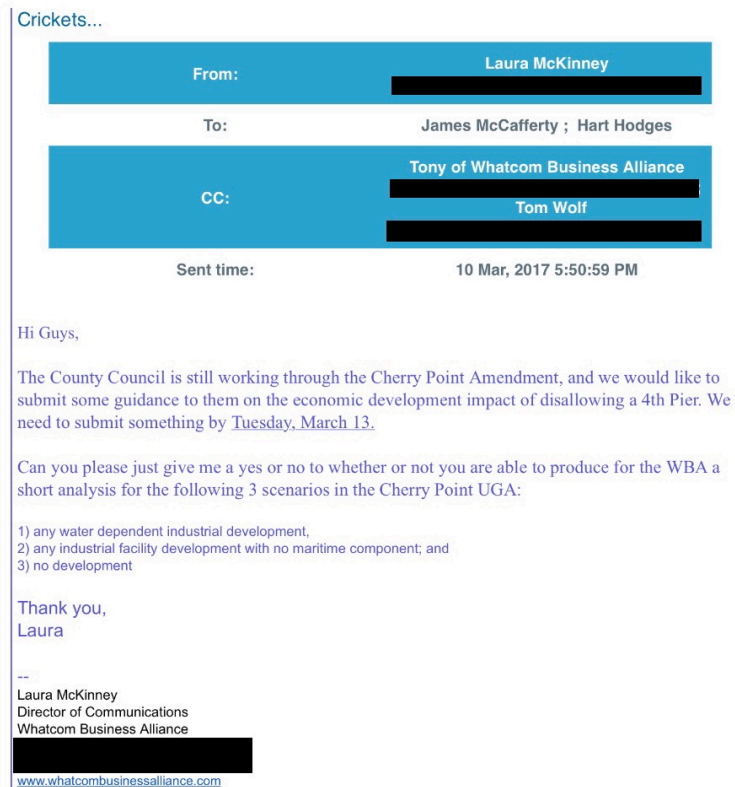
*At that point, after knowing how involved coal terminal applicant SSA Marine/PIT was in its relationship with the WBA and the Cherry Point employment report process, and with the opposition efforts regarding the Cherry Point Amendments, it's unclear why Hodges would not have simply told McCafferty that they absolutely needed to politely decline. After all, the work being performed by CEBR was supposedly not intended for advocacy — or so the disclaimers stated which were inserted into the 2014 Employment at Cherry Point report.*

On March 10, 2017, Ms. McKinney sent an email to McCafferty and Hodges, on which she Ccd WBA president, Tony Larson, and BP's Tom Wolf. She reminded CEBR's co-directors that the County Council was still working through the Cherry Point



Amendments and that the WBA would like to submit some guidance to the County Council on the economic development impact of disallowing a 4th pier at Cherry Point. She said that the WBA needed to submit something by March 13.

Ms. McKinney asked Hodges and McCafferty to give her “a yes or no to whether or not you are able to produce for the WBA a short analysis of the 3 scenarios in the Cherry Point UGA.” Those scenarios were: 1) any water dependent industrial development, 2) any industrial facility development with no maritime component, and 3) no development.



*Screenshot of a March 10, 2017 email sent by then-communications director at WBA, Laura McKinney, to CEBR co-directors, James McCafferty and Hart Hodges (Ccd to WBA president, Tony Larson, and Tom Wolf, director of communications and external affairs - Northwest for BP America)*

In response to Ms. McKinney’s March 10, 2017 email, Hodges sent a March 13, 2017 email to her, and Ccd his colleague, McCafferty, letting her know that McCafferty was traveling and only had sporadic access to email. Hodges informed her that, “We’ve been trying to talk when we can about an addendum to our old Cherry Point study. Unfortunately, some of what we’ve been writing and discussing could be problematic.”

After elaborating in his email to Ms. McKinney about some of the difficulties that he and McCafferty were seeing with the idea of a potential addendum to their 2014



Employment At Cherry Point report, Hodges said, “In short, we feel stuck, again. We don't think we should knowingly focus only on the items that SSA Marine would like us to focus on - but also worry that our explanations and caveats will raise more questions than SSA probably wants raised at this point.”

Hodges closed by saying, “We welcome your thoughts,” and added that, “We’ve also asked Steve Swan, VP University Relations at WWU for advice.”

**From:** Hart Hodges  
**To:** Laura McKinney  
**CC:** James McCafferty  
**Date:** Mar 13, 2017, 2:40 PM  
**Subject:** A 4th Pier

Laura,

James is travelling with sporadic access to email.

We've been trying to talk when we can about an addendum to our old Cherry Point study. Unfortunately, some of what we've been writing and discussing could be problematic.

We can provide a table of tax rates from the assessor's office to show tax revenue per \$1 million of assessed value. We don't feel like we're adding value here, but at least tax rates aren't controversial in this case.

James had hoped to be able to provide multipliers for sample industry sectors. But we're running into some snags. For example, we have one paragraph on what might be reasonable employment multipliers to consider. We start to describe what are reasonable estimates for a few different sectors in manufacturing and note that advocacy groups often overstate multiplier effects. The 11.93 figure provided by Washington Research Council ([https://researchcouncil.org/files/docs/2017/01/2016\\_refinery\\_report\\_010417.pdf](https://researchcouncil.org/files/docs/2017/01/2016_refinery_report_010417.pdf)) is a convenient example of multipliers gone bad. Our numbers look small in comparison. (We aren't sure how much to say on this topic. Showing examples of unreasonable multipliers is helpful, but not always welcome.)

We also note that what is proposed in a project can be very different than what is submitted for permitting or actually built... and there's a tendency for people to talk only about the multipliers that were generated for the initial proposal. So in addition to being the multiplier police, we are recommending in the addendum that large projects be reviewed multiple times through the various planning stages as the likely impacts can change rather significantly.

We also say that an impact study is, by definition, very narrow and that policy should be based on a broader framework. We feel obligated to say that a broader framework (such as a benefit cost analysis) would include more than just tax revenues and employment impacts....

In short, we feel stuck, again.

We don't think we should knowingly focus only on the items that SSA Marine would like us to focus on - but also worry that our explanations and caveats will raise more questions than SSA probably wants raised at this point.

We welcome your thoughts.

Sincerely,  
Hart

PS We've also asked Steve Swan, VP University Relations at WWU for advice

Hart Hodges  
Associate Professor in Economics &  
Director Center for Economic and Business Research

-----  
Western Washington University  
College of Business and Economics

*Screenshot of a March 13, 2017 email sent by CEBR co-director, Hart Hodges, to then-communications director at WBA, Laura McKinney (Ccd to CEBR co-director, James McCafferty)*

The next day, March 14, 2017, Hodges sent another email to Ms. McKinney. Starting out his email by apologizing that, “we have not been able to provide a letter or

something else that would be helpful,” Hodges went on to explain that they [Hodges and McCafferty] want to be responsive when they are asked for help, but unfortunately each time they would start writing anything regarding different development options at Cherry Point, they “hit a roadblock.” He elaborated:

“We wanted to avoid writing something that could be interpreted as advocacy work or simply saying something at a client's request. We also struggled with all the uncertainty. Whenever we tried to write something about development options in a balanced manner, there simply wasn't much to say given all the what if's and possible outcomes.”

In his March 14, 2017 email, Hodges also apologized for what he called, “all the back and forth,” and for his and McCafferty’s “inability to see at the beginning that we were not going to be able to help.” Hodges concluded his email, saying that they hoped the WBA’s discussions with the County Council would be productive.

**From:** Laura McKinney  
**To:** Hart Hodges  
**CC:** James McCafferty  
**Date:** Mar 14, 2017, 12:13 PM  
**Subject:** Re: WBA meeting with County Council

Hi,

I appreciate that this has been a difficult question to tackle. We certainly don't want to get down into something that you are not comfortable and confident to back up. I will send another message with ag study next steps for my sorting and filing purposes :)

Thanks,  
 Laura

On Tue, Mar 14, 2017 at 12:03 PM, Hart Hodges <Hart.Hodges@wwu.edu> wrote:

Laura,

I will try to call later to talk in person.

I'm sorry we have not been able to provide a letter or something else that would be helpful. We want to be responsive when anyone asks for our help. Unfortunately, each time we starting writing anything regarding different development options at Cherry Point, we hit a road block. We wanted to avoid writing something that could be interpreted as advocacy work or simply saying something at a client's request. We also struggled with all the uncertainty. Whenever we tried to write something about development options in a balanced manner, there simply wasn't much to say given all the what if's and possible outcomes.

We apologize for all the back and forth... and for our inability to see at the beginning that we were not going to be able to help.

We hope your discussions with the County Council are productive.

We also are looking forward to working with you on the ag profile.

Best regards,  
 Hart

Hart Hodges  
 Associate Professor in Economics &  
 Director Center for Economic and Business Research

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 Western Washington University  
 College of Business and Economics

*Screenshot of a March 14, 2017 email sent by CEBR co-director, Hart Hodges, to then-communications director at WBA, Laura McKinney (Ccd to CEBR co-director, James McCafferty). Also shown in screenshot is the March 14, 2017 reply email sent by Laura McKinney to Hart Hodges (Ccd to James McCafferty).*

As detailed above, records of email communications between the WBA and CEBR’s co-directors show that subsequent to the 2014 Employment at Cherry Point report that was released in October of 2014, and not long after the first 6-month interim

moratorium at Cherry Point was approved by the Whatcom County Council on September 27, 2016, the WBA began to make multiple requests of Hodges and McCafferty. Those requests would have required actions from CEBR that would be considered advocacy. In reviewing the records released by WWU, it appears that CEBR's co-directors did not succumb to the WBA's requests in 2016 and 2017 which were referenced above.

However, email records do indicate CEBR's co-directors, Hodges and McCafferty, did succumb to some of WBA's subsequent requests and were unable to resist accepting outside help in terms of CEBR's preparation of its 2019 Employment at Cherry Point report released in March of 2019, despite having been previously warned about doing so in 2014.

## CEBR's 2019 Employment at Cherry Point report

On July 31, 2018, McCafferty sent an email to WBA president, Tony Larson, which contained an attached Scope of Work for what he referred to as the agricultural land value/water rights research that CEBR was proposing, and for which, the center was apparently seeking funding. McCafferty told Larson the ideal amount would be \$9,000, asking him if he thought there might be someone willing to support that particular work.

Larson replied in an August 6, 2018 email and said he had just returned from vacation and that he would connect with some people from the Ag industry to “take their temperature on this.”

The next day, on August 7, 2018, Larson sent an email (unrelated to the previous email's subject, which was the agricultural land value/water rights research CEBR had proposed) to McCafferty, on which he Ccd Hodges, saying there was interest in updating the previous Employment at Cherry Point report that CEBR had produced in 2014. Larson asked if WWU would be interested in doing an update of that report, and what the cost and timing might look like for such an update.

Shortly after receiving Larson's August 7, 2018 email, McCafferty forwarded it to his colleague, Hodges, and said that for the original Cherry Point employment report CEBR produced in 2014 for the WBA, the fee they charged was \$10,000, so he wondered what kind of effort would be needed to update it. He asked Hodges if a “total redo” was needed, or if it was not that complicated.

Three minutes later, at 9:59 AM, Hodges replied via email to McCafferty, and said:

“It would not be complicated.

From: Hart Hodges  
Sent: Tuesday, August 7, 2018 9:59 AM  
To: James McCafferty  
Subject: Re: Proposed Scope of Work\_7-28-18.docx

It would not be complicated.  
The issue is they want our name on an advocacy piece. Should we be concerned - or is it just a good opportunity to have students work on an actual impact statement?

From: James McCafferty  
Sent: Tuesday, August 7, 2018 9:55 AM  
To: Hart Hodges  
Subject: FW: Proposed Scope of Work\_7-28-18.docx

The original was \$10k. Talk to me about the effort to update it... total redo or is it not that complicated?

James McCafferty  
Director  
Center for Economic and Business Research

Western Washington University  
College of Business and Economics

*Screenshot of an August 7, 2018 email reply sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty. Also shown in screenshot is an August 7, 2018 email from James McCafferty to Hart Hodges.*

“The issue is they want our name on an advocacy piece. Should we be concerned – or is it just a good opportunity to have students work on an actual impact statement?”

Not even one minute later, McCafferty sent a one-sentence email reply which read: “As long as we present the facts and caveats I think it is a good project...”

Three minutes later, Hodges sent an email reply at 10:02 AM to McCafferty and gave him the go-ahead: “Then go forth and generate revenue.”

Below that sentence Hodges added, “We should circle back and try to talk to the people who said we were too right wing, too in bed with the WBA, etc.”

From: Hart Hodges  
Sent: Tuesday, August 7, 2018 10:02 AM  
To: James McCafferty  
Subject: Re: Proposed Scope of Work\_7-26-18.docx

Then go forth and generate revenue

We should circle back and try to talk to the people who complained that we were too right wing, too in bed with the WBA, etc.

---

From: James McCafferty  
Sent: Tuesday, August 7, 2018 9:59 AM  
To: Hart Hodges  
Subject: RE: Proposed Scope of Work\_7-26-18.docx

As long as we present the facts and caveats I think it is a good project....

James McCafferty  
Director  
Center for Economic and Business Research

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Western Washington University  
College of Business and Economics

*Screenshot of an August 7, 2018 email sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty. Also shown in screenshot is an August 7, 2018 email sent by James McCafferty to Hart Hodges*

*It took approximately three minutes for two co-directors in charge of the university's CEBR to make such an important decision, and to ignore the fact that Hodges had acknowledged in his previous email — that what the WBA wanted was CEBR's (and by extension, the university's) name on an advocacy piece.*

After a couple more emails between the two CEBR co-directors about what fee amount they should charge for preparing the update to the Cherry Point employment report that Larson's WBA was requesting, McCafferty sent an email that same day (August 7,

2018) at 10:56 AM to Larson, and asked him if \$6,500 to do the update sounded reasonable to him. Larson replied to McCafferty about twenty minutes later and said that sounded reasonable, and asked him what kind of timeframe they would be looking at to produce the update.

The next day, August 8, 2018, McCafferty sent an email to Tony Larson with a proposed, official Scope of Work for the update to the Employment at Cherry Point, and asked him for the preferred deadline for it.

Larson replied an hour later in an August 8, 2018 email to McCafferty and Ccd Hodges, saying that he would need about a week to respond, but that his inclination was that the Cherry Point employment report update would be the WBA's priority.

McCafferty followed up with an August 22, 2018 email to Larson, asking him if he had gotten any traction on the Cherry Point employment report. Larson replied a few minutes later and said that he did have traction, but that he still needed to get funders confirmed. He apologized to McCafferty for the delay, and told him he would get back to him as soon as possible.

On August 29, 2018, Hodges sent an email to Larson, saying that they had started the update to the Employment at Cherry Point report, and wanted some help with contact information for some of the Cherry Point businesses — names of who should be contacted and their phone numbers. Hodges said that they could call smaller businesses on their own, which indicated that CEBR needed help in terms of contacts for the larger businesses.

Larson sent an August 30, 2018 email reply to Hodges and Ccd McCafferty, letting them know he would be meeting the following week with a few of WBA's partners to discuss the scope that Hodges had provided, as they had expressed interest in providing input. Larson said one area of interest that he was aware of was to identify more clearly what is supported by the tax base from Cherry Point industries — what those particular tax monies are used toward. Larson added that he planned to set up a meeting with Hodges and/or McCafferty sometime after his meeting with those partners in order to share the input they may have.

In his August 30, 2018 email, Larson told Hodges and McCafferty that he should be able to green light the Cherry Point employment report update after the upcoming meeting with the partners. Larson also said that he could facilitate any necessary contacts they would need and could tell them who to call at those companies, and alert those people to expect CEBR's call.

Sent: Thursday, August 30, 2018 9:04 AM  
 To: Hart Hodges [REDACTED]  
 Cc: James McCafferty [REDACTED]  
 Subject: Re: Cherry Point report update

Good morning Hart and James,

I am meeting with a few of our partners next Tuesday afternoon to discuss the scope that James provided. They have expressed interest in providing input. One area of interest I'm aware of is identifying more clearly what the tax base supports. In the previous study, you determined Cherry Point employers paid \$200 million in taxes annually. To the degree we can, it would be valuable to understand where that goes and what is used for. For example, I understand the new Blaine school relied on approximately \$35 million in tax revenues that came from Cherry Point. I expect they will have some additional input.

My plan was to set up a meeting with you and/or James to discuss after I get their input.

Regarding the contacts: I can help facilitate any necessary contacts you need. If you give me the company name, I can give you the contact person and make sure they know you are calling. I should be able to green light this next week after the meeting.

Thanks a bunch.

Tony Larson, President  
 [REDACTED]

2423 E. Bakerview Rd  
 Bellingham, WA 98226

*Screenshot of an August 30, 2018 email sent by WBA president, Tony Larson, to CEBR co-director, Hart Hodges (Ccd to CEBR co-director, James McCafferty)*

The following week, on September 5, 2018, Larson sent an email to McCafferty on which he Ccd Hodges, informing them that he had met the day before with the group (WBA's partners on Cherry Point issues), and was looking to schedule a meeting with Hodges and McCafferty. Because McCafferty's schedule was more flexible, the plan was for him to meet with Larson the following week, and he would then fill Hodges in about the discussion.

**From:** [whatcombusinessalliance.com](mailto:whatcombusinessalliance.com)  
**To:** James McCafferty  
**CC:** Hart Hodges  
**Date:** Sep 5, 2018 at 3:26 PM  
**Subject:** Re: Cherry Point report update  
**Attachment(s):** 2

James,

Bruce Boram will be joining me. I'll connect with him about Monday and get back to you.

Tony Larson, President  
 [REDACTED]

2423 E. Bakerview Rd  
 Bellingham, WA 98226  
 [REDACTED]

This e-mail is confidential and legally privileged to the intended recipient and may not be otherwise distributed, copied or disclosed. If you are not the intended recipient, please notify the sender at the telephone number shown above or by return e-mail and delete this communication and any copy immediately.

On Sep 5, 2018, at 1:28 PM, James McCafferty [REDACTED] wrote:

Tony,

Can you make Monday work?

James McCafferty  
 Director  
 Center for Economic and Business Research  
 -----  
 Western Washington University  
 College of Business and Economics

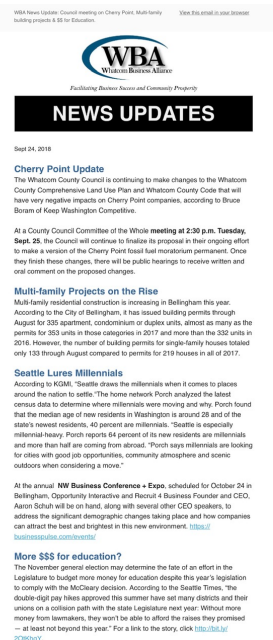
*Screenshot of a September 5, 2018 email sent by WBA president, Tony Larson, to CEBR co-director, James McCafferty (Ccd to CEBR co-director, Hart Hodges). Also shown in screenshot is a September 5, 2028 email from James McCafferty to Tony Larson*



In the email exchange, Larson told Hodges and McCafferty that Bruce Boram (the same Bruce Boram who Hodges had previously demurred from getting further help from for CEBR's 2014 Cherry Point report on the advice of two groups within WWU), would be joining him for the meeting. Email records indicate that meeting with McCafferty, Larson and Boram took place on September 10, 2018. Email records show that Boram was working with the WBA on CEBR's the report up through the WBA's March 19, 2019 rollout event for the 2019 Employment at Cherry Point report, including a number of days after the event.

The day after his meeting with Larson and Boram, McCafferty sent a September 11, 2018 email to his co-director, Hodges, saying it appeared they were ready to embark on the Cherry Point employment report update.

As CEBR's work on the update to its original 2014 report appeared to already be in motion, there was a September 24, 2018 email sent by Hodges to McCafferty in which he forwarded a WBA email newsletter that he had received that afternoon. The newsletter disseminated by WBA covered various topics, one of which, was the Whatcom County Council's ongoing discussions about potential additional amendments the County's comprehensive plan and code regarding the Cherry Point industrial zone. WBA's newsletter stated that the County Council was, "continuing to make changes to the Whatcom County Comprehensive Land Use Plan and Whatcom County Code that will have very negative impacts on Cherry Point companies, according to Bruce Boram of Keep Washington Competitive."



*Screenshot of a September 24, 2018 WBA email newsletter sent to CEBR co-director, Hart Hodges*

In his September 24, 2018 email to McCafferty, Hodges wrote, “Did you see their email below? We nailed the millennial story in recent talks. And you can see their motives for the Cherry Point Impact update.”

**From:** Hart Hodges  
**To:** James McCafferty  
**Date:** Sep 24, 2018 at 3:03 PM  
**Subject:** Fw: WBA News Updates

Did you see the email below?

We nailed the millennial story in recent talks. And you can see their motives for the Cherry Point Impact update.

From: Whatcom Business Alliance  
 Sent: Monday, September 24, 2018 2:26 PM  
 To: Hart Hodges  
 Subject: WBA News Updates

Cherry Point Update and more!

WBA News Update: Council meeting on Cherry Point, Multi-family building projects & \$\$ for Education.

View this email in your browser <<https://na01.safelinks.protection.outlook.com/?url=https://mailchi.mp/whatcombusinessalliance.com/newsupdatesept24?e=4ced62d741&data=02011b7a815b2ba7d431503e608d6226984b0dc46140cc26f43efb0ae00257f478f000636734233916504885&sdata=mdO9scrOPnRBuSOuYsFLNhyHBO8liCsMVAEC32FH/zU=-&reserved=0>>  
 <<https://na01.safelinks.protection.outlook.com/?url=https://whatcombusinessalliance.us5.list-manage.com/track/click?u=5a71f88f0b9d443551330e913&id=bd2d1a5543&e=4ced62d741&data=02011b7a815b2ba7d431503e608d6226984b0dc46140cc26f43efb0ae00257f478f000636734233916514894&sdata=XxZNSvs2lnXXbV1FoGee+/HvhuHJUj2i2wZAWkbMoM=-&reserved=0>>  
 NEWS UPDATES  
 Sept 24, 2018

Cherry Point Update

The Whatcom County Council is continuing to make changes to the Whatcom County Comprehensive Land Use Plan and Whatcom County Code that will have very negative impacts on Cherry Point companies, according to Bruce Boram of Keep Washington Competitive.

At a County Council Committee of the Whole meeting at 2:30 p.m. Tuesday, Sept. 25, the Council will continue to finalize its proposal in their ongoing effort to make a version of the Cherry Point fossil fuel moratorium permanent. Once they finish these changes, there will be public hearings to receive written and oral comment on the proposed changes.

Multi-family Projects on the Rise

Multi-family residential construction is increasing in Bellingham this year. According to the City of Bellingham, it has issued building permits through August for 335 apartment, condominium or duplex units, almost as many as the permits for 353 units in those categories in 2017 and more than the 332 units in 2016. However, the number of building permits for single-family houses totaled only 133 through August compared to permits for 219 houses in all of 2017.

Seattle Lures Millennials

According to KGMJ, “Seattle draws the millennials when it comes to places around the nation to settle.” The home network Porch analyzed the latest census data to determine where millennials were moving and why. Porch found that the median age of new residents in Washington is around 28 and of the state’s newest residents, 40 percent are millennials. “Seattle is especially millennial-heavy. Porch reports 64 percent of its new residents are millennials and more than half are coming from abroad. “Porch says millennials are looking for cities with good job opportunities, community atmosphere and scenic outdoors when considering a move.”

At the annual NW Business Conference + Expo, scheduled for October 24 in Bellingham, Opportunity Interactive and Recruit 4 Business Founder and CEO, Aaron Schuh will be on hand, along with several other CEO speakers, to address the significant demographic changes taking place and how companies can attract the best and brightest in this new environment. <https://businesspulse.com/events/> <<https://na01.safelinks.protection.outlook.com/?url=https://whatcombusinessalliance.us5.list-manage.com/track/click?u=5a71f88f0b9d443551330e913&id=d63a910fc5&e=4ced62d741&data=02011b7a815b2ba7d431503e608d6226984b0dc46140cc26f43efb0ae00257f478f000636734233916514894&sdata=OdDP0bupuANSYI.vvVwL.RORSshif6RzYuyiKXMI.9NYo=-&reserved=0>>

More \$\$\$ for education?

The November general election may determine the fate of an effort in the Legislature to budget more money for education despite this year’s legislation to comply with the McCleary decision. According to the Seattle Times, “the double-digit pay hikes approved this summer have set many districts and their unions on a collision path with the state Legislature next year. Without more money from lawmakers, they won’t be able to afford the raises they promised — at least not beyond this year.” For a link to the story, click <http://bit.ly/2OfKhaY> <<https://na01.safelinks.protection.outlook.com/?url=https://whatcombusinessalliance.us5.list-manage.com/track/click?u=5a71f88f0b9d443551330e913&id=f212c099b8&e=4ced62d741&data=02011b7a815b2ba7d431503e608d6226984b0dc46140cc26f43efb0ae00257f478f000636734233916524899&sdata=vjvJwiwhnWDr0bGA.n5BzkknYBpGoZ5ccv3DmSR6wE=-&reserved=0>>.

ISSUES IMPACTING YOUR BUSINESS?

Contact Tony Larson <[tony@whatcombusinessalliance.com](mailto:tony@whatcombusinessalliance.com)> [Subject: Issues](#) impacting my business> at the WBA to discuss issues impacting your business and/or industry...

<<https://na01.safelinks.protection.outlook.com/?url=https://whatcombusinessalliance.us5.list-manage.com/track/click?u=5a71f88f0b9d443551330e913&id=fb171c5bed&e=4ced62d741&data=02011b7a815b2ba7d431503e608d6226984b0dc46140cc26f43efb0ae00257f478f000636734233916524899&sdata=vjvJwiwhnWDr0bGA.n5BzkknYBpGoZ5ccv3DmSR6wE=-&reserved=0>>

*Screenshot of a September 24, 2018 email sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty, forwarding a September 24, 2018 WBA email newsletter he received*

*Despite Hodges’ continued recognition of WBA’s motivation for the Cherry Point employment report update, he and McCafferty moved forward to prepare the report*

*Assembled by The Searchlight Review*

*which would generate revenue for CEBR. It begs the question: Why were the co-directors willing to produce what Hodges had acknowledged in his August 7, 2018 email sent to his co-director, was an advocacy piece with CEBR's name on it, and what he appeared to acknowledge in his September 24, 2018 email were the WBA's advocacy motives for the update to the Employment at Cherry Point report?*

On November 9, 2018, the CEBR research analyst working on the Cherry Point employment report update sent an email to McCafferty and Hodges, telling them after having spoken with Larson that afternoon, he had mentioned wanting to push-out the deadline for the report to January 2019, so that they could put a 2019 date on the report rather than 2018, thus giving it a longer shelf life. Also, Larson had mentioned to the research analyst that the Port of Bellingham was working on some project concerning the future of Cherry Point and would be meeting with the Port about that in the next couple weeks, and wanted to include something about that in the report.

During the months of October, November, and December of 2018, and in early 2019, CEBR was contacting the companies with business within the Cherry Point area to obtain information from them about the number of employees at their companies and what number of those are considered contract employees, the average wage paid to employees, etc.

Email records show that CEBR was having trouble getting the companies to respond. WBA president, Tony Larson, had to provide specific contacts at Cherry Point companies for CEBR to contact, and in a number of cases he had to contact those companies himself to encourage them to provide the information for the report update. At least one of the companies needed assurance that the WBA was involved in the 2019 Employment at Cherry Point report in order for it to cooperate by providing the information regarding employee numbers and wages requested by CEBR.

According to a November 7, 2018 email sent by Hodges to the research analyst working on the 2019 report (Ccd to McCafferty), saying they needed to send two draft letters to Larson that he could send to his Cherry Point contacts. One letter was a thank you to the companies which had already responded to the request for data. The other letter was, as described by Hodges, “an explanation of what the WBA is trying to do, with a request for data...” In his email, Hodges said, “Tony [Larson] will put the letters on WBA letterhead, sign them, and send them out.”

On December 17, 2018, McCafferty sent an email to Larson, saying that responses from companies CEBR had been contacting were slow and asked him if there was anything Larson could do to get them to start responding. Email records show CEBR's research analyst working on the report update sent a December 19, 2018 email to Larson and Ccd McCafferty, saying that the only companies which CEBR had received some data from were BP, Alcoa, and Phillips 66 — and that it looked like CEBR would not be getting anything else until after the new year, if at all. The research analyst concluded the email, “At this point, we should talk about how you want to move forward with this report given the difficulties.”

On January 29, 2019, the CEBR research analyst had sent the public affairs consultant working with the WBA on the report update, Bruce Boram, an email saying they were still waiting to hear back from BP about the data. “At this point, my only hold-ups for the report are BP and western refinery services,” the analyst said. “Once I get those data points I can have a draft within two weeks.” The analyst asked Boram if he had heard anything from BP. The research analyst and Boram exchanged several emails on that day and through early February. In one of those emails, the analyst thanked Boram for his help in interacting with the companies.

**From:** [REDACTED]  
**Sent:** Tuesday, January 29, 2019 9:15 AM  
**To:** BRUCE BORAM  
**Subject:** Cherry point study

Good morning,

I am still waiting to hear back from BP about the data. At this point, my only hold-ups for the report are BP and western refinery services. Once I get those data points I can have a draft within two weeks. However, due to the size of BP's employment when we did the original study, I do not want to go forward until I have the correct data. Have you heard anything from them?

Thanks,

[REDACTED]  
 Research Analyst  
 Center for Economic and Business Research  


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 Western Washington University  
 College of Business and Economics

*Screenshot of a January 29, 2019 email sent by the CEBR research analyst working on the 2019 Employment at Cherry Point report to Seattle-based political and public affairs consultant Bruce Boram*

Larson sent a January 30, 2019 email to CEBR's research analyst and McCafferty saying he was touching base to see if his calls to businesses had been helpful. He said he understood that BP's information was incomplete, and added that he would be meeting that afternoon with Pam Brady, BP's Director NW Government and Public Affairs, and will find out when she'll have it wrapped up. Larson said he had been told by Western Refinery Services, Petrogas, and Puget Sound Energy that “they were on it.”

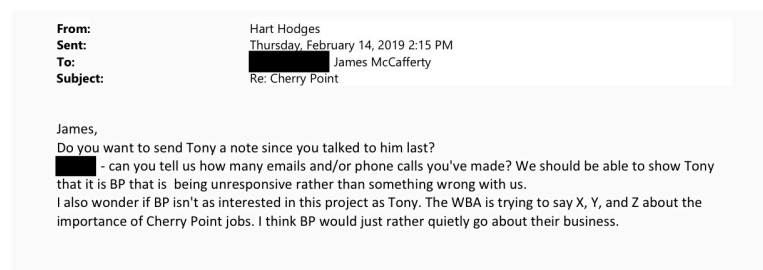
Approximately two weeks later, on February 14, 2019, Larson sent an email to the CEBR research analyst and McCafferty to check in to see if the information from BP had come in, and to get a sense of when the WBA could expect to see a draft of the

2019 Employment at Cherry Point report. Larson asked if final completion of the report by the week of March 4 was realistic.

CEBR's research analyst working on the report sent a February 14, 2019 email to McCafferty and Hodges, saying they had not heard back from BP and had sent another email to BP that morning, but had not received a response, and felt unsure what to do about it. The research analyst explained that because BP is such a large employer that they didn't feel comfortable excluding them or pulling wage estimates from a third party.

About thirty minutes later that same day, Hodges sent an email reply to the analyst and McCafferty, asking him if he would want to send Larson a note since he had talked to him last. Hodges told the research analyst that "We should be able to show Tony that it is BP that is being unresponsive rather than something wrong with us." Hodges added:

"I wonder if BP isn't as interested in this project as Tony. The WBA is trying to say X, Y, and Z about the importance of Cherry Point jobs. I think BP would just rather quietly go about their business."



*Screenshot of a February 14, 2019 email sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty, and to the CEBR research analyst working on the 2019 Employment at Cherry Point report. Also shown in screenshot is a February 14, 2019*

Later that same afternoon, McCafferty sent Hodges an email in which he forwarded Larson's email he had sent a few hours earlier asking if he could expect to see a draft of the 2019 Employment at Cherry Point report, and if final completion by the week of March 4 was realistic. McCafferty informed Hodges that the research analyst had promptly replied to Larson's inquiry. He told Hodges, "I think between this, and the meeting we had, they know it is them and not us."

Larson was likely concerned about the timing for the report update completion because the WBA was hosting a special event on March 19, 2019, at which the 2019 update to the Employment at Cherry Point report would be a central focus.

Email records show that Larson, continuing to follow up on the report's progress, sent a February 18, 2019 email to CEBR's research analyst working on the report and McCafferty, asking when he could expect to see a draft of the report. The next morning, Saturday, February 19, the research analyst replied in an email to Larson and McCafferty, and said: "I hope to have a draft to you by Monday the 25th. BP just got us their data Friday night, and so I started on the report first thing this morning."

On Friday, February 22, 2019, CEBR's research analyst working on the report sent a draft to McCafferty, Hodges, and CEBR Lead Research Analyst, Joshua Grandbouche. Then, on Monday, February 25, 2019, the research analyst sent a draft of the Cherry Point employment report to McCafferty, Hodges, and Larson.

CEBR's research analyst sent a March 11, 2019 email to McCafferty, asking him, "When do you think we should expect to hear from Tony [Larson] and Bruce [Boram] regarding the anecdotal section on charitable giving?" McCafferty responded in an email that same day and told the research analyst that they should email Boram and Larson and tell them that the information was needed if they want it included in the report.

From: [REDACTED]  
Sent: Monday, March 11, 2019 11:37 AM  
To: James McCafferty [REDACTED]  
Subject: Re: Cherry Point Percent of economy Calculations

When do you think we should expect to hear from Tony and Bruce regarding the anecdotal section on charitable giving?

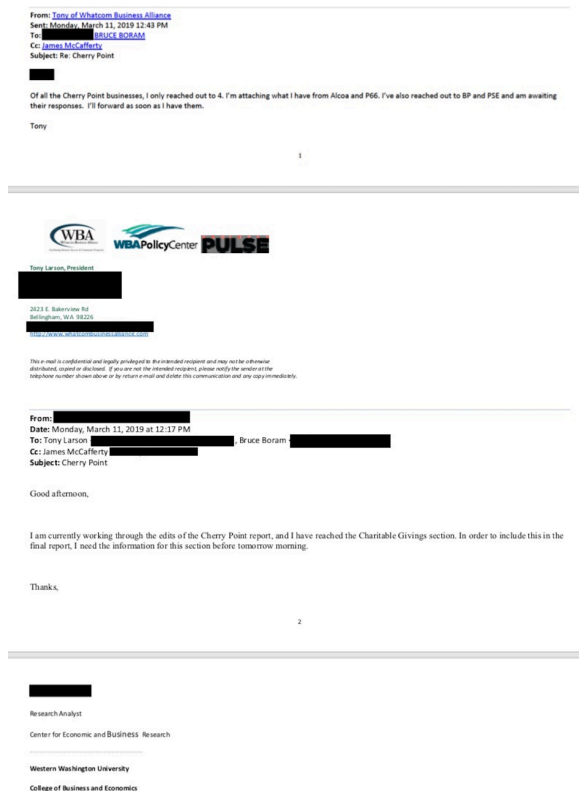
[REDACTED]  
Research Analyst  
Center for Economic and Business Research  
-----  
Western Washington University  
College of Business and Economics

*Screenshot of a March 11, 2019 email sent by the CEBR research analyst working on the 2019 Employment at Cherry Point report to CEBR co-director, James McCafferty*

Email records show that the CEBR research analyst sent an email to Larson and Boram and Ccd McCafferty that same day, March 11, 2019, informing them that in order for CEBR to include the "Charitable Givings Impact" section they wanted in the report, they would need to get that information to CEBR before the next morning.



Approximately twenty-five minutes later, Larson replied to CEBR’s research analyst and Boram on which he copied McCafferty, and told them that out of all the Cherry Point businesses, he had only reached out to four of them. He said he attached what he had received from Alcoa and Phillips 66, and he was waiting on BP and Puget Sound Energy, and would forward those when he receives those.



*Screenshot of a March 11, 2019 email sent by the CEBR research analyst working on the 2019 Employment at Cherry Point report, to WBA president, Tony Larson, and Seattle-based political and public affairs consultant Bruce Boram (Ccd to CEBR co-director, James McCafferty). Also shown in screenshot is a March 11, 2019 reply email from Tony Larson to the research analyst and Bruce Boram (Ccd to James McCafferty).*

About an hour later on that same afternoon, the CEBR research analyst working on the report sent a March 11, 2019 email to CEBR Lead Research Analyst Joshua Grandbouche, with an attached copy of the 2019 Employment at Cherry Point report, and told him, “I am particularly concerned with how well integrated the affordable housing and poverty section is, and how the overall tone come [sic] across.”



**From:** [REDACTED] >  
**Sent:** Monday, March 11, 2019 1:30 PM  
**To:** Joshua Grandbouche [REDACTED]  
**Subject:** cherry point

I've attached a copy of the report. I am particularly concerned with how well integrated the affordable housing and poverty section is, and how the overall tone come across.

[REDACTED]  
 Research Analyst  
 Center for Economic and Business Research  
 Western Washington University  
 College of Business and Economics

*Screenshot of a March 11, 2019 email sent by the CEBR research analyst working on the 2019 Employment at Cherry Point report, to CEBR lead research analyst, Joshua Grandbouche*

In some of the email communications with his co-director, Hodges voiced concerns and frustration multiple times about some of WBA's requests. For example, Hodges sent a March 12, 2019 email to McCafferty and the research analyst working on the report update, saying he had looked at the draft and was okay with the edits, but then added:

"I'm just frustrated that the client [WBA] asked for a section on affordable housing. It was not in the original scope and is quite a reach to let them say something political. I just don't like it."

**From:** Hart Hodges  
**Sent:** Tuesday, March 12, 2019 10:39 PM  
**To:** James McCafferty; [REDACTED]  
**Subject:** Re: Cherry\_Point\_Draft\_3-12-19\_jm comments

I'm OK with the edits (and I did look at the draft).  
 [REDACTED] - you've done a nice job.  
 I'm just frustrated that the client asked for a section on affordable housing. It was not in the original scope and is quite a reach to let them say something political. I just don't like it...  
 I think we have to resist or block such requests in the future.  
 Can we add a footnote to say the section was added at WBA's request? Seriously. I think we should!!!!

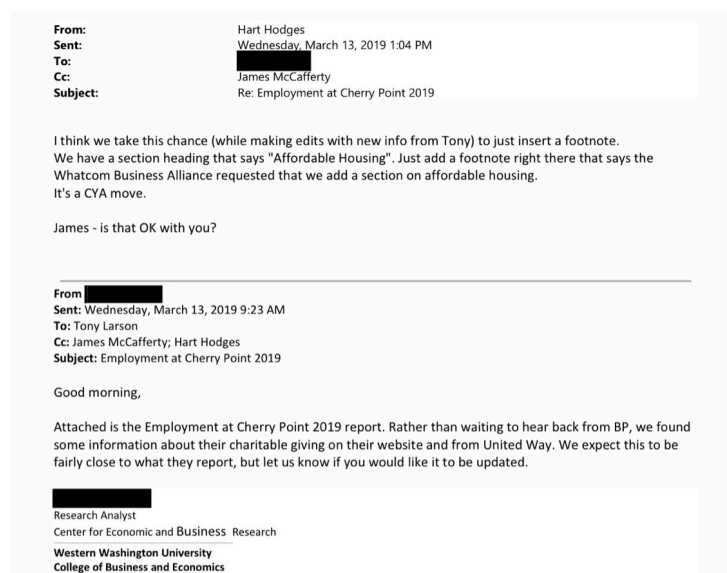
*Screenshot of a March 12, 2019 email sent by CEBR co-director, Hart Hodges, to CEBR co-director, James McCafferty, and to the CEBR research analyst working on the 2019 Employment at Cherry Point report*

Seemingly resigned to let that happen with this 2019 Employment at Cherry Point report commissioned by the WBA, Hodges instead appeared only able to muster-up resolve for sometime in the future, telling the recipients of his email, "I think we need to

resist or block such requests in the future. Can we add a footnote to say the section was added at WBA's request? Seriously, I think we should!!!!"

In a March 13, 2019 email sent to the CEBR research analyst and Ccd to McCafferty, Hodges said:

"I think we take this chance (while making edits with new info from Tony) to just insert a footnote. We have a section heading that says 'Affordable Housing.' Just add a footnote right there that says the Whatcom Business Alliance requested that we add a section on affordable housing. It's a CYA move. James, is that okay with you?"



*Screenshot of a March 13, 2019 email sent by CEBR co-director, Hart Hodges, to the CEBR research analyst working on the 2019 Employment at Cherry Point report (Ccd to CEBR co-director, James McCafferty)*

While there is a section on affordable housing (titled "Affordable Housing and Poverty") consisting of three pages included in the 2019 Employment at Cherry Point report, it does not appear that any such footnote was added to the report. Also, it's worth noting that despite Hodges having previously said in an email he sent back in March of 2017 to the WBA's then-communications director, Laura McKinney, "We wanted to avoid writing something that could be interpreted as advocacy work or simply saying something at a client's request," that he and McCafferty added the "Affordable Housing and Poverty" section to their 2019 report, at the WBA's request.

Back on March 12, 2019, Hodges had sent an email to the research analyst working on the report and to McCafferty with a question about the fall in the average wage at Cherry Point businesses, and also told them that a particular paragraph in the draft

report felt a little awkward and forced. Hodges wrote: “I recommend removing that paragraph unless we want to show the home price that would be affordable at the county average wage and the home price that would be affordable for Cherry Point workers. But why go there.”

That same day, four minutes later, Hodges had sent another email to the research analyst and McCafferty suggesting that they, “might find a way to mention” an award that BP Cherry Point refinery had recently received, including a link to a March 12, 2019 WhatcomTalk.com post. The post announced various awards given by United Way of Whatcom County at its 2019 annual workplace giving campaign celebration event held in March of this year, during which BP Cherry Point refinery was awarded this year’s Impact Award.

Ten minutes later, the research analyst sent a reply email to Hodges and McCafferty, saying, “The fall in wages is due to more lower paying jobs. As for the housing part, they [WBA] specifically want that included in the conclusion, I will see what I can do to reword it. I will add a blurb about BP.”

By comparing the average wage in Whatcom County to the average wage in Cherry Point in terms of what is enough to afford the median home in Whatcom County, CEBR was able to include a version of what the WBA had specifically wanted to have included in the “Conclusion” section of the report.

The 2019 award given to the BP Cherry Point refinery by United Way was included in the Cherry Point employment report in a section entitled, “Charitable Giving Impacts.” A line at the end of that section provides a justification of sorts for CEBR having had a charitable giving section in its 2019 Employment at Cherry Point report. It stated, “This charitable giving is not included in our impact modeling but helps paint a more holistic picture of the local impacts of Cherry Point employment and business impacts on a financial basis.”

Upon completion of the report, CEBR’s research analyst working on it sent a March 13, 2019 email at 9:23 AM to Larson and Ccd Hodges and McCafferty, with the 2019 Employment at Cherry Point report attached. The analyst wrote in their email, “Rather than waiting to hear back from BP, we found some information about their charitable giving on their website and from United Way. We expect this to be fairly close to what they report, but let us know if you would like it to be updated.”

Responding a few hours later that same day (March 13), Larson sent an email to the research analyst on which he Ccd Hodges and McCafferty, and provided them a correction regarding BP’s charitable giving volunteer hours number in the report. Several hours later, at 4:19 PM, the research analyst sent an email to Larson and Ccd Hodges and McCafferty with an updated version of the 2019 Employment at Cherry Point report with the newly added information regarding BP’s charitable giving that Larson had provided.

About forty minutes later, Larson replied to the research analyst directing them to make one additional edit. He wanted them to separate wages paid by Cherry Point businesses and taxes paid by those businesses in the Executive Summary section of the report. The next day, March 14, the research analyst sent an email to Larson on which he Ccd Hodges and McCafferty, saying the change was made, and attached a copy of the final report draft.

Larson now had the 2019 Employment at Cherry Point report he needed that was the central focus of the WBA's March 19, 2019 event which was the "Cherry Point Heavy Industrial Area Past, Present, Future WBA Board of Directors & Members Breakfast and Program" event, held at the Bellingham Golf & Country Club. According to the WBA event poster, the breakfast event would "include a roll-out and discussion of the 2019 Cherry Point Economic Impact Study, completed by Western Washington University's Center for Economic and Business Research." The WBA was also kicking-off its new Policy Center, which according to the WBA's website, proactively works "to advance policy issues that support business success and advocate against those harmful to local business by informing, engaging, organizing and advocating."

The screenshot shows an email newsletter from the Western Business Alliance (WBA). At the top is the WBA logo with the tagline "FACILITATING BUSINESS SUCCESS AND COMMUNITY PROSPERITY." Below this, the event is titled "Join us in Bellingham on Tuesday, March 19". The text describes the event as a breakfast and program featuring two panels of industry and community leaders discussing the 2019 Cherry Point Economic Impact Study. It also mentions the WBA's new Policy Center and the topics to be discussed: wages, jobs, poverty, affordable housing, philanthropy, public safety, and the environment. The cost is listed as \$40 for WBA members and \$50 for non-members. A "Reserve your seat today!" button is present. Below the text is a detailed event poster for "CHERRY POINT HEAVY INDUSTRIAL AREA PAST, PRESENT, FUTURE". The poster includes the WBA Policy Center logo, the event title, date, time, and location. It also features a grid of speaker portraits and names: Tony Morgan, John McCallum, James McCafferty, Ben Williams, Michael Voss, John Brown, Kelly Williams, and Ron Williams. The poster text explains that the WBA board of directors and members breakfast will include the roll-out and discussion of the 2019 Cherry Point Economic Impact Study, completed by Western Washington University's Center for Economic and Business Research. It also mentions that the event will explore the results of the study and the opportunities for and concerns regarding the continued success of Cherry Point industry, with a focus on topics like local wages and jobs, poverty, affordable housing, education, public safety, and the environment. At the bottom of the poster are social media sharing icons for Facebook, Twitter, LinkedIn, and Email.

*Screenshot taken from a March 14, 2019 WBA email newsletter promoting the "Cherry Point Heavy Industrial Area Past, Present, Future WBA Board of Directors & Members Breakfast and Program" event held at the Bellingham Golf & Country Club. The event featured the rollout and panel discussion of the 2019 Employment at Cherry Point report.*

The March 19 event poster advertised there would be eight panelists who would participate in the discussion. Those were: CEBR's co-director, James McCafferty; Troy Muljat, owner of The Muljat Group; Jolie Rhinehart, refinery manager at Phillips 66 Ferndale Refinery; Ron Jorgensen, then-plant manager at Alcoa Intalco Works Ferndale; Don Goldberg, director of economic development for the Port of Bellingham; Rachel Vasak, executive director for Nooksack Salmon Enhancement Association; Keith Willnauer, Whatcom County Assessor; and John Risser, refining supply manager at BP Cherry Point. On the day of the event, Pam Brady, BP's director NW government and public affairs, took the place of John Risser on the panel.

McCafferty's participation as a panelist in the event likely counted as one of the two scheduled talks regarding the 2019 report that CEBR was expected to deliver at the request of the client (WBA), as stipulated in the Scope of Work document for the 2019 Employment at Cherry Point report.

An accounting of what occurred at the March 19 event was provided to *The Searchlight Review* by an attendee of the event. WBA president, Tony Larson, performed the role of emcee, and Jim McKinney, the former executive director and current face of Common Threads Northwest, acted in the role of moderator while also adding some commentary of his own during the panel discussion. Among the attendees, there were numerous elected and public officials who were invited by the WBA. Opening the event, Larson welcomed attendees, and proceeded to claim that there is a formalized group in our area "whose stated goal is to deindustrialize Cherry Point." He presented no evidence of such a group.

That claim by Larson echoes messaging perpetuated by a number of local advocates for fossil fuel development at Cherry Point, including coal terminal applicant SSA Marine/PIT and its consultant Craig Cole, along with coal terminal advocates such as the Northwest Jobs Alliance and the SaveWhatcom/Whatcom First affiliated political action committees which were largely funded by coal terminal interests. Even CEBR's 2014 Employment at Cherry Point report appeared to echo that messaging in the Introduction section of the report, albeit in a disclaimer of sorts.

In CEBR's "Introduction" section of the 2019 Employment at Cherry Point report, the authors included the following statement:

"The focus of this report is the contributions made by existing employers and what may happen due to small changes in employment levels at existing businesses within the district. Our analysis does not intend to show what may happen if a new business moves to the region, nor does it intend to show what may happen if a business were to leave the region."

However, in the "Executive Summary" section of CEBR's 2019 report, the authors chose to include this information: "The average wage in Whatcom County was \$45,491 in 2017. Without the Cherry Point Industrial Zone, the

average wage in the county falls to \$43,024 (5.4 percent decrease). The overall average would fall further if the jobs elsewhere in the county that depend on businesses in Cherry Point were removed along with the jobs at Cherry Point.” Additionally, the authors included this statement in the “Conclusion” section of the report: “Without the jobs in Cherry Point, the average wage in Whatcom County would decrease from \$45,491 to \$43,024, a 5.4 percent drop.”

By including that specific scenario with correlating wage information in the report, the authors chose to demonstrate what may happen to wages in Whatcom County if the Cherry Point Industrial Zone were to be removed, and they chose to further show what may happen to wages in the county if jobs elsewhere in the county that depend on Cherry Point businesses were to be removed along with the jobs at Cherry Point.

Those statements included in the “Executive Summary” and “Conclusion” sections of the 2019 report are contrary to the authors’ stated intention in the “Introduction” section, and those echoed the idea of the Cherry Point Industrial Zone and the jobs attached to it, no longer existing.

At March 19 event, Common Threads Northwest’s Jim McKinney spoke next, and alleged that there is a lack of transparency on the part of the County Council in terms of the process for the Council’s 2019-proposed amendments to the County’s comprehensive plan and code regarding the Cherry Point industrial zone. Several times, when McKinney would interject commentary in between when the panelists would speak, he perpetuated the idea that the County Council has been problematic in its handling of the process for those amendments. But, that open, public process has been ongoing for the last several years.

That process, starting back in 2016 when the original Cherry Point Amendments were proposed which, after about a year and a half of review, were finally approved by the County Council in May of 2017 — continuing through when additional amendments to the County’s comprehensive plan and code regarding the Cherry Point industrial zone were proposed by Council in early 2019 — and up through the present where those new amendments are being reviewed by the County planning commission which will give its recommendation to the County Council for a final vote. The Cherry Point amendments process that has been ongoing for several years is a public process which includes detailed work and extensive review by the County Planning Commission, the County’s Planning and Development Services department, an outside legal firm, and the County Council. During that several-year process, the public has gotten to provide input along the way, and is still providing input.

The first panelist to speak at the WBA’s March 19 event was CEBR co-director, James McCafferty, who provided some general highlights from the 2019 Employment at Cherry Point report that CEBR prepared for the WBA. In talking about the median

home price in Whatcom County and what income CEBR stated in its report that people would need to afford that home, McCafferty told the audience that not all homes or income are the median, and Cherry Point jobs pay wages so that people can afford these homes. That statement by McCafferty appears to go beyond just providing numbers and data from the report.

The panelists representing BP, Phillips 66, and Alcoa Intalco told attendees they believe regulations are already stringent at Cherry Point, and advocated for easier and predictable permitting processes, while also claiming how safely and environmentally conscious their companies operate.

Jolie Rhinehart with Phillips 66, who, according to Washington state's Public Disclosure Commission, is also a registered lobbyist for the company, said they have a big concern in being able to access a Canadian crude pipeline, and are worried about investing if the County were to prohibit building additional storage tanks in Whatcom County.

Alcoa Intalco's then-plant manager Ron Jorgensen told attendees there are three key things their company needs in order for it to thrive: a gas pipeline, a port (an additional pier), and rail infrastructure. Also, he alleged that when you displace workers, it can lead to social welfare and drugs, introducing that suggestion without providing any real basis for it, which seemed more a way to cause alarm.

BP's Pam Brady told the audience that refineries compete for capital, so if investors see that it will be harder for projects to get permitted here, it's easier to attract money for capital/investors in another country. She claimed that the direction of the County Council, in terms of the Cherry Point Amendments, is repelling investment.

None of the panelists speaking at the WBA's March 19, 2019 event discussed the potential harmful impacts to the environment or to the public's health and safety that can result from the operations associated with some of the industries at Cherry Point. Instead, most speakers focused on bringing forth arguments counter to elements they anticipated to be included in the Whatcom County Council's Cherry Point Amendments to the County's comprehensive plan and code.

The March 19 event was just one more example of how CEBR's 2014 and 2019 Employment at Cherry Point reports have been used to advocate for additional fossil fuel development at Cherry Point and to oppose stronger policies and regulations at Cherry Point. The WBA and other groups and companies have used those two Cherry Point reports prepared by CEBR to advocate for the then-proposed coal export terminal, and for additional fossil fuel expansion and project development at Cherry Point. Additionally, the WBA and other groups and companies have used those two Cherry Point reports to oppose potential changes in policy and code regarding land use in Whatcom County which are aimed at providing stronger protections of the public's health and safety and the critically sensitive marine environment in and around



the areas at Cherry Point, and at better protecting the culturally and spiritually significant properties of Lummi Nation and Lummi treaty rights.

A recent example of CEBR's 2019 Employment at Cherry Point report having been used for advocacy is a radio advertisement that a Bellingham resident reported (to *The Searchlight Review*) hearing on KGMI 890 radio on November 18, 2019. The ad directed listeners to go to the website for the Whatcom Coalition for Economic Growth to learn about the importance of industry at Cherry Point and preserving the industrial activity there.

Some Whatcom County residents have also reported hearing similar radio ads in December 2019. Additionally, *The Searchlight Review* received a report from a Whatcom County community member who sent a screenshot of an online ad promoting the Whatcom Coalition for Economic Growth website that they saw on December 8. The bottom of the online ad stated that it was paid for by BP America.

According to whois.com, the so-called Whatcom Coalition for Economic Growth website was registered on September 24, 2019. The website states that Whatcom Coalition for Economic Growth is a project of the Whatcom Business Alliance. The WBA's Whatcom Coalition for Economic Growth project's website presents an oppositional position to the Cherry Point Amendments and, to a noticeable degree, even to the County Council members who are supportive of the amendments. The website stated:

"The Whatcom County Council is quietly pushing to approve new regulations for Cherry Point that will likely damage our economy for decades to come." And, it stated: "The Whatcom County Council should NOT move forward with its proposed regulations. The current regulations in place are sufficient and there shouldn't be any changes made without adequate time for stakeholder and community involvement."

However, anyone paying attention to Whatcom County government over the last three years since the Cherry Point Amendments were proposed by the Whatcom County Council, knows that the process has not been "quietly" occurring, and knows that there has been adequate time because that process is still ongoing now, three years later.

CEBR's 2019 Employment at Cherry Point report was referenced several times in the information provided on the Whatcom Coalition for Economic Growth's website. Under the website's "In the News" section, there was an October 17, 2019 post titled, "Not All Employers are Created Equal," which included a hyperlink to CEBR's report. The post started out by claiming that, "the hard-nosed economic conclusion of the independent 2019 Cherry Point Economic Impact Study conducted by Western Washington University's Center for Economic and Business Research," was:

"When discussing job creation, it is clear that some jobs are far more beneficial to the general welfare than others." There was a link provided to the study/report.

That re-framed “hard-nosed economic conclusion” asserted by the WBA’s Whatcom Coalition for Economic Growth is not presented as such in the “Conclusion” section of CEBR’s 2019 Cherry Point Employment report. The authors of the report had stated that, “This report is not intended for any advocacy purposes.” However, not only is the WBA, which commissioned the report, using it for advocacy, the WBA is also re-framing the conclusion that was written by the report’s authors.

## Conclusion

*The Searchlight Review* finds that Western Washington University and its Center for Economic and Business Research have continued to allow the university's good name and reputation to be used by the Whatcom Business Alliance, which wanted, as Hart Hodges had indicated in his August 2018 email, the university's name on an advocacy piece.

Under the “Topics and Reports” page on CEBR’s website it states:

“Much of the Center's work is paid research and analysis. This work is conducted using best practices overlaid with academic rigor and standards with the results of such analysis held as independent from the funding source. Our work is conducted by a team of select students, graduate students, faculty and staff and reviewed by qualified faculty and staff.”

*The Searchlight Review* also finds that the email communication records related to both the 2014 and the 2019 Employment at Cherry Point reports indicate that some analysis presented in those reports prepared by CEBR was not truly independent from the funding source which was the WBA. Neither was it indicated that the analysis was truly independent from entities such as SSA Marine/PIT, which has been a member of the WBA, has provided funding to the WBA, and had/has financial interests in Cherry Point.

It would be beneficial to Western Washington University to investigate what has transpired with CEBR’s 2014 and 2019 Employment at Cherry Point reports in order to determine if those overall processes were, in fact, conducted using best practices overlaid with academic rigor and standards with the results of such analysis held as independent from the funding source.

## About the Author

Based in Northwest Washington, Sandy Robson is an investigative writer who covers social, political, and environmental issues happening in the Pacific Northwest region.

Her scrutiny of policies, relationships, public processes, communications and public records has shed light on environmental issues such as the then-proposed Gateway Pacific coal terminal in Whatcom County, Washington. That scrutiny also shed light on political issues such as Whatcom County's 2014 general election, during which, significant political and environmental implications were at stake with the obscure Charter Review Commission up for election that year.

She has also brought attention to social issues with some of her reports, such as those that have spotlighted various entities' anti-tribal treaty and anti-tribal sovereignty efforts.

Founded by Sandy Robson, *The Searchlight Review* is committed to bringing important stories of public interest to light using the digital world to present those stories to an online audience. Content is principally based on material resulting from investigative research and often includes commentary and analysis.

*The Searchlight Review* is dedicated to providing readers discerning, reliable coverage on a variety of social, political, and environmental issues in the Pacific Northwest region.