

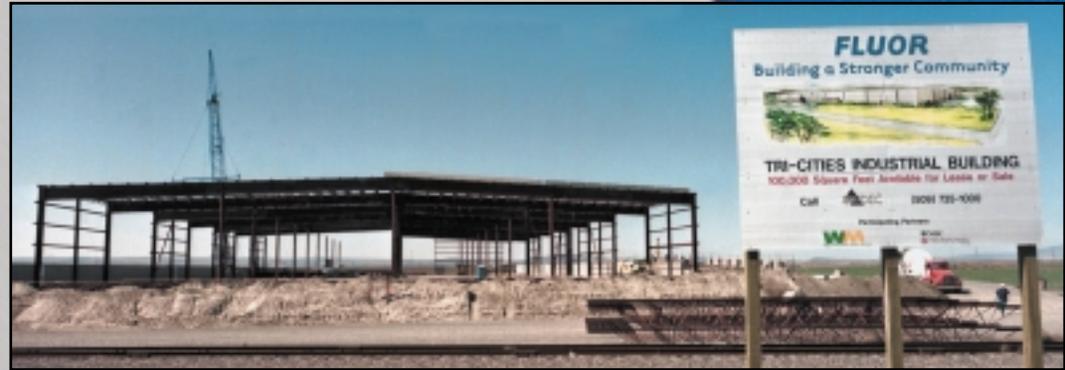
ECONOMIC TRANSITION

Expectation:

Support economic diversification and growth in the Tri-Cities by collaborating with regional economic development entities.

Status:

- Fluor Hanford partnered with DynCorp Tri-Cities Services to roll out a \$1-million agreement with Columbia Basin College to transform the Workforce Development Center into the Columbia Basin Advanced Technology Center. The revamped Center will be designed to train and build a strong information technology workforce, and serve as an incubation center for high-tech entrepreneurs starting businesses in the Tri-Cities.
- Only side paneling and landscaping remain to be completed on the Fluor multi-million-dollar multipurpose industrial building. It should be finished well ahead of the year-end completion target. Local economic development officials already consider the building a success in that it has attracted 20 serious inquiries. Two of the inquiring businesses have chosen to locate in the Tri-Cities.



Fluor's 100,000-square-foot-plus multipurpose industrial building, designed to attract new firms and jobs to the Tri-Cities, is 90 percent complete.



ECONOMIC TRANSITION

Status: (continued)

- Asset conversion activity continues to help local companies fulfill needs with underutilized and excess equipment from the Hanford Site. Assisted in the past quarter were rail-repair company Gunderson Northwest, Parson/Thompson Mechanical, Meyer Plastic, De Rose Industries (a plastics molding company), Foster-Wheeler Environmental, and LaMarr Motor Coach. Asset transitions this quarter will help create more than 300 new jobs in the Tri-Cities.
- To encourage entrepreneurial employees to pursue self-employment and job creation, Fluor sponsors a leave of absence program. It provides a “safety net” while employees start their own businesses. So far, two Fluor Hanford employees have taken advantage of the program to establish their own companies.
- Corporate subsidiary Lockheed Martin Services, Inc., located in Richland, developed and sponsored a new Web Site for the Tri-City Industrial Development Council (TRIDEC) to promote the Tri-Cities and recruit new businesses. TRIDEC President Bill Martin calls it “one of the most critical components of our marketing strategy.”



About 1,500 feet of excess rail, removed to pursue cleanup work in the 300 Area, were donated to Gunderson Northwest, enabling the firm to increase its capacity to repair and refurbish railroad cars.

