

NG97-022

CWS

HK - Comm. Ltr

DOCKET NO. NG97-022

In the Matter of

IN THE MATTER OF THE FILING BY
MIDAMERICAN ENERGY COMPANY
FOR APPROVAL OF ITS 1997
ECONOMIC DEVELOPMENT REPORT
AND ITS 1998 ECONOMIC
DEVELOPMENT BUDGET

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

12/30/97 Filed and Docketed;
3/16/98 Order Approving 1997 Economic Development Report and 1998 Economic
3/16/98 Matter Closed.



December 29, 1997

Mr. William Bullard, Jr.
Executive Secretary
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501

Dear Mr. Bullard:

In accordance with Docket No. NG95-019, enclosed please find the original and 11 copies of MidAmerican Energy Company's report on 1997 economic development activities. Please file stamp one copy and return in the enclosed self-addressed stamped envelope.

During 1997, our Company continued its commitment to economic development by working directly with and on behalf of communities in our South Dakota service territory.

During 1997, the "spec" building at Yankton was sold and will be utilized to weld, assemble, test and paint hydraulic cylinders. MidAmerican was a partner with the City of Yankton in the construction and marketing of this building. The new company is expected to create 30-50 new jobs within the community over the next two years.

Also noteworthy this past year is formation of the new Lincoln County Economic Development Association (LCEDA). The support of MidAmerican Energy Company and the other Lincoln County entities will further enhance and unite economic development effort for this area.

Our 1997 economic development report is organized into eight sections, as shown in the table of contents. Our actual expenditures are found in the first section. Our 1998 proposed budget is found in the final section.

We respectfully request approval of our 1997 report and our 1998 economic development budget.

If you have any questions, please let me know.

Very truly yours,

encs.

(ss-ivarsen.sd)

NG 97-022

RECEIVED

DEC 30 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

MidAmerican Energy Company
401 Douglas Street
P.O. Box 778
Sioux City, Iowa 51101
712 271-3587 Telephone
712 252-7396 Fax

Suzan M. Stewart
Managing Attorney

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

MIDAMERICAN ENERGY COMPANY

SOUTH DAKOTA

**Partners In
Change....**

**Partners In
Success**

Report to the Commission

**1997 Economic Development Activities
&
Proposed 1998 Budget for Economic Development Activities**

December 30, 1997

Table of Contents

1	1997 ECONOMIC DEVELOPMENT ACTUAL EXPENDITURES
2	MIDAMERICAN ENERGY COMMUNITY DEVELOPMENT SUPPORT
3	YANKTON SPEC BUILDING SOLD
4	SIOUX FALLS DEVELOPMENT FOUNDATION
5	MINNEHAHA COUNTY ECONOMIC DEVELOPMENT ASSOCIATION (MCEDA)
6	LINCOLN COUNTY ECONOMIC DEVELOPMENT ASSOCIATION (LCEDA)
7	DAKOTA DUNES
8	1998 PROPOSED BUDGET ECONOMIC DEVELOPMENT

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1997 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Development Group Support

Forward Sioux Falls.....	\$12,000
Yankton Area Progressive Growth.....	2,000
Siouxland Initiative.....	1,500
Vermillion Development Co.....	1,000
Minnehaha County Economic Development Association (MCEDA).....	3,500
(Includes community development support for: Baltic, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA).....	3,500
(Includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

Alcester Development Corp.....	\$200
Centerville Development Corp.....	200
Elk Point Gold Program.....	200
Flandreau Improvement Corp.....	200
Jefferson Development Corp.....	200
Montrose Development Corp.....	200
North Sioux City Development Corp.....	200
Salem Development Corp.....	200

Program Subtotal..... \$1,600

Economic Assistance Programs

Sioux Falls Economic Development Foundation (marketing grant).....	\$1,000
Gold Community Achievement Awards Program.....	1,500

Business Attraction Incentives

Yankton Spec Building marketing expense.....	4,500
Allocation of trade show expenses on behalf of South Dakota communities for International Food Processors and FABTECH International.....	4,058
Allocation of travel and associated expenses for MEC developers working with and/or on behalf of South Dakota communities in our service territory.....	9,755

TOTAL ACTUAL EXPENDITURES \$45,913

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1997 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Proposed 1997 Budget

Allocation for 1997.....	\$35,000
Plus "carried over" from 1996 budget.....	2,654
Total Proposed Budget for 1997.....	<u>\$37,654</u>

Request For Approval

Actual Economic Development Expenditures for 1997.....	\$45,913
Less expenses incurred by MEC over and above Proposed Budget.....	(8,259)
ACTUAL 1997 EXPENDITURES REQUESTED FOR SDPUC APPROVAL	<u>\$37,654</u>



Check received for economic development use/

James Vander Velde, community developer for MidAmerican Energy Company, supplier of natural gas in Flandreau, presents a check for \$200 to Arlyce Derald, administrator of the Flandreau Improvement Corporation/Civic and Commerce. The money will be used for economic development efforts. MidAmerica annually helps in this community effort.



Rodvold and Jerry Trudeau, representing the Jefferson Development Corporation.

Contribute to local development

MidAmerican Energy Company recently presented checks to three organizations in support of local economic development endeavors.

The Elk Point GOLD program, North Sioux City Development Corporation and the Jefferson Development Corporation each received \$200 from MidAmerican. The contribution provides general support for job growth, community development and overall economic betterment activities.

Mark Rodvold, Community Developer for MidAmerican En-

ergy in southeast South Dakota, said that the contributions will enhance the ongoing partnership between MEC and the three communities.

Working with local leaders, MEC is interested in supporting local progress by attracting new business and encouraging expansion of existing businesses, as well as general community improvement.

Rodvold said that MEC is enthusiastically looking forward to participating in many other jointly beneficial, locally defined development priorities.



MidAmerican Energy Community Developer Mark Rodvold, right, presents a check to Rich Rosenbaum, Elk Point Commercial Club President.



Rodvold and Jeff Harms, representing the North Sioux City Development Corporation.

MidAmerican Energy Company Contributes To Local Development Program



MidAmerican Energy Company (MEC) presented a check today to Yankton Area Progressive Growth, Inc. in support of local economic development endeavors. The \$2,000 contribution provides general support for job growth, community development, and overall economic betterment activities.

Mark Rodvold, left, Community Director for MidAmerican Energy

in southeast South Dakota, said that the contribution will enhance the ongoing partnership between MEC and the community of Yankton. Working with local leaders, MEC is interested in supporting community growth by attracting new business and encouraging growth of existing businesses. The recent success of finding a major industry for the Fox Run spec building, which MEC

helped construct and market, is an excellent example of these cooperative efforts. Rodvold said that they are enthusiastically looking forward to participating in many other jointly beneficial, locally defined development priorities.

YAPG President Gordon Brown and Ron Kraft accepted the contribution.



GOVERNOR'S OFFICE OF
ECONOMIC DEVELOPMENT

711 East
Wells Ave.
Pierre,
South Dakota
57501-3369

April 8, 1997

605-773-5032
800-872-6190
Fax:
605-773-3256

Internet:
govecon@state.sd.us

Glen Ivarsen
MidAmerican Energy Company
PO Box 778
Sioux City, IA 51101-0778

Dear Glen:

Thank you for helping make the Governor's Economic Development Conference a success. Several communities have already shared their enjoyment of the conference with us, especially the GOLD Community Awards portion. Most communities we've heard from were amazed at the number of awards distributed (\$9,000 total).

Enclosed is a list of the award winning projects along with a local contact person. I'm also including a copy of the press release we mailed statewide this morning. Photos were also sent to the hometown newspapers of the award winning communities, complete with a list of program sponsors.

Future plans for the program include lengthening the time period communities have to submit an award to encourage more applications. Several sponsors have also inquired about having more input in the awards program and overall conference, so we will facilitate a way to get more of your ideas for future events.

In the meantime, thank you again for your sponsorship and input. We value the relationship we've built with you and your organization over the years and are happy to work with you on any projects you might have this summer. Please feel free to give us a call if there's anything we can do!

Sincerely,

Brett Stewart, Development Specialist
South Dakota GOLD program

cc: Mark Rodvold, MidAmerican Energy Company



LIST OF GOLD COMMUNITY ACHIEVEMENT AWARD WINNERS

BUSINESS & INDUSTRIAL DEVELOPMENT

- | | | |
|-------------|-------------|---|
| \$900 Award | Brandon | Dennis Olson, GOLD Co-Coordinator
PO Box 95
Brandon, SD 57005-0095 |
| \$500 Award | Centerville | Stan Schmiedt, GOLD Coordinator
PO Box 160
Centerville, SD 57014-0160 |
| \$300 Award | Lennox | Margaret Meyer, GOLD Coordinator
PO Box 542
Lennox, SD 57039-0542 |

COMMUNITY MARKETING & PROMOTION

- | | | |
|-------------|------------|---|
| \$900 Award | Custer | Cindy Mayes, GOLD Coordinator
615 Washington Street
Custer, SD 57730-2028 |
| \$500 Award | Webster | Sharon Jurgens, GOLD Coordinator
Rt 2, Box 161
Webster, SD 57274 |
| \$300 Award | Gettysburg | Bernie Webb, GOLD Coordinator
307 E. Commercial Avenue
Gettysburg, SD 57442 |

EDUCATION, TRAINING & YOUTH INVOLVEMENT

- | | | |
|-------------|--------------|---|
| \$900 Award | Lake Preston | Reed Hauck, GOLD Coordinator
327 Main Avenue North
Lake Preston, SD 57249 |
| \$500 Award | Lemmon | Nikki Heier, Devel. Corp. President
300 Main Avenue
Lemmon, SD 57638 |
| \$300 Award | Edgemont | Michele Watland, GOLD Coordinator
PO Box 242
Edgemont, SD 57735-0242 |

OUTSTANDING ORGANIZATIONAL ACTIVITIES

\$900 Award	Kimball	Lucille Houda, GOLD Coordinator PO Box 47 Kimball, SD 57355-0047
\$500 Award	DeSmet	Vicki Bierschbach, GOLD Coordinator RR 2 Box 21D DeSmet, SD 57231-9402
\$300 Award	White Lake	Bob Zoon, GOLD Coordinator RR 2 Box 72 White Lake, SD 57383-9802

BEAUTIFICATION & ENHANCEMENT

\$900 Award	Spearfish	Bryan Walker, GOLD Coordinator PO Box 550 Spearfish, SD 57783-0550
\$500 Award	Mobridge	Phyllis Littman-Keszler, GOLD Coordinator 810 1st Avenue West Mobridge, SD 57601-2113
\$300 Award	Hartford	Cecile Binker, GOLD Coordinator 125 North Main Hartford, SD 57033-0393
\$250 Award	Lead	Le Ann Johns, GOLD Coordinator PO Box 735 Lead, SD 57754-0735
\$250 Award	Winner	Darci Stewart, GOLD Coordinator PO Box 624 Winner, SD 57580-0624

CITY OF BRANDON

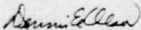
304 Main Avenue • P.O. Box 93 • Brandon, SD 57009
Telephone: (605) 582-4313 • Fax: (605) 582-4631

Glen Ivarsen
MidAmerican Energy Company
P.O. Box 778
Sioux City, IA 51101-0778

Dear Mr. Ivarsen:

As you are aware, the City of Brandon received a first place GOLD Achievement Award in the area of Business & Industrial Development at the GOED Conference in Pierre last week. Accompanying the award was a check for \$900.00. The City of Brandon and the Brandon Development Foundation are very serious about industrial development in the City of Brandon. There are countless hours of uncompensated time given by many individuals within our community to provide the Brandon with an industrial base and it is very much appreciated that your group has recognized their efforts. Industrial development in Brandon also has a positive effect on all of South Dakota and your group's commitment to the Achievement Awards program is appreciated. Thank you for the recognition and the cash award.

Sincerely,



Dennis E. Olson
Municipal Finance Officer

CITY OF CENTERVILLE

P.O. BOX C
CENTERVILLE, SOUTH DAKOTA 57014-0902
605-563-2302

April 18, 1997

Glen Ivarsen
MidAmerican Energy Company
PO Box 778
Sioux City, IA 51101-0778

Dear Mr. Ivarsen,

We here at Centerville would like to take the opportunity to say "Thank You" for your participation as sponsors and judges for the GOLD Community Achievement Awards.

If it wasn't for companies like yours, programs such as the Gold Program wouldn't be the success they are. The Gold Program truly keeps the towns in touch with one another so we can find out what other communities are doing and what works. We also appreciate the positive attitudes that are at such meetings. Many of us have discussed that we come out of the meetings on a high, instead of all the negative comments we hear in our own little towns.

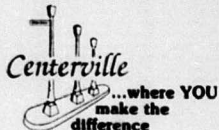
Thanks again for you financial support and the \$500 award we received for second place in the Business & Industrial Development Area.

Sincerely,

CITY OF CENTERVILLE

Nancy L. Kludt
Nancy L Kludt
Finance Officer

Stan Schmiedt
Stan Schmiedt
Gold Co-ordinator



NEXT

DOCUMENT (S)


DISREGARD

BACKGROUND

BUSINESS FACILITIES

The Source for Corporate Site Selectors

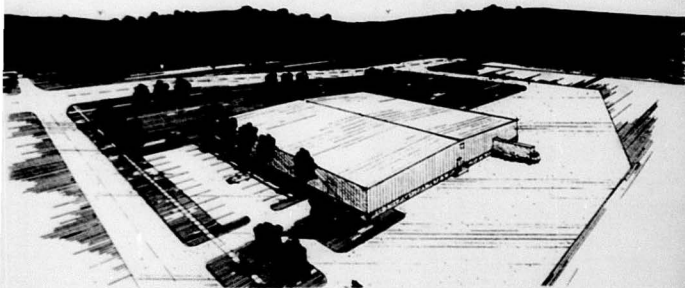
New Building Available Now!
Yankton, South Dakota • 40,000 sq. ft. • Light/Heavy Industrial
Finish To Suit • Expandable
Call Steve Dast at 1-800-358-6265 Economic Development Team
E-mail sdast@midamerican.com



SOLD - AUGUST 1997

GROUP C COMMUNICATIONS, INC.

New Manufacturing Building Available Now



- 40,000 Sq. Ft. Steel Frame
- Located On An 8-Acre Tract
 - Ready For Custom finishing
 - Designed With Expansion Capability

Yankton, South Dakota -- Where Opportunity Is A Way Of Life

- One Of The Nation's Top-Rated Business Climates
 - Where Operating Costs Are Among The Lowest In The U.S. And Canada
 - With Financial Incentives Available For Qualifying Businesses
-

Lewis & Clark Hydraulic Company



Mr. Roland Junck,
President of Prince
Manufacturing
Corporation, which is
headquartered in North

Sioux City, South Dakota, announced today the purchase of the industrial shell building at the corner of Kellen Gross Drive and 23rd Street in Yankton, South Dakota.

The building, which is located in the Fox Run Business Park, will be used by Prince for a new division, which will be called Lewis & Clark Hydraulic Company.

Prince, which was incorporated in 1950, has 430 employees in five other divisions; Sioux City, Iowa; North Sioux City, Nebraska; Hartington, Nebraska; North Sioux City, South Dakota, and Brookings, South Dakota. Prince, which has world-wide sales, is a manufacturer of hydraulic cylinders, valves, pumps, motors and filters for the agricultural, construction, mining, transportation, solid waste, material handling and automotive markets. They are especially well known for the quality products that they produce.

Mr. Marvin Edwards, a long-time manager of the Prince Purchasing Department, will be the new General

Manager of this division. Mr. Edwards will move to Yankton soon to oversee completion of construction of the building and to set up the operation.

The Lewis & Clark Hydraulic Company will weld, assemble, test and paint hydraulic cylinders which will be distributed through the Prince corporate sales team. The company is expected to hire 30 to 50 employees over the next two years and will advise when it is ready to interview prospective employees.

"We are looking forward to being part of the Yankton community", said Mr. Junck. "It looks very attractive and the business community seems very friendly. We are very pleased to expand here and we hope to grow as the city continues to grow. We especially thank Ron Kraft, Executive Director of Economic Development, Yankton Area Progressive Growth, Inc., and the Chamber of Commerce for their help. We also want to thank the Governor's Office of Economic Development for their assistance."

An open house will be held as soon as the building is complete to meet the new General Manager, as well as other principals of Prince Manufacturing Corporation.

Ron's Ramblings

This is the time of year when we feature Yankton Area Progressive Growth, Inc. in the Navigator. YAPG, Inc. is a non-profit, community development corporation supported by local members/investors.



Ron Kraft

The corporate annual meeting is held after their fiscal year ends September 30.

The Chamber, through the Office of Economic Development, provides office and staff support for YAPG. The City of Yankton has an agent's agreement with YAPG for the marketing and sale of commercial and industrial property in Fox Run.

YAPG has raised over \$350,000 the past six years to fund a local revolving fund, provide incentives for primary job creation, and develop industrial real estate. Because of this funding and partnerships with Northwestern Public Service, MidAmerican Energy Company, and the City of Yankton, we were able to construct and sell an industrial shell building in the Fox Run Industrial Park. It was a great marketing tool that greatly improved both the quantity and quality of industrial prospects that considered Yankton in the last three years.

In 1996, YAPG, Inc. purchased 24 acres in the Yankton East Industrial Park. This is the only developed rail site we have left to represent to prospective industries. This past year we completed the

RON'S RAMBLINGS

(Continued On Page 2)

November/December 1997



Ron's Ramblings

(Continued From Page 1)

Phase One Environmental Assessment on the property, as well as soil borings and subsurface analysis. The site is ready for occupancy with minimal delays for the right company.

If you read the detailed information in the rest of the Navigator, you will see that Yankton Area Progressive Growth has been of assistance to the location and expansion of a number of industries in the last 20 years. Every active community will have a comparable corporation doing similar things.

As you can see, the Private Sector is a major contributor to Yankton's

business development effort. When you combine the funds from the City, the Chamber's contribution, and YAPG, Inc., we have a modest but effective business development program. It is truly a "public/private" partnership, with each partner doing what we do best.

*YAPG, Inc. has a net worth of less than one half million dollars. The comparable community development corporations in the cities of Aberdeen, Brookings, Huron, Mitchell, and Watertown have a mean average net of \$3.4 million.

If you have questions or just want to chat, stop in the Chamber Office

DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION

January/February, 1987

Volume 21, Number 1

Community investment sends Forward Sioux Falls over goal

Forward Sioux Falls—Into the Next Century has surpassed its funding goal by over \$1 million, according to Gary Olson, chairman of the fundraising campaign. Olson and division chairs for the funding campaign spoke at a Forward Sioux Falls progress report gathering January 20 at the Holiday Inn City Centre.

"I am happy to report that 401 businesses, individuals and public entities have pledged \$4,012,000 over the next five years," Olson said. "Once again, this community has shown its generosity and commitment to hard work."

This is not a final total; pledges are still being made as more and more businesses seek to invest in a program which will continue to make Sioux Falls a leader, Olson said.

"Many people deserve thanks for helping us exceed our goal," said Tom Everist, Chairman of the Sioux Falls Development Foundation and one of the division chairs for the fundraising campaign. "Thanks to our investors, and a special thanks to the many volunteers who signed on to get the word out and make this accomplishment possible."

The goals of Forward Sioux Falls—Into the Next Century include creating 10,000 new jobs through business development, training at least 1,000 new workers, improving technological resources available to businesses and enhancing the quality of life through such means as providing more affordable housing.

"This expression of confidence on the part of our investors illustrates that our goals are clearly understood," Everist said, "and that this community wants to continue to move forward into the next century with a strong economy and an enhanced future for all our citizens."

The Forward Sioux Falls program is a joint venture between the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation.



Above, Fundraising Chairman Gary Olson welcomes investors and volunteers to the Forward Sioux Falls update meeting. Below, Tom Everist, SDF Chairman, reports the results of his division's efforts.



This community wants to continue to move forward into the next century with a strong economy and an enhanced future for all our citizens.

DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION

March-April 1997

Volume 21 Number 2

HUTCHINSON TECHNOLOGY to add new Sioux Falls assembly manufacturing facility

Hutchinson Technology Incorporated (Nasdaq/NMS: HTCH) has announced that it has selected Sioux Falls to be the site for a new assembly manufacturing facility. Construction of a 275,000 square foot building is expected to begin later this year on a 100 acre site in the Sioux Empire Development Park Four addition, located in the northwest quadrant of the intersection of Benson Road and I-229. Construction costs are estimated at \$35 to \$40 million, with current plans to start operations in the new manufacturing facility approximately 12 months after construction begins.

The company said that the addition of the new facility could increase its Sioux Falls area employment to 2,500 or more within two to three years of start-up. Hutchinson Technology now employs more than 1,500 people with aggregate annual compensation of approximately \$50 million at its existing Sioux Falls facility, which opened in 1988.

Wayne M. Fortun, Hutchinson Technology's chief executive officer, said the new assembly manufacturing facility is needed to provide capacity required to meet growing demand for the company's suspension assemblies for hard disk drives. Suspension assemblies are precision components that hold the recording heads in a disk drive at microscopic distances above the disks on which data is stored. Over the past five fiscal years, the company's unit shipments of suspension assemblies increased on average approximately 28% annually and totaled nearly \$540 million in fiscal 1996.

"We expect shipments will continue to grow with the proliferation of computers and network file servers, as well as non-computer applications for disk storage, such as voice mail and video data," said Fortun.



Fortun said Sioux Falls was selected as the site for the company's newest facility because of the strong performance of its existing Sioux Falls operation, the supply of quality labor in Sioux Falls, the city's proximity to the Hutchinson, Minnesota, headquarters and a favorable business climate.

"Our existing Sioux Falls facility was our first expansion outside Minnesota and it has been an outstanding success for us," Fortun said. "We're looking forward to building on the strong foundation we already have in the community as we continue our expansion. We appreciate the support we have received from the city and the state."

Continued on page 2

DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION
July-August, 1997
Volume 21, Number 4



Hutchinson Technology breaks ground for new facility

Hutchinson Technology's Wayne Fortun addresses the crowd gathered for the groundbreaking.

The Sioux Falls Development Foundation hosted a groundbreaking ceremony for Hutchinson Technology Incorporated on July 30, with state and local dignitaries attending. The original groundbreaking was slated for June 20, but unseasonably heavy rains made the site inaccessible.

Hutchinson Technology's new assembly manufacturing facility in Sioux Falls is being built on a 100-acre site in the Sioux Empire Development Park Four addition, located in the northwest quadrant of the intersection of Benson Road and I-229. Construction costs are estimated at \$35 to \$40 million, and the facility should open in September or October of 1998.

Company officials have indicated that the new facility could add a minimum of **1,000 jobs** to its Sioux Falls workforce. Hutchinson Technology now employs more than 1,500 people with aggregate annual compensation of approximately \$50 million in Sioux Falls.

"An expansion of an existing company like Hutchinson Technology is the biggest compliment a state can receive," said South Dakota Governor Bill Janklow. "In 1988, we promised Hutchinson Technology an abundant supply of labor, an educated workforce and a chance to earn more profit. We produced—and now we are reaping the benefits of more jobs and a tremendous infusion of capital into the South Dakota economy."

Wayne Fortun, president and CEO of Hutchinson Technology, addressed a large crowd at the groundbreaking, thanking city and state officials who helped in the plans for expansion in Sioux Falls. Fortun also pointed out the company's commitment to retaining its manufacturing base in the upper Midwest, rather than move facilities offshore, to the Far East.

"We intend to stay in the Midwest," Fortun said, "to take advantage of the superior educational institutions and the great workforce with a strong work ethic."

Fortun said the company has been experiencing a 28% growth annually for the past five years, and expects that trend to continue. Sioux Falls, he said, will be a major part of the growth of the company in upcoming years.



Master of Ceremonies Steve Kirby, Sioux Falls Mayor Gary Hanson, HTI President and CEO Wayne Fortun, Nettie Myers, Secretary of SD Environment and Natural Resources Department, Chamber Chairman Dick Brown, and Craig Johnson, Secretary of SD Department of Labor, break ground for the new Hutchinson Technology manufacturing facility.

DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION

Volume 21, Number 3

SEPTEMBER/OCTOBER 1997

South Dakota's response to changes in the welfare system has created additional programs that could benefit employers. The emphasis of the new welfare system is on **work**, and the state has created a network that encourages families formerly on assistance to find jobs—and encourages employers to bring those people into the workforce. The new system works under the general designation of Temporary Assistance for Needy Families (TANF), and has several facets of interest to business people.

Most employers are familiar with the state's **On-the-Job Training (OJT)** program, which encourages employers to train new workers in occupation-specific skills. During the contracted training time, employers receive reimbursement, usually 50% of the wages paid, which helps to offset the cost and lower productivity associated with training new workers. It is expected that the employee, after training, will be retained as a full-time worker. Part-time positions are usually not eligible for OJT subsidy.

A new program, recently introduced, is **Try-Out Employment**. Employers agree to try a TANF client in a full-time job for a specific period of time according to a contract. The employer **does not pay the TANF employee wages during this contract period**. Instead, the TANF program will pay the worker a stipend, and cover the Workers Compensation costs during the Try-Out period. TANF personnel will monitor the employee's attendance, attitude and productivity very closely. It is hoped that by the end of the Try-Out period, the TANF client will be retained as a trained, valuable employee. Job Service will generally initiate Try-Out Employment contracts based on available positions with an employer.

"Our program is really ahead of the national curve on welfare reform," said Natalie Rae, TANF work supervisor. "We see many of our clients getting jobs within a week of applying for the program. Our purpose is to help people get into the workforce—and to help employers find motivated, willing employees."

Rae said the TANF program helps provide applicants with the skills they need to find jobs, through job search seminars and a resource center located at Job Service of South Dakota. Job developers and TANF Employment Specialists work with each client to help the transition from welfare to work.

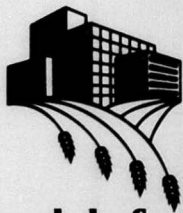
Employers who have questions about the TANF job programs are encouraged to call Kathy Smith, TANF Job Developer, at the Job Service office, 367-5300.



YOU'RE INVITED to the Sioux Falls Development Foundation Annual Meeting

The Sioux Falls Development Foundation's annual meeting is scheduled for Thursday, November 20, from 4:30 to 6:30 p.m. in the

mark your calendar now! For November 20,



**Minnehaha County
South Dakota**

*Growing
Opportunity!*

A county full of opportunity

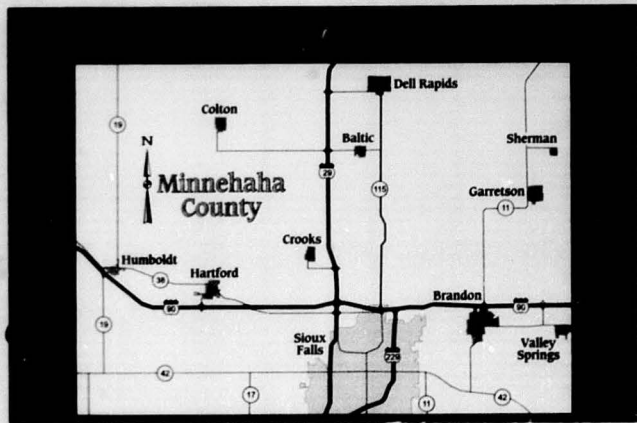
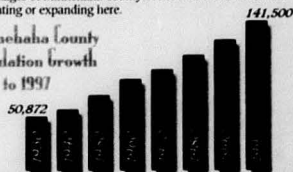
Minnehaha County has been one of the fastest growing areas of the United States for the past decade. Located at the intersection of Interstates 29 and 90 in the center of the nation, Minnehaha County is the most populous county in South Dakota, and has one of the nation's strongest economies in recent years, fueled by the growth of Sioux Falls.

The Minnehaha County Economic Development Association (MCEDA) was organized by the ten progressive, forward-looking rural communities in the county to provide economic development information and services to companies who wish to locate or expand in Minnehaha County.

MCEDA works in cooperation with the Sioux Falls Development Foundation to help create opportunity for businesses throughout the greater Sioux Falls area.

This cooperative effort assures businesses looking at the advantages of Minnehaha County of the maximum assistance in locating or expanding here.

Minnehaha County Population Growth 1930 to 1997



Linked to the entire globe... instantly

In today's networked business environment, a location in Minnehaha County is right at the center of the globe. With a well-established, reliable, redundant fiber optic system in place throughout the county, any company is instantly linked to customers, markets and affiliates around the world.

Connected to the stars

The EROS Data Center, site of the NASA program Mission to Planet Earth, has been located in rural Minnehaha County for over 25 years. Their satellite data is vital to the future of our nation, and the world, as they study climatological and earth resource changes. EROS is connected to international research centers and scientists around the globe—from Minnehaha County.

High tech success

In addition to EROS, major banking and high tech firms have found our county a successful location for their business. Citibank (South Dakota) N.A. has operated one of the world's largest credit card facilities from Minnehaha County since 1983, and Gateway 2000, the nation's largest direct marketer of computers, utilizes a base in our county for their customer service and sales division.



TOM EARLEY
Personnel & Training Officer,
Hughes STX Corporation, EROS Data Center
EROS is an international satellite imaging and
earth research center operated by the U.S.
Geological Survey and Hughes STX Corporation,
contractor to the USGS.

"The EROS Data Center and Hughes STX are able to recruit world-class scientific and professional people to work in Minnehaha County because of the amenities the area offers. A wide variety of communities, types of housing, educational options and social opportunities are available to new residents. These assets are especially attractive to former South Dakotans and midwesterners who seek to return here to work."

“Here in Minnehaha County, we have a truly state-of-the-art communications infrastructure. With uninterrupted service, Synchronous Optical Network and speed-of-light communication capabilities, Minnehaha County can provide a global communications system for any business.”

—DON SNYDERS

General Manager, Splitrock Telecom Co-op, Inc.

The sky's the limit

The Sioux Falls Regional Airport is home to five carriers, as well as recently upgraded facilities for Federal Express and UPS, which consider Sioux Falls an important hub. Every community in Minnehaha County is within a 30 minute drive of this vital air link. In addition, the U.S. Customs Service maintains a Port of Entry at the Sioux Falls Regional Airport, so international shipments can come right into Minnehaha County, clearing customs here.

Transportation that moves

With direct access to two interstate highways, Minnehaha County is uniquely suited to maximizing the efficiency—and profitability—of ground-based transport. Over fifty trucking companies are based in the county, with over-the-road and less-than-load capabilities. Maintaining our infrastructure is a major priority, and raw materials, consumer goods and finished industrial products flow in and out of Minnehaha County on an hourly basis.

“Our location in Minnehaha County has given us the opportunity to reach new markets in western states. Having Interstates 90 and 29 right here, the big common carriers, and the benefit of Southeast Technical Institute to support our educational and training requirements, are some of the main reasons for our expanding here. In addition, this is a great place to raise a family—and grow a business. We've already doubled our production space.”



Glenn Munnigie, Law-Stack, Inc.

Contract manufacturer of precision machined steel, stainless steel, aluminum, brass, iron and plastic components, along with fabrication and assembly capabilities for mechanical applications.

A county at the crossroads of a nation

Advantages for every business



There's a reason that Minnehaha County has one of the fastest-growing economies in the nation: companies make better profits. Our county and state share a pro-business philosophy that you can take to the bank. Among the advantages for every business located here:

- NO corporate or personal income tax
- LOW workers compensation rates
- NO business inventory tax
- NO personal property tax
- LOW utility costs

Business Tax Comparison

City	State Corporate Income Tax	Real Property Tax	Total
Denver, CO	\$ 50,000	\$35,159	\$ 85,159
Des Moines, IA	\$112,500	\$63,193	\$175,693
Fargo, ND	\$105,000	\$35,175	\$140,175
Milwaukee, WI	\$ 79,000	\$42,645	\$121,645
Minneapolis, MN	\$ 98,000	\$98,800	\$196,800
Omaha, NE	\$ 76,985	\$38,810	\$115,795
Minnehaha County MSA	0	\$28,198	\$28,198

Income Tax is based on \$1 million in federal taxable income.
Real Property Tax is based on \$1.5 million assessed value.

A welcoming business climate

A glance at the leading employers in Minnehaha County illustrates the wide range of businesses which find our business climate particularly hospitable. Sioux Valley Hospital and McKennan Hospital, who combine to make our county an important regional medical center, together employ over 6,000 people. Citibank adds another 3,200 employees with its credit card operation, while John Morrell & Co., one of the nation's leading meat packers, employs over 3,000 individuals as well. Hutchinson Technology, the world's leading producer of computer disk drive suspension assemblies, is also a major employer. From cows to computers, businesses thrive in Minnehaha County.

“We were somewhat apprehensive at first, locating in rural Minnehaha County, but we've had a great first year and our moving here has really paid off. The biggest advantage has been the people. The people we've hired have been really good for us, and the service people we deal with here have just been great. Overall, people have more time for you—they want to help you. You get good service—and that's a major plus.”

A labor-management partnership

South Dakota employees are protected by the **Right to Work Law**. This statute provides that any industry which is unionized is done so under "open shop" conditions, meaning that no employee can be discriminated against because of membership or non-membership in the union, either by management or other employees. **Three percent of the total labor force in Minnehaha County belong to unions.**

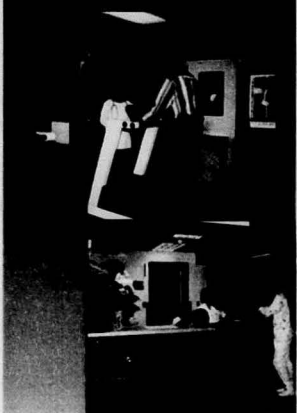


*Labor Available
Minnehaha County 1996*

	Minnehaha County	12 County Area
Total Civilian Labor Force	82,910	155,744
Unemployed	1,638	3,381
Persons willing to change jobs or enter labor force	5,146	9,618
Total Available Labor Supply	6,784	12,999

A network of suppliers

The strength of the economy in Minnehaha County has brought hundreds of businesses to the area whose major function is to support and supply other companies. This can mean substantial cost savings to your business, because of the proximity of the materials and services you need. From steel suppliers to trucking firms to precision metal cutting, you'll find ready access to the companies that make your business more profitable.



Working to help your business grow

Minnehaha County, South Dakota is an affordable solution to your business expansion or relocation. A variety of cost-saving incentives, combined with significant savings in the cost of living and doing business, make it easy to choose Minnehaha County as a place to grow a business or raise a family.

Property Tax Abatement program

The member communities of MCEDA have enacted ordinances to allow new industrial structures or additions to existing industrial structures to be taxed at a lower rate. This abatement ordinance results in a savings of property tax normally paid during the first five years following construction. This chart illustrates the percentage of property taxes that would be paid on qualifying buildings and improvements through the first five years:



Low Worker's Compensation rates

South Dakota has traditionally been known as having one of the lowest Worker's Compensation rates in the country. The average worker's comp net insurance cost for manufacturers in South Dakota is **\$4.50 per \$100 of payroll**, compared to these rates in other states:

Minnesota	\$4.59
Illinois	\$4.75
California	\$4.82
Texas	\$6.31

Business-friendly environmental regulations

Minnehaha County and the entire state of South Dakota are noted for clean air, fresh water and unspoiled landscapes. The state's environmental legislation is designed to protect and preserve this quality environment without imposing excessive restrictions on business and industry. Most state and county environmental regulations maintain this balance by approximating the minimum federal environmental standards.



Several of the MCEDA communities have developed industrial parks, with infrastructure in place to save you money in building or expanding your company. These parks offer prime access to railroad, interstate highway and air service, and are surprisingly affordable, especially when compared to similar sites in metropolitan areas. Most importantly, MCEDA can work with you to find a site that is ideal for your business, whether you are seeking an industrial, commercial or office operations location. And residential property is a bargain in Minnehaha County, too!

REDI Fund Loan program

Administered by the Governor's Office of Economic Development, the Revolving Economic Development and Initiative (REDI) Fund Loan program was developed to create primary jobs in South Dakota. These jobs "provide goods and services which shall be primarily exported from the state, gain market shares from imports of the state, meet an unmet need in an area, have a stimulative effect on other businesses or assist a community in diversification and stabilization of its economy." The REDI Fund may provide up to 45% of the total project cost and requires the applicant to secure the balance of their funds before applying to the Board of Economic Development. Interest rates are generally three percent. The loan can be amortized over a maximum of 20 years with a balloon payment due at five years.

In addition, other financing programs are available because of the rural nature and economic development efforts of the MCEDA member communities.

Flexibility in utility rates

Utility costs in Minnehaha County are among the most favorable in the Midwest, and utility companies in the MCEDA communities are often the strongest proponents of industrial growth. As a result, utility rates in the county are an excellent value. MCEDA will be glad to provide gas, electric, water and sewer availability and cost information for each community.

"Satisfied employees have to be happy where they live. We've got a lot to offer people in Minnehaha County. People want to be part of a community. They don't want to just be a number, but have more and do more—they want to have more satisfaction with where they live and how they live. We offer that here."

Affordable land with established infrastructure



A better way of life

Quality of life is more than just an economic development phrase in Minnehaha County. It's the way you live. There's time for family, for recreation and for friends. With no long commutes, no traffic jams and the prime landscape just moments away, this is a good place to be. It's one of the best places in the country to raise a family.

A safe place to live

Our crime rate is among the lowest in the nation. We have strong and visible police protection, in local law enforcement and the county sheriff's office. Recent FBI statistics show that only .16% of the nation's crime occurs in South Dakota. And people in the quiet communities of rural Minnehaha County share a neighborhood regard for each other—a kind of community Crime Watch program.

Education is a high priority

Some of the finest schools in the state of South Dakota are in Minnehaha County. We believe that our children are our future—and we invest in that future with good schools. As a result, our children consistently test higher on SAT and ACT college placement tests than the national average. Our public schools are the heart of the community, with plenty of opportunity for participation by students at all levels of athletic and scholastic ability.

City amenities with rural values

Challenging golf courses, beautiful riverside parks and great sporting events to watch are just a few of the recreational options in Minnehaha County. This is a place where you can fly a kite with your kids, watch a beautiful sunset from your back porch, take a bike ride over rolling hills or go out for some of the best steak in the world. In Minnehaha County, we know how to have a good time.

A home in any of the Minnehaha County communities is just minutes away from the restaurants, concerts, galleries, professional sports and movies of Sioux Falls. And you'll be even closer to opportunities for hunting, fishing or hiking. Minnehaha County offers all the advantages of a metropolitan area with the best elements of small town life. You'll discover a place where a helping hand is still a daily occurrence, where friendships last a lifetime and people care about their neighbors—and know them by name.

We think Minnehaha County is the home you've been looking for—for your family and your business. We'd like to help you discover how good life is right here.



MCEDA

Minnehaha County Economic Development Association

in cooperation with the

Sioux Falls Development Foundation

PO Box 907, Sioux Falls, SD 57101-0907

Phone: (605) 339-0103 • Fax: (605) 339-0055

Toll Free: (800) 658-3373

Minnehaha County
Economic Development Association

1997 Annual Report



President's Message

By Jim Wilcox



As we prepare for 1998, the Minnehaha County Economic Development Association can look back on a year of progress in our communities, in our county and in our organization.

One of the established rules of thumb for economic development is that 80% of growth comes from the expansion of existing businesses. As our communities expand, with new home construction and population growth, we have seen a corresponding expansion of our business communities. Industrial growth has also been a factor this calendar year, with the expansions of Lou-Rich and Luverne Truck Equipment in Brandon.

New projects were also in the spotlight this year. The Dell Rapids Industrial Park was created, with a partnership being forged between the city of Dell Rapids and the Industrial Development Association there. The

Baltic Heights housing development and city also underlines the partnership aspect of economic development, as the public and private sectors work together for a stronger community. The Humboldt Plaza project featured the construction of an 11,850 square foot retail facility, bringing a bank and a needed grocery store to Humboldt. MCEDA is proud to have hosted groundbreaking ceremonies this year for developments that are making a difference in our county.

Another major step taken by our organization this year has been the creation of the MCEDA Revolving Loan Fund. This \$100,000 fund is designed to stimulate economic growth in the county and will be flexible enough to assist projects which may not be eligible for industrial-based financial assistance—the state's REDI fund, for example. We will be able to help get retail operations, housing and service industries off the ground throughout Minnehaha County. It's a big step—and an important one!

As the MCEDA partnership continues to become stronger and involves more and more people throughout our communities, we can all be proud of the teamwork that keeps our county growing! Congratulations on another great year.

Unincorporated areas fueled by residential construction

The unincorporated areas of Minnehaha County continued to show residential growth in 1997. The growth of nearby communities makes a home in the country a viable alternative to living in the city.

In 1996:	
Permits issued.....	313
Total valuation.....	\$14,768,557
In 1997 (through September):	
Permits issued.....	323
Total valuation.....	\$14,223,513

1997 Categories

January through September (by thousands of dollars):

Residential:	
New.....	\$ 8,930.40
Remodel.....	\$ 2,256.40
Commercial & Industrial:	
Total.....	\$ 1,739.50
Agricultural:	
Total.....	\$ 1,317.40

1997 Minnehaha County Economic Development Association Board of Directors

Jim Wilcox,
President, At Large
Wayne Peters,
Vice President, At Large
Dennis Olson,
Secretary/Treasurer, Brandon
Mike Schultz, Rural Mayors Association
James Zweep, County Commissioner
Tom Enley, Dell Rapids
Evan Ingelbriem, At Large
Ken Jaques, Valley Springs
James Jarling, Humboldt
Linda Lueth, Hartford
Myron Nohava, Baltic
Cheryl Van Deyn, Colton
Marvin Wieman, Crooks
Owen Wiese, Garretson
Neil Winsterton, Sherman
Jeff Eckhoff,
MCEDA Executive Director

Developments take shape in Minnehaha County in 1997

The story of economic development in Minnehaha County during 1997 isn't just a pile of big numbers or increased percentages. In fact, the true measure of economic successes in the member communities of MCEDA during 1997 is the simple fact that each community can point to at least one specific business, building, housing development or project which has occurred this year. That tangible evidence of economic growth is worth stacks of statistics.



Groundbreakings for the Humboldt Plaza, above, and Baltic Heights, below, were among the highlights of 1997 for MCEDA.



The most exciting development within MCEDA itself is the creation of the Revolving Loan Fund (RLF). This unique financial assistance program was developed to provide that extra measure of support which may be necessary to open a business or start a company in rural Minnehaha County. While RLF may not be used as the recipient's primary source of financing, the program will provide funding for any reasonable development costs that will make the project work, and is designed to be used in conjunction with state and local funding. The flexibility of RLF is its most interesting aspect. Since the goal of the program is to help create jobs, RLF funding can be used for grocery stores, restaurants and clothing stores, as

well as industrial or manufacturing operations. RLF is here to help rural Minnehaha County grow!

And rural Minnehaha County is growing. MCEDA has recorded eight business relocations in 1997, along with twelve expansions, eight start ups and six more expansion relocations, or situations where the expansion of business brought it into the county for the first time. MCEDA registered 36 business inquiries this year, with a potential of almost 1,500 new jobs. Over 25 companies visited the county in 1997, scouting for future growth or relocation. The word is spreading that rural Minnehaha County is a great place to do business—and a great place to raise a family.

As you will notice in the Community Snapshot section of this report, housing construction is strong throughout the county, both in the communities and in the unincorporated areas. Population estimates made early in 1997 indicate an increase of 2,000 people in rural Minnehaha County since the 1990 census—and that measurement came before this year's housing construction began. This year, new home construction was up nearly 25% over the previous year.

Business in the MCEDA communities is strong, too. Recorded sales tax figures for the year to date are \$60.6 million for the ten MCEDA communities. And business growth throughout the county confirms that. Expansions to Luverne Truck Equipment and Lou-Rich in Brandon added a combined total of over 40,000 square feet of manufacturing space this year. The Humboldt Plaza development brought twelve jobs, a new bank and a grocery store to that community. And partnership for economic growth has been a recurring theme this year, as Dell Rapids began developing their industrial park in a city and development association effort. Baltic is getting a new city park, along with a beautiful new housing development, in another example of public-private partnership.

Housing, retail, industrial growth—all are interlocking pieces of the economic development puzzle, and all are happening today in Minnehaha County. The reason for this activity is simple: people throughout the county, in each community, are working together, in partnership with other economic development groups, to create an area of opportunity. That partnership, and the viability of our area of opportunity, should fuel the continued prosperity of our county well into the next century.

1997 Activity Report

By Jeff Eckhoff,
MCEDA
Executive Director



The MCEDA Mission

is to promote the responsible economic development of rural Minnehaha County. Economic development is interpreted by MCEDA leadership to mean anything that enhances the economic well-being of the area. Each community must identify the growth which is best for its own citizens, including new businesses, expansion or retention of business, tourism, retail trade or housing in general, economic well-being can be demonstrated by an increased tax base, valuation of the communities and an increased consumer base.

A snapshot of 1997 growth in the MCEDA member communities

Baltic

The groundbreaking for the Baltic Heights development was the big news this year in Baltic. This residential project, completed by a new city park, will have 14 homes under construction and six families moved in by the end of this year. Commercial property is also being developed along the highway in conjunction with the housing development. The year saw the issuance of 41 building permits, with a total valuation of nearly \$1 million.

Brandon

Brandon saw expansions to both Luverne Truck Equipment and Lou Rich in 1997. Blachowski Trucking built a 10,000 square foot facility, and a 42 bed addition to Helping Hand Assisted Living was constructed. Ideal Optical and Security expanded and remodeled. \$8.57 million in building permits were issued in 1997, a total of 194 permits, with \$6 million of that total valuation in residential construction.

Colton

Colton plans to break ground this year for the 24 unit Colton Assisted Living facility, which will create as many as 20 jobs. Local investors made the Assisted Living facility possible. The community is continuing to develop housing options to stimulate growth. Activity for 1997 included 15 building permits with a valuation of \$100,000, all residential construction.

Crooks

Crooks has completed its municipally owned natural gas installation, now in use in the Crooks-Renner area. In 1997, 14 residential building permits were issued at a valuation of \$928,500. Four new businesses have located at the Crooks-Renner interchange on I-29, with all the original lots developed there now being sold. As a result, an additional 26 lots have been opened for future expansion. New streets have been built, and three and a half acres of land has been donated for a city park, and is being developed as a ballpark.

Dell Rapids

Dell Rapids, in addition to completing preliminary work on the community's 13 acre industrial park in partnership with the city, continues to develop as a residential center. The golf course is expanding, and the Pony Hills development around the golf course is creating space for over 100 housing units. Plans have been made to expand the high school to make room for a middle school. Building permits for the past year totalled \$2, with a valuation of nearly \$2 million.

Garretson

Garretson saw considerable activity in 1997, with expansions to First National Bank, Farmer's Plant Food, Burlington Northern and Splittrock Telephone Co-op. New locations included Wood 'N' Trees, a custom sawmill, lumber planing and crafts business and Hometown Treasures, a new antique shop. Building permits for the year totalled 50, with a valuation of \$946,125—over half of which was residential construction.

Hartford

In Hartford, 54 permits were issued, with a valuation of \$1.8 million, over half in residential construction. Development continues along the Highway 38 corridor with the addition of a new sport clothing retailer, a restaurant and bar with banquet facilities, a chiropractor's office, barber shop and beauty shop. Downtown Hartford has also seen activity, with a retail clothing shop, auto repair business, new insurance office and storage units being added. The old Post Office has been remodeled into offices for Union Telephone, and a cabinet manufacturing company plans to open in the former Catholic Youth Center.

Humboldt

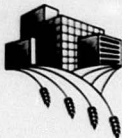
Humboldt hosted the groundbreaking this year for the 11,850 square foot Humboldt Plaza, home to Dondan's Grocery and Farmer's State Bank. Construction has been completed, and this project indicates the confidence business people have in the community. In 1997, 21 building permits have been issued, at a valuation of \$637,238. Residential growth continues and the economic climate remains strong.

Sherman

Sherman has seen growth this year, with the addition of a new business. Stateline Seed Company has opened, renovating the former alcohol fuel plant to house its operation, which cleans and bags seed for seed companies. Three building permits were issued in Sherman during 1997, with a total valuation of \$75,000, all in residential construction.

Valley Springs

Valley Springs reports that except for one lot, all the land in the community's industrial park has been sold, a signal of future growth. School enrollment remains strong at Valley Springs Elementary, celebrating its 75th anniversary by building a new band room. Housing growth continues in the new development on the south side of town. Community-wide, 26 building permits were issued, with a valuation of \$254,380.



MCEDA

Minnehaha County Economic Development Association

in cooperation with the

Sioux Falls Development Foundation

PO Box 907, Sioux Falls, SD 57101-0907

Phone: (605) 339-0103 • Fax: (605) 339-0055

September 3, 1997

Jim VanderVelde
Mid/American Energy
1509 15th Street
PO Box 183
Rock Valley, IA 51247

Dear Jim:

Thank you for your 1997 investment in the Minnehaha County Economic Development Association (MCEDA). Your current level of \$3,500.00 will support Economic and Community Development within Minnehaha County.

Through the collective efforts of MCEDA, the many volunteers and the local leadership from within the communities, the economic climate continues to prosper for all of us. Thanks again for your confidence in our association and for your role in making MCEDA the viable entity that it is today.

Please feel free to contact me, the Board of Directors or our Executive Director with any comments or concerns you may have.

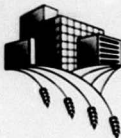
With appreciation,

Jim Wilcox, President
Minnehaha County Economic Development Association

cc: Glenn Ivarsen
cc: Greg Elden

Representing Economic Development In:

Baltic • Brandon • Colton • Crooks • Dell Rapids • Garretson • Hartford • Humboldt • Sherman • Valley Springs



MCEDA
Minnehaha County Economic Development Association

in cooperation with the
Sioux Falls Development Foundation

PO Box 907, Sioux Falls, SD 57101-0907
Phone: (605) 339-0103 • Fax: (605) 339-0055

September 12, 1997

Jim Vander Velde, Community Developer
MidAmerican Energy Company
P.O. Box 183
Rock Valley, IA 51247

Dear Jim:

On behalf of the board of directors for the Minnehaha County Economic Development Association, I would like to thank you for MidAmerican's grant to support our marketing efforts. Your assistance of \$1,000 will be used to help off-set the costs of producing the new county profile brochure.

The brochures were just delivered yesterday and a small supply is enclosed for your use with prospects.

Thanks again for your support of MCEDA and please give me a call if I can be of assistance to MidAmerican.

Sincerely,

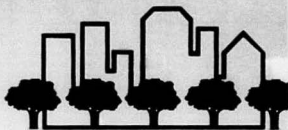
Jeff Eckhoff, Director
Minnehaha County Economic Development Association

enclosure

cc: Glenn Ivarsen
Greg Eldon

Representing Economic Development In:

Baltic • Brandon • Colton • Crooks • Dell Rapids • Garretton • Hartford • Humboldt • Sherman • Valley Springs



Lincoln County
South Dakota





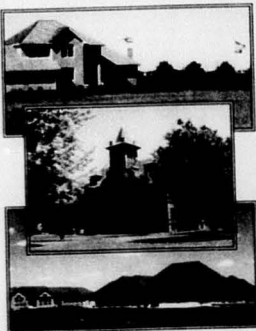
Lincoln County

A place for businesses and families to grow

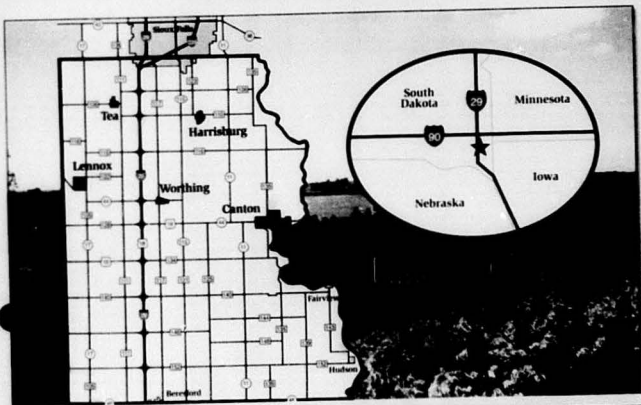
Lincoln County

A place for businesses and families to grow

Lincoln County is an important part of one of the fastest growing areas of the United States—the Sioux Falls, South Dakota metro area. Our Metropolitan Statistical Area (MSA) has one of the strongest economies in the USA, as well as a business climate and quality of life consistently ranked in the Top Ten in America. Part of the city of Sioux Falls lies within Lincoln County, and the growing communities throughout the county share pro-business outlooks, available industrial and residential property and affordable utilities.



The Lincoln County Economic Development Association (LCEDA) was organized by five growing communities in Lincoln County to provide economic development information and services to companies who wish to locate or expand here. LCEDA works in cooperation with the Sioux Falls Development Foundation to help create opportunity for businesses throughout the greater Sioux Falls area. This cooperative effort assures businesses looking at the advantages of Lincoln County an impressive amount of information and assistance in locating or expanding here.



Lincoln County

The tools for growth worldwide

A Lincoln County location for your business keeps you right at the center of today's business communications network. With an established, tested computer and telecommunications system in place throughout the county, any company is instantly linked to customers, markets and affiliates around the world.

Technology businesses thrive

High technology companies co-exist comfortably with agricultural operations in Lincoln County. **Gateway 2000.** the nation's largest direct marketer of computers.

utilizes a base in our market for their customer service and sales division. **Hutchinson Technology**, the world's largest manufacturer of computer disk drive suspension assemblies, has recently expanded their operation here. Numerous manufacturing facilities throughout Lincoln

County rely on high technology for consistent business growth. High technology communication systems connect each business in Lincoln County with customers, suppliers and markets around the world. The global infrastructure of fiber optic networks and state-of-the-art

switching systems linking businesses to each other instantly is well-established in Lincoln County. From here, you can do business with anyone on the planet while enjoying all the amenities of a rural location.



The communications system in Lincoln County is as good or better than anywhere in the country. Fiber optic lines crisscross the area and we have the biggest switch available—the same as in New York or Chicago. The rural-urban distinction is disappearing. The technology is here, and there are quality of life issues to consider. Here in Lincoln County, you find a sense of renewal in the four seasons. We find a lot of people who want to come back to the Midwest to live and work."



WILL HEATZ
CEO & General Manager
Dakota Computer Communications, Inc.
Regional providers of telecommunications, internet, data and video services.

Labor and management work together here

South Dakota employees are protected by the **Right-to-Work Law**. This statute provides that any industry which is unionized is done so under "open shop" conditions, meaning that no employee can be discriminated against because of membership or non-membership in the union, either by management or other employees.



Labor Available Lincoln County, 1996		
	Lincoln County MSA	12 County Area
Total Civilian Labor Force	92,873	155,744
Unemployed	3,812	3,381
Persons willing to change jobs or enter labor force	5,693	9,618
Total Available Labor Supply	7,505	12,999

Able to supply what your business needs to grow

Suppliers help keep the economy in Lincoln County strong. Our growth has brought hundreds of businesses to the area whose major function is to support and supply other businesses. Your company can realize substantial cost savings, because of the proximity of the materials and services you need. From steel suppliers to trucking firms to precision metal cutting, you'll find ready access to the companies that make your business more profitable.



D.T.S., Inc.

Lincoln County

Incentives to encourage business growth

Our expansion or relocation will be more profitable in Lincoln County. Strong incentives, combined with significant savings in the cost of living and doing business, makes it easy to choose Lincoln County as a home for your business and your family.

Property Tax Abatement programs

The member communities of LCEDA have enacted ordinances to allow new industrial structures or additions to existing industrial structures to be taxed at a lower rate. This abatement ordinance results in a savings of property tax normally paid during the first years following construction. The actual tax savings will vary from community to community, and that information is available to you for each location you may consider in Lincoln County.

Low Worker's Compensation rates

South Dakota has traditionally been known as having one of the lowest Worker's Compensation rates in the country. The average workers comp net insurance cost for manufacturers in South Dakota is **\$4.50 per \$100 of payroll**, compared to these rates in other states:

Texas	\$6.31
California	\$4.82
Illinois	\$4.75
Minnesota	\$4.59

Business-friendly environmental regulations

Lincoln County and the entire state of South Dakota are noted for clean air, fresh water and unspoiled landscapes. The state's environmental legislation is designed to protect and preserve this quality environment **without imposing excessive restrictions on**

Moving my business to Lincoln County was the best thing I've ever done. I didn't know all the benefits this area would provide, but many small things added up to big savings. The business climate here helps a company prosper— if you can't make it here, you can't make it anywhere."



Flights connect to the world

The Sioux Falls regional airport is home to five carriers, as well as recently upgraded facilities for FedEx and UPS, which consider Sioux Falls an important hub. Every community in Lincoln County is within a 30 minute drive of this vital air link. In addition, the U.S. Customs Service maintains a Port of Entry at the Sioux Falls Regional Airport, so international shipments can come right into Lincoln County, clearing customs here. And a Foreign Trade Zone has been approved for our MSA, including the Regional Airport and warehousing facilities nearby, so that foreign shipments can be held for reshipment without the necessity of going through U.S. Customs here—an advantage to foreign trade.



A growing network of ground transportation

Lincoln County has direct access to Interstate Highways 29 and 90, making it possible for local businesses to efficiently utilize ground based transport to assure growth. Over fifty trucking companies are based in the area, with over the road and less-than-load capabilities. Maintaining our infrastructure is a major priority, and raw materials, consumer goods and finished industrial products flow in and out of Lincoln County every day.



"I have managed plants in Michigan, Texas and in Mexico and I would set our team here against any other team in the world. The people here in Lincoln County take ownership of their jobs—they care. My family and I also found the things we were looking for in Lincoln County. Here you will find neighbors who take care of each other. It's good to be so welcomed into a community."



Lincoln County

An attitude that favors growth

In Lincoln County, we're proud of the pro-business attitude which encourages profitable companies. That's one of the reasons our businesses are growing. Lincoln County and South Dakota offer a **pro-business philosophy** that you can take to the bank. Among the advantages for every business located here:



workers are attracted to Lincoln County, while the communities themselves provide the kind of living environment in which each of our families can thrive. Lincoln County is close to major state and private universities, as well as the state's largest vocational technical institute. This proximity of higher education helps to maintain a consistent flow of highly-trained employees for companies of all kinds.

- NO corporate or personal income tax
- LOW workers compensation rates
- NO business inventory tax
- NO personal property tax
- LOW utility costs

Business Tax Comparison

City	State Corporate Income Tax	Real Property Tax	Total
Denver, Co	\$ 50,000	\$35,159	\$ 85,159
Des Moines, IA	\$ 112,500	\$63,193	\$175,693
Fargo, ND	\$ 105,000	\$35,175	\$140,175
Milwaukee, WI	\$ 79,000	\$42,645	\$121,645
Minneapolis, MN	\$ 98,000	\$98,800	\$196,800
Omaha, NE	\$ 76,985	\$38,810	\$115,795
Lincoln County MSA	0	\$28,198	\$ 28,198

A labor force to help you grow

Lincoln County boasts a well-educated, motivated workforce that understands the concept of "a day's work for a day's pay." With the attraction of high tech and service-oriented companies throughout the area,

Source: Tax is based on \$1 million in federal taxable income. Real Property Tax is based on \$1.1 million assessed value.

"The people themselves are the biggest advantage to a business in Lincoln County. If a person is used to being in a rural atmosphere, they bring those values to the company they work for. People of all ages—from young men and women right out of high school to skilled, experienced workers—are interested in what we do, and care about doing a good job. The work ethic in a rural community is the best there is."



KEITH POLZIN
Plant Manager, Taylor Manufacturing Co.
Makers of fabricated steel agricultural equipment.

business and industry. Most state and county environmental regulations maintain this balance by approximating the minimum federal environmental standards.

Affordable land with established infrastructure

Several LCEDA communities have developed industrial parks, with infrastructure in place to save you money in building or expanding your company. Land in these communities offers prime access to railroad, interstate highway and air service, and are surprisingly affordable, especially when compared to similar sites in metropolitan areas. Most importantly, LCEDA can work with you to find a site that is ideal for your business, whether you are seeking an industrial, commercial or office operations location. And residential property is a bargain in Lincoln County, too!

REDI Fund Loan program

Administered by the Governor's Office of Economic Development, the Revolving Economic Development and Initiative (REDI) Fund Loan program was developed to create **primary jobs** in South Dakota. These jobs "provide goods and services which shall be primarily exported from the state, gain market shares from imports of the state, meet an unmet need into an area, have a stimulative effect on other businesses or assist a community in diversification and stabilization of its economy." The REDI Fund may provide up to 45% of the total project cost and requires the applicant to secure the matching funds before applying to the Board of Economic Development. **Interest rates are generally three percent.** The loan can be amortized over a maximum of 20 years and is due within five years.

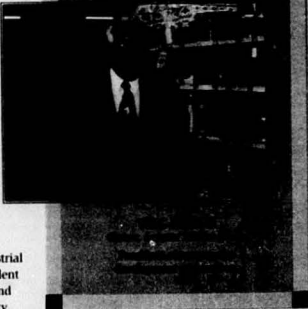
In addition, other financing programs are available because of the rural nature and economic development efforts of the LCEDA communities.

Flexibility in utility rates

Utility costs in Lincoln County are among the most favorable in the Midwest, and utility companies in the LCEDA communities are the strongest proponents of industrial growth. As a result, utility rates in the county are an excellent value. LCEDA will be glad to provide gas, electric, water and sewer availability and cost information for each community.



"The advantages of doing business in Lincoln County are easy to see. We offer a great quality of life, with small town atmosphere and metropolitan activities a short drive away. Add a good natural-born ag-related workforce that believes in a day's work for a day's pay and you've got the best spot for any business."



Lincoln County

A good place for your family to grow

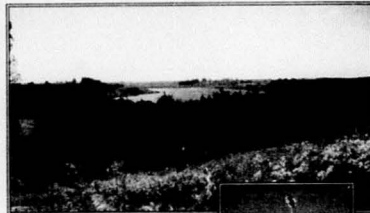
There's a different pace to life in Lincoln County. We take time for family, for recreation and for friends. Long commutes, traffic jams and the pressures of life in metropolitan areas are not a part of our daily life. Here in Lincoln County, we still do business with a handshake, and look out for our neighbors.

Safety is an important concern

Our crime rate is among the lowest in the nation. In Lincoln County, we have a strong and visible police force, but our expenditures for protection are among the five lowest in the nation. South Dakota also ranks in the top five states with the lowest crime rate. Recent FBI statistics show that only .16% of the nation's crime occurs in South Dakota. It's a safer place to live, and a good place to raise kids.

We care about education

Our children are our future—and we invest in that future with good schools. As a result, students in Lincoln County consistently test higher on SAT and ACT college placement tests than the national average. Our public schools are the heart of the community, with plenty of opportunity for participation by students at all levels of athletic and scholastic ability.

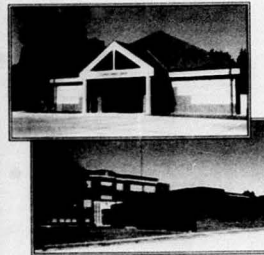


Take time out for recreation

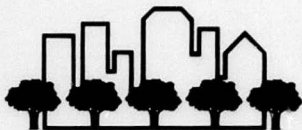
Challenging golf courses, beautiful state parks and great sporting events are just a few of the recreational opportunities in Lincoln County. This is a place where you can fly a kite with your kids, watch a beautiful sunset from your back porch, take a bike ride over rolling hills or go out for some of the best steaks in the world. Hunting and fishing are a big part of our lives here, and the countryside beckons, with some of the best hiking and camping in South Dakota right here in Lincoln County.

City atmosphere just minutes away

A home in any of the Lincoln County communities is just minutes away from the restaurants, concerts, galleries, professional sports and movies of Sioux Falls. Lincoln County offers all the advantages of a metropolitan area with the best elements of small town life. You'll discover a place with the kind of values we all hold dear—but which so often disappear in the bustle of modern life and big cities.



We think Lincoln County is the home you've been looking for for your family and your business. We'd like to help you discover for yourself how good life is right here.



LCEDA

Lincoln County Economic Development Association

in cooperation with the

Sioux Falls Development Foundation

PO Box 907, Sioux Falls, SD 57101-0907

Phone: (605) 339-0103 • Fax: (605) 339-0055

Toll Free: (800) 658-3373

Investors

The following entities
have made investments in LCEDA.

City of Canton

City of Harrisburg

City of Lennox

City of Tea

City of Worthing

Lincoln County

Dakota Telecommunications

East River Electric

Farmers State Bank

First American Bank

Lincoln-Union Electric Company

MidAmerican Energy

Northern States Power

North Lincoln Rural Water

South Lincoln Rural Water

Valley Exchange Bank

Lennox & Tea



Lincoln County
Economic Development Association

200 North Phillips Avenue, #101

PO Box 907

Sioux Falls, SD 57104

phone: (605) 338-0103

(800) 678-1379

fax: (605) 338-0053

Celebrating
our
Partnership
LCEDA

Lincoln County
Economic Development
Association

Representing

Canton
Harrisburg
Lennox
Tea
Worthing

Lincoln County Economic Development Association LCEDA

The Lincoln County Economic Development Association is a partnership between Lincoln County and the communities of Canton, Harrisburg, Lennox, Tea & Worthing, for the promotion and leadership of economic development efforts within those cities and the County.

The goal of the Association will be to place an emphasis on building for the future from within a community's capacity. While growth will benefit the entire County, emphasis will be placed on each community making their own decisions (with guidance) and success will not occur with investment of staff alone. Rather success is wholly dependent upon each community's focus and commitment to positive and responsible growth as they draw from the resources of staff and the Association.

Incorporated in December of 1996, this Association will draw upon the expertise of the Sioux Falls Development Foundation who will provide a designated staff person to provide the services and support to the leadership of the Association. This leadership will be in the form of a board of directors representing the communities, Lincoln County and the investors to the Association.



1989

▲ Quarterly Board Meeting
 • The 1989 Board Meeting was held at the Dakota Dunes Golf Club in Rapid City, South Dakota.



1990

▲ Dakota Dunes Golf Club High Tee
 • The High Tee was built with a flagpole and a clubhouse to complete the course.



1991

▲ 1991 Board Meeting
 • The 1991 Board Meeting was held at the Dakota Dunes Golf Club in Rapid City, South Dakota. The meeting was held in the new Board Room at the Dakota Dunes Golf Club.



1993

▲ Board Meeting
 • The 1993 Board Meeting was held at the Dakota Dunes Golf Club in Rapid City, South Dakota.



Financial Reserve Corporation
 The Successor Entity

1994



▲ Wellington at the Dunes
 • Wellington at the Dunes Apartments phase I is completed ahead of schedule and upon opening all 48 apartments are leased.

▲ Wellington at the Dunes
 • Wellington at the Dunes Apartments phase II is completed ahead of schedule and upon opening all 48 apartments are leased.



1995

▲ Country Club & Country Homes at Dakota
 • The Country Club & Country Homes at Dakota is the first major business to locate in the new business district.




 Dakota
 DUNES

It's huge!

Acres of offices: IBP builds new 200,000-square-foot world headquarters in North Sioux City

By Kate Thomson

Sioux City Business Editor

When IBP Inc.'s new world headquarters at Dakota Dunes is completed this spring, the number of people employed in North Sioux City will jump by about 500.

Under construction now, the 200,000-square-foot, two-building headquarters sprawls over more than 4.5 acres on the 47-acre campus which the corporation purchased. It is actually two interconnected buildings, two to three stories high, with space for nearly 800 corporate employees, said Gary Mickelson, corporate spokesman.

While many Siouxlanders probably think of jobs at IBP in terms of its packing plant operations, that's only the tip of the iceberg. Hundreds of other jobs — ranging from accountants to lawyers to sales professionals — are involved in making the meat packing plant what it is today.

Although the meat packing industry was among the earliest in Siouxland, IBP is a relative newcomer. IBP was incorporated in 1960 and began operating its first beef plant at Denison, Iowa, in 1961. In 1964, it moved its corporate headquarters to Dakota City, where it began construction a new beef production plant.

World's largest producer

From its beginnings, with about 200 to 300 employees, the corporate plant has expanded to 38,000 employees worldwide at 42 plant sites and regional sales offices in the United States and overseas. It is now the world's largest producer of fresh beef and pork.

IBP Inc. currently employs about 4,800 people in Siouxland, with an annual payroll of more than \$130 million, making it one of the largest employers in the area. In addition to the huge impact its payroll has on the area economy, the corporation also spends about \$30 million a year on goods and services in the greater Sioux City area.

Company officials considered several Midwestern cities when they were deciding where to locate its world headquarters.

"We had outgrown our corporate headquarters in Dakota City," Mickelson said. "The company ultimately decided it would be in the best interests of the company and its employees to remain in Siouxland."

Accepting the invitation of South Dakota officials to relocate across the river made sense, he said.

"South Dakota is proud to welcome one of America's top corporations as its brings its corporate headquarters to our state," said South Dakota Gov. Bill Janklow. "The immense investment and new, high-quality employees will have a dynamic impact on our South Dakota economy and will create many positive economic benefits."

Dakota Dunes officials also said they are pleased with IBP's decision.

"Dakota Dunes was created to foster economic development," said James S. Towler, vice president and general manager of Dakota Dunes Development Company. "Keeping these jobs in Siouxland will benefit all sectors of the local economy. IBP could have established its world headquarters anywhere, but it chose the business-friendly climate of South Dakota and the high-quality business park that has been established at Dakota Dunes."

Exterior completed

Much of the exterior of the new buildings has been completed. Kiewit Construction of Omaha, Neb., which is putting up the building, and its subcontractors expect to be focused on interior work through the coming winter months.

The number of construction workers varies from one day to the next, hovering near 120 on recent typical days.

While there are fewer meat packing plants in Siouxland than there were 50 years ago, they are larger. The industry is stable but IBP Inc. expects to continue to grow, Mickelson said.

The corporation's long-term strategy focuses on three areas, Mickelson said. Those are strengthening the core fresh meats business, increasing exports and expanding production of value added products and services.

To strengthen its core business, IBP continually reinvests in its plants to keep them efficient and effective, Mickelson said.

Much of the corporation's future growth is likely to come from increasing exports and new products. IBP currently exports products to more than 50 countries and has offices in England, Japan, Taiwan, Korea, China and Mexico.

It is also focusing on value added products.

"Last may, we launched a new product line, consumer friendly beef and pork," Mickelson said. "This new line of 21 retail-ready cuts includes such items as London broil, beef fajita meat, tenderloin roast and stew meats. These products are ready for the consumer to pick up and take home."

While you may not find IBP's corporate logo on a lot of products at the grocery store, it's still expanding its presence in the food business. Consumers are spending more and more on food eaten away from home.

Last spring, IBP acquired Foodbrands America in Oklahoma City, Okla., which makes prepared appetizers, deli meats, pizza crusts, pizza toppings and other products that are sold to restaurants and cafeterias.

IBP's purchase of the 47-acre site at Dakota Dunes may make even more sense in light of its continued growth.

Dakota Dunes Development Company Receives International Real Estate Digest Award

Dakota Dunes Development Company of Dakota Dunes, South Dakota has recently been honored by the International Real Estate Digest (IRED), a highly respected real estate resource serving the real estate community world wide. "The Dunes" received IRED's top honor for their internet web site by being designated in the November Top Ten real estate web sites in the world. The IRED Top Ten is a monthly feature presenting ten of the most creative, useful and well designed pages related to real estate sales or service within a specified category. "These sites raise the bar on the quality of information or design on the Web for real estate related sites. They are a model for other sites and essential to anyone with an interest

in the subject," stated IRED editor Becky Swann.

Dakota Dunes is a \$800 million master-planned business and residential community located in southeastern South Dakota. The 2,000 acre development sits nestled in a scenic area between the Missouri and Big Sioux Rivers, just a five minute drive from downtown Sioux City, Iowa.

The Dakota Dunes community offers a range of housing choices for professionals living and working in the area. Every home is carefully designed and constructed to blend with the natural elements of the river valley. South Dakota's strong business climate and the amenities offered at Dakota Dunes are attracting a growing number of

businesses to Dakota Dunes. Dakota Dunes Development Company helps businesses in all phases of their move, from initial planning to design and construction.

Roger Zanarini, spokesman for the Dunes, stated, "We are delighted to receive such a prestigious honor. Receiving IRED's award for our web site, reflects the high standard of quality characteristic of the Dunes, making it a community unequalled in this part of the country. We would like to recognize Spectra Graf Studios of Sioux City, IA. Their creative team designed and maintains this award-winning web site".

The Dakota Dunes web site can be found on the internet at: www.dakotadunes.com



SCOREBOARD

RESIDENTIAL

HOME SITES SOLD.....	390
HOMES UNDER CONSTRUCTION.....	32
HOMES BUILT.....	312
RESIDENTS.....	1,424
Single Family and Townhouse (255 children).....	844
Apartments (55 children).....	580

COMMERCIAL

ACRES SOLD.....	108
COMMERCIAL ACRES OPTIONED.....	48
APARTMENTS.....	306
Wellington at the Dunes (Units).....	192
Sterling Green Estates (Units).....	114
BUILDINGS.....	29
COMPANIES.....	60
JOBS.....	743

November 14, 1997

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1998 ECONOMIC DEVELOPMENT
PROPOSED BUDGET

Development Group Support

Forward Sioux Falls.....	\$12,000
Yankton Area Progressive Growth.....	2,000
Siouxland Initiative.....	1,500
Vermillion Development Co.....	1,000
Minnehaha county Economic Development Association (MCEDA).....	3,500
(Includes community development support for: Baltic, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA).....	3,500
(Includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

Alcester Development Corp.....	\$200
Centerville Development Corp.....	200
Elk Point Gold Program.....	200
Flandreau Improvement Corp.....	200
Jefferson Development Corp.....	200
Montrose Development Corp.....	200
North Sioux City Development Corp.....	200
Salem Development Corp.....	200

Program Subtotal..... 1,600

Economic Assistance Programs

Intended for value-added economic development projects that provide job creation, capital investment and economic benefit to communities within our service territory.....	3,000
--	-------

Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory.....	6,900
---	-------

TOTAL 1998 PROPOSED BUDGET FOR SDPUC APPROVAL \$35,000

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1997 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Development Group Support

Forward Sioux Falls	\$12,000
Yankton Area Progressive Growth	2,000
Siouxland Initiative	1,500
Vermillion Development Co.	1,000
Minnehaha County Economic Development Association (MCEDA)	3,500
(Includes community development support for:	
Baltic, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA)	3,500
(Includes community development support for:	
Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

Alcester Development Corp	\$200
Centerville Development Corp	200
Elk Point Gold Program	200
Flandreau Improvement Corp	200
Jefferson Development Corp	200
Montrose Development Corp	200
North Sioux City Development Corp	200
Salem Development Corp	200

Program Subtotal

1,600

Economic Assistance Programs

Sioux Falls Economic Development Foundation (marketing grant)	1,000
Gold Community Achievement Awards Program	1,500

Business Attraction Incentives

Yankton Spec Building marketing expense	4,500
Allocation of trade show expenses on behalf of South Dakota communities for International Food Processors and FABTECH International	4,058
Allocation of travel and associated expenses for MEC developers working with and/or on behalf of South Dakota communities in our service territory	9,755

TOTAL ACTUAL EXPENDITURES

\$45,913

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1997 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Proposed 1997 Budget

Allocation for 1997.....	\$35,000
Plus "carried over" from 1996 budget.....	2,854
Total Proposed Budget for 1997.....	<u>\$37,854</u>

Request For Approval

Total Actual Economic Development Expenditures for 1997.....	\$45,913
Less expenses incurred by MEC over and above Proposed Budget.....	(8,059)*
ACTUAL 1997 EXPENDITURES REQUESTED FOR SDPUC APPROVAL	<u>\$37,854</u>

*MEC is not seeking cost recovery on these expenses

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY)	ORDER APPROVING 1997
MIDAMERICAN ENERGY COMPANY FOR)	ECONOMIC DEVELOPMENT
APPROVAL OF ITS 1997 ECONOMIC)	REPORT AND 1998
DEVELOPMENT REPORT AND ITS 1998)	ECONOMIC DEVELOPMENT
ECONOMIC DEVELOPMENT PLAN)	PLAN
)	NG97-022

On December 30, 1997, the Public Utilities Commission (Commission) received MidAmerican Energy Company's (MidAmerican) 1997 Economic Development Annual Report and proposed Economic Development Plan for 1998. The proposed plan was filed in accordance with Docket No. NG95-006. The company filed additional data in regard to this matter on February 19, 1998.

For 1998, MidAmerican's proposed economic development investment budget is \$35,000. The actual expenditures for the 1997 Economic Development Plan were \$45,913.

At its regularly scheduled March 10, 1998, meeting, the Commission reviewed MidAmerican's 1997 Economic Development Annual Report and Economic Development Plan for 1998. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically, SDCL 49-34A-4 and 49-34A-6. After review of the report and plan, the Commission found that they are just and reasonable and voted to approve them. It is therefore

ORDERED, that MidAmerican's 1997 Economic Development Annual Report and Economic Development Plan for 1998 are approved as filed.

Dated at Pierre, South Dakota, this 16th day of March, 1998.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: *Richard Kalbs*

Date: 3/16/98

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner