

NG999-010

NG 99-010

In the Matter of

IN THE MATTER OF THE FILING BY
MIDAMERICAN ENERGY COMPANY
FOR APPROVAL OF ITS 1999
ECONOMIC DEVELOPMENT REPORT
AND ITS 2000 ECONOMIC
DEVELOPMENT PLAN

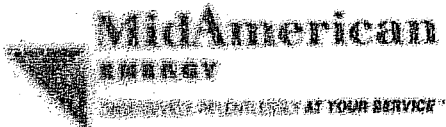
Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

DATE	MEMORANDA
12/29/99	Filed and docketed;
12/30/99	Public Hearing;
2/11/00	Order approving 1999 Economic Development Plan
2/11/00	Docket Closed.

NG 99-010



RECEIVED

DEC 29 1999

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

MidAmerican Energy
401 Douglas Street
Sioux City, Iowa 51101
712 277-7567 Telephone
712 277-7373 Fax
smstewart@midamerican.com

Suzen M. Stewart
Senior Managing Attorney

December 29, 1999

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 1999 economic development activities. Please file stamp one copy and return in the enclosed self-addressed stamped envelope.

During 1999, our Company continued its commitment to economic development by working directly with and on behalf of communities in our South Dakota service territory. The economy of this area remained strong during the year because of the continuing efforts of state and local leadership and the state's positive business climate.

Our 1999 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 2000 proposed budget is found in the final section.

We respectfully request approval of our 1999 report and our 2000 economic development budget.

If you have any questions, please let me know.

Very truly yours,

Enc.

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

MIDAMERICAN ENERGY COMPANY

SOUTH DAKOTA

**Partners in
Change**

**Partners in
Success**

Report to the Commission

1999 Economic Development Activities

Proposed 2000 Budget for Economic Development Activities

December 30, 1999

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MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1999 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Development Group Support

Forward Sioux Falls.....	\$12,000
Yankton Area Progressive Growth	3,000
Siouxland Initiative.....	1,500
Vermillion Development Co.	1,000
Sioux Falls Development Foundation.....	850
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

MCEDA (repayment to MEC for land option contribution made in 1998).....	(1,000)
Gold Community Achievement Awards Program.....	1,500

Business Attraction Incentives

Allocation of trade show expenses on behalf of South Dakota communities for National Plant Engineering and FabTech International.....	1,228
Marketing assistance for available industrial building at Yankton.....	5,000
Allocation of travel and associated expenses for MEC developers working with and/or on behalf of South Dakota communities.....	3,878

TOTAL ACTUAL EXPENDITURES **\$37,556**

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
1999 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES

Proposed 1999 Budget

Allocation for 1999..... \$35,000

Request For Approval

Actual Economic Development Expenditures for 1999 37,556
Less expenses incurred by MEC over and above Proposed Budget (2,556)

ACTUAL 1999 EXPENDITURES REQUESTED FOR SDPUC APPROVAL \$35,000



A check for Flandreau/

Mark Rodvold, MidAmerican Energy Corporation community coordinator, recently presented a check to Arlyce Derdall of the Flandreau Development Corporation for \$200 to support Flandreau community projects. Assisting with the check presentation was Donna Kennedy, Flandreau's MidAmerican contact person.



Mark Rodvold presents the \$200 donation from MidAmerican Energy to Vera Beck of the Elk Point GOLD Committee.

FDC receives donation from energy company

MidAmerican Energy Company presented the Flandreau Development Corporation with a donation of \$200 in support of its community efforts.

The donation recognizes the value of local leadership to implement community betterment priorities. "MidAmerican supports those groups that demonstrate their capabilities by organizing a development process or a community improvement effort," said Mark Rodvold, Community Coordinator for the company.

"Our Local Partners Program helps those energetic and progressive communities working to grow and develop their economy. This contribution will hopefully assist the Flandreau Development Corporation to address their most pressing areas of concern."

MidAmerican Energy provides natural gas service to Flandreau. "A strong and vibrant community is important to MidAmerican because it supports our ongoing partnership," according to Rodvold. "We look forward to continuing our excellent working relationship with Flandreau and the Development Corporation," he said.



Mark Rodvold, center, presented the \$200 MidAmerican Energy donation to North Sioux City Economic Development Corporation members Sue Harlan and Bruce Odsch, left. Mayor Liesel Hallwas and MidAmerican Energy representative Candace Kirts, right, were also present for the picture.



Rodvold presents the \$200 MidAmerican Energy donation to Jerry Trudeau of the Jefferson Development Corporation.

MidAmerican presents development donations

MidAmerican Energy Community Coordinator Mark Rodvold presented three local community development organizations with \$200 donations recently in support of their community efforts.

Receiving the donations were the North Sioux City Economic Development Corporation, the Jefferson Development Corporation and the Elk Point Governor's Office of Local Development (GOLD) Committee.

The donations were made as a way for MidAmerican to recognize the value of local leadership to implement community betterment priorities. "MidAmerican supports those groups that demonstrate their capabilities by or-

ganizing a development process or a community improvement effort," said Rodvold. "Our Local Partners Program helps those energetic and progressive communities working to grow and develop their economy."

MidAmerican provides electricity and natural gas service to North Sioux City and Jefferson and natural gas service to Elk Point. "A strong and vibrant community is important to MidAmerican because it supports our ongoing partnership," according to Rodvold. He added that the company looks forward to continuing its excellent working relationship with the local development organizations.

Montrose, South Dakota



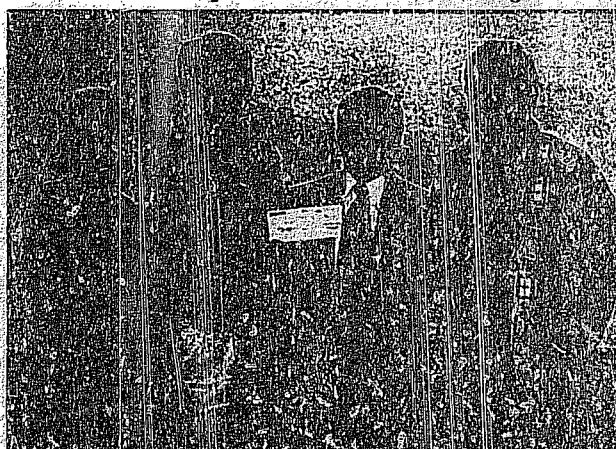
From left: Lenice Wingen, council member; Kevin Erickson, President of Gold Committee, Montrose Improvement Corp; and Mark Rodvold, Mid American Energy.

MIC Receives Energy Co. Donation

MidAmerican Energy Company presented the Montrose Improvement Corporation with a donation of \$200 in support of their community efforts. The donation recognizes the value of local leadership to implement community betterment priorities. "Mid American supports those groups that demonstrate their capabilities by organizing a development process or a community improvement effort," said Mark Rodvold, Community Coordinator for the company.

"Our Local Partners Program helps those energetic and progressive communities working to grow and develop their economy. This contribution will hopefully assist the Montrose Improvement Corporation to address their most pressing areas of concern. This donation will go towards the playground equipment. Mid American Energy provides natural gas service to Montrose. "A strong and vibrant community is important to MidAmerican because it supports our ongoing partnership," according to Rodvold. "We look forward to continuing our excellent working relationship with Montrose and the Improvement Corporation," he said.

MidAmerican Energy donates to Alcester Development Corp.



(Left to right) Alcester Mayor Kim Snieh and Alcester Development Corporation board member Gary Atchison receive a check for \$200 to be used in the Alcester Development Fund. The presentation was made by MidAmerican Energy Community Coordinator Mark Rodvold, while local MidAmerican employee Dennis Jones looks on.

MidAmerican Energy Company presented the Alcester Development Corporation with a donation of \$200 on Tuesday in support of their community efforts.

The donation recognizes the value of local leadership to implement community betterment priorities.

"MidAmerican supports those groups that demonstrate their capabilities by organizing a development process or a community improvement effort," said Mark Rodvold, Community Coordinator for the company. "Our Local Partners Program helps those energetic

and progressive communities working to grow and develop their economy. This contribution will hopefully assist the Alcester Development Corporation to address their most pressing areas of concern."

MidAmerican Energy provides natural gas service to Alcester.

"A strong and vibrant community is important to MidAmerican because it supports our ongoing partnership," according to Rodvold. "We look forward to continuing our excellent working relationship with Alcester and the Development Corporation," he said.

MidAmerican donates \$200 to Development Corp

MidAmerican Energy Company presented the Centerville Development Corporation with a donation of \$200 in support of their community efforts.

The donation recognizes the value of local leadership to implement community betterment priorities.

"MidAmerican supports those groups that demonstrate their capabilities by organizing a development process or a community improvement effort," said Mark Rodvold, Community Coordinator for the company. "Our Local Partners Program helps those energetic and progressive communities working to grow and develop their economy. This contribution will hopefully assist the Centerville Development Corporation to address their most pressing areas of concern."

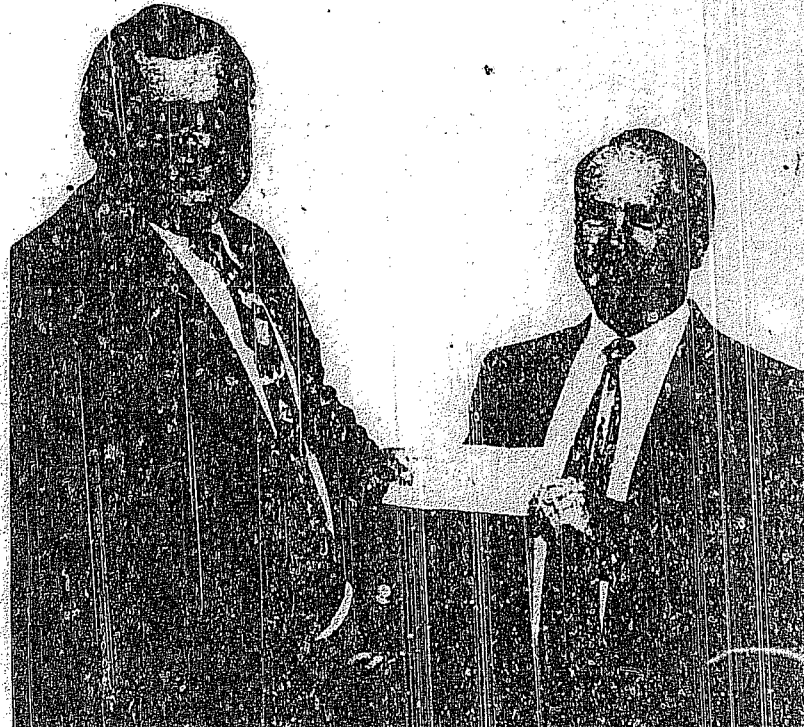
MidAmerican Energy provides natural gas service to Centerville. "A strong and vibrant community is important to MidAmerican because it supports our ongoing partnership," according to Rodvold. "We look forward to continuing our excellent working relationship with Centerville and the Development Corporation," he said.



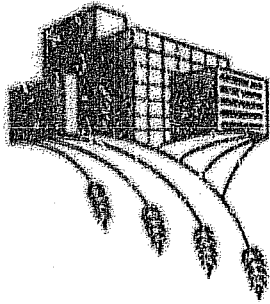
Bill Hansen, President of the Centerville Development Corporation, is pictured here accepting a \$200 donation from Mark Rodvold of MidAmerican Energy.

SALEM SPECIAL

SALEM, SOUTH DAKOTA 57058



ACCEPTING DONATION: Darwin Miller, left, of the Salem Development Corporation accepts a \$200 donation from Mark Rodvold of MidAmerican Energy as a means of contributing to Salem's development.



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

March 10, 1999

Glenn Ivarsen
MidAmerican Energy
PO Box 778
Sioux City, IA 51102

Dear Glenn:

On behalf of the Minnehaha County Economic Development Association (MCEDA), I would like to thank you for MidAmerican Energy's 1999 investment. Your contribution of \$3,500.00 provides on-going support to community and economic development throughout rural Minnehaha County.

Now entering its eighth year, MCEDA's mission remains to assist communities with identifying and obtaining their own goals for economic growth. By working with the communities, MCEDA is there as a resource for the local leadership to work through.

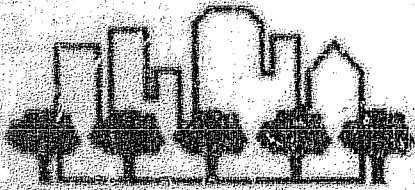
Thanks again for your support of Minnehaha County. As a valued investor, we are always interested in your input and attendance at any of our meetings or functions. Should you ever have questions or comments, please feel free to contact me at 336-2750.

With appreciation,

Marvin Wieman, President
Minnehaha County Economic Development Association

Representing Economic Development In:

*Bakke * Branchot * Colton * Crooks * Dell Rapids * Garretson * Hartford * Humboldt * Sherman * Valley Springs*



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

April 13, 1999

Glenn Ivarsen
MidAmerican Energy
407 Douglas Street
PO Box 778
Sioux City, IA 51102

Dear Glenn:

On behalf of the Board of Directors for the Lincoln County Economic Development Association, I would like to personally thank you for MidAmerican Energy's 1999 investment in economic development for Lincoln County.

We truly believe that a regional partnership, such as LCEDA, is the most effective and efficient manner to promote development in our area. The collaboration of six communities and the county is truly an investment for the future.

Thank you again for your support and please feel free to contact Jeff Eckhoff, our Executive Director, or me, with any comments or questions you may have.

With appreciation,

John Robinson, President
Lincoln County Economic Development Association

State Bank of Alcester

P.O. BOX 168 • 190 IOWA ST
ALCESTER, SOUTH DAKOTA 57001-0168
605-934-2500



November 1, 1999

MARK RODVOLD
MIDAMERICAN ENERGY
816 WALNUT
YANKTON SD 57078

Dear Mark:

I just wanted to let you know that I really appreciate the contribution that MidAmerican Energy recently made to our Alcester Development Company. Our development company over the years has done some really good things and I was glad to be a part of it; however, the younger have now resumed the responsibility and I have delegated myself to an observer but I am really interested in their success.

I personally appreciate the fine support that MidAmerican Energy has given not only the Development Company, but also our Community Foundation. We are very pleased to have you as a part of our business community and couldn't ask for better service provided by Dennis and your company.

Thanks again, Mark. It is nice to know that you haven't forgotten Alcester.

Sincerely,

A handwritten signature in dark ink, appearing to read "Roger D. McKellips".

Roger D. McKellips
President

RDM/lp

CONTINUATION

1 -

Quality of Life Developments

- Airport Fire Station - New \$1.7 Million, 12,000 Square Foot Facility
- Arrowhead Park - 128 Acre Nature Area
- Augustana College - \$33.5 Campaign, 61,000 Square Feet
- Marken Social Science Building - New Center for Western Studies; Renovation of the Mortenson Center
- Bowden Youth Center - Converted former Irving School into a Youth Center; \$500,000
- Falls Park Renovation & Visitor Center/Viewing Tower - \$2.6 Million; \$450,000 Sound & Light Show; Remodeling of the Historic Barn - \$242,000
- First Avenue Parking Ramp Expansion - 220 New Slots, \$2.3 Million
- Great Bear Recreation Area - \$2.25 Million Development of 215 Acres into 6 Recreational Park Facilities
- Great Plains Children & Family Center - 19,125 Square Foot Daycare & Preschool, \$2.4 Million
- Great Plains Zoo - 2,400 Square Foot Flamingo Aviary, \$300,000; \$10 Million, 15 Acre African Savannah including a Giraffe Barn
- Green Hills Housing Development - 300 Affordable Homes near Benson & Marion Roads
- Hawthorne Suites - Meadows in the River Development, 100-Room Luxury Hotel
- Holiday Inn Express & Suites - \$3 Million, 79 Rooms
- Huntare Society - \$1 Million New Facility
- Inter-Lakes Community Action - New facility to serve 72 children in Head Start and house offices
- Lacey Park Housing Project - \$1.8 Million, 14 acre Housing Rehab Project
- Resurrection Cemetery & Conference Center - 300 acre site including a 100-acre ecumenical cemetery and Conference Center campus with a chapel, gym, family type housing, and retreat center with meeting rooms
- Sertoma Park Outdoor Campus - \$3.2 Million, 100 Acre Science & Nature Park
- Sioux Falls Baseball Stadium - \$5.6 Million Renovation, 9 Luxury Suites, New Press Box and 3,000 Square Foot Home Clubhouse and Workout Facility, 7,000 Square Foot BBQ and Concession Area.
- Sioux Falls Public School District - \$14.7 Million in Capital Improvement Projects
- Sioux Falls Stampede - United States Hockey League Franchise began play at the renovated Sioux Falls Arena in 1999.
- Southeast Technical Institute & Regis University Center - \$9 million, 101,152 square foot building addition
- University of Sioux Falls - \$1.5 Million Glidden-Martin Hall Renovation; \$5 Million Cleveland Professional Business Center; \$1.4 Million, 15,000 Square Foot Stewart Center Expansion
- Washington Pavilion of Arts & Science - \$26.8 Million

The Board of Directors and Staff of the Sioux Falls Development Foundation thank you for your continued support of our organization and efforts.



Sioux Falls Development Foundation

PO Box 907

Sioux Falls, SD 57101

605-339-6103

AND BEYOND



Sioux Falls Development Foundation

SIoux FALLS

Economic Development Report

1999 AIA Glance

Year to Date (January-October)

Total Value of Construction: \$217,804,243.00

Number of Building Permits: 5,057

Capital Investment: \$119,500,000.00

Jobs Created (January-September): 2,489

Sioux Empire Development Park Statistics

Number of Businesses: 100

Employment in the Parks: 11,895

Total Acreage: 820

1999 Land Sales: 45 Acres Sold, \$2 million

Sioux Falls Development Foundation 1999 Board of Directors:

- Steve Kirby, Business Capital Corp., Chairman
- Linda Barker, Business Aviation, Vice Chairperson
- Daniel P. Murphy, Marquette Bank South Dakota, Secretary*
- Bob Oliver, Norwest Bank South Dakota, Treasurer
- Tom Everist, L.G. Everist, Inc., Past Chairman*
- Karen Dunham, The Dunham Companies
- Curt Hage, Home Federal Savings Bank
- Kelby Krabbenhoft, Sioux Valley Hospital & Health Systems
- Steve Pate, Western Surety Company
- Gene Rowenhorst, Citibank (South Dakota) N.A.
- Dale Ruzicka, Hutchinson Technology, Inc.
- Darwin Stetten, JDS Industries
- Richard Viehweg, The First National Bank in Sioux Falls*
- Ralph Wagoner, Augustana College*
- Jim Wilcox, Northern States Power Company

*Deceased Retiring Board Members

Ex-Officio Members:

- Gary Hinton, Mayor, City of Sioux Falls
- Robert Kolbe, Minnehaha County Commissioner
- Russ Greenfield, Boyce Murphy McDowell & Greenfield
- Dean Nielsen, Mayor's Representative, City of Sioux Falls

Development Foundation Staff:

- Dan Scott, President
- Jeff Eckhoff, Director of Rural Development (MCEDA & LCEDA)
- Dan Hinshelwood, Director of Marketing
- Mary Medina, Director of Workforce Development
- Karen Rutland, Director of Research & Communication Services
- Diane Andresen, Manager of Administrative & Membership Services
- Mary Archer, Administrative Assistant

Industrial Development

The Argus Leader is undergoing a 6-phase, multi-year expansion, which will include a 45,200 square foot addition. The addition will provide room for a new distribution center and larger pressroom facilities. The expansion represents an \$11 million investment.

Broin and Associates, Inc. and affiliated companies are building a new headquarters in Sioux Empire Development Park V. Work is expected to finish by April.

Business Aviation constructed a 5,600 square foot addition to serve as a showplace for their new Cessna airplanes.

CCL Label started construction in June on a \$4 million, 60,000 square foot expansion project. CCL plans to hire 80 additional employees over the next two years and has invested an additional \$4.5 million in equipment. The project is scheduled for completion by the end of the year.

Dakota Kitchen & Bath completed a 70,000 square foot, \$2.5 million dollar facility for their cabinetry operation on 8 acres in Sioux Empire Development Park IV.

DTS Inc. constructed a new 31,600 square foot manufacturing plant to make steel enclosures for generators. The facility is northeast of Tex.

Gage Brothers completed a new 22,400 square foot concrete block manufacturing plant in the Harrisburg Industrial Park. The company invested \$4.2 million in the new facility and increased employment by 20.

Hurco Enterprises constructed a new 14,000 square foot manufacturing facility in the Harrisburg Industrial Park. The company manufactures smoke machines to detect leaks in sewers.

Jans Corporation completed a 24,000 square foot spec building. The facility will include a truck maintenance shop area, eight offices, and a conference room.

Nelson Labs is constructing a new 21,500 square foot distribution facility in Sioux Empire Development Park IV at a cost of \$2 million. The facility is scheduled for completion in December of this year.

Pine Hill Pintas recently completed a new 6,200 square foot facility in Yachella Business & Technology Park. The company will employ 15.

Showplace Wood Products, a new cabinet manufacturer, is constructing a \$6 million, 60,000 square foot facility in the Harrisburg Industrial Park. The company plans to hire 100 people within 1 year.

The US Postal Service completed a new \$10.2 million, 181,000 square foot facility in Sioux Empire Development Park II. In addition, the USPS also occupies 2 new 6,000 square foot retail facilities in the Meadows on the River Development as well as a new \$2.9 million carrier annex on Technopole Drive.

Office, Commercial & Medical Developments

Avera Health is constructing a new 40,000 square foot headquarters facility on 4.4 acres at 12th and Century Avenues. The new facility will employ between 30 and 100 people and is finished in March of 2000. In addition, plans are underway to construct a 60,000 square foot outpatient center on the Hospital's campus.

BankFirst, a credit card service firm, created hundreds of jobs during 1998 and 1999 increasing employment to a current level of 750.

Burns & Noble completed a new 11,000 square foot bookstore at the corner of 11th Street and Louise Avenue. The store is home to a number of new authors.

Automotive moved into their new 24,000 square foot facility in August.

Capital Card Services plans to create 100 jobs over the next two years with their credit card processing services in their new 120,000 square foot facility in August. The company began operations in December.

Century Theaters has opened a 10,000 square foot movie screen theatre in the Meadows on the River Development.

Children's Care Hospital & Services, a 2.5 million dollar wing facility for pediatric patients, was completed in December. Construction started in June and was finished by the end of the year. The new facility is a part of the Hospital's campus on 41st Street.

C.I. Casper's completed their new 100,000 square foot facility in their existing building on 11th Street. The facility is a new 100,000 square foot facility.

The Carter Companies completed a new 100,000 square foot facility in their existing building on 11th Street. The facility is a new 100,000 square foot facility.

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Development Plans Hospital & Health completed their new 100,000 square foot facility in their existing building on 11th Street. The facility is a new 100,000 square foot facility.

The Emergency Lutheran Free Will Society completed their new 100,000 square foot facility in their existing building on 11th Street. The facility is a new 100,000 square foot facility.

Heart Hospital of South Dakota completed their new 100,000 square foot facility in their existing building on 11th Street. The facility is a new 100,000 square foot facility.

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which will employ 250, is scheduled for completion in the fall of 2000. Plans also call for the construction of a 66,000 square foot facility on East 11th Street.

McLoud USA will complete construction of a \$2,000 square foot office facility in January of 2000. The facility, located on Interstate Crossing Business Park, will house 200 employees.

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A 16,340-square foot office building, constructed by Sankota, is going up near the Hagan Building in the River Ridge development area. Construction started in July with completion expected in December.

University Physicians moved into their new 48,000 square foot, \$6.1 million clinic on the campus of Sioux Valley Hospital.

A 25,400 square foot office complex is being constructed at Nevada and 59th Streets by VanBuskirk Companies. The complex will be called the VanBuskirk Building.

Vern Eide Motorcars completed their new 47,000 square foot facility near I-229 and the Louise Avenue Exit. The new showroom and lot has room for 290 vehicles.

Waigrens completed two new 14,000 square foot stores in Sioux Falls, one at 57th and Cliff and another at 12th Street and Kiwanis Avenue. A third store is under construction at the corner of 41st Street and Louise Avenue.

Other Developments

38th Street Plaza West, Air Guard Federal Credit Union, Airport Food Court Remodel, All City Pet Care, AutoMax, Boskon Centre Strip Mall, Benny's Restaurant, Best Business Products, Boy Scout House, Brown & Saenger Business Interiors, Buffalo Wild Wings, Casey's General Store, Chili's Restaurant, Clinical Laboratories of the Midwest, Cracker Barrel Old Country Store, Dairy Queen, Dental Care Associates, Empire Bowl Remodel, ERA Associates New Office, Renovation of the former Farmer's Market Building, First Midwest Bank's 2nd Dearfield Branch, Flying J, Founders Trust, Western Mall Branch, Funny Bones Comedy Club, Get N Go, Go Casual, H & H Plumbing Addition, Harold's Photo Outlet, Hegg Companies Building Addition, Kathryn & Company Bridal, Lady Wellness, Landscape Garden Center Expansion, Learning Express, Leonardo's, Main Street Smokes, Marquette Bank Branch, Men's Warehouse, Minnegasco Building Remodeling, Miller Funeral Home, Naps Restaurant, Outback Steak House, Przhim Lawn & Landscape, RAM Shops and Computer Smart, Riddles Jewelry, Renovation of the Rock Island Building, Schmidt Music's New Location, Sioux Falls Federal Credit Union Branch Office, Smith Dental Center, Sirk Shack, Talbots, Trés Raffiné, Ultimate Electronics, Western Centre Mall.

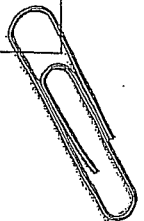
Space constraints do not allow us to list all developments.

Continuation

#2



of pages



DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION
January-February, 1999
Volume 23, Number 1

Over fifty volunteers, all graduates of Leadership Sioux Falls, are hitting the streets to carry the Development Foundation story to business leaders throughout the community. The *Strategy for Success* campaign has been designed to dramatize the importance of Development Foundation membership to the future of Sioux Falls—and to individual companies.

"This campaign is very exciting because of the involvement of the Leadership Sioux Falls volunteers," said Linda Barker, Development Foundation membership chair. "They have embraced the vital role this organization plays in the continued success of Sioux Falls—and they are eager to share that story with other business leaders."

The campaign kicks off February 1 and runs for two weeks—fourteen days during which the *Strategy for Success* team will be making face-to-face calls on businesses in the Sioux Empire Development Parks and throughout the community, sharing the Development Foundation story and encouraging local companies to become members.

"We need to let business people know that our main job is to create customers for their companies," said Dan Scott, Development Foundation president. "When we announce that a new business is moving into our area and expects to employ 100 people, we talking about 100 families, some moving in from other areas, others about to experience an increase in their economic situation. Either way, it means new houses and cars and a lot more grocery, hardware and clothing sales."

Current members of the Development Foundation will be contacted to renew their memberships during the same period of time. The *Strategy for Success* campaign is being coordinated by Development Foundation Marketing Director Dan Hindbjorgen. Business leaders with questions about the campaign or about membership may contact Hindbjorgen at 339-0103 or e-mail him at danh@siouxfalls.org.

Volume 23, Issue 1
STRATEGY
for Success
JANUARY-FEBRUARY 1999

Executive committee chosen for 1999



Linda Barker



Dan Murphy



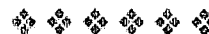
Rob Oliver



Tom Everist

Steve Kirby, Bluestem Capital Corp., will lead the board of directors of the Sioux Falls Development Foundation during 1999. Kirby was chosen as Chairman of the Board at the December board meeting. Linda Barker, Business Aviation, is the organization's new Vice Chair, with Dan Murphy, Marquette Bank, as Secretary; Rob Oliver, Norwest Bank, serving as Treasurer, and Tom Everist, L.G. Everist, Inc., Past Chairman.

"This is an exceptional leadership team," Kirby said. "These individuals have proven their complete commitment to Sioux Falls. Each has extensive experience working with the complex interaction of governmental entities and our local business community. That experience will shape our economic development successes in the coming year."



DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION
Volume 23, Number 2



The Sioux Falls Development Foundation has joined with a group of forward-looking organizations to purchase a 120-acre site near Brandon, which has been identified as one of the best locations in the Midwest for an agricultural products processing plant. The property, to be known as Corson Development Park, was chosen by professional site selectors as a finalist for ag processing plants on two separate occasions. According to Paul Scott, Development Foundation president, the site is made even more desirable because it will have fully developed rail service plus room for expansion.

The land was purchased by the Corson Development Association Limited Liability Partnership, composed of the Development Foundation, the McLeod County Economic Development Association (MCEDA), the Brandon Development Foundation, Home Federal Savings Bank, The First National Bank in Sioux Falls, Security Bank, Split Rock Telecom and Sioux Valley-Southwestern Electric.

The partnership raised \$985,000, most of which was used to purchase the land, with some remaining for site improvement as necessary. The site will be administered by the management committee of Corson Development Association LLP, which consists of SFDF, MCEDA and the Brandon Development Foundation. The site itself has been annexed by the City of Brandon.

"This is one of the best sites in the Midwest region for a certain category of business," Scott said. "The partners felt a civic responsibility, as well as a belief in its development potential, which encouraged the acquisition of the land."

This is the first local instance of this type of partnership being formed by public and private entities to provide land for development, Scott said.

"The partners bought the land with the idea of selling it to a new company moving in," he said. "If this venture is successful, this partnership may decide to purchase more land—or disband after the land is disposed of. The community support for this enterprise has been very strong—and the land is a great spot for the right kind of business."



Quality of life improvements are vital for economic development success

The Sioux Falls economy, great tax climate and excellent workforce get a lot of attention. National magazines rank our community in the Top Ten and businesses continue to expand and relocate here in Sioux Falls.

But community growth isn't just the addition of thousands of new jobs. And the strength of our economy isn't the only reason executives choose Sioux Falls when making that final commitment to move their business—and their families—to this community. When it's time to sign on the bottom line, community improvements like the Washington Pavilion of Arts and Science make a difference.

The construction of the Convention Center, the unique development of the Outdoor Campus and the dramatic changes which make Falls Park a tourist destination once again have become part of the Sioux Falls experience. The opening of the Pavilion, with its aesthetically pleasing and acoustically perfect Great Hall, the galleries of the Visual Art Center, the high-tech Cinedome theater and the fascinating Science Discovery Center have made Sioux Falls a cultural draw for the entire region.

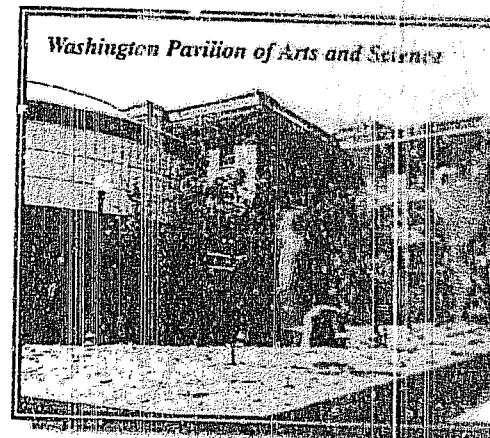
Almost as important as these community landmarks is the spirit that created them. Sioux Falls has declared itself as a place that will provide for its citizens in a variety of ways.

"Good roads and economic opportunity are a vital part of the picture," said Dan Scott, president of the Development Foundation, "but business leaders look at the community's cultural and recreational advantages more than ever before. Sioux Falls has made tremendous strides to be as much a leader in those considerations as in our economic strengths."

The vitality of a community is expressed through its willingness to grow culturally, Scott said. And Sioux Falls has clearly committed itself to providing excellence in family activities.

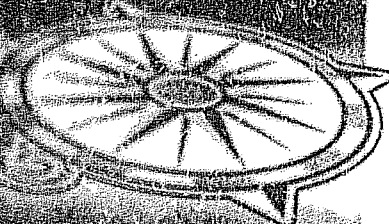
"The growth of events like the recent Jazz Festival illustrates that people in and around Sioux Falls appreciate and support arts and entertainment activities," Scott said. "The variety and number of these offerings will continue to increase—and so will the crowds coming to Sioux Falls to participate in them."

Quality of life activities are a big part of the workforce development picture, too, according to Mary Medema, workforce development director. The largest reason given by South Dakota natives for returning to their home state is quality of life. At the same time, those professionals are reluctant to give up the cultural advantages they have become accustomed to in larger metropolitan areas.



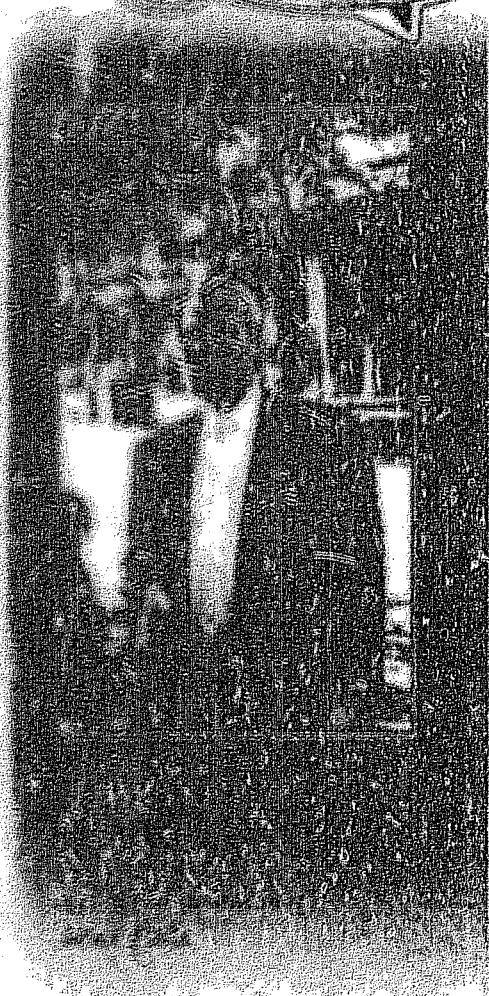
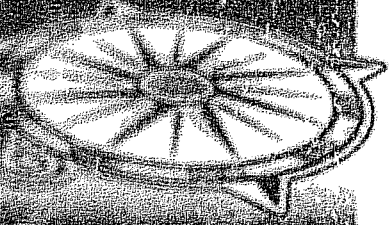
"They want the friendliness of the South Dakota life," Medema said, "but they also want concerts, museums and things to do with their kids. Sioux Falls has worked hard to provide that cross-section of culture, midwestern values and economic opportunity, all in one great place."

Directions



Sioux Falls
Development Foundation

Directions



Downtown development illustrates city's economic diversity

Entrepreneurs and developers are sketching a dramatic scene in picturesque downtown Sioux Falls—a scene of revitalization, historical renovation and economic diversity.

The picture keeps developing more color and depth as the historic downtown area—once the retail hub of the city—becomes a complex blend of financial headquarters, unique shops, diverse restaurants and world-class cultural opportunities. But according to Steve Metli, head of the city planning department, it has taken serious effort by public and private sector leaders to make it happen.

“The essential element in the success of downtown Sioux Falls is commitment,” Metli said. “First is the commitment of individuals who are willing to stake their futures on retail ventures, from Johnson Shoes, one of the original downtown stores, to the newly opened Très Raffiné dress shop. The commitment of the community itself, expressed in the support for the Washington Pavilion and the Convention Center, has had a beneficial impact on downtown as well.”

City officials have been critical partners in the revitalization of the city's center, Metli said.

“Mayor Hanson has been committed from the beginning to making every area of Sioux Falls better,” Metli said. “And his support of a strong downtown is part of that. He's a Sioux Falls native, and the downtown area has always been an important part of our economy—and who we are as a community.”

Another important chapter in the downtown story was the creation of Main Street Sioux Falls, a program to promote and enhance the city's core. Carol Pagones has been head of Main Street since its inception.

“Carol's efforts have helped restore the luster to downtown as a fun place to be,” Metli said. “We have over a dozen festivals going on now. Recently we had Yo-Yo Ma at the Pavilion, Cory & the Fireflies at the Shrine Mosque and a German fest all on the same night, each enthusiastically attended. And downtown hosted them all.”

For her part, Pagones points at city government and business people as the key to downtown's growth.

“City government made a commitment to NOT let downtown deteriorate,” Pagones said. “Credit also must go to the risk-takers, private investors like Jeff Danz, Don Dunham, Jeff Hazard and Mike Bender who believed in downtown. Consider this—in 1980, downtown construction totaled \$2.8 million. In 1997, it was up to \$19.4 million.”

Pagones said downtown is important because of the symbiotic relationship of Sioux Falls economy.

“Economically, a community is only as strong as its weakest link,” she said. “The whole community benefits from a strong downtown—and I believe that the wonderful, historic, nostalgic, remember-when feeling that permeates downtown Sioux Falls cannot be created anywhere else.”

And that, combined with economic strength, is a recipe for success for downtown Sioux Falls.

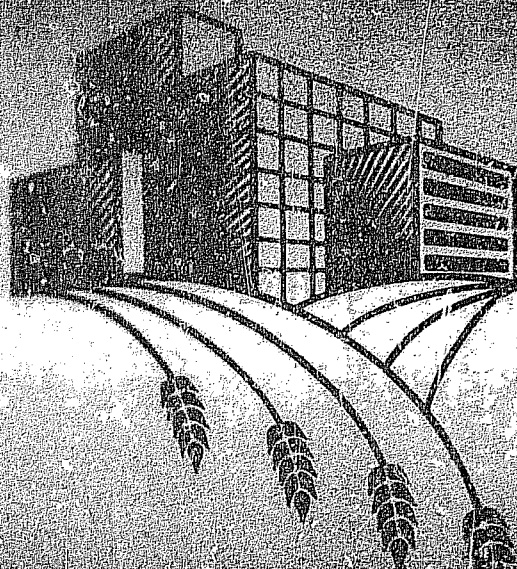


A model of the River Centre currently under construction in downtown Sioux Falls.



Minnehaha County Economic
Development Association

1999
Annual
Report



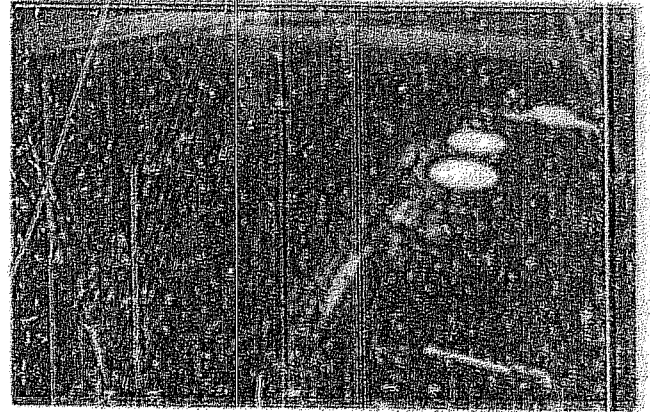
MCEDA

Minnehaha County Economic Development Association
Sioux Falls Development Foundation

Corson Development Park created with partnership

The Minnehaha County Economic Development Association has joined with a group of forward-looking organizations to purchase a 170-acre site near Brandon which has been identified as one of the best locations in the Midwest for an agricultural products processing plant. The property, the Corson Development Park, was chosen by professional site selectors as a top finalist for ag processing plants on two separate occasions. According to Sioux Falls Development Foundation president Don Scott, the site is made even more desirable because the park features fully developed rail service plus room for expansion.

The land was purchased by the Corson Development Association Limited Liability Partnership, comprised of the Minnehaha County Economic Development Association, the Sioux Falls Development Foundation and the Brandon Development Foundation, Home Federal Savings Bank, The First National Bank in Sioux Falls, Security Bank, Spitz Rock Telecom and Sioux Valley-Southwestern Electric.

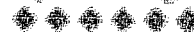


The partnership raised \$965,000, most of which was used to purchase the land, with some remaining for site improvement as necessary. The site will be administered by the management committee of Corson Development LLC, which consists of MCEDA, SDPF and the Brandon Development Foundation. The site itself has been annexed by the City of Brandon, and will be known as the Corson Development Park.

"This is one of the best sites in the Midwest region for a certain category of business," Scott said. "In order to make it accessible in price and to realize its economic development potential, it was necessary to acquire the land and have it on the market. The partners felt a civic responsibility, as well as a belief in its development potential, which encouraged the acquisition of the land."

This is the first local instance of this type of partnership being formed by public and private entities to provide land for development, Scott said.

"The partners bought the land with the idea of selling it to a new company moving in," he said. "If this venture is successful, this partnership may decide to purchase more land—or defend—after the land is disposed of. The community support for this enterprise has been very strong—and the land is a great spot for the right kind of business."



The history of the Minnehaha County Economic Development Association has been marked by solid achievements throughout the county and in member communities. The past year has maintained that trend, and provided opportunities for taking rural economic development to the next level through enhanced use of the strength of our partnerships.

The MCEDA Revolving Loan Fund (RLF) was again a part of our rural economic development picture. One RLF loan was made in 1999, to Crabbie Bill's restaurant in Garretson. Eleven businesses worked with MCEDA on the possibilities of using the RLF. This tells us that our unique financial assistance program, developed to provide that extra measure of support which may be necessary to open a business or start a company in rural Minnehaha County, is understood and well-received in our area. The flexibility of RLF makes it possible for small businesses to become stronger, more vital elements of their communities—and gives MCEDA an extra tool in promoting prosperity for our county.

Minnehaha County's visibility was strong during 1999. Throughout the year, 26 companies, representing 2,695 new jobs, made inquiries about locating or expanding in Minnehaha County. We are still working with a significant number of those businesses today. As you will notice in the Community Snapshot section of this report, housing construction also remains strong throughout the county, both in the communities and in the unincorporated areas.

One of the most exciting developments to arise during the past year has been a more active partnership with the Lincoln County Economic Development Association and the Sioux Falls Development Foundation, especially in the area of marketing economic

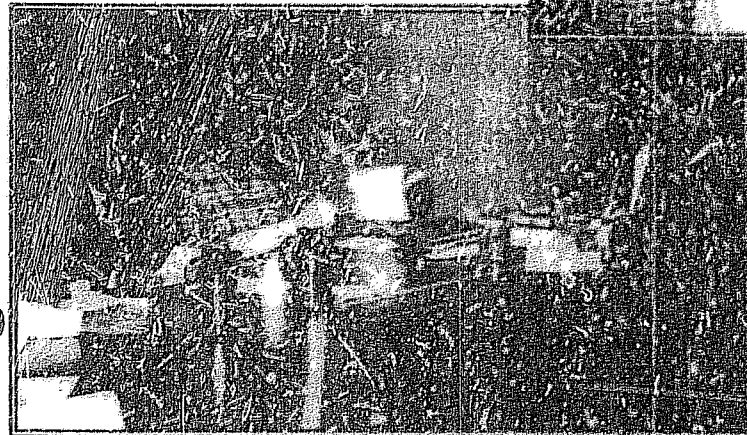
development. With the Sioux Falls Development Foundation carrying the ball in marketing to businesses nationally, the two county organizations have decided to do more to spread the word internally, to the people on the Main Streets of all the member communities in Minnehaha and Lincoln Counties. By creating a better understanding of the goals and objectives of economic development, we can do a better job of representing those communities. We'll also be working for a prosperous future for everyone who lives in our area.

Each year I try to point out the components which combine to drive the continued growth of our county. In some years, it's commercial development. Other years feature stronger housing starts. Last year, I mentioned the work of individuals as the critical ingredient. During 1999, we saw an increased understanding of the partnership that makes our efforts successful. It starts in Pierre, with Governor Janklow and the Governor's Office of Economic Development. It continues through the work being done in Sioux Falls, in Lincoln County and by individual community groups in Minnehaha County. It's a truly cooperative effort—and it's working. You'll be seeing and hearing more about this active partnership in the months ahead. We hope you'll help spread the word every chance you get!



Officers from left are Dennis Olson, Secretary/Treasurer; Linda Luthi, Vice President, and Martin Wieman, President.

Members of the MCEDA Board of Directors met regularly during 1999 to chart the course of economic development throughout the county.



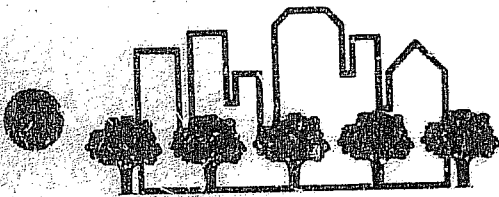
1999 Activity Report

by Jeff Eckhoff
MCEDA
Executive Director



The MCEDA Mission

It is to promote the reasonable economic development of rural Minnehaha County. Economic development is interpreted by MCEDA's 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 of 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 customer base.



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

March 18, 1999

Glenn Ivarsen
MidAmerican Energy Company
P.O. Box 778
Sioux City, SD 51102

Dear Glenn:

As the Lincoln County Economic Development Association (LCEDA) reflects on its first two years we must also think about the many years of ongoing effort that economic development requires to be successful. Development is not accomplished overnight nor does it come easily. Yet, all indications are that a coordinated regional approach, where all parties work selfishly for the good of the whole, will pay off in the long run.

Economic development is not "won" by any one city, organization or person. When a company locates or expands in Lincoln County, jobs are created, houses are built, goods and services are traded and the base is expanded. In other words, we all win.

As a valued partner in this ongoing effort, I would like to pass on the LCEDA Board of Director's appreciation for your support of development in Lincoln County. Enclosed is a copy of the *Lincoln County Economic Development Association 1998-99 Annual Report* and a program from the 1999 Annual Meeting.

Thank you again for your support of LCEDA and its mission. Should you ever have any questions, please give me a call at (605) 372-4784 or contact our executive director, Jeff Eckhoff.

Sincerely,

John Robinson, President
Lincoln County Economic Development Association

enclosures (2)

President's Report



John Robinson
LCEDA President

Strength comes with unity—and that strength gives a competitive edge to economic development. LCEDA's second year is proving that. We continue to grow and bring more and more prospects into Lincoln County. Our strength is that we have local development groups working closely with the county organization whenever there is a prospect looking at Lincoln County. The unity is apparent when you see two or three communities hosting the same company and each one wishing the others well. There is competition—and that is good—but each LCEDA member realizes that the growth and development of any of the Lincoln County communities helps all of the communities. That was the idea of LCEDA—and it is working.

Adding jobs and income opportunities

strengthens the local community. Strong local communities are better able to provide for the needs of their citizens and the people who live in the surrounding area. Economic development also helps to spread the property tax burden among more and more people, industries and commercial developments. That is good for everyone.

It has been a real pleasure to work with such a dedicated group this year. The directors have worked hard to see that the organization meets the needs of the communities. Jeff Eckhoff, our executive director, has been very busy in a demanding job which he handles well. Jeff is a real asset to the communities of Lincoln County. Congratulations to our board of directors and to Jeff on a job well done.

Our investors share in

this strength through unity. Each of them realizes that as individuals they cannot accomplish as much as we can together. The support and assistance of our investors are vital to the success of this organization. There is no way we could finance LCEDA without their substantial help. We will need to rely upon them in the coming years, and we thank each of them for their support.

As we look ahead, we can be confident of the success we have achieved. We know that the future holds more challenges—and more successes—the challenges will be larger, but the successes will be larger, too, because of our long-term commitment to making Lincoln County a better place to live, work, play and raise a family. That is what LCEDA is all about.



- Communities/Governmental Units**
 Beresford Economic Development Corporation
 Canton Economic Development Corporation
 City of Canton
 City of Harrisburg
 City of Lennox
 Lennox Area Development Corporation
 Lincoln County
 City of Tea
 City of Worthing

- Financial Institutions**
 Farmers State Bank, Canton
 First American Bank & Trust, Canton
 Home Federal Bank in Canton & Lennox
 Marquette Bank, Harrisburg
 Valley Exchange Bank, Tea & Lennox

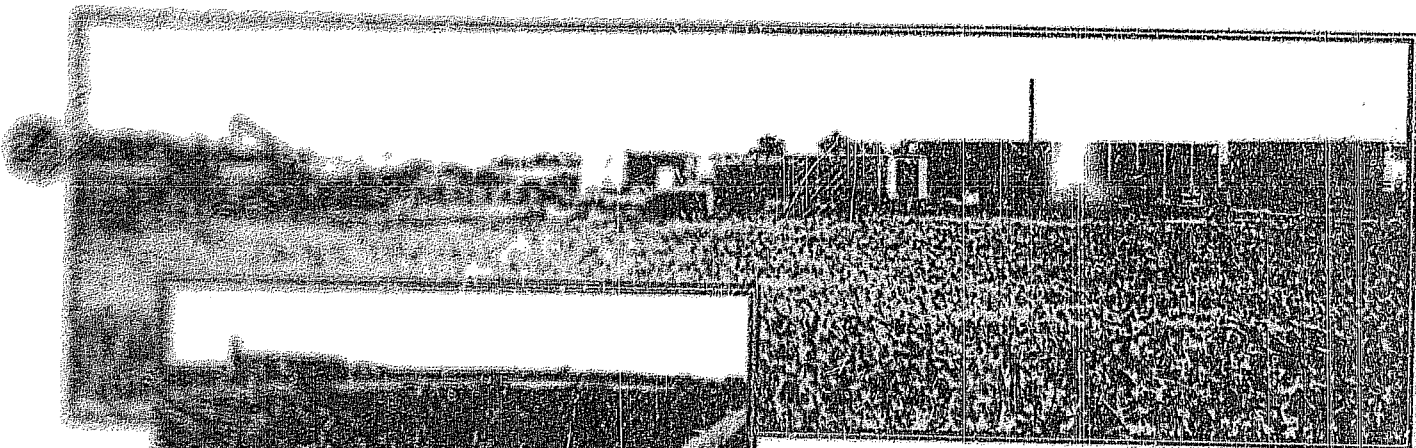
- Utility Companies**
 Dakota Telecommunications Group
 East River Electric
 Lincoln-Union Electric
 Mid-American Energy
 North Lincoln Rural Water
 Northern States Power Company
 South Lincoln Rural Water



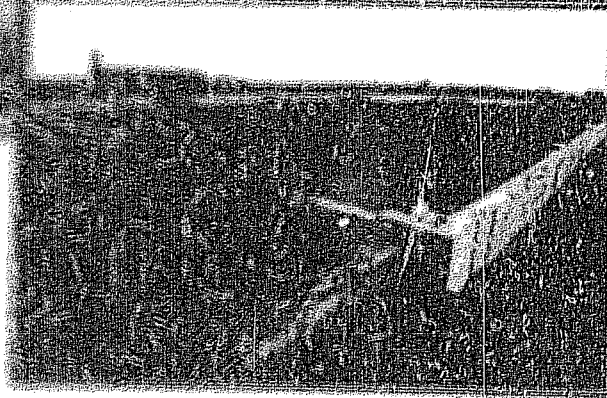
Quality Park Products in Beresford is an example of the state-of-the-art manufacturing present in Lincoln County.

LCEDA Board of Directors

- John Robinson, At-Large, President
 Dick Hempel, City of Lennox, Vice President
 Mary Thoen, At-Large, Secretary
 Sue Albert, City of Tea
 Dan Cotton, City of Beresford
 Marshall Drexler, City of Harrisburg
 Dick Hoffman, City of Canton
 Donovan Kost, Lincoln County Commission
 Mark Larsen, City of Worthing
 Rhonda Miller, Dakota Telecommunications, Inc.



Above: Autumn, 1998 saw the construction of the Gage Brothers Concrete Block Plant in the new Harrisburg Industrial Park.



Left: Footings are in place for the Hurco Technologies 12,000 square foot building, also in the Harrisburg Industrial Park.

Commitment to success will make the difference long-term

DIRECTOR'S REPORT



What a difference a year makes! Last year, at the conclusion of LCEDA's first year in operation, we were still forging the links of partnership and learning first-hand the importance of cooperation in regional economic development. This year, we've made some important strides and really hit our pace as an organization.

One of the most significant events of 1998 was the addition of Beversford to the list of LCEDA members. A vital community with a dynamic and positive leadership, Beversford adds strength to LCEDA and demonstrates the importance of the "all for one, one for all" philosophy which is the cornerstone of our regional economic development policy. Welcome, Beversford, to an exciting group.

The past year was one of setting down to do the work of economic development throughout the LCEDA communities. Receiving 26 inquiries this year, we held a number of hearings and were pleased

by the expansion of a wide variety of businesses in Lincoln County, from Behr Meat Transfer in Canton to DTS, Inc. in Tea. The groundbreaking for the Gage Brothers concrete plant north of Harrisburg signaled a new era, as Sioux Falls business expansion reaches into Lincoln County for the many obvious benefits there.

Most of all, 1998 marked a commitment by the board and membership of LCEDA to the long process of economic development. We know that planned, orderly, intelligent growth of the Lincoln County communities will not come in a blinding flash overnight, but as a result of hard work, good preparation and a dedication to economic development in each of our member communities. Our leadership understands that premise—and that bodes well for the future of Lincoln County!

That long-term commitment will truly

separate the winners in economic development from the losers who can not stay the course. We have made tremendous strides in putting together a team that understands the fundamentals of economic development and is committed to regional cooperation of the most vital kind.

Cooperation between communities and county governments, between economic development groups in each locality and LCEDA, between the Sioux Falls Development Foundation and LCEDA, and bonds created with the Governor's Office of Economic Development are the rails that progress runs on. We are building an infrastructure for success, and regional cooperation is the first critical phase in that construction project. We have achieved that, and we can look forward to great things in the years ahead.



Snapshots of Progress in Lincoln County

Herreshard The newest member community in Lincoln is Herreshard, which is recording strong economic growth. During the past year, a new 18 room high school was completed, along with construction of the \$4.5 million Herreshard high school. The local economic development organization was instrumental in the passage of the home rule charter for Herreshard, voted in by an overwhelming majority in 1998. Class Sales has located on Herreshard's Main Street, featuring a combination of hardware, clothing, tools, paint and housing and remodeling supplies. Building permits with a valuation of \$1.5 million were issued last year.

Canton Another year of industrial growth was recorded in Canton. A \$6.2 million transportation project built a new high school and added on to the present high. A major upgrade to the sanitary sewer system was completed, as was the 12 unit municipal fire/EMS station being complex. Construction began on a new Casey's convenience store, and there was further expansion of the residential community at Columbus Lake. Building permits in Canton for 1998 totaled 24 at a value of \$3.4 million.

Harristburg Harristburg experienced significant industrial development during 1998. This year, the Harristburg Industrial Park was opened, with large business starting things out with their 32,400 square foot steel plant, a \$4 million facility employing 20 people. In addition, Duco Technologies, makers of remanufactured and testing equipment for the water and sewer industry, is constructing a 12,000 square foot

building in the new park for assembly and distribution of their products. Over three million dollars worth of construction activity took place in Harristburg during 1998.

Lennox The Lennox spec building was completed on March 1, 1998, and was the site of several hostings during the year. A deteriorated building on Main Street was torn down by the Lennox Area Development Corporation to create an attractive Main Street commercial lot. The ongoing park project continues, with new playground equipment, lighting and electric outlets installed during the past year. A new park on the west side of Lennox was created, featuring an ice rink and warming house/picnic shelter. In 1998, 63 building permits were issued, valued at \$1.33 million.

Tea Tea grew steadily during 1998, with an addition to the Middle School which includes new classrooms and a gymnasium. The city's sewage lagoons were expanded, with capacity doubled. A new strip mall was constructed in Tea, featuring a daycare center, a dental center, chiropractor's office and additional office space. The building permit total for 1998 was 78, with a valuation of \$3.2 million.

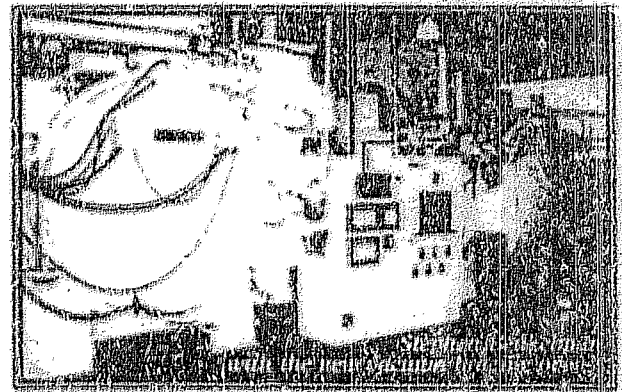
Worthing Housing construction is also a driving force in Worthing, with 16 new homes being built during the past year. The community continues to make infrastructure improvements, and the community is being considered for a variety of new commercial ventures. Worthing issued building permits with a total valuation of nearly a quarter million dollars.

Behr plans further expansion

One of the fastest growing companies in Lincoln County is Behr Heat Transfer Systems, HES Division of Canton. A part of the international Behr family, based in Frankfurt, Germany, Behr's Canton facility produces heat transfer devices—oil cooling units, condensers, charged air coolers and fuel coolers—for major American companies like Cummins Engine Co., John Deere, Case and Freightliner. During 1998, Behr Heat Transfer Systems, HES Division of Canton received QS-9000 Automotive Standard Registration. Achieving this quality standard—shared by only three companies in South Dakota—allows Behr to produce hardware with the "Big Three" auto makers, Ford, GM and Chrysler Corp.

During the past two years, the division added a 10,000 square foot facility in Cedar Falls, IA, and also built a 18,000 square foot addition to its facility in Canton to accommodate a new manufacturing technology—aluminum vacuum brazing. This process employs equipment and techniques developed in Europe and only recently brought to the US. The process enables Behr to manufacture heat transfer units which are smaller and more efficient—a critical factor in the weight-conscious automobile industry and the space-conscious agricultural industry.

The new products are doing so well that Behr is



already planning an additional 18,000 square feet for the Canton facility, a mirror-image expansion to the recent addition. That will give the company room to increase production of the new heat transfer units. Behr currently employs about 300 people in the 120,000 square foot Canton plant.

"This new technology is definitely our area of growth," said Stephen Beakelman, manufacturing manager. "We'll be building some new designs specific to automotive applications and adding new customers with the aluminum vacuum brazing process."

Behr Heat Transfer, HES Division has annual sales between \$30 and \$35 million. Behr has been manufacturing heat transfer units in the Canton facility since 1994. LCEOA is proud to congratulate Behr on their growth and expansion in Lincoln County.

Leader - Courier

community newspaper of Dakota Dunes, Elk Point, Jefferson, McCook Lake and North Sioux City

January 7, 1999

Flynn Business Park

New North Sioux City business park announced

Three business parks in North Sioux City were announced at a news conference held by the North Sioux City Economic Development Corporation Tuesday, January 5, at the North Sioux City Community Center.

Joseph Flynn Business Park was the newest business property owned by Bridget Flynn and her son Eugene. The development consists of an 151-acre, triangular-shaped site, bounded by the Graham Airport, Highway 105 and Highway 104.

The park is being developed to meet the demand for building space in North Sioux City, according to NSCEDC president Jeff Harms. "We believe that a significant opportunity exists here for continued economic development through new business attraction and local business expansion."

Construction plans will be issued at a later date for the development, which will be developed in several phases. The first phase will be a 20-acre site located at the southern tip between the airport and Highway 105.

The news conference was called to order by Bruce Odson, vice president of the NSCEDC. Speakers were Jeff Harms, president of the NSCEDC, North Sioux City Mayor Liesel Hallwas and the owner of the farmland, Bridget Flynn. Also on hand were local business leaders, North Sioux City council members, Richard Benda of the State Governor's Office of Economic Development and Alex Bayne, head of the Southeastern Council of Governments (SECOG).

In endorsing the plans, North Sioux City Mayor Liesel Hallwas said, "The rapid buildout of the Gateway Business Park has



proven the need for this development which has the twin objective of creating more jobs for our citizens and increasing the community's tax base. The North Sioux City Council is pleased to support and encourage the development of this much needed project."

The mayor said that as the city's finance officer, she watched as the first spec building was constructed in the Gateway Business Park in 1984 and recalled how exciting it was to see the park's

development over the following years.

Harms also noted that Bridget Flynn has been one of her very good friends for many years and she helped Harms introduce Flynn to the audience.

Flynn told the audience that in her 45 years at the farm the "crops have been good, the land has been good, but now the prices are bad". She plans to continue to live on the farm.

She said that she is proud to have known and lived near all her

friends and neighbors and is glad to see the children of those friends and neighbors be a part of this new venture.

Harms presented a plaque to Flynn for her efforts in making

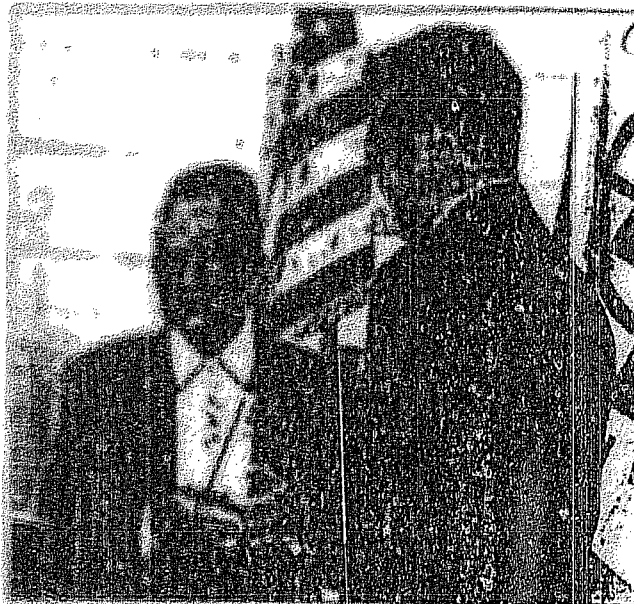
(continued on page 3A)

About Bridget Flynn

- * Born Bridget Kenny in Ballygan, County Galway, Ireland.
- * Graduate of the nursing school at the University Hospital Merz in Dublin, Ireland.
- * Worked as a surgical supervisor at Ronitoned Hospital in Dublin, where she met her future husband, Dr. Eugene Flynn of Montrose, South Dakota.
- * Married Dr. Flynn in Dublin in 1937.
- * Lived in many places in the United States including Refugio, Texas, California, at the construction site of Fort Randall Dam and in Pierre.
- * Dr. Flynn died at age 49 in Pierre of a cerebral hemorrhage, leaving Bridget and their 10-month old son, Eugene.
- * Bridget and her son move to the present farm in 1959, which the Flynn's had purchased years before.
- * Serves as a nurse for 30 years at Park Jefferson, Sodrac Park and Atokad Park in South Sioux City.
- * Long time member of county Farm Service Administration board.
- * Hosted Vice President Al Gore during September, 1995, visit to Sioux City area.
- * Son Eugene and his wife, Cheryl, have four children; Amy, Kelsey and twins, Michael and Eric.



Bridget Flynn



Mayor Flynn is presented with a plaque by North Sioux City Economic Development Corporation President Jeff Harms for her efforts in making the Flynn Business Park a reality during a news conference Tuesday, January 5, 1996.

Flynn Business Park

(Continued from front page)

the new business park a reality.

The new development was needed because of the Gateway Business Park. It was established in 1984 by Midwest Resources Company - now Mid-American Energy Company. All of the lots in the 137-acre development were sold within ten years. Approximately 6,000 people are employed by the nearly 20 businesses operating there. The largest businesses include Gateway, Omahaline Hydraulics and Iarns.

"This phenomenal growth can be attributed to outstanding entrepreneurship and South Dakota's excellent pro business tax and regulatory structures," Harms said. "Given this combination, we expect the Flynn Business Park to be just as successful as its predecessor."

The Flynn Business Park is a key part of the NSCEDC's mission to promote planned economic growth in North Sioux City, Harms noted. The nonprofit organization was formed in November of 1996 under the auspices of the North Sioux City City Council, which provided its initial funding. The land in the development is currently outside the city limits in the Big Sioux Township, but will be annexed into the city as development begins.



Taking part in the groundbreaking ceremony of the new spec building at the Flynn Business Park in North Sioux City are Union County District 1 Commissioner J. B. Gieseler, North Sioux City Mayor Liesel Halfway, Economic Development Corporation President Bruce Odson, Siouxland Initiative Chairman Cy Chesterman, L & L Builders President Bruce Lewis, and Bridget Flynn, for whom the business park is named. The spec building is being constructed by L & L Builders.

First spec building to rise in NSC Flynn Business Park

A 40,000 square foot, speculative building will be erected in the Flynn Business Park in North Sioux City and will be ready for a tenant by February or March of 2000.

Plans for the "spec" building were announced Monday, August 23, at a joint news conference and groundbreaking with the North Sioux City Economic Development Corporation and The Siouxland Initiative III.

The 200 by 200 foot structure will be constructed on a six-acre parcel of land located at the southern tip of the 162-acre Flynn Business Park. The land is adjacent to Graham Field, with Rickenhacker Road on the east, and South Dakota Highway 105 on the west.

The building is designed so it can be finished to the specifications of the buyer and can be quickly and easily expanded. The building will be finished in an off-white color, which can easily be changed to conform with any company's logo and color scheme.

Bruce Odson, president of the North Sioux City Economic Development Corp., said a new industrial building is needed due to the great success story of the Gateway Business Park, located about one-half mile to the west.

Odson said a number of factors make the new building attractive: a positive business climate in South Dakota; the support of the City of North Sioux City; the community spirit of Bridget Flynn, whom the business park is named; and the spirit of cooperation between the North Sioux City Development Corp. and The Siouxland Initiative III.

North Sioux City Mayor Liesel Halfway said the first building in the business park is the result of hard work by many people. She also said the North Sioux City Economic Development Corporation and The Siouxland Initiative III are committed to making the park a reality.

The Siouxland Initiative III chairman Cy Chesterman said the organization was gratified that the partnership between the two development groups is able to help fill a need in the tri-state area.

Bruce Lewis of L & L Builders, the contractor for the building, said this will be the second spec building the company has built in a joint partnership involving The Siouxland Initiative. In 1995, L & L Builders constructed a spec building in the Bridgeport Industrial Park in Sioux City in a partnership between the City of Sioux City, MidAmerican Energy, and The Siouxland Initiative.

Also in attendance at the groundbreaking were Bridget Flynn, the owner of the farm where the business park is located, and representatives from Union County, the City of North Sioux City, the 49ers Business Council and the Siouxland Chamber of Commerce.

According to officials from both development groups, spec buildings have proven to be an excellent marketing tool for economic development, particularly in communities such as Siouxland that have a limited number of available buildings. Of the companies looking to expand, over 80 percent desire to

purchase or lease an existing building rather than construct a new facility themselves.

Two of the buildings in the now-full Gateway Business Park, owned by Omahaline Hydraulics and The Iams Company, were built as spec buildings in the 1980s by what is now MidAmerican Energy.

To assist in the financing of the new spec building, the City of

Spec Building

Continued from front page
North Sioux City was provided a loan to the North Sioux City Economic Development Corporation. Mayor Liesel Halfway said, "The rapid build-out of the Gateway Business Park has proven the need for this development, which has the twin objectives of creating more jobs for our citizens and increasing the community's tax base. The North Sioux City Council is pleased to support and encourage the development of this much needed project."

Glenn Ivarsen, Vice President of Economic Development and Community relations for MidAmerican Energy, has been actively involved in the development of the Flynn Business Park and the new spec building. MidAmerican Energy, which has had extensive experience in developing spec buildings, will assist in the marketing of the Flynn Business Park building.

Leader-Courier Editorial

County receives economic boost

Tuesday morning, the foundation of economic development in southern Union County received a tremendous boost with the announcement of the new Flynn Business Park in North Sioux City.

With this announcement, North Sioux City will continue to have land for development now that the Gateway Business Park is full.

Approximately one year ago the North Sioux City Economic Development Corporation was formed consistent with the format used by many communities in South Dakota. Its initial funding came from the City of North Sioux City. This is consistent with other development organizations.

The City of North Sioux City and the rest of Union County has benefitted from the Gateway Business Park which was filled in just ten years. This park was developed by Mid-American Energy.

Why is this development so important?

The communities that have been most successful in South Dakota have had non-profit controlled land for development. It provides a basis for affordable land that truly is available. It takes control out of the hands of speculators. It provides prospects the knowledge that they are working with a willing seller.

Special recognition goes to Glenn Ivarsen for his key work to make this project a reality. The area is fortunate to have a person of his professional capabilities.

The North Sioux City City Council is to be commended for stepping forward and providing essential support to make Flynn Business Park a reality.

Finally, the Flynn family is to be thanked for their willingness to work with community groups to make this happen.

CONTINUATION

3 -

Dakota Dunes sparks tax base explosion in Union County, S.D.

By Bob Lawrence

In less than a decade since the first residents and businesses settled in Dakota Dunes, South Dakota's fastest growing community has emerged as the catalyst for an unabated tax base explosion that's been a bonanza for Union County taxpayers.

Dakota Dunes' 1999 taxable valuation was \$146 million, making it the continuing leader in Union County's residential and commercial growth, accounting for 21 percent of the total assessed value of all property within the county.

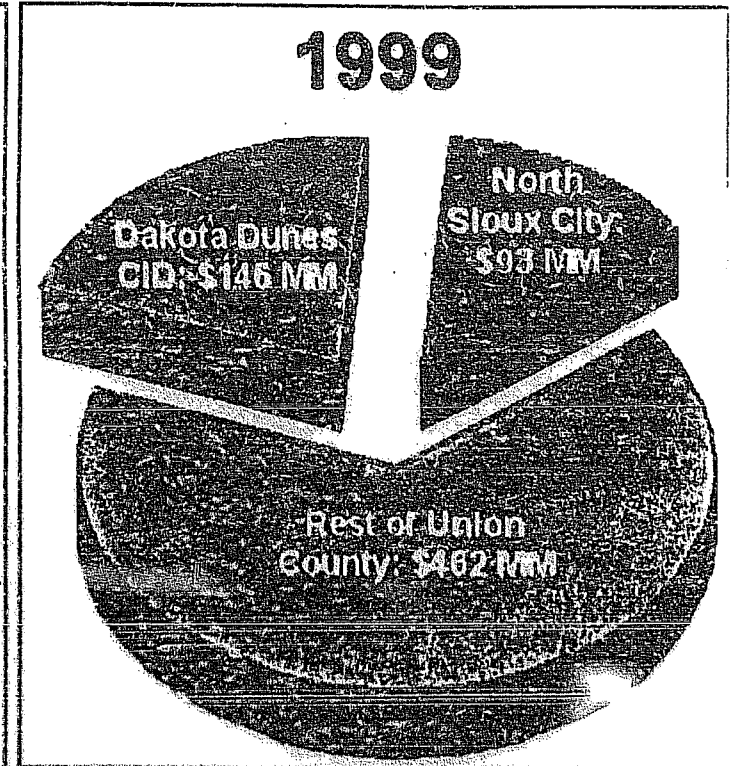
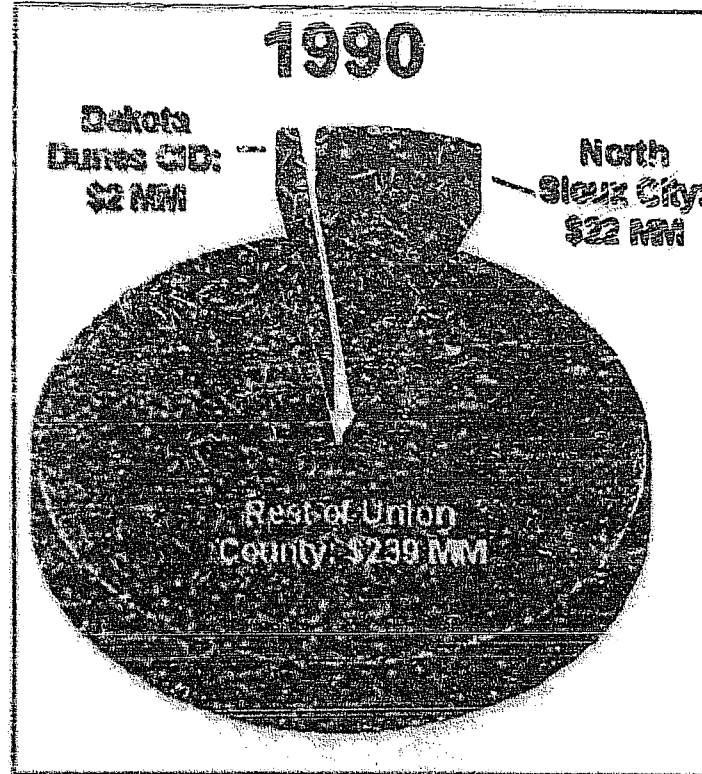
This has helped substantially in decreasing or keeping mill levies low while allowing government and school and fire districts to build new facilities, infrastructure, and provide services without hefty tax increases.

Since 1991, when Dakota Dunes opened for residential and commercial development, Union County's tax base has grown by an unparalleled increase of 167 percent, from \$263 million then, to \$701 million now, according to figures compiled by the Union County Auditor Carol Klumper.

"It's phenomenal!" says Union County Commissioner J.R. Castner, noting the 2,000-acre master-planned community's meteoric rise from "zero in assessed valuations to multimillions of dollars" in less than 10 years.

As is the case with other taxpayers living in Union County, residents of Dakota Dunes are reaping the rewards of the mushrooming tax base.

The Dakota Dunes Community Improvement District (CID) will be governed for the first time by its residents following an April 11, 2000 election. The CID Board will inherit a financially sound com-



The above charts show the growth in taxable valuation in millions of dollars that occurred in Union County, S.D. The opening of Dakota Dunes in 1991 helped spur a 167 percent increase in the county's total tax base in the last decade.

munity because thus far all previous infrastructure costs have been paid for by developers, primarily Dakota Dunes Development Company.

Because of its strong tax base, residents of the master-planned community will also inherit a general fund budget to operate and maintain its boulevard streets, parks, and

water and sewer systems, according to CID Board Chairman Glenn Ivarsen.

"The tax rate for the CID is one half of what we are allowed because of the value of the property at Dakota Dunes," Ivarsen says, noting that while the CID has the authority to levy at 10 mills, it operates at 4.95 mills.

North Sioux City, which has also enjoyed

decade-long commercial growth, is another key contributor to the county's swelling tax

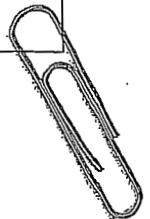
SEE VALUATIONS continued on page 12

Continuation

4



of pages



Valuations help lower taxes

from page eight

base largely because of Gateway Business Park's success. With 1999 assessed valuations of more than \$93 million, North Sioux City leads all other Union County municipalities in contributing to the tax base.

Without the increased tax base and the large influx of sales tax dollars flowing into its coffers, North Sioux City would have had to increase property tax levies to do the millions of dollars in community improvements that have occurred over the past decade, said Mayor Liesel Hallwas.

Sales tax collections have enabled North Sioux City to build a new building to house a community center and the North Sioux City Fire Department as well as add new infrastructure, streets, and sidewalks and purchase snow plows and other heavy equipment. The city has operated under the same low mill levy it has had for the past six or seven years, Hallwas said.

Additionally, the ever-spreading tax base is good news for residents throughout the county. As Castner puts it, "As newer valuations come on line, the older property gets a slight reduction in property tax."

Castner, who represents the Dakota Dunes/North Sioux City area on the Union County Commission, says that at the county level, the growing tax base has allowed county government to operate under the same millage rate it has had for several years. This comes at a time when "a lot of counties in South Dakota have had to drop employees and services because they don't have the growth," says Castner.

At the township level, the expanded tax base has allowed Big Sioux Township to

reduce its mill levy to a fraction of what it was in 1992 while increasing its budget in meet taxpayer demands for better roads and services, according to board member Paul Mahler.

The Dakota Valley Fire District provides regional fire protection and, according to Roger Zuerlein, the district's president since it was formed almost five years ago, "Our budget has risen 28 percent while our mill levy has fallen 22 percent. This is a direct result of the substantial increase we have experienced in our tax base."

Taxpayers of the Dakota Valley School District have also been major beneficiaries of the rise in Union County's property valuations, having built a new high school, and are now constructing a new elementary school with minimal tax increases.

"As assessed valuations grow, we can build and maintain our school facilities and offer more educational opportunities," says school superintendent Al Leber. Even so, the school board and administration are "trying to keep the lid on the budget with a commitment to give taxpayers the best bang for the buck," Leber adds.

Even the Bureau of the Census has noted Union County's growth, according to Chris Boyerhof, who serves on a Southland MSA taskforce. "It's a good bet that for the first time in history, Union County will officially become part of the Sioux City Metropolitan Statistical Area (MSA) following the 2000 census joining Woodbury County, Iowa, and Calhoun County, Nebraska," Boyerhof said.

Bob Lawrence is a freelance writer whose articles regularly appear in Southland Business.

Economist says Union County has one of strongest growth rates in U.S.

Compared to the 316 Metropolitan Statistical Areas (MSAs) in the United States, Union County grew faster in the past five years in six areas than any of the metro areas.

This was one of the findings on Union County's economy presented in a report by William H. Fruth of the Policom Corporation of Jupiter, Florida. The report was given Thursday, September 23, at the North Sioux City Community Center.

About 35 persons were in attendance for the report, one of three commissioned by the Siouxland Initiative. Other reports were presented by Fruth on Woodbury County, Iowa, and Dakota County, Nebraska. The attendance for the Union County meeting was nearly identical to the Woodbury County meeting.

According to Fruth's report, Union County led the 316 MSAs in the growth of earnings, employment, earnings per worker, number of non-farm properties, manufacturing and FIRE, for the five year period from 1993 to 1997, the last year complete reports are available.

Fruth said the number one rankings were mainly due to the small population of Union County but still noted that the growth in the county was still "off the chart."

He likened the economy of Union County, or any county to a bucket with a hole at the bottom. Since no county is a "closed county" money is always flowing out, Fruth said it is the amount of money flowing into the bucket, or county, that determines if the county's economy is growing, staying stable, or declining.

He said the types of industries that help a county to grow include farming, manufacturing, transportation, wholesale business and mining. Types of businesses that are "egg-busters," or sink the economy, include finance, insurance, real estate and state and federal government.



William Fruth

Businesses that are the "hole in the bucket" include retail and service industries, local government and construction.

Fruth said retail is a negative in an economy because of the generally lower wages their workers are paid, compared to other industries. Construction also causes a drain because most of the supplies needed to build come from somewhere else.

Austin, Texas, had the nation's strongest economy in 1999, with Salt Lake City, Utah, second and Raleigh-Durham, North Carolina, third. Pine Bluff, Arkansas, had the weakest economy. Fruth noted that 13 of the 25 strongest economies were state capitols. He also graded the South Dakota and Iowa economies at a D overall and Nebraska at a C.

The Sioux City metro area, which includes Woodbury and Dakota Counties, ranked 253rd of the 316 MSAs in growth. If Union County were added to the Sioux City MSA, that ranking would have risen to 223rd. In the past ten years, the Sioux City MSA was the 180th in growth rate, but would have been 112th if Union County had been included. Woodbury County had the slowest growth rate of the three local counties.

According to the report, Woodbury County had 77 percent of the tri-counties' population, with 14 percent in Dakota County and 9 percent in Union

County. The breakdown of earnings per county shows that Woodbury has 67 percent, Dakota 15 percent and Union 18 percent. As for manufacturing employees, Woodbury had 36 percent, Dakota 29 percent and Union 35 percent. In retail, Woodbury has 82 percent, Dakota 11 percent and Union 7 percent.

Fruth said Union County is the "engine" of the tri-state area, accounting for 40 percent of the region's incoming flow of money. Of the jobs created in the last ten years, 71 percent in Union County pay the national average or higher, compared with 50 percent for Dakota County, 31 percent for Woodbury County and 52 percent for Siouxland as a whole.

He projected that through 2010, the Siouxland area would have a rapid growth in the service areas, but little growth in manufacturing. He said the area's economy was a "low B" over the past 10 years, but to make a higher grade, there must be a slower service growth as compared to other areas.

Fruth said the best industries to attract include manufacturers of high value, high bulk products, transporters of products, research facilities and wholesale distribution. He said tourism jobs have the least impact in an economy, followed by retirement and the manufacturing of low value products.

Saturday
Sept. 18
1999

THE SIOUX CITY JOURNAL

"Celebrating Siouxland Pride"

KMEG breaks ground for new studios in Dun



Norman Waitt Jr., chairman of Waitt Broadcasting Inc., speaks during the groundbreaking ceremony for the company's new studios and offices in Dakota Dunes Friday. (Staff photo by Jim Lee)

By Michele Link
Journal Staff Writer

DAKOTA DUNES — KMEG-TV has been "building our station around you" since Norman Waitt Jr. bought it last August and encouraged viewers to let him know what they'd like to see. Now it is building a station around itself.

A ceremonial groundbreaking for the (TV) affiliate's new state-of-the-art studios and offices was held Friday on the 12.5-acre site at Dakota Dunes, also home to the headquarters of the area (AM) (radio-FM) radio station.

Both broadcast properties are owned by Waitt Broadcasting Inc., a wholly owned company of Waitt's Gold Circle Entertainment, an entertainment corporation. They currently are in separate offices in Sioux City.

Waitt's Red World Foundation will own KMEG and Star 102.3 in the new building.

The \$2.3 million broadcast head-

quarters will be built on four acres, with the rest to be developed by Gold Circle Entertainment and the general contractor for the studio project, Darland Corp. of Omaha. The site is between Interstate 29 at Sioux Point Road and Courtyard Drive.

Standing at what will be the entrance road to the stations' campus in Dakota Dunes' Siouxland Business Park, Waitt joked that maybe they'd call the driveway KMEG Boulevard. He said he had considered several other locations in the Sioux City area, but chose that site because of its visibility at the "gateway to Dakota Dunes" and because it will give the news teams easy access to "all points in Siouxland."

Dennis Melstad, executive vice president of Dakota Dunes Development Corp., joined in Waitt's enthusiasm for the location.

"Broadcasting live from Dakota Dunes," he said, trying out the phrase. "It has an exciting ring to it."

Rob Dean, KMEG general manager, talked about progress the station has been making in the past year. He said a new 5-million watt transmitter has been built to replace the current 1-million watt transmitter. The station's signal is expected to be broadcast from a new 1,999-foot tower — twice as tall as the current one — by mid-October.

The upgrades have potential to add 100,000 new broadcast viewers to the roughly 300,000 already reached by the KMEG signal.

"We should have a denser and higher quality signal close in," Dean said, "and a broader signal overall."

Jerry Haack, general manager of Star 102.3, talked about the station's new adult contemporary format.

"We've been told that's what Siouxland wants. We're new, we're chipping away at it and we're having a lot of fun," he said. "I'm working for one of the most exciting new companies in America. I feel very grateful for that and very high."

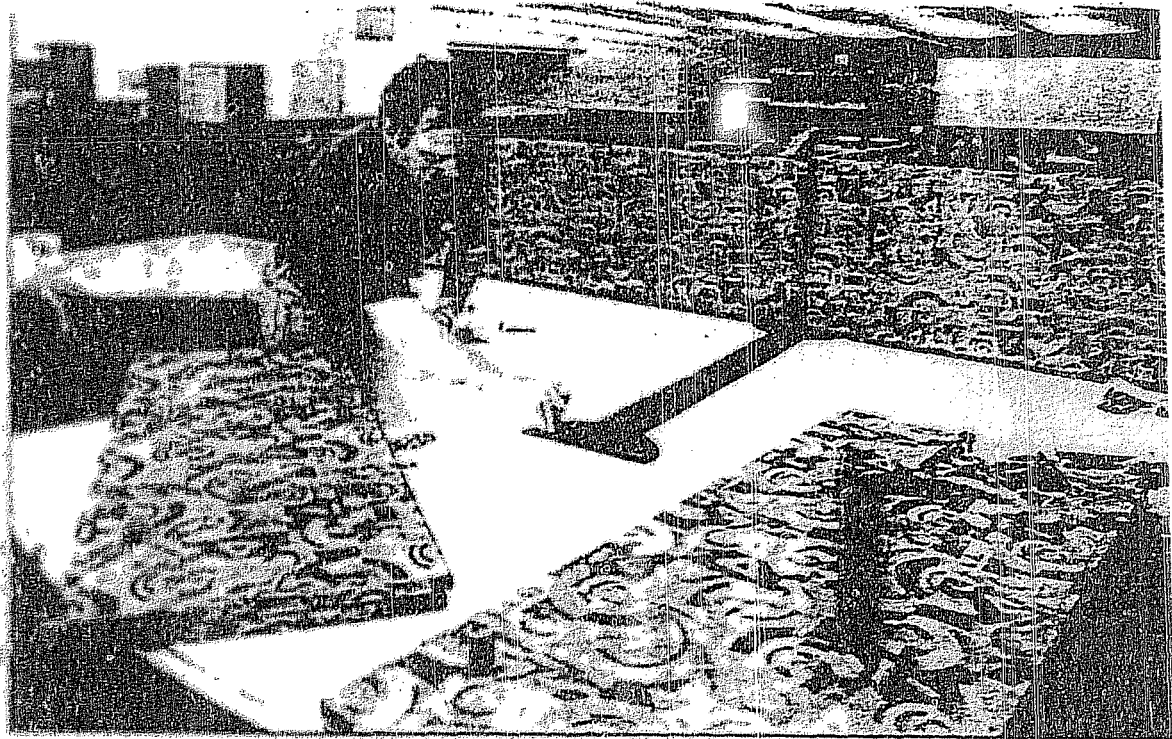
Haack said being housed with KMEG would give the two an opportunity to share good ideas "and offer it up to you."

Debi Durham, president of the Siouxland Area Chamber of Commerce, congratulated Waitt on his decision to build here and said it was testimony to the vibrancy of the Siouxland economy.

Waitt, wearing a black suit over a white T-shirt and black shoes with no socks, looked the part of an entertainment company executive. After the formalities, he climbed into the KMEG remote broadcast truck for a close look at the technology the newly established news team uses. After many years of having no local news broadcast, KMEG returned to the air last month with two shows a day.

Waitt who keeps a home and an office at The Dunes, said privately that building the station is exciting to him and exciting to Siouxland.

KMEG represents the largest market among Waitt Broadcasting's five television stations. The company also owns 17 radio stations in addition to Star 102.3. The holdings are in Iowa, Nebraska, Georgia and Florida.



Steve Mickelson works on office equipment at the new IBP world headquarters in Dakota Dunes. The first employees to relocate to the

new headquarters will report Saturday. It will be four to six weeks before all 600 employees get moved. (Staff photo by Ed Porter)

03-19-99

IBP prepares to make move to new world headquarters

DAKOTA DUNES — The first of hundreds of IBP employees will report to work Saturday at the company's new world headquarters in Dakota Dunes' Two Rivers Business Center.

Moving vans will begin hauling desks, computers and other equipment from IBP's other offices tonight.

It will be four to six weeks before all 600 world employees complete the move to the new headquarters, according to Gary Mickelson, company spokesman. Among the first to move will be the engineering division, which has been housed in the Zenith Park building that formerly held General Motors' Rochester Products Division.

Others will come from the company's former headquarters building in Dakota City and from the 100,000 sq. ft. office building in Dakota Dunes where IBP filed a couple years ago.

Nearly all of IBP's major operational groups will be housed at the new building, including sales, accounting, human resources, livestock procurement and engineering,

Mickelson said.

Workers unwrapped, assembled and erected cubicle screens Thursday as the sunny weather enhanced the landscaped office campus outdoors and provided plenty of natural light inside through the building's generous windows. A worker for A & M Business Interior Services, a subcontractor for General Business Equipment of Sioux City, said the workstations alone had been delivered in 75 semi-trailer loads.

The campus-style complex consists of two interconnected buildings, covering 200,000 square feet. The two-story west building will be occupied first while the three-story main structure is being finished. The two buildings are connected by a second-floor walkway and also will house IBP's executive offices, board room and an employee cafeteria.

The complex also contains a conference center for internal training and meetings. State-of-the-art audio visual and video conferencing facilities will allow people at various plant sites to meet "face-to-face," a capability the company already enjoys at

its Dakota City building.

"IBP's new world headquarters showcases our commitment to our employees, our customers and the community," said Larry Shipley, president of IBP Enterprises and chief financial officer. "We believe all who work or visit will be very proud of the finished product."

Once the move is completed, company officials plan to refurbish the main administration building at Dakota City, updating the decor to match the furnishings at Dakota Dunes. More than 100 employees will remain at the Dakota City offices.

The company's workforce has more than doubled in size over the past 10 or 12 years, Mickelson said, going from 17,000 worldwide to 40,000. With that growth has come growth in the corporate administration. The new headquarters was planned with future growth in mind. The buildings will house 600 workers at first, but have room for 800, Mickelson noted that they are set on 47 acres, giving the company room for additional buildings.

CONTINUATION

5 -

Dakota Dunes getting affordable homes

Dunham building
50 new homes,
62 townhouses

By SARINDA WADE SCHMIDT
Special to the Star

Sioux Falls developer Tom Dunham Jr. and a partner plan to build 50 affordable priced homes and 62 townhouses in the exclusive Dakota Dunes neighborhood that borders Sioux City, Iowa.

The Prairie Addition, which will be built along Interstate 29 south of Exit 1, will bring much needed housing to the area's growing business community, developers say. Homes in the neighborhood will be priced between \$125,000 and \$150,000,

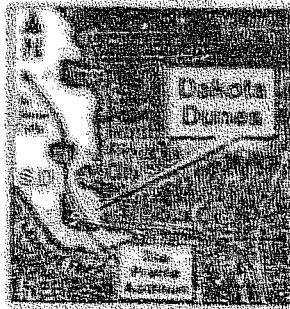
and townhouses.

"We're trying to provide a supply of homes as Dakota Dunes can afford more homes," Dunham said. "There are not as many more jobs than they're getting housing down there."

Construction will start March 1 with completion by June 1. Dunham and his company will initially build 20 homes, but 220 lots are available on 150 acres.

Homes will be 1,200 to 1,500 square feet with double and triple garages and full basements.

The Dakota Dunes business park employs 800 people and another 600 jobs are moving into the area as IBM completes its move to its new corporate headquarters. The communi-



Map shows location of Dakota Dunes.

ty has 1,500 residents and is sandwiched between Sioux City and North Sioux City, where Gateway employs thousands more.

"We don't have enough jobs here. We think if you get a housing inventory built up, the people will follow," said Roger

Zanacini, vice president of marketing for Dakota Dunes.

The development has 200 homes reserved, 100 apartments and 62 townhouses in 25 buildings.

Initially, the planned community was geared toward upper-end priced homes in Country Club Estates and more moderate or affordable housing in The Meadows. But homes in The Meadows quickly grew in price, essentially eliminating the affordable neighborhood. Dunes developers hope Dunham's development will bring that back, Zanacini said.

"I'm viewing this kind of housing as economic development. The one thing we lack in Siouxland is a moderately priced home that's been

done in any volume," he said. The average home in Dakota Dunes is about 2,000 square feet, he said.

Dunham has developed 40 Great Plains neighborhoods in Sioux Falls, including the one he is working on now, Midtown Valley at 55th and Louise. The neighborhood has 140 homes in that neighborhood.

He also has housing developments in Elk Point, Yankton and Watertown and will be building in Vermillion this year.

"That's where the action is," he said of the out-of-town developments. "They don't have any spec builders down there. They custom build."

Dunham's partner in the Dakota Dunes project is John Curry, a Philadelphia developer.

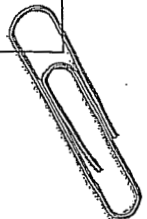
By Sara L. Fisher
1/22/99

Continuation

#6



of pages





SCOREBOARD

RESIDENTIAL

HOME SITES SOLD.....	537
HOME RESALES.....	155
HOMES UNDER CONSTRUCTION.....	45
HOMES BUILT.....	371
RESIDENTS.....	1,658

COMMERCIAL

ACRES SOLD.....	123
ACRES OPTIONED.....	42
APARTMENTS.....	306
WELLINGTON AT THE DUNES.....	192 UNITS
INTERLING GREEN ESTATES.....	114 UNITS
BUILDINGS.....	28
COMPANIES.....	69
JOBS.....	1,357

SEPTEMBER 30 1999

MIDAMERICAN ENERGY COMPANY
SOUTH DAKOTA
2000 ECONOMIC DEVELOPMENT
PROPOSED BUDGET

Development Group Support

Present Sioux Falls.....	\$12,000
Yankton Area Progressive Growth.....	3,000
Siouxland Initiative.....	1,500
Yankton Development Co.	1,000
Sioux Falls Development Foundation.....	850
Minnehaha County Economic Development Association (MCEDA).....	3,500
Includes community development support for: Harris, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA).....	3,500
Includes community development support for: Deweyford, Canon, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

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

Program Subtotal..... 1,600

Economic Assistance Programs

Expenditure for value-added economic development projects that provide job creation, capital investment and economic benefit to communities within our service territory..... 2,500

Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory..... 5,550

TOTAL 2000 PROPOSED BUDGET FOR SDPUC APPROVAL \$35,000

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of December 23, 1999 through December 29, 1999

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Debbie Kolbo within five business days of this filing.
Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

0199-089 In the Matter of the Complaint filed by Kenneth Erickson, Watertown, South Dakota, against WITel, Inc. and OLS, Inc. Regarding Unauthorized Switching of Services.

The Complainant alleges that OLS took his long distance service without authorization. The Complainant is asking that South Dakota laws and rules be applied to these issues.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cromer
Date Received and Filed: 12/23/99
Intervention Date: N/A

0199-090 In the Matter of the Complaint filed by James Melgaard, Pierre, South Dakota, against U S WEST Communications, Inc. and Sprint Communications Company L.P. Regarding Unauthorized Switching of Services.

The complainant states that an unauthorized switch was made from AT&T to Sprint. He has only used the VarTec dial around for interstate long distance calls. The complainant wants the calls to be re-rated to \$0.10 per minute plus taxes and a credit for all overcharges billed by Sprint and U S West. The complainant also requests a letter from U S West stating there will be no further billings by U S West or Sprint for interstate calls.

Staff Analyst: Michele Farris
Staff Attorney: Canyon Honeck
Date Received and Filed: 12/23/99
Intervention Date: NA

ELECTRIC

EL 99-021 In the Matter of the Petition filed by Northern States Power Company for Approval of the inclusion of Financial Incentives in its Fuel Clause.

On December 13, 1999, Northern States Power Company filed a petition seeking approval of the inclusion of the expenses of financial instruments and linked transactions as related to the purchase of energy to be recovered within the fuel adjustment clause.

Staff Analyst: Heather Forney
Staff Attorney: Camron Hoseck
Date Filed: 12/23/99
Intervention Deadline: 01/14/2000

NATURAL GAS

NG99-010 In the Matter of the Filing by MidAmerican Energy Company for Approval of its 1999 Economic Development Report and its 2000 Economic Development Plan.

On December 19, 1999, the Commission received a filing from MidAmerican Energy Company of: (1) a report of its 1999 economic development activity as required by SD Public Utilities Commission Docket NG98-011; and (2) setting forth its 2000 economic development plan in accordance with the same docket.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 12/29/99
Intervention Deadline: 01/14/2000

TELECOMMUNICATIONS

TC99-121 In the Matter of the Application of WebNet Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

WebNet Communications, Inc. seeks a Certificate of Authority to provide resold intrastate interexchange telecommunications services. WebNet will provide service to commercial enterprises and residential customers. WebNet does not seek authority at this time to provide any form of operator services nor any service to payphones.

Staff Analyst: Keith Senger
Staff Attorney: Camron Hoseck
Date Filed: 12/23/99
Intervention Date: 01/14/2000

TC99-122 In the Matter of the Application of Adelphia Telecommunications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Adelphia Telecommunications, Inc. (Adelphia) seeks a Certificate of Authority to provide resold intrastate long distance telecommunication services. Adelphia intends to offer 1+ direct dialing long distance service, calling cards, international calling, "1-800/888" service, and prepaid calling cards.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Filed: 12/23/99
Intervention Date: 01/14/2000

TC99-123 In the Matter of the Filing for Approval of a Type 2 Wireless Interconnection Agreement between U S WEST Communications, Inc. and TW Wireless, L.L.C.

On December 23, 1999, the Public Utilities Commission received an interconnection agreement between TW Wireless, L.L.C. and U S WEST Communications, Inc. for approval by the Commission. The agreement governs services for resale, certain unbundled network elements, ancillary functions and additional features to TW Wireless for TW Wireless' offering and provisioning of telecommunications services. The Agreement also sets forth the terms, conditions and prices under which the parties agree to interconnect and pay reciprocal compensation for the exchange of local traffic.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than January 13, 2000. Parties to the agreement may file written responses to the comments no later than January 25, 2000.

Staff Attorney: Camron Hoseck
Date Filed: 12/23/99
Comments Due: 1/13/2000

TC99-124 In the Matter of the Application of BCGI Communications Corp. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

BCGI Communications Corp. seeks a Certificate of Authority to provide resold intrastate interexchange telecommunications services. BCGI proposes initially to provide prepaid calling card services only.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Filed: 12/27/99
Intervention Date: 01/14/2000

TC99-125 In the Matter of the Filing for Approval of an Interconnection Agreement between U S WEST Communications, Inc. and Pathnet, Inc.

On December 29, 1999, the Public Utilities Commission received an interconnection agreement between Pathnet, Inc. and U S WEST Communications, Inc. for approval by the Commission. The agreement governs services for resale, certain unbundled network elements, ancillary functions and additional features to Pathnet, Inc. for the offering and provisioning of telecommunications services by Pathnet, Inc. The Agreement also sets forth the terms, conditions and prices under which the parties agree to interconnect and pay reciprocal compensation for the exchange of local traffic.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than January 19, 2000. Parties to the agreement may file written responses to the comments no later than January 31, 2000.

Staff Attorney: Cameron Hoseck
Date Filed: 12/29/99
Comments Due: 01/19/2000

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

IN THE MATTER OF THE FILING BY)	ORDER APPROVING 1999
MIDAMERICAN ENERGY COMPANY FOR)	ECONOMIC DEVELOPMENT
APPROVAL OF ITS 1999 ECONOMIC)	REPORT AND 2000
DEVELOPMENT REPORT AND ITS 2000)	ECONOMIC DEVELOPMENT
ECONOMIC DEVELOPMENT PLAN)	PLAN
)	NG99-010

On December 29, 1999, the Public Utilities Commission (Commission) received MidAmerican Energy Company's (MidAmerican) 1999 Economic Development Annual Report and proposed Economic Development Plan for 2000. The proposed plan was filed in accordance with Docket NG98-014 which continues the requirements set forth in Docket NG95-006. On January 5, 2000, Commission Staff requested the company file additional data in regard to this matter which the company did.

For 2000, MidAmerican's proposed economic development investment budget is \$35,000. The actual expenditures for the 1999 Economic Development Plan were \$37,556.

At its regularly scheduled February 2, 2000, meeting, the Commission reviewed MidAmerican's 1999 Economic Development Report and Economic Development Plan for 2000. 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 1999 Economic Development Report and Economic Development Plan for 2000 are approved as filed.

Dated at Pierre, South Dakota, this 11th day of February, 2000.

<p>CERTIFICATE OF SERVICE</p> <p>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.</p> <p>By: <u><i>Helaine Kelbo</i></u></p> <p>Date: <u>2/14/00</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner