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DOCKET NO. \_\_\_\_\_

In the Matter of \_\_\_\_\_ IN THE MATTER OF THE FILING BY \_\_\_\_\_  
 \_\_\_\_\_ MIDAMERICAN ENERGY COMPANY \_\_\_\_\_  
 \_\_\_\_\_ FOR APPROVAL OF ITS 2002 \_\_\_\_\_  
 \_\_\_\_\_ ECONOMIC DEVELOPMENT REPORT \_\_\_\_\_  
 \_\_\_\_\_ AND ITS 2003 ECONOMIC \_\_\_\_\_  
 \_\_\_\_\_ DEVELOPMENT PLAN \_\_\_\_\_

**Public Utilities Commission of the State of South Dakota**

DATE	MEMORANDA
1/15 03	Filed and Docketed;
1/16 03	Weekly Filing;
2/18 03	Revised 2003 Economic Development Budget;
3/7 03	Order Approving 2002 Econ. Dev. Report and 2003 Econ. Dev. Plan;
3/7 03	Docket Closed.



January 13, 2003

RECEIVED

JAN 15 2003

MidAmerican Energy Company  
401 Douglas Street  
P.O. Box 778  
Sioux City, IA 51101

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Ms. Pam Bonrud  
Executive Director  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol Avenue  
Pierre, SD 57502

Re: Docket No. NG01-012: 2003 Economic Development Plan

Dear Ms. Bonrud:

In accordance with the Decision and Order approving Settlement Stipulation NG01-010, enclosed are 12 copies of MidAmerican Energy Company's report on 2002 economic development activities and our 2003 proposed budget. The actual expenditures shown in section 1 are based on the "revised" MidAmerican Energy Company 2002 Economic Development Budget, which was approved by the Commission on May 16, 2002.

In addition to our monetary support, economic assistance programs and business attraction incentives, we provide in-kind support through Mark Rodvold, our Community Development Consultant living in Yankton. He is actively involved on the following boards and committees and assists economic development personnel in communities in MidAmerican's service territory in southeastern South Dakota:

- Yankton Area Progressive Growth economic development advisory council.
- Member of Lincoln County Economic Development Association board of directors.
- Member of Minnehaha County Economic Development Council.
- Works in coordination with Sioux Falls Development Foundation staff.
- Member of Second District Economic Development board of directors.
- Member of Growing Vermillion strategic planning task force.

Mark is available to work with development personnel in communities throughout MidAmerican's South Dakota service territory to help encourage existing business expansion and retention, foster economic vitality and support community preparedness. Opportunities are continually being sought to more efficiently deliver utility services for present and future customers. MidAmerican has and will continue to work with state offices and local jurisdictions on topics of mutual value. For example, at the request of SDDOT, Mark Rodvold has served as the private sector representative on two task forces to improve highway access and preserve future highway corridors. Since utilities frequently parallel public right-of-way, these activities are useful to keep facility location (or relocation) costs at a minimum while supporting ongoing development plans

Ms. Pam Bonrud  
January 13, 2003  
Page 2

and projects. A pilot study is planned for 2003 in Sioux Falls. Cooperative efforts such as this example are seen as a mutually beneficial activity at the large scale, long-term level.

The role of MidAmerican Energy is to support community leaders as they make economic development decisions relating to the growth and vitality of their communities. Their knowledge of local issues, goals and priorities is vital to the success of those communities. MidAmerican encourages community leaders to work closely with all public and private entities available to provide economic development assistance.

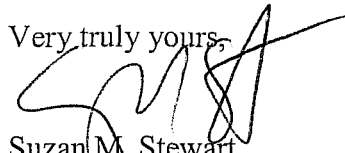
Glenn Ivarsen, our Vice President of Community Relations and Economic Development serves on the board of the North Sioux City Economic Development Corporation, the Siouxland Economic Development Corporation and The Siouxland Initiative. Additional MEC economic development personnel enhance our overall programs, providing further benefit to communities we serve in South Dakota.

While a downturn in the economy has impacted all of us, we are very pleased to report continued positive growth within our service territory during 2002. In section 3 we have provided an overview of economic development highlights during the year. More than \$100 million in capital investments and more than 1,500 jobs are expected to be created as the result of growth and expansion proposed by new and existing industries.

We recognize that economic development is a team effort by numerous entities and we appreciate the opportunity to support and work with organizations that helped bring about these significant results.

We respectfully request approval of our 2002 report and our proposed 2003 economic development budget.

Very truly yours,



Suzan M. Stewart  
Senior Managing Attorney  
[smstewart@midamerican.com](mailto:smstewart@midamerican.com)  
Voice: (712) 277-7587  
Fax: (712) 252-7396

enc.

cc: Glenn Ivarsen  
Mark Rodvold

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**RECEIVED**

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**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

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MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2002 ECONOMIC DEVELOPMENT  
ACTUAL EXPENDITURES

Development Group Support

Forward Sioux Falls .....	\$18,250
Yankton Area Progressive Growth .....	3,000
Vermillion Development Co. ....	1,000
Sioux Falls Development Foundation .....	850
Siouxland Initiative (South Dakota allocation).....	1,500
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
Montrose Development Corp .....	200
North Sioux City Development Corp.....	200
Salem Development Corp .....	200

Program Subtotal ..... 1,400

Economic Assistance Programs

South Dakota Achievement Awards Program .....	1,500
Industrial Strategic Planning Study (Vermillion Development Co.) .....	2,500
Sioux Falls Development (additional support) .....	254
Aerial Photography for Industrial Site .....	318

Business Attraction Incentives

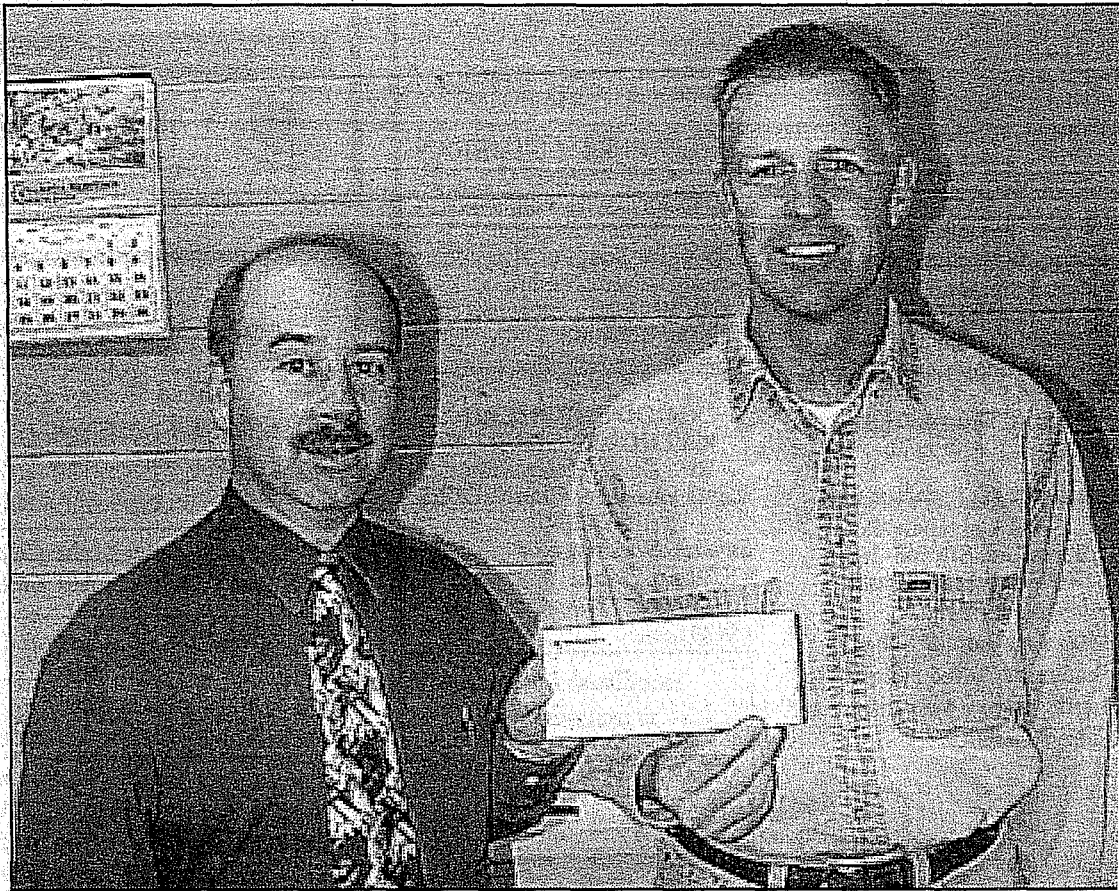
Governor's Golf Classic – South Dakota Business Attraction .....	3,000
Allocation of non-labor costs for MEC personnel working with and/or on behalf of South Dakota communities (including trade shows, marketing assistance, etc.) .....	6,601

Staffing

Allocation of direct labor costs (including labor loadings) for MEC personnel working with and/or on behalf of communities in our South Dakota service territory .....	52,241
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<b>Actual 2002 Expenditures Requested for SDPUC Approval</b>	<b>\$99,414</b>
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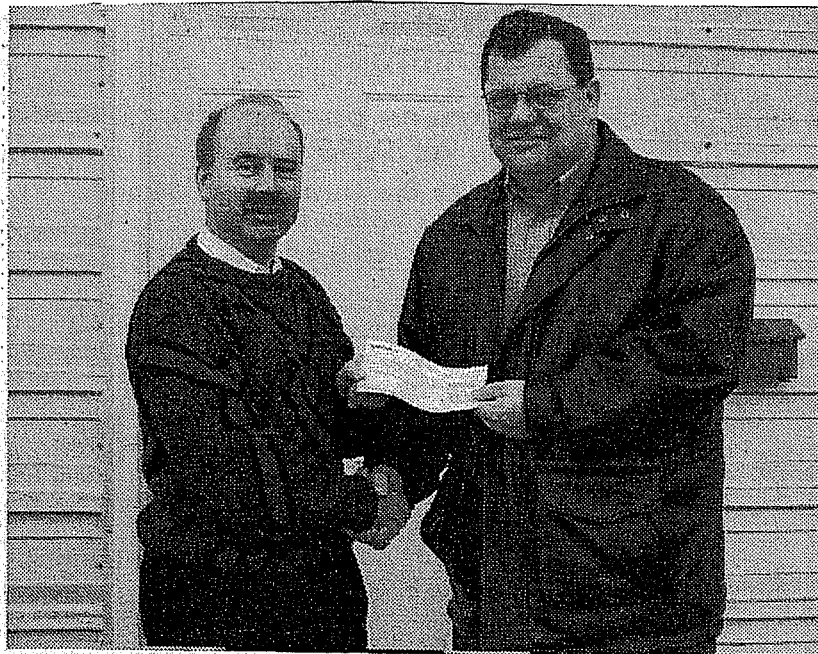
# MidAmerican Energy contributes to Centerville Development



MidAmerican Energy Company recently made a \$200 contribution for community and economic development in Centerville. "MidAmerican Energy understands the prevalent need for development program resources in the South Dakota communities that we serve. We hope these funds will be utilized to identify and facilitate growth opportunities," said Mark Rodvold, Community Development Consultant for MidAmerican. Bill Hansen, Centerville Economic Development Corporation, is shown accepting the contribution from Mr. Rodvold.

**CENTERVILLE JOURNAL**

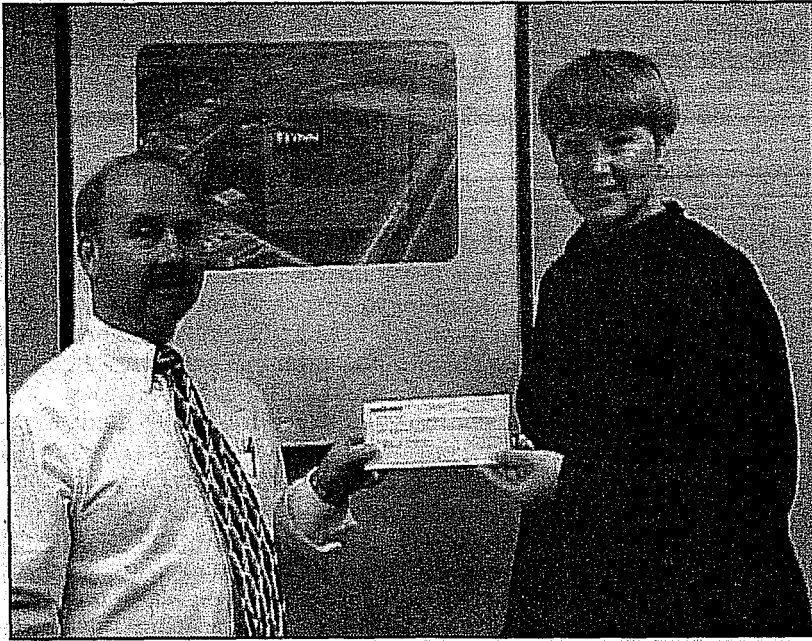
**THURSDAY, NOVEMBER 21, 2002**



**Salem Special**

**Thursday, November 28, 2002**

**DONATION TO SALEM DEVELOPMENT CORPORATION:** MidAmerican Energy Company recently made a \$200 contribution for community and economic development in Salem. "MidAmerican Energy understands the common need for development resources in the South Dakota communities that we serve. We hope these funds will assist in responding to growth opportunities as they arise," said Mark Rodvold, Community Development Consultant for MidAmerican. Darwin Miiller, Salem Development Corporation, is shown accepting



North Sioux City Economic Development Corporation Executive Director Sue Harlan is pictured accepting a donation from MidAmerican Energy Community Development Consultant Mark Rodvold.



Elk Point Commercial Club Vice President Brad Fowler is pictured receiving the MidAmerican Energy donation from Mark Rodvold.

Leader-Courier  
November 14, 2002

## MidAmerican makes contributions

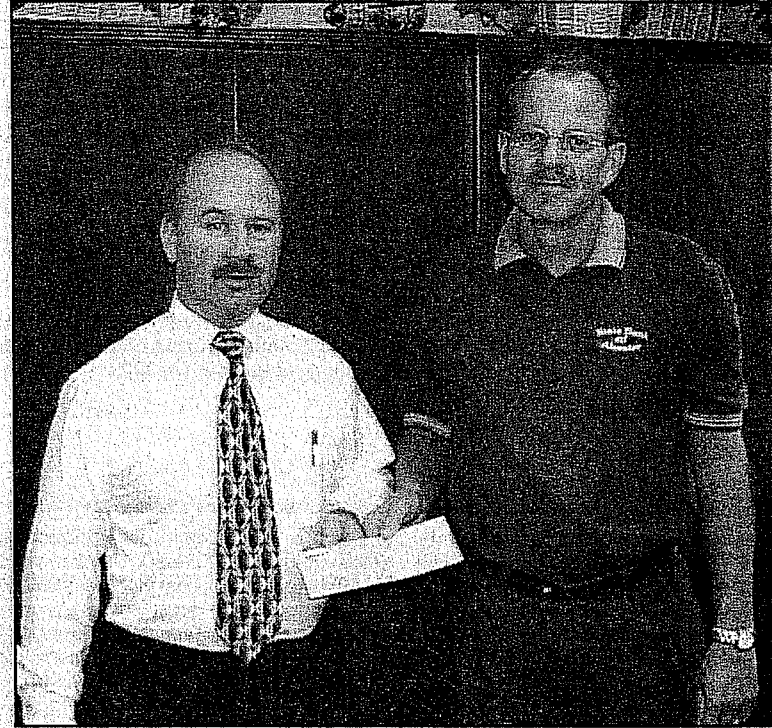
MidAmerican Energy Company recently made \$200 contributions to community development programs in Elk Point and North Sioux City.

The donations were made to the Elk Point Commercial Club and the North Sioux City Economic Development Corporation.

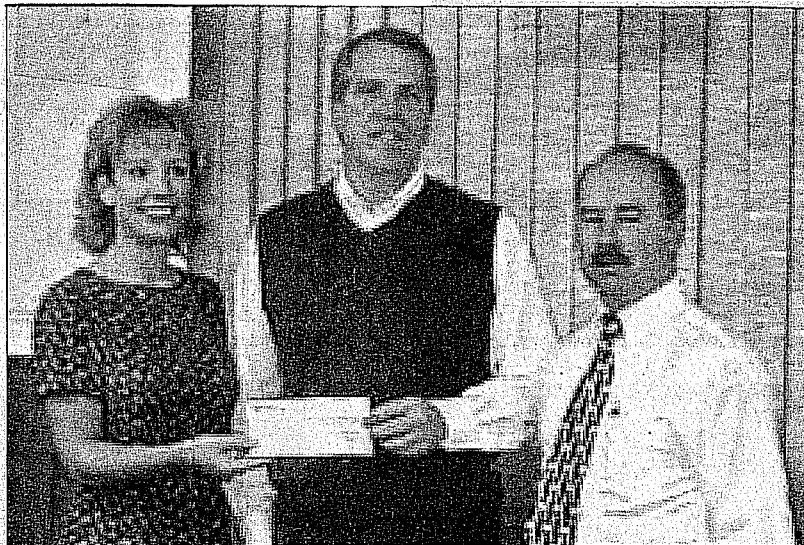
"MidAmerican understands the prevalent need for program resources in rural South Dakota. We hope these funds will be utilized to identify and facilitate growth opportunities," said Mark Rodvold, Community Development Consultant for MidAmerican.

# MidAmerican Energy donates to Alcester Development Corporation

Alcester Union  
Thursday, November 14, 2002



MidAmerican Energy Company recently made a \$200 contribution for the Community Development Program in Alcester. "MidAmerican understands the prevalent need for program resources in rural South Dakota. We hope these funds will be utilized to identify and facilitate growth opportunities," said Mark Rodvold, Community Development Consultant for MidAmerican. Gary McKellips from the Alcester Development Corporation is shown accepting the contribution from Mr. Rodvold.



VERMILLION PLAIN TALK/WAKONDA TIMES

NOVEMBER 15 • 2002

## ***\$1,000 contribution***

MidAmerican Energy Company recently made a \$1,000 contribution for community and economic development in Vermillion. "Mid-American Energy understands the common need for development resources in the South Dakota communities that we serve. We hope these funds will assist in responding to growth opportunities as they arise," said Mark Rodvold, community development consultant for Mid-American. John Paulson, president of the Vermillion Development Company, and Jenny French, president of the Vermillion Cham-





Moody Co. Enterprise

Flandreau, SD, Nov. 6, 2002

## Contribution received

MidAmerican Energy Company recently made a \$200 contribution for community and economic development in Flandreau. Mark Rodvold, Community Development Consultant for MidAmerican presented the check to Arlyce Derald, administrative assistant of the FIC. "MidAmerican Energy understands the common need for development resources in the South Dakota communities that we serve," stated Rodvold. "We hope these funds will assist in responding to growth opportunities as they arise."

## MidAmerican Contributes to Montrose Development Corp



The Montrose Herald  
Friday, November 29, 2002

MidAmerican Energy Company recently made a \$200 contribution for the community development program in Montrose. "MidAmerican understands the prevalent need for program resources in rural South Dakota. We hope these funds will be utilized to identify and facilitate growth opportunities," said Mark Rodvold, Community Development Consultant for MidAmerican. Denise Erickson, Montrose Development Corporation, is shown accepting the contribution from Mr. Rodvold.

**ECONOMIC DEVELOPMENT HIGHLIGHTS  
MEC SOUTH DAKOTA SERVICE TERRITORY  
2002**

**Sioux Falls**

**Industrial & Warehouse Development**

**Argus Leader** is undergoing Phase II of their general upgrade and renovation, which includes space formerly used for mailroom and shipping operations in addition to a new entrance and reception area.

**Auto Body Specialties** built a new 40,000 square-foot facility that includes a showroom, warehouse, training facility and office space for their 52 employees. The new facility is located on North Westport Avenue.

**Clark Brothers Transfer** moved into a new 5,720 square-foot truck terminal facility in Sioux Empire Development Park III East.

**D&R Welding** and **Dakota Props** moved into a new 5,400 square-foot facility on East 60<sup>th</sup> Street North.

**Dakota Digital** is building a 22,000 square-foot facility in Sioux Empire Development Park VII to provide increased production space. The company employs 30 workers. Construction is scheduled for completion in early 2003.

**Dakota Supply** moved into a new 36,000 square-foot metal building consolidating three of the company's four existing sites.

**Dakotaland Homes** built a new 13,500 square-foot parts/remanufacturing facility that will also house corporate offices. In addition to the new building, the company also built a 110-unit mini storage facility.

**Divisional Food Systems**, a start-up pasta manufacturing company, opened in the former Terrace Park Dairy Building on West Avenue. The company opened with five employees with plans to grow to 11 lines and 100 employees over time.

**East River Electric Power Cooperative** announced plans for a \$24.3 million construction program that includes the \$6.3 million Virgil Fodness Substation, the \$1 million Corson Substation as well as other transmission facilities in areas around Sioux Falls.

**Fastenal** purchased 1.05 acres of land in Sioux Empire Development Park I for their new 5,000 square-foot industrial and construction supply facility.

**GarageTek** recently opened a 5,000 square-foot facility in the Cross Country/Brouwer Building in Sioux Empire Development Park III. GarageTek's five employees sell custom garage organization systems.

**Habitat for Humanity Warehouse & ReStore** constructed a new \$1.2 million, 20,000 square-foot facility on 5.5 acres in Sioux Empire Development Park III East.

**Hegg Companies** purchased 2.9 acres in Sioux Empire Development Park III East to construct a 31,000 square-foot facility that will be occupied by **Unisource**.

**Hope Haven International Ministries** opened a wheelchair distribution center in a facility located at 521 North Kiwanis. Hope Haven's plans are to construct a 70,000 square-foot distribution and ministry center in the future.

**Midwest Motor Express** purchased six acres in Sioux Empire Development Park III for their new terminal facility.

**Raven Industries** built a 7,000 square-foot addition including a 100-foot tower to house a new extruder for their Engineered Films Division.

**Trugreen Chemlawn** occupies a 10,400 square-foot office and warehouse facility in Sioux Empire Development Park III East.

### Office, Commercial & Medical Developments

Sioux Falls Corporate Centre II is now home to **AmeriPharm**, a wholesale distributor of pharmaceuticals. AmeriPharm is leasing 30,500 square feet of the 49,839 square-foot facility and expects to employ over 200 within the first three years of operation.

**Avera Doctors Plaza**, on the campus of Avera McKennan, is undergoing a \$14 million, four-story addition. The 26,000 square foot building will more than triple in size to 86,000 square feet. The expansion will provide more clinic space for doctors.

**Cedar American Rail Holdings**, parent company of DM&E Railroad, purchased the former 52,000 square-foot IBM Building in downtown Sioux Falls for their corporate headquarters. The facility will house 100 employees.

**First Dakota National Bank** purchased the former 60,000 square-foot Marquette Bank building for a Sioux Falls based branch that will open by the first of the year, pending regulatory approval. The Sioux Falls office will have 20 to 25 employees.

Construction continues on **Graham Automotive's** new 30,000 square-foot service, sales and parts facility, a 7,000 square-foot collision repair center and remodeled their existing facility.

Building on the increasing biotech presence in the Midwest, **Hematech, LLC**, a company pioneering the development and production of human antibodies, relocated its research laboratory

to Sioux Falls from Kansas. The current Sioux Falls facility occupies 6,700 square feet of the Tech III Building in Valhalla Business & Technology Park. The company employs 20 scientists and biotech technicians. The company is in the process of doubling their space and will move into a second facility around the first of the year.

A Japanese scientist with the pharmaceutical division of **Kirwin Brewery Company, Ltd.**, has chosen to conduct his research in Sioux Falls at the Hematech Lab.

**Kohl's** is expanding from 87,000 square feet to 114,725 square feet. The retailer will expand into the former Empire Six Theatre and remodel all departments of the store. The project will be completed in 2003.

The upscale 132-acre **Lake Lorraine Development** will include a boardwalk with office and retail development as well as 12-story condominiums around a 32-acre lake. The project will be built in phases over 10 to 12 years and cost \$300 to \$500 million.

A new 15,000 square foot office building is under construction at 26<sup>th</sup> & Southeastern Drive. The two-story facility is scheduled for completion in December and is owned by **Matrix Development Partners**.

**McGreevy Clinic** expanded their 41<sup>st</sup> & Greenwood location by 6,315 square feet. The addition provides more room for physicians as well as larger lab and staff areas.

Construction continues in the **Meadows on the River** development with the addition of an 11,400 square-foot facility that will house two new restaurants: **Habachi**, a Japanese restaurant and **Rue 41**, a pastry shop, bread store and coffee house. The restaurants are scheduled to open by the end of the year.

**Missouri River Energy Services** will move to a building currently under construction in southwest Sioux Falls. The new 25,000 square-foot facility is expected to be completed in July of 2003.

**Northwestern Corporation** created 80 new jobs during the year, some of which will support the relocation of Blue Dot's headquarters to Sioux Falls.

A retirement community offering independent and assisted living recently opened on South Louise Avenue. The \$4 million **Primrose** facility consists of 76 units and employs 15 to 20 people.

**PREMIER Bankcard** leased 35,000 square feet of office space in the Hutchinson Technology facility to provide room for the continued growth of their operations.

**River Market**, a 28,000 square-foot facility is now home to **Bennigan's Irish Grill** and **Chuck E. Cheese** restaurants. The facility is located in the Meadows on the River area.

**Scheels All Sports** opened their new 109,000 square-foot store in the Western Mall. Employment increased by 50 with the new facility.

Work continues on **Sioux Valley Hospital & University of South Dakota Medical Center's** ten-year, \$80 million campus expansion. The four-story, 128,775 square-foot "North Center" which houses orthopedic surgeons, neurologists, neurosurgeons, and rehabilitation and rheumatology positions in addition to special clinics and outpatient services is operational as well as the addition of two floors to Medical Building #3 to accommodate women's services. Ground was broken in October for the new \$30 million, 44,000 square-foot Cancer Center. Additional phases include a Children's Hospital.

**Walgreen's** is planning on opening their fourth store in early 2003 at the corner of 26<sup>th</sup> and Minnesota. The store will be 13,359 square feet.

Grand-opening ceremonies were held for the new 200,000 square-foot **Wal-Mart** supercenter on the East 12<sup>th</sup> Street. Work was also completed on an expansion of the South Louise store, which also exceeds 200,000 square feet. Both locations include grocery areas. Over 700 new jobs were created between the two projects.

#### Alcester

**Alkota Cleaning Systems** added a 7,500 square-foot office building and upgraded manufacturing facilities.

**American Family Farms Packing Company** anticipates an initial hog kill of 600/day. This number is double of the previous owner, Alcester Packing. Their goal is to reach 2,500 hogs/day. They anticipate eventually employing 150 people. A potential community issue revolves around sewage treatment.

#### Beresford

Thirty-one thousand square feet of **retail space** is under construction in two separate projects. Job creation is unknown.

Collecting water user revenue for Lewis & Clark **Water System** hook up.

#### Brandon

There is \$773,344 in **commercial construction**. Other projects include a 10,000 square-foot library, \$1.3 million golf clubhouse, an elementary school, and Bethany Meadows retirement community.

#### Canton

**Fastek** completed a 15,000 square-foot addition to their facility in Canton to provide manufacturing space for new and larger products for the door and window industry.

## Dakota Dunes

**Family Health Care of Siouxland** held a ribbon cutting for their new 5,000 square-foot facility at Dakota Dunes. The clinic has 18 full-time and several part-time staff members.

**Premier Bankcard** announced plans for a 50,000 square-foot credit card call center at Dakota Dunes that will create as many as 500 jobs over the next five years. The new facility is expected to be operational by the second quarter of 2003 employing about 150 people in the first year.

**Village Square**, a new neighborhood retail center at Dakota Dunes, includes six new tenants: Bush Dry Cleaners, Cup O' Joy Coffee Bar & Deli, Dunes Eye Consultants, Kruse Financial, Mane Creations Salon, and Noodle Zoo Café & Catering. Village Square is the first retail development at the Dunes, providing multiple tenants under one roof.

## Flandreau

A new **egg production facility** is under construction with a completion date of December 2002.

A new **elementary school** is under construction with a completion date of late summer of 2003.

A new **aquatic center** is being built with a completion date of late spring 2003.

In July 2002 work was completed on a new **fair grounds** and **4-H complex**.

Work was completed in the summer of 2002 on new **National Guard** grounds.

Construction of a new **strip mall** was started in August 2002 with a completion date of 2003.

The Royal River Casino is building a **60-room motel** addition with a completion date at the end of 2002.

A new **Cenex** addition was completed late summer of 2002.

The **First Presbyterian Church**, which is the oldest church in South Dakota still in use, is undergoing a total exterior renovation and interior updating. Work began in the summer of 2002.

Interior renovation of the **Crystal Theater** was completed in September 2002.

Renovation is progressing on the **Japanese Gardens**, which is in the national historic registry. Completion date is not determined.

## Harrisburg

**Showplace Wood Products** added 43,000 square feet to their facility in the Harrisburg Industrial Park. The expansion provides added room for the plant and offices as well as allowing increased capacity in the finishing department. Forty new jobs will be created by the end of the year.

**United Concrete** constructed a 10,000 square-foot office, shop and ready-mix plant along I-29 at the Harrisburg exit.

## Hartford

Expansion of an existing **strip mall**.

## Lennox

A 15,000 square-foot auto/truck service center for **Jerry's Auto** creates 15 new jobs.

**Sioux Steel** will locate its livestock division to a new state-of-the-art 56,000 square-foot facility in the Lennox Industrial Park. The new facility will employ 20 to 25 people.

**Ware Manufacturing**, a 58-year-old New Hope, Minnesota firm, specializing in the forming and shaping of metals, announced plans to relocate to Lennox. The company plans to build a \$2.4 million, 68,000 square-foot manufacturing facility and hopes to employ 100 people within three years.

## Salem

Salem Furniture building is now **Sturdevant's Auto Supply**.

**Feterl Manufacturing** has bought out another company; 2-3 new employees now and possibly 10-15 in the future.

**Rosebud Manufacturing** took over the former Raven Industries plant to make cabinets and doors. They anticipate slowly growing to 15-18 employees.

## Tea

A 5,300 square-foot **strip mall**. Job creation is unknown.

## Vermillion

**Furniture Warehouse**: two months in operation; six employees.

**Hy-Vee**: expansion added a pharmacy and 30-40 employees.

**Mariotti** manufactures lifts and caster wheels; may want a powder coat booth eventually.

## Yankton

**Alcoa Extrusions:** (Work-in-Progress): Alcoa has been one of Yankton's largest and best corporate citizens for over 20 years. The last plant expansion "landlocked" the plant. The local management and the community are awaiting corporate approval to add a new extrusion press, 40-50 initial employees with a possible 95 new employees and 66,000 square feet. The community will relocate Alumax Road and the associated utilities at a cost to the community of \$1.3 million. Although this deal is not finalized, the Yankton Office of Economic Development feels there is an 80% probability of approval.

**Avera Sacred Heart Wellness Center:** This new facility is located on the east campus and will open in early 2003.

**Baldwin Filters Company:** After heavy competition with the State of Nebraska, Yankton announced the addition of a new \$1.6 million heavy-duty air filter line with 24 new jobs.

**Ehresmann Engineering:** Ehresmann manufactures communication towers that ship all over the world. The company added 12,000 square feet and 15 employees.

**Empire Products Incorporated:** The company employs 40 to 60 employees in a sewing operation, mostly government contracts. The company constructed a 10,000 square-foot building in the Fox Run Industrial Park. The estimated investment is \$350,000.

**Holiday Inn Express in Fox Run Business Park:** A new 57-room motel will open June 1, 2003.

**Lewis & Clark Specialty Hospital:** Eleven physicians join together to create the new specialty surgery hospital in the Fox Run Business District.

**Majestic Bluffs Independent Living Expansion:** Avera Sacred Heart continues to expand their new west campus that includes the nursing home, assisted living facility and now the independent living facility.

**M-tron Industries:** The communication industry has been hard hit by the recession of the last two years. M-tron helped assure their continued existence by acquiring one of their competitors who had modern equipment, new technology and a customer base that fit the M-tron growth strategy. The result will retain 72 jobs due to be lost and add 25 to 30 new jobs, three of which are high paying positions. Total project: \$1.5 million.

**Yankton Technical Education Center:** Yankton has a long-term goal to "home grow their own work force." During 2001 and 2002 they converted the 25,300 square-foot Aalf's Manufacturing Building into the Technical Education Center. May 1, 2002 they moved Southeast Technical Institute's Yankton operation and the Southeast Job Link Yankton operations into the building with the completion of a \$275,000 remodeling project. The final phase, a \$230,000 remodeling project, started this November. The total project of land, building, remodeling and equipment is about \$1.7 million.



# DAKOTA DUNES

## Dakota Dunes population exceeds 2000, employment at 1600

By RD Volkman

Through conversation with Dennis Melstad, President, and CEO of Dakota Dunes we learn, the greatest service, if one is familiar with the Economic Sciences, that Dakota Dunes has performed for its community of residents and businesses has been its attention to the efficiencies of the market. The Dune's attention to these matters has most recently produced a surge in affordable houses built and purchased in the beginning \$125,000 range, in addition to other modest homes in a pricier category that also has an active market. Just what is this accomplishment? It is top grade new homes that the ordinary family can afford that are better and cheaper than such families can find in other communities. It is not mere brick, mortar, and drywall we refer to here. It is the lifestyle of living in a planned community with its ambiance, of parks, two golf courses, recreation, security and the camaraderie of neighbors who value their property and that of their neighbor's. Parents will discover the Dunes is stocked



**Dennis Melstad, President of Dakota Dunes Development Company.**

well with ball fields (baseball and soccer), playgrounds, outdoor settings for basketball hoops, a place for ice-skating in winter, and natural settings for strolling or

fishing along two rivers—the Missouri and the Big Sioux. The salient point of this accomplishment is the fact that the Dunes was planned and executed solely with private money, except for some roadwork, which is traditionally a government responsibility.

The sublime efficiencies the Dunes has accomplished is of benefit to major employers, in that, quality of life concerns workers, and their families, who contemplate taking jobs with local companies. Such things often transcend the simple enticement of wage embellishments. All these amenities are important recruiting tools for employers. Furthermore, Melstad, President, and CEO of Dakota Dunes, provided that the amenities of Sioux City are also attractions: The Sioux City Art Center, Convention Center, and the major shopping malls. Consequently, the Prairie, the most modestly priced housing edition in the Dunes since its announcement three years ago has, in itself, produced sixty-five new homes.

The Dunes, by virtue of being located in South Dakota,

is attractive to businesses, large and small, because there is no personal income tax or corporate income tax in the state.

The largest business in the Dunes, IBP, sports the largest office building, 200,000 square feet. It is more than a building. It is a corporate campus. Other major businesses have also invested in major buildings in the Dunes. Significant other businesses by contrast lease office space or a retail front. Whether big or small they benefit from the Dune's unique atmosphere of success.

Nearly every conceivable housing concept that lends to strict warranties is available in the Dunes. Upscale apartments such as Wellington and Sterling on the Green, Town Homes (Condominiums are legally different.); Housing editions: *Prairie* \$125K to 160K, *Meadows* \$170K to 240K; *Country Club* \$240K and up. In concert with the range of business establishments, housing ranges from apartments to veritable estates. The Dunes community appears to be on a track similar to literary fig-

(Continued on page 15)

## *Dennis Melstad,* **“The Dunes Sells Itself”**

*Continued from page 6.*

-ure John Galt's vision of perfection.

Dennis Melstad attributes the vision for Dakota Dunes to the late Russ Christiansen. "His was the vision of a Master Planned Community," Melstad said.

When asked if there was any secret for the Dune's success, Melstad said, "The Dunes sells itself. All we have to do is get them here to see it."

"We invite them here so they can see for themselves." Melstad continued.

Melstad points to the growing medical community that has become a very welcome addition to Dakota Dunes: Surgery Center (recently enlarged), Medical Practice Center, CNOS, Urology Center, Holland Dental Practice, to name but a few. The Riverside Physicians Group has recently announced its intention to build in the Dunes. The Dunes is producing an executive level business center. PREMIER Bankcard recently announced plans to build. The call center will begin with a planned employee base of 150 employees with a potential of employing some 500 people.

Melstad notes that the Dunes keeps focused on what Siouxland is all about. We promote the convention Center, the Art Center, the

Orpheum. We look for amenities, on what living decisions are made. We keep a broad focus on selling Siouxland.

Reviewing the Dunes history Melstad recalled the Dunes originally existed in a gorgeous environment of sand dunes, trees, and rivers and that part of the Dunes actually occupied a portion of Nebraska at one time. The creation of The Dunes required some unique things to happen. For instance, the Missouri River had strayed from its course and it took the actions of two state legislatures, an act of congress, and the signature of President Bush, the elder, to create the South Dakota, Dakota Dunes.

Melstad remembers that the original plan for Dakota Dunes was for a modest 500 acres. It started as a resort community built around a golf course. We found we had created a demand we didn't know was there. The Dunes rapidly grew to 2,000 acres. We created a community from scratch. There was a demand for a family oriented community, and we have been building the Dunes one family at a time. We put in infrastructure—water wells, water treatment, roads, sewer, and had the good fortune of an Interstate interchange. We've even con-

tracted with Sioux City for Sanitary services.

Concluding his remarks, Melstad said the future seems bright for both, Dakota Dunes and Siouxland, given the amenities that both have to offer to business and residents. We believe the growth will continue to work.

The Dunes recently put all of its operations under one roof in a new Dunes Welcome Center—CID, Realty, and Dakota Dunes Development.

Sioux City, Iowa

## Premier expands to Dunes

*New center  
may create  
500 new jobs*

By Dave Dreeszen  
Journal business editor

DAKOTA DUNES — Premier Bankcard is such a good corporate citizen that any South Dakota city would be fortunate to have the business locate in its



Janklow

community, Gov. Bill Janklow said.

"This is a company that every community is seeking," Janklow said. "They can just pick the community where they

want to go ..."

On Thursday, Premier formally picked Dakota Dunes.

The Sioux Falls-based firm announced plans for a multi-million credit card call center at the Dunes that will create as many as 500 jobs over the next five years.

Ground will be broken in the next 30 days on a 50,000-square-foot facility in the Twin River Business Center, just north of IBP inc.'s headquarters.

Construction is expected to run around \$4 million, said Miles K. Beacom, Premier's president and chief executive officer. An-



Premier Bankcard president and CEO Miles Beacom announces plans Thursday to build a 50,000 square-foot building in Dakota Dunes that

will house a credit card collections operation. The expansion is expected to create 500 new jobs in the next five years. (Staff photo by Tim Hynds)

other \$1.5 million to \$2 million will be spent on technology and equipment.

Premier expects to begin operation in the first quarter of 2003, employing around 150 in the first year.

"This project will greatly enhance the stability and strength of our community," Dennis Melstad, president of Dakota Dunes Development Company,

said. "We are pleased to provide a first-class site for a first-class company."

Janklow attended Thursday's news conference at Dakota Dunes Country Club to announce Premier's fourth expansion in four years in South Dakota, home to all 2,100 of its employees.

"This is a tremendous opportunity for South Dakota, Ne-

braska and Iowa," Janklow told the audience. "They wanted to be in this area because of the quality of the people and what they felt were the dynamics of growth down here — the can-do-attitude of the business community — that they can do more and better all the time."

SEE PREMIER  
continued on page A7

# Premier expands to Dakota Dunes

*continued from page 1*

The Republican governor went out of his way to focus on Premier's good pay and benefits, which includes health, dental, vision, disability insurance, a retirement savings plan and profit sharing.

"They have it all," Janklow said. "Because they have it all, they attract the best employees who put their roots into the community, and the employees stay with them. ... They're the kind of folks that all of us want to have in a community."

Janklow also lauded Premier's strong community service record. Among other awards, the company has been recognized as the Sioux Empire United Way's "Volunteer Business of the Year," and the South Dakota Special Olympics' "Business of the Year," the governor said.

Founded in 1989 in Sioux Falls, Premier today ranks as the 18th-largest issuer of VISA and MasterCard credit card products, with 2.2 million customers nationwide. The company focuses on the sub-prime market, assisting consumers with past credit problems, said Beacom.

A sister company, First Premier Bank, also based in Sioux Falls, owns the credit card accounts and loans of Premier Bankcard.

With 728 employees at two locations in Sioux Falls, Premier ranks as the 10th-largest employer in the state's largest city. The company also has more than 600 employees in Watertown and more than 500 employees in Spearfish.

Due to competition from other credit card firms and low unemployment in general in Sioux Falls, Premier looked to expand in to other cities in the state, Becom said. Beginning with Citibank in the 1980s, South

Dakota's favorable tax and regulatory climate has attracted a number of credit card processors.

Beacom said Premier operates in South Dakota communities with a strong work ethic and value system. "We see the same thing down here at the Dunes and the Siouxland area," he told the audience.

Local and state officials had quietly worked for some time to attract Premier to southern Union County

"It's been a long time coming," Siouxland Chamber of Commerce president Debi Durham said. "We've been working on this project for many months."

State officials put together a financial assistance package that includes a \$1.75 million low-interest loan from a state economic development fund, as well as funding to help train the Dunes workers, Chris Braendlin, commissioner of the governor's office of economic development, said. The Siouxland Initiative, an arm of the Chamber, also has offered a low-interest loan, Durham said.

After Premier selected southern Union County, the only remaining question was whether it would build in the Dunes or North Sioux City. The final decision was "very difficult," Beacom said, with the company ultimately preferring the Dunes site.

Durham and other Siouxland leaders stressed the expansion will help the entire tri-state region. The company expects to attract employees from a more than a 30-mile radius of the Dunes. Recent layoffs at Gateway Inc. in North Sioux City and some other employers has created a larger pool of potential workers in which to draw from.

The call center will focus on collections, with employees placing outbound calls to card holders with delinquent accounts. Beacom said the jobs will pay a minimum of \$8 per hour. But, with experience, col-

lectors could earn a starting wage of \$8.50 to \$11. Employees also will be eligible for a number of cash incentives if they hit their targets on a monthly basis, he said.

The call center will have a ratio of 12 to 15 collectors to unit managers, and a 5-to-1 ratio of unit managers to senior managers, he said.

Based on past experience, Janklow said Premier likely will create more jobs in Dakota Dunes than the official estimate. In 1998, Premier announced it would create 250 jobs in Watertown. It now has more than 600. Two years ago, the company predicted it would bring 250 jobs to Spearfish. Today, there are more than 500 working there.

"You can see when it comes to bragging, this company always undershoots and plays it down," Janklow said of the employment estimates.



Beacom



Family Health Care of Siouxland physicians, from left, Kathryn Opheim, Nancy Schenk, Elizabeth McInerney and Lisa Remer prepare to cut the ribbon at the entrance of their new location in Dakota Dunes Oct. 30. Members of the 49'ers Business Council and the Siouxland Chamber of Commerce assisted in the ribbon cutting.

## Health care clinic opens in Dakota Dunes

Ribbon cutting ceremonies were held Oct. 30 for the new Family Health Care of Siouxland Dakota Dunes location.

The clinic, located at 345 W. Steamboat Drive is part of a five-location independent corporation made up of 19 family physicians who have practiced in the Siouxland area for many years. Other clinics are Indian Hills, Sioux City Family Physicians, Morningside Family Practice and Sunnybrook.

The Dakota Dunes office is staffed by MDs Kathryn Opheim,

Nancy Schenk, Lisa Remer and Elizabeth McInerney. Opheim has been a doctor based in the Riverside section of Sioux City for a number of years, first at the old Dr. Ashmore office located on Riverside Blvd. and lastly at the St. Luke's Clinic on Riverside Blvd. and War Eagle Drive.

At the ribbon cutting, Opheim said the clinic may be new to Dakota Dunes, but the staff has been serving the area for 20 years. She said the clinic is part of the growing Siouxland area and added the doctors and staff are making

themselves at home very quickly.

Dennis Melstad, representing the 49'ers Business Council, said he is glad the clinic opened in Dakota Dunes, but it still points out that Siouxland continues to grow and it doesn't really matter where.

"That's the exciting part," he said.

The new clinic encompasses 5,000 square feet and contains 14 exam rooms and a procedure room. Each doctor has a station to work between appointments along with an individual desk in their own meeting room. The clinic has 18 full-time and several part-time staff members. The doctors have working arrangements with the nearby Siouxland Surgery Center and CNO&S.

The clinic is open Monday through Friday from 8 am to 6 pm. It is located in the same building as Mutual of Omaha and Ed-



# LOCAL EMPLOYMENT SUMMARY

## DAKOTA DUNES, GATEWAY BUSINESS PARK & NORTH SIOUX CITY

### MAJOR EMPLOYER\*

### EMPLOYEES ON SITE

**DAKOTA DUNES** **1,639**

IBP	650
MEDICAL CAMPUS	307
CNOS	(115)
SIOUXLAND SURGERY CENTER	(52)
SIOUXLAND UROLOGY ASSOCIATES	(30)
DUNES FAMILY MEDICINE	(26)
DUNES MEDICAL LABORATORIES	(25)
OTHER MEDICAL	(59)
1ST FINANCIAL BANK USA	235
BPI TECHNOLOGIES	76
KMEG-TV	64
DAKOTA DUNES COUNTRY CLUB	55
GRAHAM'S GRILL & PUB	28
OTHERS	224

**GATEWAY BUSINESS PARK** **3,952**

GATEWAY	3,669
THE IAMS COMPANY	180
OMAHALINE HYDRAULICS	37
OTHERS	66

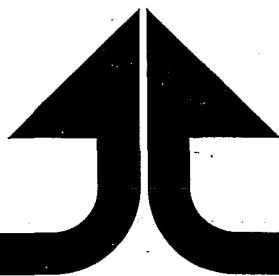
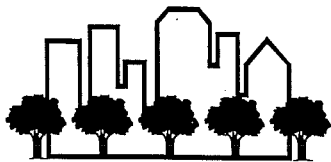
**REMAINDER OF NORTH SIOUX CITY** **1,848**

INTERBAKE FOODS	500
PRINCE MANUFACTURING	271
DAKOTA VALLEY SCHOOLS	97
FIMCO	40
BRAMEC	30
VELOCITY EXPRESS	30
HAMPTON INN	25
OTHERS	860

**GRAND TOTAL** **7,439**

OCTOBER 2002

\* COMPANIES WITH 25+ EMPLOYEES



# United for Progress

*Lincoln and Minnehaha County Economic Development Associations*

## 2002 ANNUAL REPORT

### 2002 brings diversity, construction and growth

**E**conomic development is not always expressed in factories or call centers, distribution facilities or trucking companies. Some towns need a new bowling alley; others, a re-opened café. During 2002, both Minnehaha and Lincoln counties saw the creation of new businesses, the re-establishment of old ones and the expansion of major employers.

"The past year has been one of nearly unprecedented activity in both counties," said Jeff Eckhoff, executive director of MCEDA and LCEDA. "Our organizations have actively supported a wide range of enterprises, each suited to the community in which it is located."

The Minnehaha County Revolving Loan Fund, administered by MCEDA, made loans during 2002 to businesses in two communities. The entrepreneurial spirit, lots of hard work and partial funding from the county revolving loan fund brought Valley Lanes to Brandon and a new car wash, the Wagon Wash, to Baltic.

In Lincoln County, one of the leading companies is Fastek, which added a 15,000 square foot addition during the past year. The new space provides manufacturing room for new and larger products for the door and window industry. About fifteen to twenty new employees were added to meet the demand.

One of this year's major projects was the expansion of Showplace Wood Products in the Harrisburg Industrial Park. The cabinet



*Jeff Eckhoff receives the Excellence in Economic Development Award from Governor Janklow.*

manufacturer has constructed a 43,000 square foot addition to their existing 70,000 square foot Harrisburg plant.

In Brandon, construction was completed on the new clubhouse at the Brandon Golf Course. The municipal project, costing \$1.4 million, utilized no public tax dollars, according to Brandon finance officer Dennis Olson.

Both Lennox and Humboldt saw the re-opening of Main Street cafés, with assistance from community development groups, hard-working operators and people at local financial institutions who understand the importance of such facilities to the community.

Lennox also benefited from the announcement that Sioux Steel is moving its livestock product division to Lennox, occupying the community's 10,000 square foot spec building, which will be incorporated into a

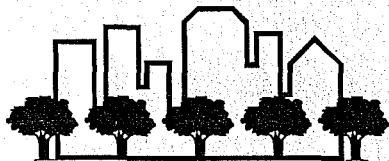
new 56,000 square foot facility in the Lennox Industrial Park.

In recent years, the partnership between LCEDA and MCEDA, along with the Sioux Falls Development Foundation, has set a new standard for community development teamwork. That collaboration was honored by Governor Bill Janklow at this year's state Economic Development Conference. The governor presented MCEDA and LCEDA, along with executive director Jeff Eckhoff, with the Excellence in Economic Development Award for volunteerism and cooperation in the cause of building better communities.

"This award is a reflection of the commitment of our members and hard-working individuals in each community," Eckhoff said. "Without them, 2002 would not have been such a banner year for our organizations and counties!"



*Tony Bour, right, of Showplace Wood Products accepts the ABEX Business of the Year Award from Brad Wheeler, SD Chamber of Commerce.*

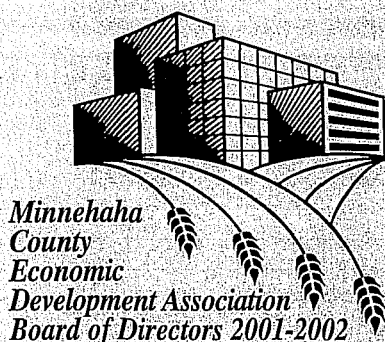


**Lincoln County  
Economic Development Association  
Board of Directors 2001-2002**

- Marshall Drexler,  
LCEDA President, Harrisburg
- Dan Cotton, Vice-President, Beresford
- Mary Thoen,  
LCEDA Secretary-Treasurer, At-Large
- Joel Dykstra, Canton
- Dick Hempel, Lennox
- Jay Kost, Worthing
- Todd Nelson, At-Large
- Jason Pfitzer, Tea
- Mark Rodvold, At-Large
- Jim Schmidt,  
Lincoln County Commission

**LCEDA and MCEDA**  
in cooperation with the  
**Sioux Falls Development Foundation**

Commerce Center, 200 North Phillips Avenue  
P.O. Box 907, Sioux Falls, SD 57101  
Phone (605) 339-0103



**Minnehaha  
County  
Economic  
Development Association  
Board of Directors 2001-2002**

- Marv Wieman,  
MCEDA President, Crooks
- Jim Clark,  
MCEDA Vice-President, At-Large
- Dennis Olson,  
MCEDA Secretary-Treasurer, Brandon
- Carol Ackerman, At-Large
- Fay Beck, Colton
- Jim Jarding, Humboldt
- Eric Krouse, At-Large
- Don Johnson, Valley Springs
- Mike Schultz, Rural Mayors
- Pat Smith, Hartford
- Mike Wendland, Baltic
- Owen Wiese, Garretson
- Neil Winterton, Sherman
- Jim Zweep,  
Minnehaha County Commission

## LCEDA President's Message

*By Marshall Drexler*

### *This partnership thing is paying off*

**W**hen LCEDA was founded, the utilities, financial institutions and communities in Lincoln County which banded together were glad to be partners for prosperity. They understood that when all the elements of a county work together, everyone benefits from that joint effort.

Over the years, we've expanded our partnerships—and our success has grown in direct proportion to the number of our partners. The Governor's Office of Economic Development works with us in close cooperation. The Sioux Falls Development Foundation has helped us develop leads and led the marketing charge nationwide. Our close relationship with our sister organization, the Minnehaha County Economic Development Association (MCEDA) has provided economies of scale and the exchange of good ideas that keeps us moving forward.

We express our thanks to those LCEDA members who make economic development work in our county. Along with the dedicated and committed members of our volunteer board and our hard-working executive director, Jeff Eckhoff, they are making Lincoln County a great place to live and work. And we thank our partners for maximizing our efforts. They are helping us prepare today for a better tomorrow.



## MCEDA President's Message

*By Marv Wieman*

### *Continued growth encourages closer cooperation*

**W**hile so much of America has struggled during the past year with an uncertain economy and a troubled international situation, Minnehaha County has maintained a pattern of growth. One of the reasons our area remains strong is the cooperative spirit which brings us closer together, in good times and in bad.

Our friends at the Sioux Falls Development Foundation and our partners for progress in Lincoln county understand, as does our board of directors and members, that we're in this community development effort together. What's good for one community is good for the entire region. We work together, we achieve success together and we applaud each other's victories together.

The network of state development officials from the GOED, local economic development professionals and concerned, caring volunteers in each community throughout our area has achieved great things in the past decade. We will continue to achieve great things in the years ahead.

We must thank executive director Jeff Eckhoff for helping to weld that network of partners together. We're working together for strong and prosperous regional growth!





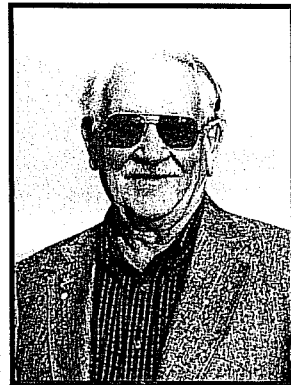
# Snapshots of Success in Lincoln County

## BERESFORD

Beresford has completed plans for a new public safety building to house the fire and ambulance equipment, plus upgrades to the municipally-owned telephone and cable television systems. Construction has begun on two new retail strip malls, one 10,000 square feet and the other 21,000 square feet. Beresford, with a population over 2,000, issued 55 building permits valued at nearly \$1 million in 2002.



*LCEDA Secretary-Treasurer  
Mary Thoen*



*LCEDA Vice-President  
Dan Cotton*



*LCEDA President  
Marshall Drexler*

## CANTON

Canton, with a population of 3,250, continued to see growth in 2002 in residential construction. A new fire and ambulance station was completed in July, 2002. Economic development planning for the future this year included the acquisition of 71 acres to expand the Canton industrial park. Building permits in Canton for 2002 totaled 88 at a value of \$2.7 million.

## HARRISBURG

Harrisburg saw another year of strong construction activity with nearly \$2 million in residential construction. The community grew by about 300 acres, as new land was annexed into the city, the new high school opened this fall, and the community approved 48 permits with a total value of \$4.6 million. Over 1,000 residents now call Harrisburg home.

## LENNOX

Lennox, with a population over 2,000, enhanced their community with improvements to eleven blocks, with street work, asphalt and storm sewer improvements. Eight new homes, a new apartment building and a commercial business were constructed in 2002, along with a new skateboard park. During the past year, 111 building permits valued at \$1.4 million were issued.

## TEA

Tea has nearly completed the new community swimming pool, which was awarded a \$200,000 Community Development Block Grant. Construction has begun on Farmers State Bank, and St. Nicholas Catholic Church has moved into their new building. A 5,300 square foot strip mall is being built with seven apartment units above the retail space. In addition, 72.1 acres northwest of the city were annexed for single and multi-family housing construction in this community of 2,000. The

building permit total for 2002 was 86, with a valuation of \$6.1 million.

## WORTHING

In Worthing, the past year saw the purchase of land in two different community locations for commercial development. The community chose to change its form of government in 2002, moving from a trustee form to a new system of elected city commissioners. This community of 750 issued 13 building permits last year, with a total valuation of \$1.3 million.



*Lincoln County officials applaud as Sioux Steel's president, Phil Rysdon, announces the company's plans to locate a facility in Lennox.*

# Pictures of Progress in Minnehaha County

## BALTIC

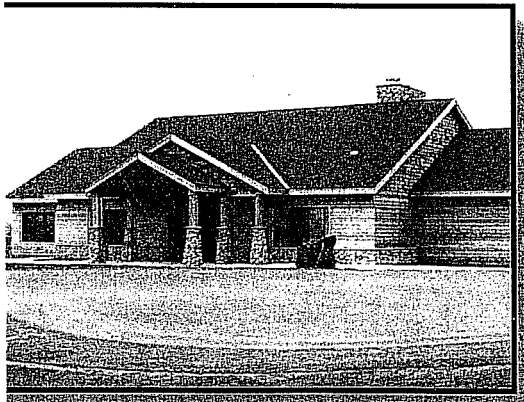
During the year, 13 new residential lots for single family homes were platted and rezoned in Baltic, where nearly 1,000 people now reside. Baltic Heights residential neighborhood grew by an additional 10 homes, the grocery store was reopened and reports positive growth, and the community received \$200,00 in grants for the \$1.65 million water/wastewater project. A total of 33 building permits were issued at a total valuation of \$853,957.

## BRANDON

The city of Brandon, with a 2002 population of 6,244, saw the construction of 71 new homes, four multi-family buildings and \$773,344 in commercial construction. The new library, LDS church, elementary school and Bethany Meadows assisted living facility are all under construction now. Over \$27 million in building permits were issued in 2002, a total of 355 permits.

## COLTON

Colton, population 657, saw repairs to the community swimming pool this summer, and the construction of a fourplex apartment building. New water connections should be completed this year, and railroad crossing



*The \$1.4 million clubhouse built at the Brandon Golf Course was a major construction project in Minnehaha County in 2002.*



*MCEDA officers left to right: Secretary-Treasurer Dennis Olson, President Marv Wieman and Vice-President Jim Clark.*

upgrades are slated for spring. Activity for 2002 shows 13 building permits at a valuation over \$500,000.

## CROOKS

Crooks saw construction begin on the new community center, a 6,400 square foot facility to be completed in January, 2003. Forty new storage units were completed, along with 17 new homes. A car wash and a new convenience store opening this year, and land both north and south of the city were annexed in 2002. The community issued 48 building permits at a valuation of \$2.7 million.

## GARRETSON

Garretson continues to add to its population of 1,165 with residential construction in 2002 bolstered by the building of a \$4.6 million addition to the Garretson Community School. The local development corporation purchased land west of Split Rock Creek for commercial use, and the connection to rural water is proceeding according to plan. Building permits for the year totaled 60 with a valuation of \$1 million.

## HARTFORD

In Hartford, 111 permits were issued, with a valuation of \$2.3 million during 2002. This community of 1,900 is planning for the future with the purchase by the Hartford Area

Development Corporation of 53 acres north of the city for industrial/retail development. The Hartford Tavern also saw an expansion this year.

## HUMBOLDT

Humboldt has seen the construction of five new single family residences during the past year, and two new commercial buildings, a convenience store and an auto repair/used car sales operation. Building lots for new homes are still available in this community of 550, and in 2002, 40 building permits were issued, at a valuation over \$1 million.

## SHERMAN

Sherman has seen stability in population and commercial growth during the past year. Sherman issued two building permits in 2002. The community remains the home of nearly 100 citizens and is a proud participant in MCEDA programs.

## VALLEY SPRINGS

Valley Springs has approved the construction of an eight-unit apartment building, with construction activity beginning this month. During 2002, 39 building permits were issued, with a valuation of \$446,000 in this growing community of 800.

# Executive Director's Report

By Jeff Eckhoff

## We're ahead of the curve on efficiency and cooperation

Surveying the national economy these days, one sees more and more companies working toward greater efficiency and economies of scale. This is no time for wasted effort, misdirected energy or ineffective partnerships. We're all looking for leaner, tighter organizations with clearly established goals.

In Lincoln and Minnehaha Counties, we've been practicing that business model for years. MCEDA and LCEDA, as organizations, have long understood that importance of working together without duplication of effort. By sharing an executive director, sharing information and creating joint marketing ventures, these groups have seamlessly meshed their economic development programs to achieve continued success. This region is still seen as an example of what can be achieved with cooperation, partnership and efficient community development.

During the past year, inquiries and potential jobs were up, as companies consider our business climate as a remedy for a weak economic picture elsewhere. Nearly 50 companies, representing over 3,600 new jobs, made inquiries about locating or expanding in our area. Minnehaha County received 30 inquiries and Lincoln County was the subject of 28 inquiries. In addition to significant commercial construction and development last year, housing construction also remains strong throughout both counties. In Minnehaha County, the MCEDA Revolving Loan Fund received ten inquiries and made

loans totaling \$30,000. Two of the revolving loan fund's past loans were paid off during 2002, fueling opportunity for future businesses.

We've seen activity during 2002 which illustrates the importance of partnership. Sioux Steel's groundbreaking in Lennox was the result of a Sioux Falls company examining the region for a great place to grow and choosing one of our communities. But behind the scenes, GOED and the Sioux Falls Development Foundation were working on that location almost as hard as the Lennox Area Development Corporation and the LCEDA board of directors. The Lennox spec building now has a tenant, jobs which could have left the area are retained, and both counties will benefit from the housing and employment opportunities represented by the Sioux Steel expansion. And that's the way it is supposed to work!

As we look to a new year, our organizations are strong, fiscally sound and united in their commitment to a dynamic partnership. We face the opportunities of 2003 as two groups more than ever united for progress!



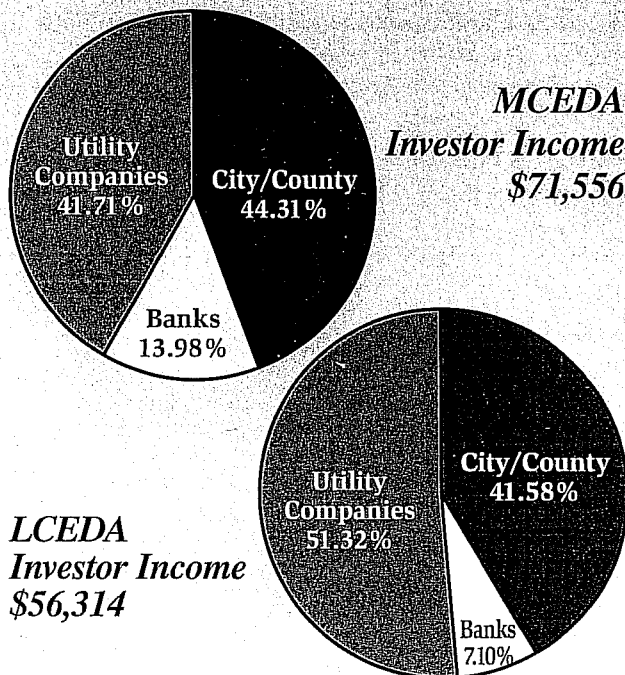
## Sales tax increases show consistent growth in both counties

Sales tax collections are a revealing indicator of business growth and community development. According to the South Dakota Department of Revenue, Business Tax Division, both Minnehaha and Lincoln counties showed sales tax increases for the past fiscal year. The state has posted FY2002 taxable sales numbers against 2001 showing a **\$7.4 million increase** in Lincoln County and a **\$2.25 million increase** in Minnehaha County. Those numbers give Minnehaha County a 7.63% increase in sales tax collections and Lincoln County a 2.08% increase over last year.

Leading Lincoln County was Worthing, with a 20.53% increase in 2002, while Minnehaha County's Baltic community showed a sizeable 30.82% increase in sales tax collections last year.

"Economic activity in the retail and construction industries drive sales tax collection numbers," said Jeff Eckhoff, executive director of the development organizations. "During this period of national economic weakness, both Lincoln and Minnehaha Counties are showing strong signs of consumer confidence and business growth."

## Investor Income Apportionment





# United for Progress

*Lincoln County*  
*Economic Development Association*  
**INVESTORS**

Beresford Economic Development Corporation  
Canton Economic Development Corporation  
City of Canton  
City of Harrisburg  
City of Lennox  
Lennox Area Development Corporation  
City of Tea  
City of Worthing  
Lincoln County

Farmers State Bank, Canton  
First American Bank & Trust, Canton  
First Federal Bank, Beresford  
First Savings Bank, Beresford  
Home Federal Bank, Canton and Lennox  
Valley Exchange Bank, Lennox and Tea

East River Electric Cooperative  
MidAmerican Energy Company  
North Lincoln Rural Water  
Southeastern Electric Cooperative  
Xcel Energy

*Minnehaha County*  
*Economic Development Association*  
**INVESTORS**

City of Baltic  
City of Brandon  
City of Colton  
City of Crooks  
City of Garretson  
Hartford Area Development Corporation  
City of Humboldt  
City of Sherman  
Minnehaha County

Farmer's State Bank of Humboldt  
First National Bank of Garretson  
The First National Bank in Sioux Falls  
Home Federal Bank  
Security Bank  
US Bank

Baltic Telecom Cooperative  
East River Electric Cooperative  
MidAmerican Energy Company  
Minnehaha Community Water Corporation  
SDN Communications  
Sioux Valley Southwestern Electric  
Sioux Valley Telephone  
Splitrock Telecom Cooperative  
Union Telephone  
WMW Cable TV Company  
Xcel Energy

*The Boards of Directors wish to recognize  
the generous support of our investors who make our economic development efforts  
in Lincoln and Minnehaha Counties possible.*

# County Perspectives

*The newsletter of economic development in Lincoln and Minnehaha Counties*

## Annual meeting draws crowd from two counties

The Minnehaha and Lincoln County Economic Development Associations held their first combined annual meeting on Tuesday, November 27, 2001 at C.J. Callaway's restaurant in Sioux Falls. The annual meeting focused on the development achievements of the past year in both counties and a combined annual report was distributed at the meeting.

Dan Scott, president of the Sioux Falls Development Foundation, was the keynote speaker at the meeting. A former economic development officer for the state of South Dakota, Scott has led the Sioux Falls group for the past six years. The Sioux Falls Development Foundation, under Scott's leadership, has been a strong partner with LCEDA and MCEDA in regional economic growth, with a particular focus on the importance of good communication among community partners.

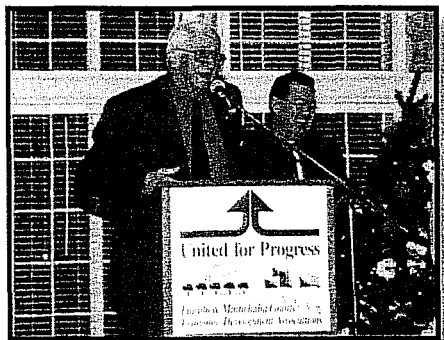
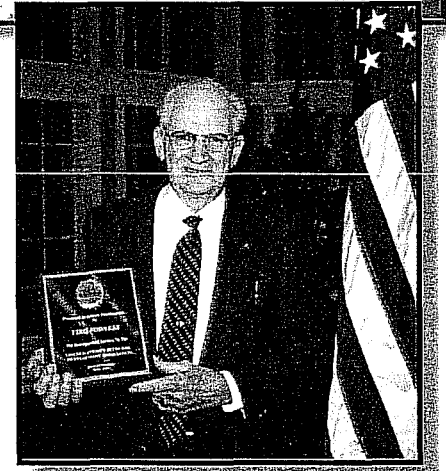
Retiring board member Virg Fodness was honored at the annual meeting for his dedication and leadership. MCEDA chairman Marv Wieman and LCEDA chairman Dick Hempel each provided county reports and Jeff Eckhoff, executive director of both groups, addressed



*Marv Wieman, MCEDA President, addresses the annual meeting crowd, above. At right, Virg Fodness, retiring LCEDA board member.*

the accomplishments in rural economic development during 2001.

"We want to thank everyone who came out for the annual meeting," Eckhoff said. "Both counties have strong economic development leaders and citizens who actively support community development. It was great to see those individuals come together to hear the good news about economic growth in Lincoln and Minnehaha counties."



*LCEDA President Dick Hempel at the podium with Executive Director Jeff Eckhoff.*

## BUILDING COMMUNICATION LINKS

Economic development and community planning can help build a better community in YOUR town—and we want to help. All of the articles and stories in *County Perspectives* are yours to reprint—in local newspapers, in company newsletters, or in regional magazines. In addition, we have an available series of columns by Executive Director Jeff Eckhoff on *Growing Communities through Economic Development* available for publication in company magazines or newsletters. Just call 605-339-0103 and request to be placed on the "monthly column" mailing list.

Often the most vital groups in any community are the **service organizations**—Lions Clubs, Sertoma groups and community Jaycees. If your club or organization would like to hear the reasons for economic development, Jeff Eckhoff is available to speak. We can even arrange for one of the Governor's Office of Economic Development team to speak in your town. Just call Eckhoff at 605-339-0103 or e-mail [jeffe@siouxfalls.com](mailto:jeffe@siouxfalls.com).

*First Quarter Report, 2002*

# County Perspectives

*The newsletter of economic development in Lincoln and Minnehaha Counties*

## Construction activity is strong in both counties

The season is here when the sound of saws and nail guns—along with heavy equipment moving dirt and building roads—fill the summer air with the clamor of progress. Along with innumerable housing units going up in Lincoln and Minnehaha counties, a couple of major projects have already made 2002 a memorable year.

In Brandon, construction has been completed and final landscaping is underway on the new clubhouse at the Brandon Golf Course. The municipal project, costing \$1.4 million, utilized no public tax dollars. The course and its clubhouse facility are self-supporting, and the expansion was necessitated by public demand, according to Dennis Olson, Brandon City Administrator.

“The community rooms have some of the most beautiful views around,” said Zane B. Swenson, Brandon golf pro for the past six years. “That’s one of the reasons why we had over 30 events booked before we opened—and weekends booked for the entire year.”

In Lincoln County, one of this year’s major projects is the expansion of Showplace Wood Products, in the Harrisburg Industrial Park. The cabinet manufacturer has been growing since the company opened less than three years ago. In December, 2000, Showplace acquired the former Raven building in Beresford and moved their cabinet door manufacturing operations there. Now the national distributor



*Tony Bour, Showplace Wood Products*

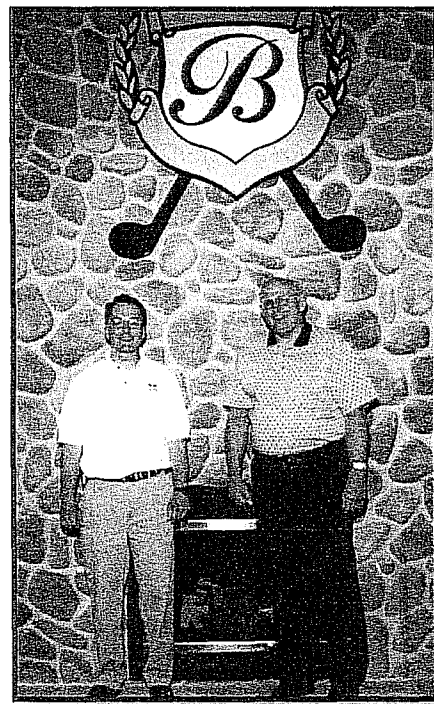
of cabinetry is building a 43,000 square foot addition to their existing 70,000 square foot Harrisburg plant.

According to Showplace president Tony Bour, the company’s growth is leading the industry—but there’s a good reason for that, he said.

“Anyone can build cabinets,” Bour said, “but not everyone can have the kind of relationships that will make a business successful. We’ve had the good fortune of putting together a great team of experienced professionals including our employees, management, sales representatives and, of course, our dealer partners.”

Showplace customized cabinetry is sold through more than 380 dealers in 43 states. The company maintains a retail showroom in the Harrisburg facility. Current employment for Showplace is 160, with that number expected to grow to 200 by the end of this year.

Congratulations to the Brandon Golf Course and Showplace on their building projects for 2002!



*Zane B. Swenson, left, and Dennis Olson in the Brandon Golf Course Community Room.*



*The new clubhouse at the Brandon Golf Course.*

“It really came down to a simple reality,” he said. “If we didn’t build a facility to handle groups wanting to eat, we’d lose those groups to others. We needed an improved, expanded clubhouse to maintain business.”

The final result is an attractive, two-story structure housing a pro shop, teaching room, lockers and lounge and grill in the lower level, with a spacious, multi-purpose area in the upper level. Both levels feature sweeping views of the golf course, which helped to determine much of the design of the new clubhouse.

# County Perspectives

*The newsletter of economic development in Lincoln and Minnehaha Counties*

## No brownouts here: *Electric power is plentiful and reliable*

**T**o a manufacturing company looking for the best site for a new facility, one big question to be answered is: "Will there be an adequate supply of electric energy and will it always be there when I need it?" The same question is equally important to a farmer, a homemaker and a hobbyist building a set of shelves.

We all heard the news stories out of California last year making "brown-out" a household word. And if the big cities have trouble getting good electric service, what chance do we have in the rural communities of South Dakota?

The answer, of course, is that once again the communities in Lincoln and Minnehaha counties come out miles ahead of the metropolitan cities of both coasts when it comes to reliable, adaptable, plentiful electric energy. In fact, the companies which provide power to the homes and businesses of our area are setting standards that break new ground in electrical service transmission. Take the new Heart

Hospital on the southern edge of Sioux Falls, as a case in point.

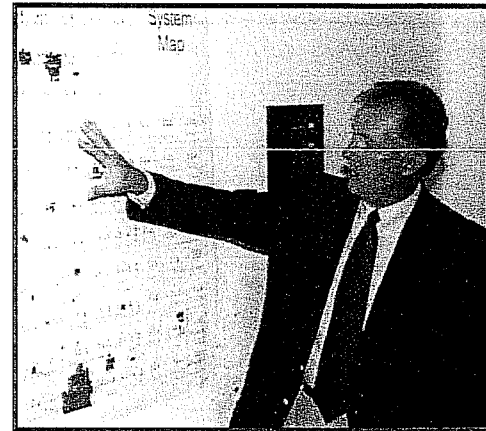
"At first, the folks at the Heart Hospital didn't want us to provide them with electricity," remembers Brad Schardin, general manager of Southeastern Electric Cooperative, based in Marion and Alcester. "Three meetings later, we convinced them that we can provide the kind of high-tech, completely reliable service a modern medical facility needs. After two years of service, their CEO commended us, thanking our board and employees for doing such a great job."

The Heart Hospital required a nearby substation—the electric co-op has two. They needed emergency power in case the main substation went down. Southeastern Electric provided computerized, automatic switching to the secondary substation in one-tenth of a second. The co-op provides e-mail status reports on the electrical energy system in real time to the facilities manager at the Heart Hospital. And that level of service is being provided throughout the area, by Southeastern Electric and Sioux Valley Energy, backed up by East River Electric, and by Xcel Energy's midwestern service network.

One of the fastest-growing electric service providers in our area, along with Southeastern Electric, is Sioux Valley Energy, based in Colman. According to Don Marker, general manager and CEO, the company is spending \$5 million each year, and has for the past five or six years, to extend, upgrade and maintain their delivery grid. The cooperative has a total infrastructure investment of \$95 million, 20,000 members and a high-tech operation which is state-

of-the-art in every way.

"Electric cooperatives are trying to change the image of the 1940s RURAL electric co-op," Marker said. "We're a 21st century utility, with computerized, real-time system analysis to show us where problems are or could be, a full-time engineering staff to study needs and monitor the capabilities of our transmission system and a commitment to service reliability second to none."

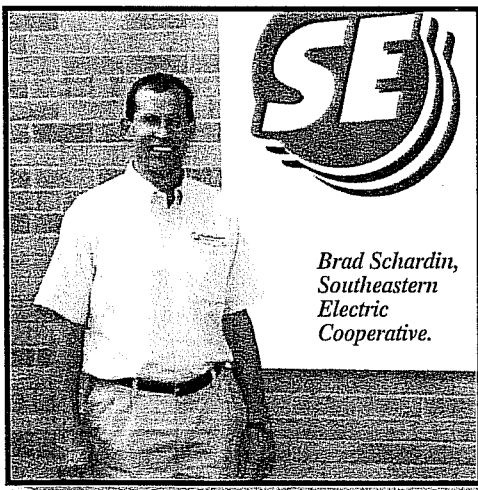


*Don Marker, Sioux Valley Energy, shows the co-op's service area.*

That commitment to service is the legacy of the electric cooperative movement in rural America, with cooperatives stringing lines and providing power to isolated farmhouses throughout the Dakotas. Since the inception of service on the post-World War II prairie, some things have changed.

"Today, any electrical need can be served in our area," Marker said. "Because we're connected to the generating capacity of Basin Electric and the transmission capacity of

*continued on page 2...*



# Forward Sioux Falls IV

TAKING SUCCESS TO THE NEXT LEVEL

## PROGRESS REPORT, First Quarter 2002

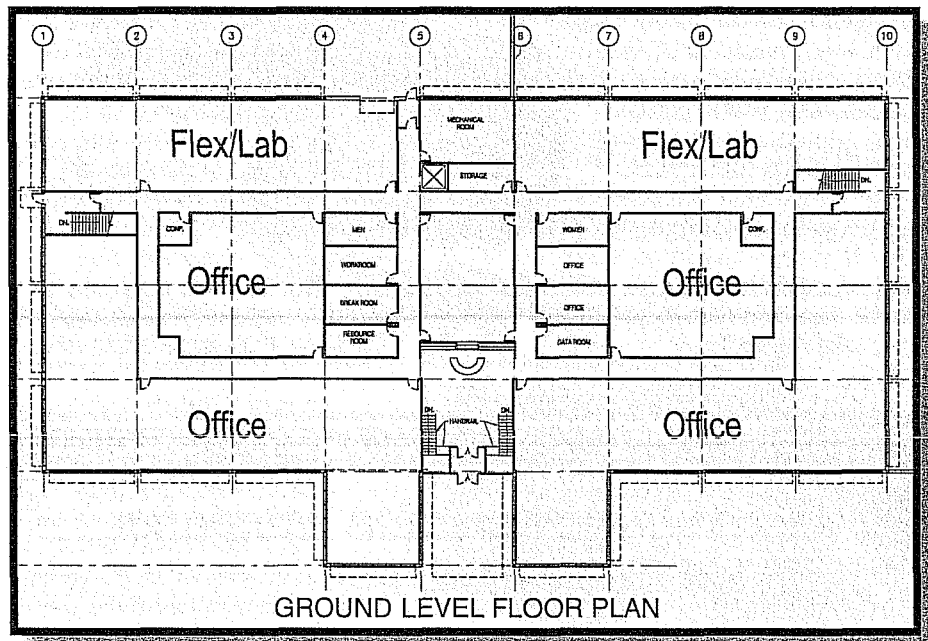
### Technology Accelerator preliminary design completed

By Rich Naser, Forward Sioux Falls Technology Director

The preliminary design work for the Forward Sioux Falls technology business accelerator has been completed and the process of finalizing construction costs is underway. Spitznagel, Inc. recently completed the initial design phase, which includes 29,500 square feet on the main level and an option to add an excavated lower level.

"The real challenge in designing this facility has been trying to anticipate the needs of future tenants," said project architect Meredith Larson. "With potential clients ranging from biotech firms to software developers to light manufacturers, flexibility needs to be a key design criteria."

The preliminary design provides 7,400 square feet of flex space, which would later be configured as laboratory or light manufacturing space. The flex space is located at the rear of the building, providing access to a loading bay and an elevator. Currently the flex space design incorporates a 12-foot floor-



to-ceiling height to accommodate the oversized equipment and the laboratory build-out.

Another 14,700 square feet has been designated as office space, running along the remaining exterior of the building and consisting of two additional blocks of interior space. The office space was positioned to provide maximum exposure to natural lighting. Portions of the office space will be able to be subdivided into spaces as small as 200 square feet. Some of the interior office space may also house student carrels to assist students in starting their own businesses.

Other features of the facility include a large central conference room that can be separated into two

rooms for smaller meetings, two enclosed alcoves for small meetings, two open alcoves for networking; a resource room, a data room, a workroom, a break room and two offices for future accelerator staff.

"The volunteers on our task force have invested a lot of time and effort into this preliminary design and we're very excited to reach this point in the accelerator development process," said Dave Link, chair of the Forward Sioux Falls Technology Program. "This design represents the 'what if everything were possible' portion of the project. It is also very scalable, so once we have the construction costs we can refine this design to bring it in line with our budget."

Forward  
Sioux Falls IV

TAKING SUCCESS TO THE NEXT LEVEL

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# Forward Sioux Falls IV

TAKING SUCCESS TO THE NEXT LEVEL

## PROGRESS REPORT, Second Quarter 2002

### Management committee endorses accelerator project

By Rich Naser, Forward Sioux Falls Technology & Communications Director

**F**orward Sioux Falls IV moved a step closer to establishing a technology business accelerator earlier this month when the Joint Venture Management Committee gave its unanimous approval and support to proceed with the next phase of the project.

During this next segment, the task force working on the project will finalize architectural and construction details, establish the 501(c)(4), acquire the necessary land, and complete the funding details. Once these steps are achieved, the task force will present the final budget and seek approval to begin the construction process.

The endorsed concept includes a new 45,000 square foot accelerator facility located adjacent to the



Among the dedicated members of the Technology Committee are: front row, left to right, Jay Bosch, Stan Vittetoe, Mike Hall and Brad Schoenfelder. Middle row: Joe Zueger, Jon Klemme, Molly Schenkel and Steve Kurtenbach. Back row: Rich Naser, Chuck Shaver, Dave Link and Chad Vondra.

Southeast Technical Institute and USDSU campus, the establishment of a 501(c)(4) governing organization, and the development of business and professional services for accelerator tenants. The estimated cost of the project is approximately \$3.2 million, including \$2.3 million for building construction, \$500,000 for land acquisition and soft costs, and

Falls Technology Program. "The recommendations we presented were the result of more than 60 business, education and government leaders working together over a three-year period. We firmly believe the accelerator project is the necessary first step in establishing the Sioux Falls area as a technology center."

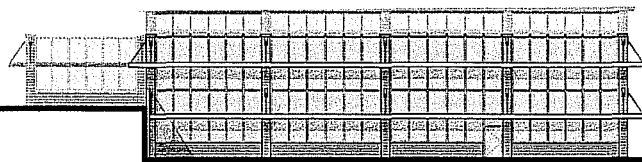
"We are another step closer to fulfilling one of the major elements of the Forward Sioux Falls IV program," said FSF Chairman Fred Slunecka. "During the campaign we told investors we would pursue the development of a technology business accelerator to diversify and grow our regional economy. Thanks to the efforts of Dave and his team, we are getting ready to make that promise a reality."

The accelerator project is the first step in the long-term plan to establish the STI and USDSU area as a nexus for technology education, research and business development. For more information about this project, contact Rich Naser at 605-373-2008 or [rnaser@siouxfalls.com](mailto:rnaser@siouxfalls.com).

\$400,000 in start-up costs during the first three years of operation.

The proposed facility will have approximately 34,000 square feet of leasable space available for early stage, growth oriented technology companies. Space will also be leased to organizations providing additional assistance to these companies.

"Our group is very enthusiastic that the management committee endorsed the concept," said Dave Link, chairman of the Forward Sioux



Technology Business  
Accelerator Elevations



**Forward  
Sioux Falls IV**  
TAKING SUCCESS TO THE NEXT LEVEL  
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# Forward Sioux Falls IV

TAKING SUCCESS TO THE NEXT LEVEL

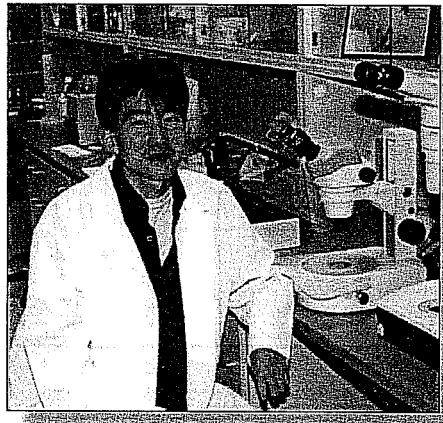
## PROGRESS REPORT, Third Quarter 2002

### Bio-tech companies targeted in next phase of marketing effort

**D**uring the past year, considerable attention has been focused on the growing amount of bio-technology research and development being done in Sioux Falls. The location of the Hematech research laboratory, performing significant new work on human antibodies, was a major national story. Hematech's research is so innovative that the company was featured in a cover story in *Nature Bio-Tech* magazine in September.

In the same month, the National Institutes of Health and the National Center for Research Resources announced a grant of \$9.5 million to Dr. Martin Gerdes and his Sioux Falls-based Cardiovascular Research Institute, part of USD's School of Medicine. Gerdes and his colleagues are working on early diagnosis of cardiac complications and the repair of damaged heart muscle cells. Gerdes' research has also been published in the nation's most prestigious medical journals.

The bio-tech research climate of Sioux Falls is so favorable that a Japanese scientist with Kirin



*Yoshimi Kuroiwa chose Sioux Falls as the site for his biomedical research.*

Brewery Company of Tokyo, a major world player in pharmaceuticals, has decided to set up his lab in our community. Yoshimi Kuroiwa will do research on the genetic production of human antibodies, working closely with Hematech researchers. Kuroiwa considered lab sites in San Diego and other US cities before choosing to work in Sioux Falls.

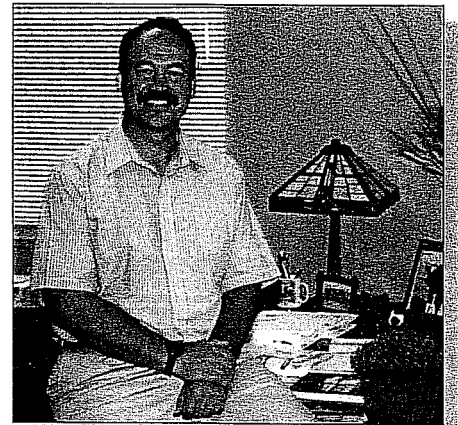
To capitalize on the bio-tech news and encourage other companies to locate here, Forward Sioux Falls is preparing a new marketing campaign for late this year and 2003. Jack Boyd, whose Princeton, NJ, firm has conducted other surveys comparing business costs in Sioux Falls to those in other cities, has just completed a study using bio-tech business factors as comparison points. That study indicates that bio-tech firms can save over \$1 million per year in Sioux Falls.

That information, as well as the success of Hematech, the Cardiovascular Research Institute and other research facilities in Sioux Falls, will be

featured in a series of direct mail contacts to over 2,000 bio-tech companies nation-wide. Using testimonials from Dr. James Robl, Hematech's president, as well as Dr. Martin Gerdes, the oversized postcards will focus on the ample reasons for locating a research or biological products lab or distribution facility in Sioux Falls.

"Well-known national research scientists are convinced that Sioux Falls is the perfect place for their labs," said Dan Scott, president of the Development Foundation. "In addition to an impressive data infrastructure, a superior medical community and impressive research universities close at hand, Sioux Falls offers a lifestyle which is the best for growing families. Once these scientists experience Sioux Falls, they never want to leave."

In the months to come, you will be hearing more about the bio-tech marketing campaign and its significance to the future of our community.



*Dr. James Robl leads Hematech's Sioux Falls research facility.*

**Forward  
Sioux Falls IV**

TAKING SUCCESS TO THE NEXT LEVEL

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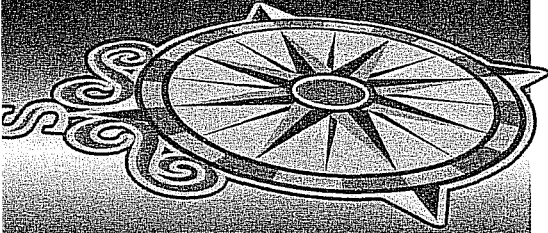
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# Directions



Above, the late Mayor Jack White; at right, Mrs. Jerry White accepts the Spirit of Sioux Falls Award from Development Foundation Chair Kelby Krabbenhoft; below right, Development Foundation President Dan Scott speaking at the organization's annual meeting.

## Jack White honored with Spirit of Sioux Falls Award

The late Jack White, mayor and businessman, was posthumously awarded the 2001 Spirit of Sioux Falls Award. This award is given each year to an outstanding business leader by the Sioux Falls Development Foundation in honor of Angus Anson, David Birkeland and Roger Hainje. Jerry White accepted the award on behalf of her late husband at the Development Foundation annual meeting December 11, 2001.

A native of Sioux Falls and a graduate of Washington High School and the USD business school, White worked for Foster Bell Caterpillar during his school years, staying with the company until 1973, when he purchased Griffin Realty and started his own real estate company, Century 21 Jack White Realty.

"Jack White understood Sioux Falls and the challenges this community faced during its growth years," said Kelby Krabbenhoft, Development Foundation chair. "As a businessman and later as mayor, he worked to preserve the values of his hometown, while encouraging opportunity and prosperity for all the citizens of Sioux Falls."

White first ran for mayor of Sioux Falls in 1984. Defeated in a runoff by Joe Cooper, he ran successfully in 1986 and was re-elected in 1991. During White's term of office, he faced the challenges of the John Morrell strike, the development of the Convention Center and the Washington Pavilion, as well as the beginnings of the Phillips to the Falls concept.

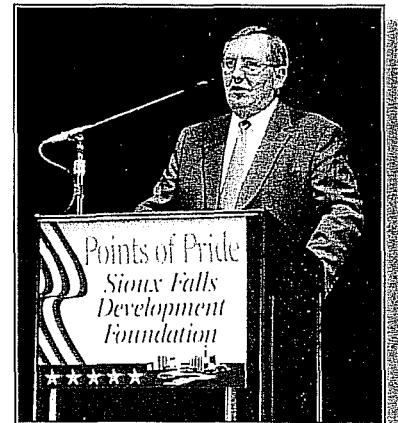


Aggressively pro-economic development, White was a leader in promoting the community and a proponent of Forward Sioux Falls.

Diagnosed with multiple sclerosis during his first term of office, White nonetheless worked diligently during his two terms, always a visible and active spokesman for city government.

He taught real estate and business courses at Dakota State College, participated in Downtown Rotary, El Riad Shrine and First Lutheran Church. White died May 28, 2001.

"Jack White was a valuable partner in economic development," said Dan Scott, Development Foundation president. "His business background gave him a keen understanding of the realities of progress, and an appreciation for the importance of moving Sioux Falls forward."

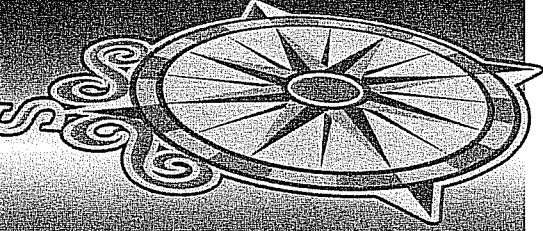


A publication of the

### Sioux Falls Development Foundation

Volume 26, Number 1  
January-February, 2002

# Directions



According to the Center for Women's Business Research in Washington, D.C., South Dakota ranks 6th in the nation for the rate of new women-owned businesses created between 1997 and 2002, with a 16% increase. Sioux Falls has led the way in new business start-ups statewide.



A publication of the  
**Sioux Falls**  
**Development Foundation**

Volume 26, Number 2  
March-April, 2002

## Publications praise Sioux Falls for economy, quality of life

Economic development is not just about bringing new jobs and new companies to Sioux Falls, but about maintaining an excellent lifestyle and growing the local economy. According to national publications as diverse as *Ladies Home Journal* and *Forbes*, Sioux Falls is doing just that.

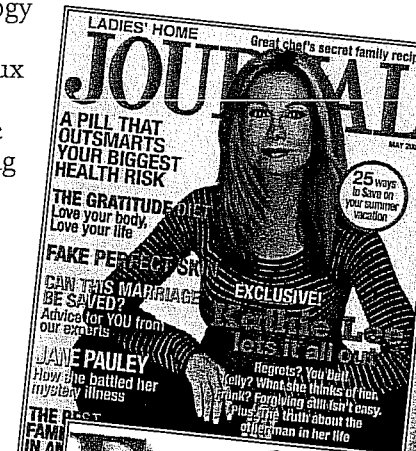
April's issue of *Ladies Home Journal* compares 200 American communities, ranking the "best cities for women in 2002." Sioux Falls placed #21 on the cumulative list, and also scored high in the categories of low crime and child care, as well as placing #2 for highest employment rates, #2 for economy, #10 for available jobs, #9 for spiritual centers, and #12 for lifestyle. The one category for which Sioux Falls was on the **bottom** of the list was "**Most Stressful**." Out of 200 communities ranked, Sioux Falls was 198th—or the third LEAST stressful city in the USA.

The on-line version of *Forbes* magazine last month ran a feature article on the success of Monet Mobile Networks in bringing local broadband wireless service to Sioux Falls. The magazine called Sioux Falls "The Most UnWired Town in America," calling the unique wireless data transfer system Monet has introduced as the best in the world. "The only other place on the planet with a comparable network is Seoul," according to the *Forbes* report. The story quotes Sioux Falls computer, health care and emergency services professionals who are using the Monet system, and discusses the technology advantages of the Monet wireless program.

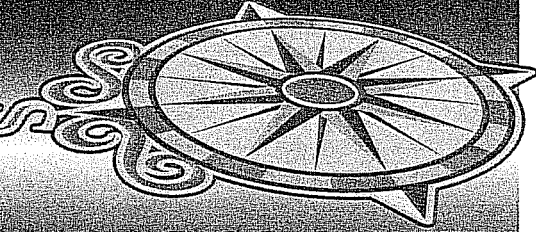
*Sales and Marketing Management* cited Sioux Falls for "shining these days while business in the biggest US markets is drying up." Even the *Star Tribune* in the Twin Cities market is joining the group of publications praising Sioux Falls. The newspaper reported earlier this year that Sioux Falls is the best place in the US to open a high-tech company, something that Bay Technologies, Monet Wireless, BrightPlanet and Hematech, among other technology firms, have already discovered.

And speaking of technology, the Software and Information Industry Association (SIIA) recently released data collected from the Bureau of Labor Statistics on the top 25 metropolitan areas for software-related employment in 2000. **Sioux Falls was named #11 on that list**, with established major high-tech centers such as Boulder, San Jose, San Francisco, Seattle and Boston ranking ahead of Sioux Falls.

The good news about Sioux Falls is based on solid economic growth, according to *Demographics Daily*. That publication noted late last year, during the nationwide recession news, that Sioux Falls was a strong exception to the economic doldrums experienced by the region following the attacks of September 11. Sioux Falls was awarded five stars, the highest rating, in a comparison of community and state economies in Kansas, Nebraska, Iowa, Missouri and the Dakotas.



# Directions



## Railroad locates corporate offices in Sioux Falls

**D**owntown Sioux Falls seems like home to Kevin Schieffer. The president of Dakota, Minnesota & Eastern Railroad (DM&E) has had several offices on Phillips Avenue—and now he's bringing the expanding railroad company back to Sioux Falls.

DM&E has announced that the offices of Cedar American Rail Holdings, Inc., the holding company which will oversee operations of both the Davenport-based Iowa, Chicago & Eastern Railroad (IC&E) and DM&E, will be located in the current IBM building at 8th and Phillips. The office is expected to house 100 employees at start-up later this summer, with a staff of several hundred projected if DM&E's current projections hold.

Schieffer will serve as president and CEO of Cedar American Rail Holdings and DM&E. The company's office in Brookings will be maintained, although at potentially lower staffing levels, he said.

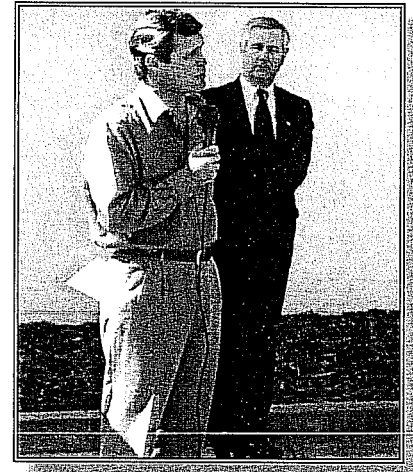
"With the communications capabilities of today," Schieffer said, "we believe we have the opportunity to take advantage of the best that South Dakota communities have to offer our companies and our employees."

Some industry analysts predicted that DM&E's acquisition of the 1,400 mile, 700 employee I&M Rail Link assets, which will be operated as IC&E, would encourage the company to locate headquarters offices in Chicago. But Schieffer said the company belongs here.

"As our company grows, the Sioux Falls office provides a strong anchor for our South Dakota corporate presence long term," he said. "We want to send a strong message that South Dakota is home, and we want to stay here."

In addition to the Sioux Falls corporate headquarters and the Brookings office, DM&E maintains the largest rail yard on the system in Huron, along with the company's largest facility for locomotive and freight car maintenance and repair. The Sioux Falls office will be hiring accountants, human resource personnel, and clerical and customer service professionals, Schieffer said.

"The location of DM&E in downtown Sioux Falls is a positive step for the company and an affirmation of the efficiency of our community as a corporate headquarters," said Kelby Krabbenhoft, Development Foundation chairman. "We welcome DM&E as our new neighbor and a vital addition to the Sioux Falls business community."



*DM&E President Kevin Schieffer speaks to the large crowd gathered in downtown Sioux Falls for the announcement of the company's new headquarters.*



*Hematech CEO Jim Barton, left, is congratulated by Sioux Falls Mayor Dave Munson at the ribboncutting for the company's new lab. See the story on page 2.*



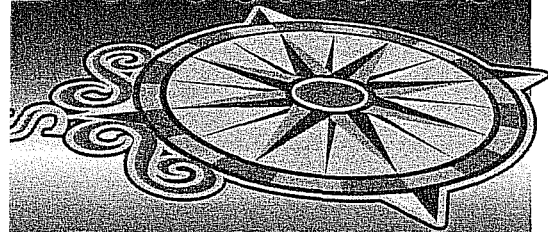
A publication of the

**Sioux Falls  
Development Foundation**

Volume 26, Number 3  
May-June, 2002



# Directions



## AmeriPharm brings innovative pharmaceutical service to Sioux Falls

Daily news stories bombard us with information about the rising cost of health care—especially projected increases in the cost of pharmaceuticals. One of Sioux Falls' newest companies believes it has a way to help lower health care costs, by providing a more cost-effective way for families to buy prescription drugs and vital medications.

AmeriPharm will utilize automation, direct mail and modern communication services to streamline the process of acquiring those necessary medicines. The company will occupy 30,500 square feet in the new Sioux Falls Corporate Center II constructed in Sioux Empire Development Park IV by Andreas Development. The space will provide AmeriPharm with order entry, administrative, distribution and pharmaceutical storage space for products shipped directly to its customers, according to Ron Bertsch, AmeriPharm president.

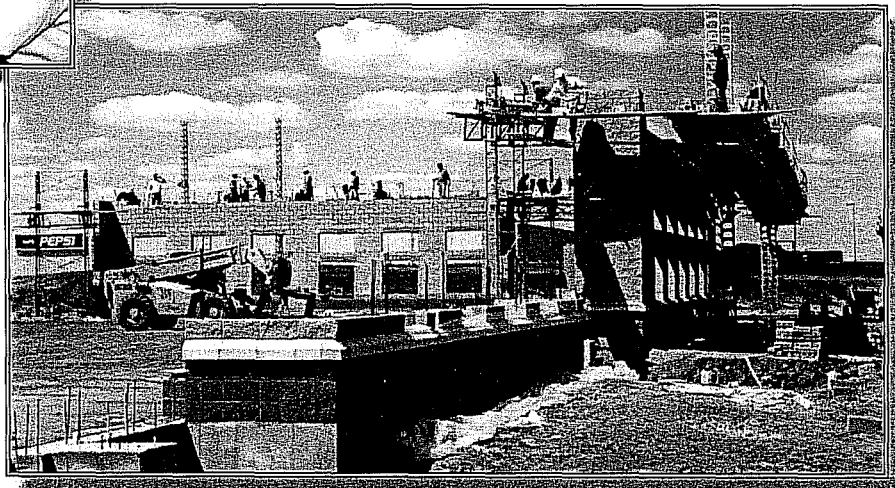
"Our company provides an innovative, high tech approach to dispensing medicines," Bertsch said. "There's a lot of convenience for our customers, especially for those individuals living in rural areas where a trip to the drug store is not just a matter of running around the corner."

One of the most critical ways in which AmeriPharm seeks to keep down the cost of prescriptions is through the use of available generic drugs, or less expensive versions of the medication made by other manufacturers. The company will work with its customers to provide the same necessary and effective pharmaceuticals, while employing industry knowledge to save that customer money.



*SFDF Vice President Dan Hindbjorgen, left, looks over the plans for the new facility with AmeriPharm's Jim Bohnenkamp, Dennis Olsen and company president Ron Bertsch.*

*Construction started this summer on Sioux Falls Corporate Center II which will house AmeriPharm, and is now nearly complete.*



"The mail order setting allows more time for the pharmaceutical provider to analyze the case and recommend the best, most cost-effective solution," Bertsch said. "It's a standard part of our service."

AmeriPharm will largely work through insurance companies and employers who seek to provide the best service at the lowest cost to their customers and employees, Bertsch said. Patients with medical conditions requiring regular delivery of pharmaceuticals to maintain good health, such as diabetics, will benefit most from the service AmeriPharm provides.

The new building is expected to be completed this month. During the construction phase, AmeriPharm has been operating out of Corporate Center I, laying the groundwork for the company operations in the new facility. According to Bertsch, AmeriPharm should be filling prescriptions

*(continued on page 2...)*

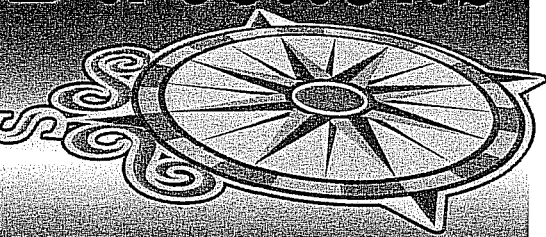


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**Sioux Falls  
Development Foundation**

Volume 26, Number 4  
July-August, 2002

# Directions



## We're Building A City!

Sioux Falls Development Foundation  
Annual Meeting  
4:30 to 6:30 p.m.  
Thursday, November 14, 2002



A publication of the

## Sioux Falls Development Foundation

Volume 26, Number 5  
September-October, 2002

## Time for a prosperity check: Don't miss our annual meeting

Just one organization in the Sioux Falls area keeps track of new construction, monitors the location of new companies in our two-county area, surveys businesses annually to chart their growth and puts all the Sioux Falls growth information together into a focused picture of progress. That organization is the Sioux Falls Development Foundation—and our annual meeting is the event which presents that picture to you.

This year's annual meeting—free and open to the public—will be held at the Sioux Falls Convention Center **Thursday, November 14**, from 4:30 p.m. to 6:30 p.m., with a brief business meeting beginning at 5:15 p.m. *We're Building A City* is the theme of the event, which will include the distribution of this year's annual report of progress.

"For decades, the Development Foundation has led the charge for growth and economic strength in Sioux Falls," said Steve Metli, city planning director since 1974. "The group's annual meeting is a great opportunity to look back over the past years and track our development as a community. I wouldn't miss it—and I encourage business, cultural and community leaders to attend."

In addition to this opportunity for community residents to be updated on the 2002 activities of the Development Foundation in a relaxed, informal setting, the meeting will also feature the presentation of the **Spirit of Sioux Falls Award**, given annually to a person who has demonstrated excellence in leadership and commitment to the economic development and growth of our community.

"The Spirit of Sioux Falls Award has become one of the most prestigious commendations in our community," said Dan Scott, Development Foundation president. "Past winners, from Al Schock to Charlie Kearns to the late Mayor Jack White, have all been individuals whose contribution to our community have really made Sioux Falls what it is today."

The gala event features hors d'oeuvres and a cash bar, along with a chance to network with others who care as much about Sioux Falls and its future as you do. You will be receiving an invitation to the meeting, but mark your calendar **TODAY for November 14!**



## Japanese scientist chooses Sioux Falls as research base

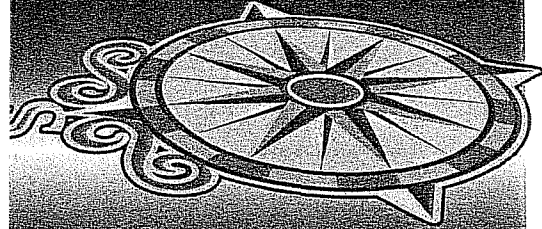
Yoshimi Kuroiwa, a bio-tech research scientist with the pharmaceutical division of Kirin Brewery Company, Limited of Tokyo, has chosen to pursue his research on the genetic production of human antibodies in Sioux Falls, site of the Hematech research laboratory. Hematech is working closely with Kirin's pharmaceutical division and Kuroiwa will be able to share data with Hematech researchers.

Kuroiwa considered lab sites in San Diego and other US cities before choosing to work in Sioux Falls. He will locate here with his wife and their two small children before the end of the year. We welcome the Kuroiwa family to Sioux Falls.



Yoshimi Kuroiwa

# Directions



## Bour wins Spirit of Sioux Falls award at annual meeting

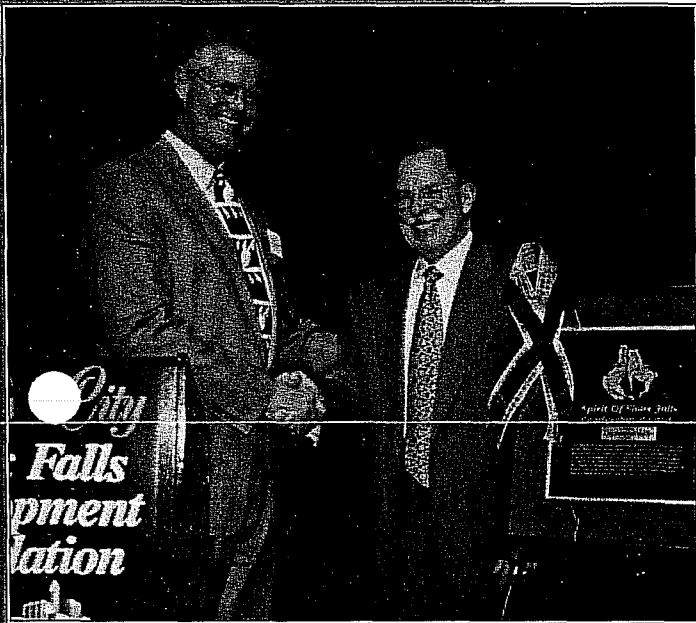
The Sioux Falls Development Foundation annual meeting was held at the Sioux Falls Convention Center Thursday, November 14. The theme of this year's gathering was *We're Building A City*, and one of the leading proponents of building the city of Sioux Falls was presented with the Spirit of Sioux Falls Award. Tony Bour, president of Showplace Wood Products and a longtime board member of the Development Foundation, was this year's recipient.

"As an entrepreneur, a business leader and a vital force on our board of directors, Tony Bour has always been a leader," said Kelby Krabbenhoft, SFDF board chairman. "Tony has worked tirelessly for the prosperity and economic strength of the entire area. We're proud to present this accolade to him."

The Spirit of Sioux Falls Award is given annually to a person who has demonstrated excellence in leadership and commitment to the economic development and growth of our community. Last year's winner was the late Sioux Falls mayor Jack White.

In addition to the presentation of the award, the meeting featured a report on last year's economic development activity from Development Foundation chair Krabbenhoft and remarks by Dan Scott, organization president. Also introduced at the meeting, which drew 300 business leaders, were the winners of the Development Foundation's Spirit of Sioux Falls Scholarships. This year, Micah Aberson, Augustana College; Melissa Ackerman, University of Sioux Falls; Chris Berg, University of South Dakota; Diane Hansum, USDSU, Sioux Falls; Brendon Plack, Augustana College, and Kristin Winchell, attending the University of St. Thomas, each won a \$2,500 scholarship for pursuing business education.

"The Development Foundation annual meeting gives us a chance to report to the community on the business activity, construction and growth of this region during the past year," Scott said. "We're pleased that so many executives and business leaders see it as an important date on their calendars!"



*2002 Spirit of Sioux Falls award winner Tony Bour, right, is congratulated by Sioux Falls Development Foundation Chair Kelby Krabbenhoft at the Foundation's annual meeting.*



A publication of the

**Sioux Falls  
Development Foundation**

Volume 26, Number 6  
November-December, 2002

## Season's Greetings

*May the warmth of family,  
friends and traditions  
joyfully carry you into a  
prosperous new year!*



## Ron's Ramblings



**Ron Kraft,  
Office of Economic  
Development**

The Kraft family will soon reach our 8<sup>th</sup> year anniversary in Yankton. It has been a great place to live and work these last years. Julie graduated from a first-rate high school here. We have watched major economic and infrastructure changes take place in that time. More important, folks, "You ain't seen nothin' yet!" The next eight years should be really exciting.

Last Eight Years: *A few projects I think of as I write this:*

√The Yankton High School and Summit Activities Center is performing the desired functions while demonstrating to prospective investors and prospective new families that Yankton is a great place to live and work.

√Fox Run Taxing District, considered by some to be a failure, is now a huge tax base success.

√Mame Creek was an overgrown floodway waiting for the next disaster and is now the attractive and functional Auld-Brokaw Trail.

√The Downtown/Riverfront/Cornerstone district is the focus of the City and private sector for targeted infrastructure and business redevelopment.

√Bernard Properties is revitalizing buildings throughout the downtown.

√The former Aalf's Manufacturing building is now the Technical Education Center.

√Health care property investments include:

- \* The North Campus of the Human Services Center
- \* Majestic Bluffs
- \* Pine Lanes
- \* The Wellness Center
- \* Lewis & Clark Specialty Hospital

√First Fitness Center

√A new Chamber/Visitor Center is under construction.

√The Corps of Discovery Welcome Center was conceived and constructed across the river.

√A new county administration building has been constructed.

√Many new improvements have been made to Corps of Engineers property and Lewis & Clark State Park.

√Two 40,000-sf industrial shell buildings have been constructed and sold to manufacturing companies.

√21<sup>st</sup> and 23<sup>rd</sup> Streets and north Highway 81 have been reconstructed.

√And, this list could go on and on.

In the Next Eight Years: We will see more of the same types of improvements and the implementation of projects nobody has even conceived yet. Individuals will speculate as to the "worth" of projects past and present, but the people of Yankton will exercise due process and charge ahead to make many good things happen.

Neat new projects will happen because our area has too many opportunities to go unnoticed. Yankton has too many good leaders who will overcome the loyal opposition and make the worthy projects happen.

Like the Kraft family, new people will come to town, like what they see, add their proverbial two cents to the planning process, and they, too, will stay.

If you would like to discuss this further, my phone number is 665-9011. Let's have a cup of coffee and talk about the Yankton area's future.

## Ron's Ramblings...

by Ron Kraft

Yankton Office of Economic  
Development



We participated in a national survey in January, *Economic Development After 9/11. DCI Survey Show Surprising Strength in Groups Deal Flow and Prospect Pipelines*, by Rob DeRocker

I would like to share some of this information with you because it demonstrates that not businesses and organizations have been impacted in the same way in this period.

*While a slight majority of the survey's 51 respondents said that they had announced fewer expansions and relocations, and were entertaining fewer prospects in the final quarter of 2001 than in the same period in the previous year, most attributed the dips to the overall decline in the economy, rather than the terrorist acts in NYC and Washington DC.*

Thirty seven percent said they announced more deals in late 2001. Forty-one percent said they had more deals in the pipeline than they did in late 2001. Chris Braendlin, Commissioner, Governor's Office of Economic Development, reminded us at Yankton Day that projects often take 18 months. The activity now is the result of something that may have started some time ago. And, new leads could be 18 months from announcement when the economy may have recovered.

As I have said before this winter, we have been pleased with the new leads we are getting. I think we may have a good year in development before 2002 is over and certainly into 2003.

Yankton Area Progressive Growth, Inc. held their corporate annual meeting February 19, 2002. Dr. Stan Vittetoe, Director, Southeast Technical Institute was the featured speaker. The corporate officers provided a summary of the past year's activities and answered questions for the member/investors. Written copies of the Annual Report are available at the Chamber Office if you would like to stop and pick one up. The Annual Report includes a detailed history of the corporation and the projects in which they have participated.

I will be attending the National Manufacturing Trade Show in Chicago in mid-March. MidAmerican Energy invites economic development professionals to help them work their booth during the show as part of their Local Partners program. In return for our participation, we will have access to leads generated by the show.  
**Remember:** *The only way to have a friend is to be one.* A common sense truth, as taken from a local fortune cookie.

## What would happen if...?

What would happen to your business if you couldn't be there tomorrow? "Business Succession & Continuity: Obstacles & Opportunities?" is a workshop designed to help you answer that question.

The workshop will be held on Tuesday, March 12, Buffalo Run Winery, 1500 West Main, Vermillion.

Cost is \$35 for non-members of the South Dakota Family Business Initiative; free for members. First-timers may also attend free and learn about the SD-FBI's resources.

The workshop is sponsored by South Dakota Family Business Initiative, Wells Fargo Bank, RSM McGladrey, South Dakota Small Business Development Center and the University of South Dakota School of Business.

## THANKS 2002 ROW CROP CLINIC SPONSORS

First Dakota National Bank	Hoffner Flying
Appelhof's Carquest Auto	Gerstner C
Graham Tire Service	First National Bank SI
Animal Health Clinic	Robinson-Ehre
Yankton Ag Service	Bomgaard
Koletzky Implement	Varilek Truck Repair
Farm Credit Services of America	Mark's Machinery
CorTrust Bank	Hy-Ve
Wells Fargo Bank	Hubbs Agency/Somsen Agency
Marquette Bank	Yankton Equipment
Services Center Federal Credit Union	Cimpl Meat

*Ron's Ramblings...**by Ron Kraft**Yankton Office of Economic  
Development*

The weather forecast, on the day I am writing this, is to set a record high temperature. Typical Upper Midwest/Plains States weather where we go direct from winter to summer.

New retail and service businesses are continuing to consider *startups* and *expansions*. Entrepreneurs are not being deterred by the recession and may even be inspired by the recession. "Restaurant" activity appears to be an area of high interest right now. Keep in mind that the economic development program does not get to choose what kind of projects people want to do.

Last issue I mentioned that I would be participating with MidAmerican Energy in the National Manufacturer's Trade Show. We generated seven prospect leads. Four of the leads are more oriented toward eastern Iowa or Illinois. Three are possible leads for our region.

*High-speed communications and high technology processes and computers* are driving the economic development process. This makes/allows projects to move very rapidly some times. We get a call from the State to send them the Yankton data electronically, because the State has to forward it to the consultant electronically. (No hard copy allowed.) The State sent 100 pages of electronic information to the client. This is the first time the State has had to send all the info electronically. This was the second time for Yankton. The bad news is that South Dakota has been eliminated already from the five-state search. Electronic communications also allows rapid evaluation of the data.

Local manufacturers are getting the opportunity to bid on some big projects around the nation. Sounds very promising.

Government jobs and the client activity related to government jobs are often considered "economic development." Those jobs recapture state and federal funds previously lost to the local area. The activity minimizes leakage of local money from the area if our citizens have to travel elsewhere for service.

The judicial system in Yankton needs more space. A new judge is to be assigned here, if we have space. There must be 15 or 20 jobs higher paying jobs in Yankton because of the Circuit Courts and likely more possible. I heard Judge Art Rusch speak last fall and Yankton needs to do something soon. Like most economic development solutions, "cheap" may not be the answer and might be the most expensive.

By the time you read this, Southeast Technical Institute and Southeast Job Link should be located in the new Technical Education Center on 21st Street, the former Aalf's Manufacturing building. The money continues to come in from the fund drive to meet the local match to the EDA Grant.

Speaking of fund drives, the Auld-Brokaw Trail continues to develop and funds continue to arrive to meet the \$900,000 need, and...

The new MMC Learning Resource Center is looking better every day! Dr. Carrol Krause deserves special thanks from Yankton for doing a yeoman's job of serving as the interim president of the college. A fine gentleman.

Global Economic Development: Yankton is very dependent on agriculture and manufacturing. Agriculture and manufacturing here can benefit from passage of the Trade Promotion Authority. Senator Daschle has made it a priority to get it on the Senate floor for debate. Thank you.

Visitor season approaches, a very important part of Yankton's retail and service economy. If you are in any business that has the chance to "meet & greet" the public, be well informed about the area so you can answer questions and give directions. That stranger may spend a lot of dollars here; might even invest here.

*Remember: "Be suspicious of a boss who always schedules meetings instead of making decisions." Life's Little Instruction Book, Volume II.* And...take time to enjoy the spring!

For Immediate Release: Friday, October 18, 2002  
For More Information: Bob Mercer, (605) 773-3212

## **M-tron Industries to Create Jobs in Yankton**

(Pierre) –M-tron Industries of Yankton will create up to 32 jobs in the next three years, Governor Bill Janklow announced today, Friday, October 18.

“M-tron recently acquired the assets of a Chicago-based competitor named Champion Technologies,” Janklow said. The acquisition will result in new customers and the need for new employees at M-tron,” he said.

Janklow said M-tron is a true South Dakota success story. “This company started in our state in 1965. With the additional employees, M-tron will have a South Dakota staff of more than 125 people,” Janklow said.

Janklow also noted that this company has tremendous potential for future growth. “This is a company that manufactures and sells packaged quartz crystal frequency control devices. As the demand for digital technology grows, M-tron will continue to grow,” he said.

Bob Zylstra, President and Chief Executive Officer of M-tron, explained the decision to pursue acquisitions, and in particular to acquire the assets of Champion. “M-tron believes that there is an excellent opportunity to create value for our customers and our investors by acquiring selected companies during this period of business downturn. Today we have a unique opportunity to acquire technology and innovative product designs from Champion,” he said.

“The local effort to assist M-tron with its expansion was a public partnership. Yankton Area Progressive Growth, Inc. recently received a Neighborhood Initiative Grant from the City of Yankton for its revolving loan fund. YAPG was able to loan this money to M-tron as part of a package that includes the Governor’s Office of Economic Development REDI Fund loan fund and dollars from the Areawide Business Council,” said Ron Kraft, secretary/treasurer, Yankton Area Progressive Growth, Inc. “Without the efforts of Governor Janklow and the GOED, this project wouldn’t have come together as quickly as it did,” Kraft concluded.

# Congratulations



## Empire Products Inc. Hosts New Expansion Ribbon Cutting

The Yankton Area Chamber of Commerce Ambassadors hosted a expansion ribbon cutting for the Empire Products. Empire Products, Inc. is a South Dakota military and Commercial Contract Sewing Manufacturer. They have been supplying military products to the government for 20+ years. They have a reputation for maintaining one of the finest MIL-I-45208 Quality Inspection Systems in the business.

Items that they have manufactured include field packs, survival vests, ammunition bags, and charge bags, as well as numerous commercial items. E.P.I. has an excellent history for quality and on-time deliveries. They have received numerous awards from their customers, including being a "Ship to Stock Supplier" and being a member of the "Allies in Excellence" program.

Their management team includes the following people: Richard Antone, President; Connie K. Luke, Quality Assurance Manager/Customer Service; Karen Schaefer, Plant Manager; Lori Smith, Production Engineer; Kelly Bellmer, Quality Manager's Assistant; Laura Draskovic, Quality Assurance. They are very proud of their new manufacturing facility and hope to expand their business and provide more job opportunities in South Dakota.

YANKTON DAILY

11-25-02

Press & Dakotam

# STI Project Gets Boost From Governor

5/3/02

## \$200,000 Will Help Complete Expansion Plan

BY LISA CHAMLEY  
P&D City Editor

The Southeast Technical Institute expansion project in Yankton has received a \$200,000 boost from Gov. Bill Janklow. Janklow announced the funding Thursday during a conference call that also included Ron Kraft, of Yankton Area Progressive Growth. YAPG owns the building, which is the

former Aalf's facility, that has been turned into a branch campus for STI, based in Sioux Falls. "I'll give you the 200 [thousand]," Janklow told Kraft. "It's a done deal." Kraft said they wanted the money to finish out the 6,600 feet of space left in the building that was yet untouched.

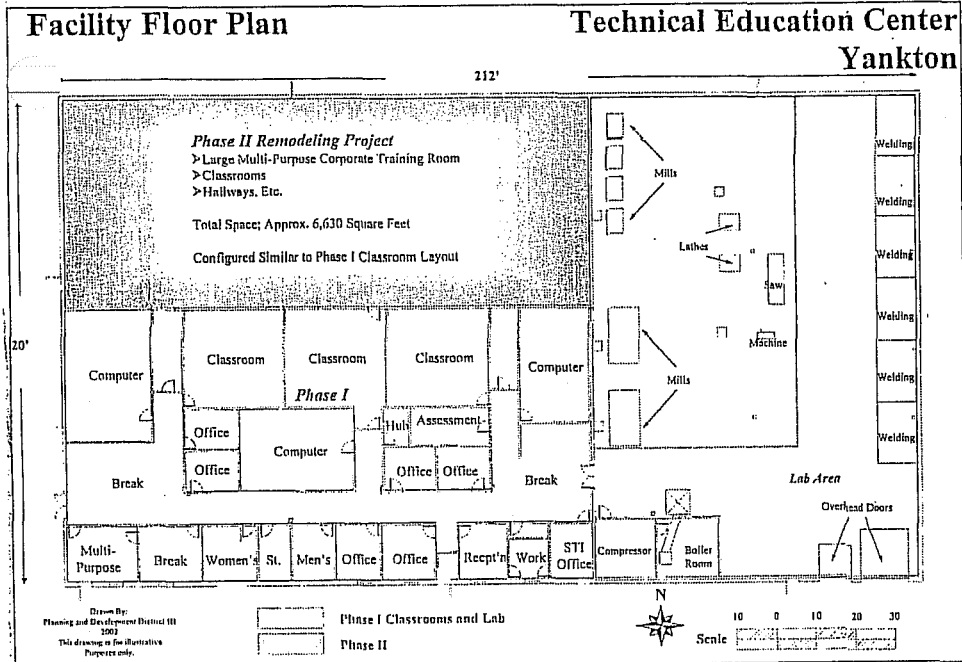


JANKLOW

"We've got more than half of the classrooms in place, all of the laboratory in place. We just have that 6,600 square feet left we'd like to finish off," Kraft said. "You're just putting all the frosting on the cake," Kraft told the governor. Janklow said he was impressed with the enthusiasm shown when he visited Yankton last month. The facility is 25,000 square feet and the majority of it is completed, but the remaining 6,600 feet was waiting for further funding. An estimated \$225,000 is needed to finish that

area, but Kraft said YAPG would raise the \$25,000 if they could get the \$200,000 grant. Dave Seykora, STI's supervisor of busin and industry training, said he was very excited about receiving the grant. "It's going to help us to do even more extensive training, because one of the things we want to finish off is a training room that can accommodate 60 to 80 people," Seykora said. In addition, two more classrooms will be created. Part of that unfinished space will have

See **PROJECT** on Page



# PROJECT

From Page 1A

be hallway to meet fire codes. Having the entire building finished will be an asset, Seykora said. "It'll be easier to market our training, [and] with that oversize classroom, that will bring a lot more traffic to our campus there," he said. Specifics of the conference room's makeup and amenities weren't available, but Seykora said they have wanted to create a large meeting room so that companies that like to train their entire staff at once can be accommodated. He added many companies bring in their own equipment to train on. "It's very difficult to find something like that in Yankton," he said. STI has taken possession of what had been the former Aalf's manufacturing facility in the northwest part of Yankton as of April 29, Seykora said. "We can have the construction going on as we're doing training classes during the week," he said. Seykora estimated that with the bid process, it could be Aug. 1 before the entire building is completed. "Everything came together at once. It was just fantastic how easy-

Two classrooms, an oversized corporate training room and hallways will be constructed in the unfinished portion of the Southeast Technical Institute building in Yankton. Gov. Bill Janklow announced Thursday that he was releasing \$200,000 of the needed \$225,000 for the project. This diagram shows the current layout of the building; the new construction will be placed in the upper left-hand corner.

# Congratulations



## Lewis & Clark Specialty Hospital Hosted With New Business Ribbon-Cutting

The Yankton Area Chamber of Commerce Ambassadors hosted a new business ribbon-cutting for Lewis & Clark Specialty Hospital, 2601 Fox Run Parkway, Yankton.

Lewis & Clark Specialty Hospital is a premier surgical facility that opened its doors on April 29. Physician owners hosted an open house on April 26 & 27. The "Spirit of Discovery" stone statue of Meriwether Lewis and William Clark was also unveiled on the front lawn of the new building.

Surgical specialties at the new hospital are: Urology, Dr. Joseph Boudreau; General Surgery/Gynecology, Dr. Kynan Trail and Dr. Myles Tieszen; Ear, Nose and Throat, Dr. Jeffrey Liudahl and Dr. David Abbott; Orthopedic Surgery, Dr. Dan Johnson, Dr. Don Swift and Dr. Doug Nielson; Ophthalmology, Dr. Paula Hicks and Dr. John Willcockson; Podiatry, Dr. Scott Shindler. CEO is Connie Wagner. Area physicians and surgeons are also invited to practice at Lewis and Clark Specialty Hospital.

The business phone number is 665-5100.

YANKTON DAILY

Press & Dakotam

5/11/02

# Street Project Receives \$196,000

## Governor Announces State Grant

BY RANDY DOCKENDORF

P&D Regional Editor

The Fox Run industrial park — and the rest of western Yankton — will receive an improved road this year thanks to a \$196,000 grant for paving West 23rd Street from Kellen Gross to West City Limits Road.

Gov. Bill Janklow announced the state grant during Monday's conference call with Yankton officials and media. The governor said the proj-

ect continues a long line of economic successes for the Yankton area.

Janklow told local officials that "you have it all together and have become the magnet for the region." The governor said that fact was reinforced when he was traveling to Scotland on Friday for an 8:15 a.m. breakfast



JANKLOW

meeting.

"You would not believe how many cars were going west to east on Highway 50, going to Yankton for work," he said, adding that the Yankton jobs help those same people remain living in their home communities.

Yankton City Manager Eric Swanson said the West 23rd Street project has been in the works for six to eight years. The governor's funding decision, he said, was swayed by a letter from Shur-Co president Bill Shorma.

"Bill Shorma stated his company had made a major investment (at Fox Run) and supported the paving of the road," Swanson said. "Bill

Shorma needs to be congratulated and re-nized for the assistance he lent to the city. Shur-Co's move into a spec building at site also helped attract Monday's grant, according to Mayor Terry Crandall.

"It created the environment where the ernor could justify putting that money in road work," Crandall said.

Thanking Janklow for the grant, Shorn said during the conference call that the represents an investment in Yankton's inf structure and economy. Shorma could not reached for further comment Monday.

See JANKLOW on Pa.

## JANKLOW

From Page 1

The City of Yankton will fund a \$70,000 match for construction, with the majority of the funds going toward a water-line upgrade, Swanson said. The work was needed anyway and will be installed at the same time as the road project, he said.

"We appreciate the generosity of the governor on this project," Swanson said. "Fixing up the commercial park will add to the industrial and commercial prospects well into the future."

The city intends to complete the road project by this fall, Swanson said.

"It's a pretty straightforward project, because there are no utility conflicts and no curves," he said. "This will be a separately-bid project, and the city staff will be designing in-house. We anticipate bid documents by late May."

The public will also benefit from the West 23rd Street project by no longer traveling over a gravel road, Swanson said. The entire length of the street will offer a pedestrian route

across the city, opening traffic on the west side of town, he said.

The improved traffic will benefit Yankton Area Adjustment Training Center (YAATC) clients who walk to and from the YAATC center, Swanson said. The improved road will also serve Lewis and Clark Lake traffic, he said.

The project comes at a crucial time for Yankton traffic, Swanson said: "This will provide a very viable alternative during Broadway (Avenue) construction," he said.

The improved road and utilities should make Fox Run more attractive to buyers, Swanson said.

"We showed (the industrial park) to a couple of prospects, and they were not as interested because of the dust problems," he said. "With a concrete road, it will certainly not be a limiting factor."

More property sales will add to the tax base, Crandall said, noting the Fox Run project should be paid off by 2006.

"We have been working on this (road) for some time. It's a further piece of the economic-development puzzle," he said.

"I also see this as an artery for the Fox Run region. It will be a real boon to the people hiking 23rd Street to

West City Limits Road. You are going to find the road will get a lot more usage."

Yankton has benefited from its public-private partnerships and having a program in place when funding became available, Crandall said.

Yankton also benefits from the District III Planning and Development office and by its track record with the Marne Creek grant and other projects, he said.

"It shows what can be accomplished by the whole city staff, the Chamber of Commerce and Yankton Area Progressive Growth," he said.

Janklow's grant announcement was his second news for Yankton in a four-day span. On Friday, he announced Baldwin Filters was adding 24 jobs and providing a \$10,000 grant for Southeast Area Tech's satellite campus in Yankton.

"This has been a good week. It's nice to have an economic shot in the arm the last couple of days from the governor's office," Crandall said.

"Generally speaking, we are on a solid economy. Now, we can do more to build on that. Southeast Tech will help us on the technical side, while Mount Marty College offers liberal arts. We are pleased it has fallen together."

Baldwin Filter's grant shows its commitment to a trained workforce, Swanson said.

"It's significant that a company is announcing they are expanding and at the same time giving back to the community a \$10,000 grant for the vo-tech school," he said.

Swanson noted the importance of a diverse regional economy.

"Statistics show we have a commercial region of 85,000 people for retail, manufacturing and health care," he said.

"Our town of 14,000 grows to 20,000 during the day, which indicates we are getting our labor force from surrounding counties in Nebraska and South Dakota."

In the same respect, Yankton benefits from a strong surrounding area, Swanson said. "It's significant to think regionally about what is good for Tyndall, Tabor, Hartington and Gayville," he said.

Crandall echoed the sentiment of being "good neighbors for the outlying area." He said Monday's grant will help improve the area.

"The bottom line is that we are creating a better life," he said.

To contact Randy Dockendorf, e-mail him at [rdock@yankton.net](mailto:rdock@yankton.net).

3/19/02



MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2003 ECONOMIC DEVELOPMENT  
PROPOSED BUDGET

Development Group Support

Forward Sioux Falls .....	\$ 18,250
Yankton Area Progressive Growth .....	3,000
Vermillion Development Co. ....	1,000
Sioux Falls Development Foundation .....	850
Siouxland Initiative (South Dakota allocation) .....	1,500
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
Montrose Development Corp .....	200
North Sioux City Development Corp.....	200
Salem Development Corp .....	200

Program Subtotal ..... 1,400

Economic Assistance Programs

Intended for economic development enhancements that help to create new jobs, capital investment and economic benefit to communities within our service territory (GOLD program, industrial site analysis, etc.) ..... 5,000

Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory (trade shows/marketing assistance, etc.)..... 7,000

Proposed Staffing

Allocation of salaries and related expenses for MEC developers working with and/or on behalf of communities in our South Dakota service territory..... 55,000

**TOTAL 2003 PROPOSED BUDGET FOR SDPUC APPROVAL \$100,000**

**South Dakota Public Utilities Commission**  
**WEEKLY FILINGS**  
For the Period of January 9, 2003 through January 15, 2003

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

**CONSUMER COMPLAINTS**

**CN03-001 In the Matter of the Complaint filed by Veda J. Boxwell, Sioux Falls, South Dakota, against MidAmerican Energy Company Regarding Billing.**

Complainant states that after selling her property at 1000 N. Minnesota, she contacted MidAmerican and asked that it remove her name from the billing at this address and to inquire about what her final bill would be. In January 2003, Complainant requested that MidAmerican put her name on the billing address at 3316 N. 9th Ave. MidAmerican told her that it could not put her name on the account because she had service in her name at 1000 N. Minnesota and had an outstanding bill of \$240.00. Complainant requests that service be removed from her name at 1000 N. Minnesota, effective January 15, 2002, that the outstanding bill at this address be removed from her name and that she be allowed service in her name at 3316 N. 9th Ave., effective immediately.

Staff Analyst: Mary Healy  
Staff Attorney: Karen Cremer  
Date Docketed: 01/10/03  
Intervention Deadline: N/A

**CT03-001 In the Matter of the Complaint filed by Berdell Kinsley, Springfield, South Dakota, against BroadWing Telecommunications, Inc. Regarding Unauthorized Switching of Services.**

Complainant states that his service was switched without his authorization. Complainant requests a payment of \$800.00 for the unauthorized switch and reimbursement of expenses to attend a hearing.

Staff Analyst: Mary Healy  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Intervention Deadline: N/A

**ELECTRIC**

**EL03-002 In the Matter of the Filing by Otter Tail Power Company for Approval of a Contract with Deviations with the City of DeSmet.**

Application by Otter Tail Power Company for approval of a contract with deviations with the City of DeSmet. The current municipal contract providing electrical service expires February 1, 2003. The new contract contains rates that are not otherwise tariffed.

Staff Analyst: Dave Jacobson  
Staff Attorney: Karen Cremer  
Date Docketed: 01/14/03  
Intervention Deadline: 01/24/03

## NATURAL GAS

**NG03-001** In the Matter of the Filing by MidAmerican Energy Company for Approval of its 2002 Economic Development Report and its 2003 Economic Development Plan.

Application by MidAmerican Energy Company for approval of its 2002 Economic Development Report and 2003 Economic Development Plan in accordance with the Settlement Stipulation in Docket NG01-010. The Settlement Stipulation specifies that economic development expenses up to \$100,000 shall be equally paid by ratepayers (\$50,000) and shareholders (\$50,000) and that MidAmerican's programs will be submitted for approval on an annual basis.

Staff Analyst: Dave Jacobson  
Staff Attorney: Karen Cremer  
Date Docketed: 01/15/03  
Intervention Deadline: 01/31/03

## TELECOMMUNICATIONS

**TC03-002** In the Matter of a Confidential Settlement Agreement between U S WEST Communications, Inc. and Advanced Telecom Group, Inc.

**TC03-003** In the Matter of an Agreement between U S WEST Communications, Inc., Qwest Communications International, Inc. and AT&T Corporation, AT&T Communications of the Midwest, Inc., AT&T Communications of the Mountain States, Inc., AT&T Communications of the Pacific Northwest, Inc. and AT&T Broadband Services, Inc. dba AT&T Cable Services and Teleport Communications Group, Inc. dba AT&T Local Services.

**TC03-004** In the Matter of a Confidential Billing Settlement Agreement between Qwest Corporation and Black Hills FiberCom, L.L.C.

**TC03-005** In the Matter of a Confidential Settlement Document in Letter Format between U S WEST, Inc. and McLeodUSA.

**TC03-006** In the Matter of a Subject to Rule of Evidence 408, Confidential Billing Settlement Agreement between U S WEST Communications, Inc. and McLeodUSA, Inc.

**TC03-007** In the Matter of a Confidential Settlement Agreement between U S WEST Communications, Inc. and McLeodUSA Telecommunications Services, Inc.

**TC03-008** In the Matter of a Letter Agreement between Qwest Corporation and McLeodUSA Incorporated.

**TC03-009** In the Matter of a Subject to Rule of Evidence 408, Confidential Billing Settlement Agreement between Qwest Corporation and McLeodUSA, Inc.

**TC03-010** In the Matter of a Subject to Rule of Evidence 408, Confidential Amendment to Confidential Billing Settlement Agreement between Qwest Corporation and McLeodUSA Incorporated.

- TC03-011** In the Matter of a Subject to Rule of Evidence 408, Purchase Agreement between Qwest Communications Corp. and McLeodUSA Telecommunications Services, Inc.
- TC03-012** In the Matter of a Subject to Rule of Evidence 408, Purchase Agreement between Qwest Communications Corp. and McLeodUSA Telecommunications Services, Inc.
- TC03-013** In the Matter of a Subject to Rule of Evidence 408, Confidential Amendment to Confidential Billing Settlement Agreement between Qwest Corporation and McLeodUSA Incorporated.
- TC03-014** In the Matter of a Subject to Rule of Evidence 408, Amendment to Confidential Billing Settlement Agreement between Qwest Corporation and McLeodUSA, Inc.
- TC03-015** In the Matter of a Confidential Agreement to Provide Directory Assistance Database Entry Services between Qwest Corporation and McLeodUSA Telecom Development, Inc.
- TC03-016** In the Matter of a Confidential Billing Settlement Agreement between Qwest Corporation, successor to U S WEST Communications, Inc., and McLeodUSA Telecommunications Services, Inc.
- TC03-017** In the Matter of a Confidential Billing Settlement Agreement between Qwest Communications Corporation and McLeodUSA Telecommunications Services, Inc.
- TC03-018** In the Matter of a Memorandum of Understanding between Qwest Corporation and Z-Tel Communications, Inc.

The above 17 Agreements were filed with the Commission on 06/13/02, as a confidential exhibit to the Affidavit of Todd Lundy in Docket TC01-165. On 11/22/02, in the Order Regarding the Public Interest, the Commission ruled that the issue of whether these Agreements were a mandatory filing should be considered separate from the TC01-165 docket. Pursuant to that Order, these dockets were opened for the purpose of receiving a Commission ruling on whether these Agreements should have been filed pursuant to the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. Qwest has requested confidential treatment of the contents of these Agreements pursuant to ARSD chapter 20:10:01. Any party wishing to comment on these Agreements may do so by filing written comments with the Commission and the parties to these Agreements no later than February 5, 2003. Parties to these Agreements may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
 Date Docketed: 01/10/03  
 Initial Comments Due: 02/05/03

- TC03-019** In the Matter of a U S WEST Service Level Agreement with Covad Communications Company Unbundled Loop Services between U S WEST Network Complex Services and Covad Communications Company.

This Agreement was filed with the Commission on 06/13/02, as a confidential exhibit to the Affidavit of Todd Lundy in Docket TC01-165. On 11/22/02, in the Order Regarding the Public Interest, the Commission ruled that the issue of whether this Agreement was a mandatory filing should be considered separate from the TC01-165 docket. Pursuant to that Order, this docket was opened for the purpose of receiving a Commission ruling on whether this agreement should have been filed pursuant to the

mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. According to the Agreement, Qwest f/k/a U S WEST, agreed to make demonstrable improvements to its provisioning service performance on unbundled loops, in order to reach service quality standards as set forth in the Agreement. Covad agreed to withdraw its opposition to the U S WEST/Qwest merger in return. 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 February 5, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/10/03  
Initial Comments Due: 02/05/03

**TC03-020 In the Matter of a Subject to Rule of Evidence 408, Confidential Billing Settlement Agreement between U S WEST Communications, Inc. and McLeodUSA, Inc.**

This Agreement was filed with the Commission on 06/13/02, as a confidential exhibit to the Affidavit of Todd Lundy in Docket TC01-165. On 11/22/02, in the Order Regarding the Public Interest, the Commission ruled that the issue of whether this Agreement was a mandatory filing should be considered separate from the TC01-165 docket. Pursuant to that Order, this docket was opened for the purpose of receiving a Commission ruling on whether this agreement should have been filed pursuant to the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. According to the Agreement, in consideration for McLeodUSA's withdrawal from the dockets related to the U S WEST/Qwest merger, Qwest f/k/a U S WEST agreed to pay McLeodUSA a fixed sum for the settlement of disputes involving nonblocked Centrex service, subscriber list information and miscellaneous billing disputes. 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 February 5, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/10/03  
Initial Comments Due: 02/05/03

**TC03-021 In the Matter of a Confidential Agreement in Letter Format between Qwest Communications International, Inc. and McLeodUSA Incorporated.**

This Agreement was filed with the Commission on 06/13/02, as a confidential exhibit to the Affidavit of Todd Lundy in Docket TC01-165. On 11/22/02, in the Order Regarding the Public Interest, the Commission ruled that the issue of whether this Agreement was a mandatory filing should be considered separate from the TC01-165 docket. Pursuant to that Order, this docket was opened for the purpose of receiving a Commission ruling on whether this agreement should have been filed pursuant to the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. According to the Agreement, the parties agreed to (1) develop an implementation plan by which the parties agree to implement their interconnection agreements, (2) arrange quarterly meetings to address unresolved and/or anticipated business issues, and (3) establish and follow escalation procedures to facilitate and expedite business-to-business dispute resolutions as set forth in the Agreement. 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 February 5, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/10/03  
Initial Comments Due: 02/05/03

**TC03-022 In the Matter of the Filing by NOS Communications, Inc. for Approval of its Intrastate Switched Access Tariff and for an Exemption from Developing Company Specific Cost-Based Switched Access Rates.**

On January 10, 2003, NOS Communications, Inc. filed a request for approval of switched access rates with consideration of ARSD 20:10:27:07 being waived. The Applicant has also requested a waiver of ARSD 20:10:27:12. NOS Communications, Inc. intends to mirror the switched access tariffed rates of Qwest.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/10/03  
Intervention Deadline: 01/31/03

**TC03-023 In the Matter of the Filing for Approval of a Boundary Change between Valley Telecommunications Cooperative Association, Inc. and Venture Communications Cooperative.**

Valley Telecommunications and Venture Communications have filed a joint petition proposing changes to several exchange boundaries. The proposed exchange boundaries affect the following exchanges: Glenham/Selby, Mound City/Selby, Eureka/Selby, Hosmer/Bowdle, Ipswich/Roscoe.

Staff Analyst: Michele M Farris  
Staff Attorney: Karen Cremer  
Date Docketed: 01/13/03  
Intervention Deadline: 01/31/03

**TC03-024 In the Matter of the Filing for Approval of a Line Information Data Base Storage Agreement between U S WEST Communications, Inc. and Black Hills FiberCom, L.L.C.**

On January 13, 2003, the Commission received a filing of an Agreement between U S WEST Communications, Inc. n/k/a Qwest Corporation and Black Hills FiberCom, L.L.C. for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 1999 Line Information Data Base Storage Agreement between U S WEST (now Qwest) and Black Hills FiberCom, L.L.C. According to the parties, the agreement is a negotiated agreement which sets forth the terms, conditions, and prices under which U S WEST agreed to offer and provide to any requesting CLEC network interconnection, access to unbundled network elements, ancillary services and telecommunications services available for resale within the geographical areas in which U S WEST was providing local exchange services at that time and for which U S WEST was the incumbent local exchange carrier within the state of South Dakota for purposes of providing local telecommunications services. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-025 In the Matter of the Filing for Approval of a Common Channel Signaling Network Interconnection Agreement Switched Access Services between U S WEST Communications, Inc. and Black Hills FiberCom, L.L.C.**

On January 13, 2003, the Commission received a filing of an Agreement between U S WEST Communications, Inc. n/k/a Qwest Corporation and Black Hills FiberCom, L.L.C. (BHFC) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The agreement is a 1999 Common Channel Signaling Network Interconnection Agreement Switched Access Services. According to the parties, the agreement is a negotiated agreement which describes the terms and conditions under which the parties agree to permit their customers to use line number telephone calling cards to initiate calls and also to permit their customers to bill calls to accounts associated with cards, collect, bill to third number and public telephone check for the specific number. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-026 In the Matter of the Filing for Approval of an Internetwork Calling Name Delivery Service Agreement (ICNAM Service) between U S WEST Communications, Inc. and Black Hills FiberCom, L.L.C.**

On January 13, 2003, the Commission received a filing of an Agreement between U S WEST Communications, Inc. n/k/a Qwest Corporation and Black Hills FiberCom, L.L.C. (BHFC) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 1999 Internetwork Calling Name Delivery Service Agreement ("ICNAM Service") which provides the terms and conditions under which U S WEST (now Qwest) will provide ICNAM services to BHFC, thereby transporting Calling Name data between the parties' databases. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-027 In the Matter of the Filing for Approval of a Custom Local Area Signaling Services (CLASS) Network Interconnection Agreement between U S WEST Communications, Inc. and Black Hills FiberCom, L.L.C.**

On January 13, 2003, the Commission received a filing of an Agreement between U S WEST Communications, Inc. n/k/a Qwest Corporation and Black Hills FiberCom, L.L.C. (BHFC) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 1999 Custom Local Area Signaling Services ("CLASS") Network interconnection Agreement which describes the terms and conditions under which the parties agreed to provide each other access to interconnect their respective networks for the provision of intraLATA CLASS in compliance with the Common Channel Signaling Network ("CCSN") Interconnection Agreement for switched access services. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-028 In the Matter of the Filing for Approval of a Transit Record Exchange Agreement to Co-Carriers (WSP - Transit Qwest - CLEC) between Qwest Corporation and McLeodUSA Telecom Development, Inc.**

On January 13, 2003, the Commission received a filing of an Agreement between Qwest Corporation (Qwest) and McLeodUSA Telecom Development, Inc. (McLeodUSA) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 2001 Transit Record Exchange Agreement to Co-Carriers (WSP - Transit Qwest - CLEC). According to the parties, the Agreement is a negotiated agreement made in order for each party to obtain from the other certain technical and business information related to wireless network usage data under terms that will protect the confidential and proprietary nature of such information. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-029 In the Matter of the Filing for Approval of a Transit Record Exchange Agreement to Co-Carriers (Wireline - Transit Qwest - CLEC) between Qwest Corporation and McLeodUSA Telecom Development, Inc.**

On January 13, 2003, the Commission received a filing of an Agreement between Qwest Corporation and McLeodUSA Telecom Development, Inc. (McLeodUSA) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 2001 Transit Record Exchange Agreement to Co-Carriers (Wireline - Transit Qwest - CLEC). According to the parties, the Agreement is a negotiated agreement made in order for each party to obtain from the other certain technical and business information related to wireline network usage data under terms that will protect the confidential and proprietary nature of such information. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-030 In the Matter of the Filing for Approval of a Transit Record Exchange Agreement to Co-Carriers (WSP - Transit Qwest - CLEC) between Qwest Corporation and Midcontinent Communications, Inc.**

On January 13, 2003, the Commission received a filing of an Agreement between Qwest Corporation and MidContinent Communications for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 2002 Transit Record Exchange Agreement to Co-Carriers (WSP - Transit Qwest - CLEC). According to the parties, the Agreement is a negotiated agreement made in order for each party to



obtain from the other certain technical and business information related to wireless network usage data under terms that will protect the confidential and proprietary nature of such information. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-031 In the Matter of the Filing for Approval of a Transit Record Exchange Agreement to Co-Carriers (Wireline - Transit Qwest - CLEC) between Qwest Corporation and Midcontinent Communications, Inc.**

On January 13, 2003, the Commission received a filing of an Agreement between Qwest Corporation and MidContinent Communications) for a determination of whether the agreement fell within the mandatory filing requirements of section 252(e)(1) of the 1996 Telecommunications Act. The Agreement is a 2002 Transit Record Exchange Agreement to Co-Carriers (Wireline - Transit Qwest - CLEC). According to the parties, the Agreement is a negotiated agreement made in order for each party to obtain from the other certain technical and business information related to wireline network usage data under terms that will protect the confidential and proprietary nature of such information. 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 February 3, 2003. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/13/03  
Initial Comments Due: 02/03/03

**TC03-032 In the Matter of the Application of Alticom, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services and Local Exchange Services in South Dakota.**

Alticom, Inc. is seeking a Certificate of Authority to provide interexchange and local exchange telecommunication services in South Dakota. The applicant intends to provide a full range of services on a resale basis.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/14/03  
Intervention Deadline: 01/31/03

**TC03-033 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and FiberComm, L.C.**

On January 15, 2003, the Commission received for approval a filing of an Amendment to an Interconnection Agreement between Qwest Corporation (Qwest) and FiberComm, L.C. (FiberComm). According to the parties, the Amendment is a negotiated amendment to the Agreement between the parties approved by the Commission in Docket TC01-020 which became effective July 12, 2001. The Amendment is made in order to add terms and conditions for the Special Request Process as set forth in Exhibit B attached to the Amendment. 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 February 4, 2003. Parties to the agreement may file written responses to the comments no later than twenty days

after the service of the initial comments.

Staff Attorney: Kelly Frazier  
Date Docketed: 01/15/03  
Initial Comments Due: 02/04/03

**TC03-034 In the Matter of the Application of Business Network Long Distance, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.**

Business Network Long Distance, Inc. has filed an application with the South Dakota Public Utilities Commission for a Certificate of Authority to provide interexchange services in South Dakota. The applicant intends to provide resold interexchange services, including 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, and travel card services throughout South Dakota.

Staff Analyst: Michele M. Farris  
Staff Attorney: Karen Cremer  
Date Docketed: 01/15/03  
Intervention Deadline: 01/31/03

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You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc>**



MidAmerican Energy Company  
401 Douglas Street  
P.O. Box 778  
Sioux City, IA 51101

February 14, 2003

BY: OVERNIGHT DELIVERY  
**RECEIVED**

FEB 18 2003

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Ms. Pam Bonrud  
Executive Director  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol Avenue  
Pierre, SD 57502

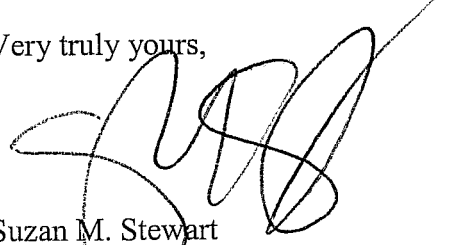
Re: <sup>03-001</sup> Docket No. NG01-012: 2003 Economic Development Plan

Dear Ms. Bonrud:

Please find enclosed for filing the original and 12 copies of a Supplemental 2003 Economic Development Proposed Budget of MidAmerican Energy Company.

Please file stamp the extra copy and return in the enclosed self-addressed stamped envelope.

Very truly yours,



Suzan M. Stewart  
Senior Managing Attorney  
[smstewart@midamerican.com](mailto:smstewart@midamerican.com)

Voice: (712) 277-7587

Fax: (712) 252-7396

enc.

cc: Glenn Ivarsen  
Mark Rodvold

**RECEIVED**

FEB 18 2003

MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2003 ECONOMIC DEVELOPMENT  
PROPOSED BUDGET

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Development Group Support

Forward Sioux Falls.....	\$ 18,250
Yankton Area Progressive Growth .....	3,000
Vermillion Development Co.....	1,000
Sioux Falls Development Foundation.....	850
Siouxland Initiative (South Dakota allocation).....	1,500
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
Montrose Development Corp.....	200
North Sioux City Development Corp .....	200
Salem Development Corp.....	200

Program Subtotal..... 1,400

Economic Assistance Programs

Intended for economic development enhancements that help to create new jobs, capital investment and economic benefit to communities within our service territory (GOLD program, industrial site analysis, etc.)..... 5,000

Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory (trade shows/marketing assistance, etc.) ..... 7,000

Proposed Staffing

Allocation of salaries and related expenses for MEC developers working with and/or on behalf of communities in our South Dakota service territory. .... 55,000

Carryover

Carryover of unspent funds from approved 2002 Economic Development Budget..... 586

**TOTAL 2003 PROPOSED BUDGET FOR SDPUC APPROVAL** **\$100,586**

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

IN THE MATTER OF THE FILING BY ) MIDAMERICAN ENERGY COMPANY FOR ) APPROVAL OF ITS 2002 ECONOMIC ) DEVELOPMENT REPORT AND ITS 2003 ) ECONOMIC DEVELOPMENT PLAN ) )	ORDER APPROVING 2002 ) ECONOMIC DEVELOPMENT ) REPORT AND 2003 ) ECONOMIC DEVELOPMENT ) PLAN ) NG03-001 )
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On January 15, 2003, the Public Utilities Commission (Commission) received MidAmerican Energy Company's (MidAmerican) 2002 Economic Development Annual Report and proposed Economic Development Plan for 2003. The proposed plan was filed in accordance with the settlement stipulation in NG01-010.

For 2003, MidAmerican's proposed economic development budget is \$100,586. The actual expenditures for the 2002 Economic Development Plan were \$99,414.

At its regularly scheduled February 20, 2003, meeting, the Commission reviewed MidAmerican's 2002 Economic Development Report and Economic Development Plan for 2003. 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 2002 Economic Development Report and Economic Development Plan for 2003 are approved.

Dated at Pierre, South Dakota, this 7<sup>th</sup> day of March, 2003.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Helaine Keebo</u>
Date: <u>3/10/03</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr  
ROBERT K. SAHR, Chairman

Gary Hanson  
GARY HANSON, Commissioner

James A. Burg  
JAMES A. BURG, Commissioner