

EL 96-003

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Northern States Power Company
South Dakota

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April 8, 1996

Mr. William Bullard, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Dear Mr. Bullard:

In accordance with Docket EL91-004, enclosed please find NSP's report on 1995 economic development activities.

Economic Development efforts like those approved again in 1995 by the South Dakota Public Utilities Commission are contributing to growth in jobs and capital investment in NSP's service territory. With Commission approval NSP plans to continue similar investments in 1996.

The following report is organized into eight sections:

- Tab 1 Summary of the 1995 economic development investments.
- Tab 2 Contains a copy of the 1995 Sioux Falls economic development report by the Sioux Falls Development Foundation. NSP - SD Chief Executive and General Manager Mike Hanson has been elected Secretary of the Sioux Falls Development Foundation for 1996. Also included are copies of newspaper articles highlighting the continued growth in Sioux Falls and the surrounding area.
- Tab 3 MCEDA (Minnehaha County Economic Development Association) Jim Wilcox was elected President of MCEDA in November of 1995. In March of 1996 the MCEDA Executive Director Tom Kucera resigned as Director and retired from work. The MCEDA board is considering a number of options including expanding to include communities in Lincoln County and purchasing services and expertise from other agencies like the Sioux Falls Development Foundation rather than rehiring a full-time Executive Director.

3. 4. 5. 6. 7. 8

Tab 4-7 Detail of economic development investments NSP made within our South Dakota service territory in 1995.

One important change in 1995 to highlight was the beginning of a shift from economic development grants to an interest buy down idea. This is an effort to ensure our program is providing a necessary stimulus to the businesses we invest with. This change will ensure NSP's prospective investment is considered before-the-fact by the customer as well as assisting them with a more affordable bank loan and hopefully helping them to make the decision to move forward.

Tab 8 A proposed economic development investment budget for 1996.

NSP respectfully requests approval of our 1995 report and our 1996 economic development budget.

If anyone has any questions, please call me at 339-8350

Sincerely,



Jim Wilcox

c. Mike Hanson

**NSP-SOUTH DAKOTA
1995 ECONOMIC DEVELOPMENT
ACTUAL EXPENDITURES**

Forward Sioux Falls II Campaign	\$ 25,000
Minnehaha County Economic Development Association (MCEDA)	\$ 25,000

NSP-SD Economic Assistance Program:

Angus C. Anson Site Development	\$ 12,520
Dell Rapids, SD Chamber of Commerce - Community Brochure	\$ 1,000
Sioux Falls Argus Leader Newspaper	\$ 5,000
The Banquet	\$ 5,000
Therm-Dynamics Mfg. Inc. (Centerville, SD)	\$ 2,500
Norwest Bank SD, NA - Hawkins Automotive Center - Interest Buy-Down	\$ 980

NSD G.O.L.D. Program Support:

Baltic	\$ 500
Bridgewater	\$ 500
Canton	\$ 500
Centerville	\$ 500
Dell Rapids	\$ 500
Emery	\$ 500
Garretson	\$ 500
Harrisburg	\$ 500
Lennox	\$ 500
Marion	\$ 500
Salem	\$ 500
Program Total	\$ 5,500

Sioux Falls Development Foundation

Training Fund - SD Health Sciences Information Center	\$ 15,000
Tenant Improvement - SD Health Sciences Information Center	\$ 10,000

TOTAL \$107,500

DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION
January/February 1996
Volume 20 Number 1

New officers chosen by Development Foundation board

The Sioux Falls Development Foundation board of directors has named a new slate of officers for 1996, serving the economic development organization as Chairman is Leo Reynolds, president of Electronic Systems, Inc. Vice Chairman for the year is Tom Everist, president of L.G. Everist, Inc. Mike Hanson, general manager and chief executive for Northern States Power, was chosen as Secretary and Gene Rowenhorst, senior vice president/chief financial officer of Citibank (South Dakota) N.A., continues as Treasurer.

The Sioux Falls Development Foundation has, for over forty years, worked to create new jobs, expand the economic base and maintain the quality of life in Sioux Falls. Nearly 400 businesses and individuals are members of the Development Foundation throughout the Sioux Falls metropolitan area.



Leo Reynolds
Chairman

Tom Everist
Vice Chairman

Mike Hanson
Secretary

Gene Rowenhorst
Treasurer

Sioux Empire Industrial Park ranks among Top Ten in world

Site Selection magazine has rated the Sioux Empire Development Park in Sioux Falls among the ten best parks in the world for job growth during 1995. The development park, composed of four distinct park areas which have been developed since the opening of the park in 1971, has 650 acres and employs over 9,000 people.

"This will definitely attract the attention of business leaders all across the US and internationally," said Dan Scott, president of the Sioux Falls Development Foundation, which owns and operates the park. "Ranking among the top ten parks in the world paints a strong picture of our business climate, and tells an important story about the way in which businesses grow when they locate in Sioux Falls."

Among the companies which saw growth in number of jobs in the past year were Gateway 2000, adding 300 jobs; Citibank with 400 new jobs; Cigra/Tel Drug, 100 jobs in their new \$6.2 million plant; Sullivan Inc., with 90 jobs in their new \$3.9 million building, and a number of other employers. The total number of new jobs in the park last year was over 1,100.

Only one other US city made the Top Ten Best Parks list. Blue Grass Research and Science Park in Jeffersonstown, Kentucky added 3,350 jobs to capture the number two spot on the list. Sioux Falls tied for seventh place with an industrial park in Quebec, Canada.



STAFF SPOTLIGHT Diane Andresen, Manager Administrative & Membership Services



Fifteen years of change: Diane marks anniversary of service

The Development Foundation has relocated its office three times since 1981. Personal computers now occupy every desk in the office, and the staff has grown. The one constant during the past fifteen years has been the friendly smile and quiet efficiency of Diane Andresen, keeping the administrative machinery running smoothly.

Diane is currently Manager, Administrative and Membership Services. She is in charge of the financial records and membership functions of the Development Foundation, as well as managing the administrative business of the organization. Diane works with the membership committee and organizes the SFDF annual meeting, a task she enjoys.

"Diane has a wealth of information about our organization," said Dan Scott, president, "but even more importantly, she cares about the Development Foundation. Her administrative skills and loyalty to the group have greatly aided the growth and success of this organization."

A secretary for the graduate office at Arizona State University during her collegiate years, Diane came home to Sioux Falls and began with the Development Foundation in 1981, when Dave Sterneth was president, and shortly after Roger Hanje joined the staff of the organization he later led.

"I have seen a lot of changes since I started 15 years ago," Diane said. "Our organization should be congratulated for helping to make Sioux Falls a great place to live and do business."

Diane and her husband, Rich, vice president of Valley Exchange Bank in Lennox, enjoy spending time together at Lake Poinsett. In her spare time, she can be found ice skating in winter and gardening and bicycling in the warm months.

We're proud to salute Diane Andresen and express our appreciation for fifteen great years!



Reynolds to lead development group

Leo Reynolds, president of Electronic Systems, Inc. (ESI), has been elected as the new chairman of the board of directors of the Sioux Falls Development Foundation. Reynolds will chair the board and lead the executive committee during 1996.

Both an electrical and industrial engineer,

Reynolds spent four years as a technician with the U.S. Air Force before pursuing business studies at the University of Iowa, Loras College and Mankato State University. He has held technical and management positions

with John Deere, 3M and Litton Industries before becoming the first executive for ESI in 1980. The company was started by Gordon, David and Roger Stewart to provide contract manufacturing of electronic components, and is now a full service ESI provider.

Leo serves on the board of the Institute for Interconnecting and Packaging Electronic Circuits (IIPC), as well as being the chairman of the Assembly Market Research Council within the IIPC. He also serves on the board of Dakotala, Inc. and several community organizations. Leo has been a member and supporter of the Sioux Falls Development Foundation throughout his business career in the community, and has served on the board since 1990.

Congratulations, Leo!



Miranda Addition offers 24 acres

The Miranda Addition, 24 acres of development property straight south on Lewis Avenue from Benson Road and adjacent to 1-229, is available for business development. Formerly owned by the Speier family, this land is conveniently located near Development Park IV and would be a perfect location for a single business or industrial firm, according to Dan Scott, Development Foundation president.

The access and proximity to the other industrial park land makes this a great property," Scott said. "Being able to offer this parcel of land could make the difference with several of our prospective new businesses. We really have to thank the Speier family—Sam Speier and Gerry and Susan Winkler—for giving us the opportunity to add this land to the Development Foundation options."

Sioux Falls is a "hot spot"

The best new business expansion rating in the U.S. jumped Sioux Falls into the Top Ten list for private enterprise in small metropolitan areas, according to a Cambridge, MA, research company, Cognetics, Inc.

The community was number one in the category of growth of young companies, and rated well in other categories, too, according to David Birch of Cognetics.

"Once again, this proves the axiom that 80% of job creation comes from the growth of established companies," said Dan Scott. "But the really significant fact about this ranking is that very young companies are shown to grow quickly here in Sioux Falls. As we tell people, if you locate your business here, it will grow and prosper."

Among the factors that placed Sioux Falls so high on the list were the presence of local universities, a major airport, a skilled labor pool and widely shared opinion of an excellent quality of life.



DIRECTIONS

is published quarterly by the



Sioux Falls Development Foundation

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Park IV offers new land, new look

Sioux Falls is a hot spot for business expansion. The city's location, quality of life, and skilled labor pool are major factors. The city's growth is evident in the new development of Park IV, a 130-acre prime development land in our Park IV. We are confident because of you, your business, and the nature of the Sioux Falls business community.

That's why we are so confident about 1996 and dedication of our staff, which is considerable. Not because of our rankings on the Top Ten Lists around the country, which continue to pile up. Not because of the excitement of 130 new acres of prime development land in our Park IV. We are confident because of you, your business, and the nature of the Sioux Falls business community.

That's something to be confident about. I'm honored to be the new chairman of the Sioux Falls Development Foundation, and I look forward to a successful and prosperous 1996.

Be part of the future of Sioux Falls:

Renew your Development Foundation membership.

Membership in the Sioux Falls Development Foundation is more than support for the economic prosperity of Sioux Falls. Membership helps to promote all the elements essential for a vital future for this community.

Through your membership in the Sioux Falls Development Foundation, you show that you care about quality of life, retention of a positive business environment, and a strong business climate with potential for the young people of today.

The Development Foundation is constantly working for you, its members, in maintaining those economic development efforts which mean so much to the future of Sioux Falls.

Be a part of it: return your renewal information as soon as it arrives in your office. And if you are not already a part of the Development Foundation, call us at 339-0103. We'll get your membership packet out in the mail immediately.



Sioux Falls Development Foundation

Chairman's Report

Here at the Sioux Falls Development Foundation, we are excited about 1996. We look forward to this new year with confidence—a confidence which reflects our positive attitude about our staff, our development parks and the strength of the Sioux Falls economy.

While it is gratifying to be included on so many Top Ten lists, such as the Top Ten Hot Spots for private enterprise, or, more significantly, the Top Ten Industrial Parks in the world, the real story of Sioux Falls as a place for prosperity is told in offices all over

the area, as established businesses continue to grow and expand. The success of companies like Hutchinson Technology, Dial Bank, and others too numerous to name, illustrates that Sioux Falls is not only tops as a destination for new business, but has a vital, dynamic business community that fuels our quality of life and economic prosperity.

That's why we are so confident about 1996 and dedication of our staff, which is considerable. Not because of our rankings on the Top Ten Lists around the country, which continue to pile up. Not because of the excitement of 130 new acres of prime development land in our Park IV. We are confident because of you, your business, and the nature of the Sioux Falls business community.

That's something to be confident about. I'm honored to be the new chairman of the Sioux Falls Development Foundation, and I look forward to a successful and prosperous 1996.

Leo Revolds
Leo Revolds, Chairman

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DIRECTIONS

A PUBLICATION OF THE SIOUX FALLS DEVELOPMENT FOUNDATION
Volume 19 Number 2

October 1995

Greenfield receives Spirit of Sioux Falls Award

Russell Greenfield, partner in the Boyce-Murphy, McDowell & Greenfield law firm and long-time Sioux Falls Development Foundation counsel, was the recipient of the 19th Spirit of Sioux Falls Award.

This award is presented at the Sioux Falls Development Foundation annual meeting. The award was created in memory of Angus Anson, David Birkeland and Roger Hampe, leaders of the Sioux Falls Development Foundation who tragically lost their lives in the plane crash which also took the life of Governor George Mickelson.

"No one has been a bigger supporter of the economic development of Sioux Falls than Russ Greenfield," said Lyle Schroeder, Development Foundation chairman. "Russ has been on the board of directors longer than anyone in his official role as counselor. His advice, his leadership and his calm, positive demeanor have helped to shape not only this organization, but the growth of this community."



Greenfield was instrumental in the acquisition of land for the initial Sioux Empire Development Park, and has served as legal counsel to the Development Foundation during the past three decades.

Russ Greenfield's grasp of the big picture in the development of Sioux Falls, as well as his knowledge of the day-to-day details that make things happen, is second to none," said

Dan Scott, Development Foundation president. "His participation in this organization is a big reason for its continuing success in attracting new jobs and companies to Sioux Falls."

Annual meeting format draws approval from large crowd

The Sioux Falls Development Foundation annual meeting, held Wednesday, November 15, featured a revised, more informal format this year. Instead of a luncheon meeting with a featured speaker, the annual meeting was a relaxed gathering of Development Foundation members and business leaders between 4:30 and 6:30 p.m.

"We've had nothing but positive comments about our new annual meeting format," said Lyle Schroeder, Development Foundation board chairman and MC at the meeting's brief program. "We think this kind of meeting really gives people a better chance to visit and share their thoughts and ideas about the progress of our community."

The highlight of the meeting was the presentation of the Spirit of Sioux Falls Award to Development Foundation counsel Russ Greenfield (see related story this page). Schroeder gave a chairman's report on the current strong condition of the Development Foundation.

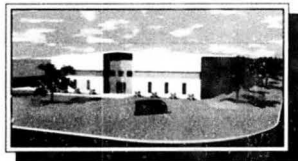
The organization's president, Dan Scott, thanked the crowd of nearly 300 for attending and for being a part of the economic development efforts of Sioux Falls. Scott expressed his appreciation for the support of the business community upon his being chosen president of the Development Foundation.

Peska Properties spec building under construction

A new 20,000-square-foot commercial/industrial building is going up on the corner of Hermosa Drive and North First Avenue in Sioux Empire Development Park III. Developed by Peska Properties, the building represents an important incentive to prospective new or expanding businesses in Sioux Falls.

The spec building features 22-foot high walls with two 859-foot overhead door docks and one 12x14-foot overhead door dock. The Varco-Pruden steel post and beam building will have 26-gauge steel sheeting on roof and walls, with an eight-foot interior steel liner. A 9,000-square-foot hard-surface parking lot and 33-foot truck-height dock area plus delivery ramp are among the exterior features, along with city-approved deciduous tree landscaping and seeded frontage areas.

The interior of the building will be left flexible to the needs of the user, with linings, drains, floor runs and outlets to be added later. According to Les Brock of Peska Properties, the project is all but completed and ready for occupancy in early 1996.



We don't win them all, but...

The Development Foundation recently received a letter from Lagen, Inc., a contracting firm contemplating expanding from their current base in Granite Falls, Minnesota. The Development Foundation worked with the company on the possibility of a Sioux Falls location, but the firm decided to remain in Granite Falls. They were clearly impressed with Sioux Falls, as excerpts from this letter from CEO Ron Lagen, show.

"The wonderful business climate of South Dakota made the decision of the Lagen, Inc. expansion location extremely difficult. Minnesota cannot begin to compare with the employer-friendly state of South Dakota; however, I feel in my heart that Lagen, Inc. belongs in Granite Falls. What it comes down to is Granite Falls needs Lagen, Inc."

"This has been the hardest decision I've ever had to make."

PRESIDENT'S MESSAGE

By Dan Scott

A time to celebrate

This season is traditionally a time to celebrate, with family and friends and colleagues. But in addition to the traditional reasons for



celebration, the Sioux Falls Development Foundation and our community have lots of other reasons to celebrate.

We have a great business community which has seen the value of joining together to achieve a goal. We have seen the success of two Forward Sioux Falls campaigns in propelling our community and our area to a new level of progress and economic benefit for all.

We have witnessed excellent expansion by local, homegrown businesses which have bolstered and driven our job creation and economic prosperity in recent years. The success of these businesses is the success of Sioux Falls.

We have maintained a high level of interest from firms outside our community who want to be a part of the excitement and solid economic base which is Sioux Falls.

We have come together to meet the challenges of housing and other aspects of our community's growth curve. Only by working together can we find the lasting solutions which will maintain our high quality of life.

There are many reasons to celebrate Sioux Falls. All of us at the Sioux Falls Development Foundation hope you have the very best of holiday seasons!

DIRECTIONS

is published quarterly by the



Sioux Falls Development Foundation

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Development Foundation salutes board chairman

Lyle Schroeder is one of the business leaders in Sioux Falls who needs no introduction. For 35 of his 44 years at Sioux Valley Hospital, he has been in charge of that institution, making it one of the Top 100 Hospitals in the nation for two consecutive years and at the same time, helping to make Sioux Falls a major regional medical center.

Less well known is Lyle Schroeder's tireless efforts on behalf of his adopted city of Sioux Falls. Born in nearby Pipestone, MN, Lyle was a football standout at Augustana College before coming to work at Sioux Valley after graduation. Since then, he has participated in nearly every community service post possible. From an economic development perspective, one of his most vital contributions was being a moving force in the group of local executives who created Forward Sioux Falls.

As the first Forward Sioux Falls fundraising chairman, Lyle put together a team which raised \$1.8 million in 78 days. Since then, he has served in numerous posts with Forward Sioux Falls and has been, during the past year, chairman of the Board of the Sioux Falls Development Foundation.

Anyone who has worked with Lyle Schroeder knows his dedication to the task at hand, his efficiency in getting things done, and his consideration and loyalty to the people around him. He has taken a personal interest in the well-being, both physical and economic, of the staff of Sioux Valley Hospital, setting a standard for employment excellence in our area.



Lyle Schroeder presents Russ Greenfield with his award.

In spite of his extremely busy professional and civic schedule, Lyle Schroeder is known as a "people person," one who is a good friend, colleague and companion. He and his wife, Betty Ann, enjoy their children and grandchildren. Lyle is an avid hunter and enjoys boating and sailing on Lake Madison. He has said that he is more at home in his bib overalls than in his business suit, but his friends know that Lyle Schroeder is the same good man regardless of what he's wearing.

The Sioux Falls Development Foundation salutes Lyle Schroeder. Thanks for your dedication and commitment to Sioux Falls, Lyle!

STAFF SPOTLIGHT Karen Ruhland, Research Director



The person behind many of the statistics, growth figures and general information collected by the Development Foundation is Karen Ruhland, Research Director. Since she came to the Development Foundation in 1989, after serving as economic development assistant in Sioux City, Karen has been responsible for assembling the data which goes into the Community Data Profile, the Business and Manufacturers Directory and the foundation's annual report, to name but a few.

A magna cum laude business graduate of Briar Cliff College, Karen did an internship with the Sioux City Chamber of Commerce which led to her position in economic development in that city. She has been a vital part of the Sioux Falls Development Foundation and Forward Sioux Falls team, working on special projects such as the Social and Economic Impact Study on Northern State's Power's gas turbine peaking plant for the South Dakota Public Utilities Commission.

Karen also edits Directions and helps to create the foundation's marketing materials. Her research skills and organizational skills are vital to many of the prospect proposals sent by the Development Foundation. Her position requires her to operate the state-of-the-art audio-visual equipment in the Briefing Center as well as be highly proficient at desktop publishing and other computer skills.

Karen and her husband, Kyle, have one son, Alex John, just seven and a half months old. The Development Foundation is proud to have Karen as part of a vital and efficient staff!



ABC Rail has informed the Sioux Falls Development Foundation that no decision on the location of their new plant will be made until January, 1986. Look for further information on this project in our next issue of Directions.



Sioux Falls
Development
Foundation

Chairman's Report

This is my final report to you as Chairman of the Board of the Sioux Falls Development Foundation. This has been a dramatic year for our organization and one, as our president Dan Scott has said, to celebrate.

I wish to thank all of the members of the Board for their dedication. The Sioux Falls Development Foundation is truly a team organization. We work together for vital goals: economic prosperity and a

consistently high quality of life in Sioux Falls.

To the great staff of the Development Foundation I offer my thanks and congratulations. Once again, we have had a great year for land sales, for new projects and for key hostings in Sioux Falls. Thanks to the "unsung heroes" of the Development Foundation staff, wonderful things get done for our community.

Most of all, I thank all of our members, and those in the business community who support the Development Foundation and its efforts. Thanks to you, Sioux Falls is still moving forward, preparing for the next century and the next generation with a solid base. Only through community support is this possible.

I have enjoyed my time as chairman, and will continue to support this organization, so critical to the future of Sioux Falls.

Lyle Schroeder

Lyle Schroeder
Chairman



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Sioux Falls DEVELOPMENTS

A publication of the Sioux Falls Development Foundation

Development park land sales set new record in 1994

By selling over 75 acres of land in the Sioux Empire Development Parks last year, the Sioux Falls Development Foundation posted a new record, according to Dan Scott, the organization's vice president.

"Never in the history of the Development Foundation have so many acres been sold in one year," Scott said. "This unprecedented sale of land will be the springboard for growth in our parks, already home to over 50 businesses employing nearly 7,500 people."

Thirteen sites were purchased in 1994, nearly all of them by local companies for business expansions.

"We know that 80% of new jobs and business growth comes from companies already established in a community," Holderread said. "The record sales of 1994 are a real vote of confidence for Sioux Falls on the part of growing businesses in our community."

In addition to the land sales, ten more expansion projects were underway in the Sioux Empire Development Parks at the end of 1994. The largest building is the new Sullivan, Inc. 137,000 square foot warehouse office showroom, located on 13 acres on 4th Avenue in Park III.



International Opportunities

International trade efforts underway

Sioux Falls is preparing to take advantage of emerging international markets by establishing a Port of Entry in the community. A Port of Entry would permit travelers and commercial shipments to enter the United States in Sioux Falls rather than a coastal or border location. With a Port of Entry in Sioux Falls, we could have non-stop air service to Winnipeg and other Canadian cities, as well as direct airline routes to Mexico and the Caribbean. Non-stop international flights could avoid the inconvenience of clearing customs at another location and link Sioux Falls directly to foreign markets and destinations.

The Development Foundation is working with the Governor's Office of Economic Development to establish a Port of Entry and a Foreign Trade Zone in Sioux Falls.

Inside this issue:

- 1 Be a member of the group. Get the story on page 4.
- 2 Meet the new executive committee on page 2.
- 3 Spirit of Sioux Falls Award recipient announced, page 2.
- 4 EROS is poised for another space mission. See page 3.
- 5 Chairman Lyle Schroeder's first report, also on page 3.

Shock first winner of Spirit of Sioux Falls Award

Al Shock, former chairman of the Sioux Falls Development Foundation, a member of the team which brought the EROS Data Center to the area, and long-time business leader, was chosen the first recipient of the *Spirit of Sioux Falls Award*. The award was presented by Kevin Kirby, then Chairman of the Development Foundation, at the group's annual meeting.

To honor the memory of David Brkeland, Angus Anson and Roger Hainje, the Sioux Falls Development Foundation created *The Spirit of Sioux Falls Fund*



at the Sioux Falls Area Foundation, and is the sponsor of the *Spirit of Sioux Falls Scholarship* and the *Spirit of Sioux Falls Award*.

"Dave Angus and Roger were all dedicated to seeing this commu-

nity prosper," said Kirby. "This award for leadership provides an excellent way to remember and honor the work of all three for Sioux Falls. It is appropriate that this first award go to Al Shock, who has distinguished himself in so many ways for our community."

Development Foundation names new executive committee



Lyle Schroeder



Leo Reynolds



Tom Everist



Gene Rowenhorst

The Sioux Falls Development Foundation has elected new officers for 1995. Serving as the group's executive committee in the coming year will be **Lyle Schroeder**, Sioux Valley Hospital Chairman, **Tom Everist**, L. G. Everist, Vice Chairman, **Leo Reynolds**, Electronic Systems, Inc., Secretary, and **Gene Rowenhorst**, Citibank, South Dakota, N.A., Treasurer.

"This is a group of committed, experienced business leaders," Holderread said. "They all have been on our boards and understand the needs of economic development for the future of our community."

New board members are Steve Kirby, Kirby Capital Corp., Rob Oliver, Norwest Bank, N.A., and Tony Bour, StarMark, Inc.

Yellow Freight chooses Sioux Falls for new customer service center

Yellow Freight System, the nation's largest less-than-truckload carrier, will open the centralized customer service center in April. Approximately 115 employees will work in the new office, which will be located at 2801 South Kiwanis Avenue in the former Central Plains Clinic building, now the Vista Park business campus. Governor William Janklow and the Sioux Falls Development Foundation hosted a breakfast meeting and press conference to announce the location of the new customer service center in Sioux Falls.



"This is a quality company, with quality jobs for the Sioux Falls area," said Governor Janklow, in welcoming Yellow Freight Systems to South Dakota. "We are excited about having this company, acknowledged leaders in their industry, locating in our state."

Yellow Freight will consolidate customer service functions in Sioux Falls that currently are performed at the company's terminals throughout the United States. Office workers who now perform customer service jobs in Yellow terminals will be given the opportunity to relocate to Sioux Falls.

Additional customer service representatives may be hired from the Sioux Falls area, with full-time starting wages of \$11.90 per hour plus benefits. These

customer service representatives will handle a range of services including shipment tracing, expedited service, reassignments and freight bill information. Cashiering and collections processes will also be performed at the center.

Yellow Freight selected Sioux Falls for the new center for a variety of reasons, including the quality of its work force, location in the Central Time Zone and overall quality of life, according to Doug Waggoner, Yellow's director of customer service.

"We appreciate the way we have been welcomed to Sioux Falls," Waggoner said. "The Sioux Falls Development Foundation, along with the Governor and the state Office of Economic Development, provided us with invaluable assistance in our search for the right spot for our customer service center."

The company's new customer service center will occupy about 20,000 square feet of office space in the Vista Park office building. The company also operates a freight handling office at 3410 Elde Drive in Sioux Falls. With approximately 26,000 employees in the United States, Canada, Mexico and the Caribbean and 1994 operating revenues of \$2.22 billion, Yellow Freight is a major participant in the worldwide transportation industry.

"We are pleased to have been a part of this process," said Lyle Schroeder, Sioux Falls Development Foundation chairman. "The decision of a first-class company like Yellow Freight to locate in our community has a positive impact on our economy and on our quality of life. They are excellent corporate citizens and a great addition to Sioux Falls."



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Space scientist visits Sioux Falls

Dr. Edward C. Stone, Director of the Jet Propulsion Laboratory since 1991, and a vice president and professor of physics at the California Institute of Technology, was in Sioux Falls recently for discussions with EROS Data Center officials and Senator Larry Pressler. The JPL is exploring the utilization of the Data Center as a distribution point for a proposed space radar to study the earth's surface.

Dr. Stone is a world-renowned physicist and astronomer. Named in 1983 a chairman of CalTech's Division of Physics, Mathematics and Astronomy, he became vice president for Astronomical Facilities in 1988. He is chairman of the Board of Directors of the California Association for Research in Astronomy, which built and operates the two ten-meter telescopes at the W. M. Keck Observatory in Hawaii.

Since 1961, Stone has been a principal investigator on nine NASA spacecraft missions and a co-investigator on five other NASA missions. He has been project scientist for the Voyager Mission since 1972, participating in both hardware development and mission operations. Following the launch of the twin Voyager spacecraft in 1977, Dr. Stone coordinated 11 teams of scientists in their studies of Jupiter, Saturn, Uranus and Neptune.

A recipient of the NASA Distinguished Service and Exceptional Scientific Achievement Medals, Stone has received honorary degrees from Washington University at St. Louis, Harvard University and the University of Chicago.



Dr. Edward Stone (second from right) presents a photograph of the surface of Venus to Senator Larry Pressler (second from left). Participating in the ceremony were Al Shock (left) and consultant Merlyn Veren.

Chairman's Report

By Lyle Schroeder

It is a pleasure to address you as the incoming Chairman of the Development Foundation. I have been associated with this organization for some years, and I am convinced that our Development Foundation performs a vital task for our community and is directly responsible for much of the growth we have seen during the past decades.

The Development Foundation observed its 40th anniversary at our last annual meeting. There was much to celebrate, but foremost is the involvement of so many community leaders and business people over the years. I believe that without a strong membership base, the Development Foundation would be unable to continue its efforts.

That is why I urge you to renew your membership to the Development Foundation TODAY. If you are reading this and are NOT a member of the Development Foundation, think for a moment about the changes and prosperity Sioux Falls and the surrounding area have experienced in the last decade. Most businesses have prospered right along with the community, and that prosperity may not have occurred without the Development Foundation. You need to be a part of this movement. And we need your support to continue the dynamic, important work of this organization.

In this issue you will find a membership form. Please, send it in to the Development Foundation today. The work goes on, but we need your help to make the future bright for the next generation of Sioux Falls residents.



The Sioux Falls Development Foundation needs YOU!

Membership Application



YES! We support your efforts to
 create jobs expand the economy improve our quality of life

Please enter/continue our membership
 \$5000 \$2500 \$1000 \$500 \$250
 Please bill me at address below.

Enclosed is our contribution of \$_____ (\$175 minimum)

Name _____

Address _____

Company _____

Address _____

City, State, Zip _____

Phone _____

Payments to the Sioux Falls Development Foundation are not deductible as charitable contributions for Federal income tax purposes. Your contribution may be deductible under other provisions of the Internal Revenue Code.

Sioux Falls
DEVELOPMENTS
 Published by the
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State's report card: C in business vitality

National survey gives some areas top rankings

By BRENDA WADE SCHMIDT

South Dakota's business vitality improved in the last year because of an increase in the number of new companies and additional jobs created from small businesses, according to an annual report from The Corporation for Enterprise Development.

The state received a "C" for business vitality, a measure of the competitiveness of existing businesses, entrepreneurial energy and structural diversity. The state got a "B" for economic performance and a "D" for development capacity, the same grades it received last year for those categories.

But in sub-categories of average annual pay growth, air quality and hazardous-waste generation, the state ranked best in the nation, the study showed.

The national study, which will be released today, compares states based on overall economic performance, vitality and resources for future economic health. Neighboring states — Iowa, Minnesota and Nebraska — ranked higher in general than South Dakota.

"South Dakota kept up last year's strong economic performance with improved employment conditions, although earnings and job quality remain only moderate," the report said. "At the same time, the state had the No. 1 increase in average annual pay — which it needs to maintain if it ever wants to shake its last-place ranking in overall average annual pay."

South Dakota received failing grades for structural diversity and technology resources, categories in which the state typically has



Argus Leader graphic

ranked low. The state's economy has become slightly less diverse, the study said.

"Technology resources are still among the worst in the nation," the report said.

South Dakota also has one of the worst tax systems, with unbalanced and unstable revenue sources and an inequitable system, the report said.

The Corporation for Enterprise Development is a private, nonprofit economic development organization based in Washington, D.C.

5.25.95

Argus Leader

SEPTEMBER 13, 1995

Canadian firm makes Sioux Falls its home

By BRENDA WADE SCHMIDT
Argus Leader Staff

A Canadian manufacturer of chemical-free water treatment equipment will build a plant in Sioux Falls and is moving its corporate headquarters here, the company president said Tuesday.

ATP Manufacturing of Winnipeg, Manitoba, should start construction of a 9,500-square-foot office building and plant by the end of this month, said its president, Brent Morrow.

The company wants to be open here by January 1. Initially, ATP will hire about 20 people. Morrow said employment numbers will increase to 50 within three years and 100 within five years.

"The potential is it will grow much faster, but I don't like to give overly optimistic projections."

Employment opportunities will include many engineering jobs, in addition to technician jobs, he said.

Morrow, 34, and his partner, Bud Hainey, 36, started the company in 1993. The company's holding company, WHBMC Group Inc., will have about \$3 million in sales this year, Morrow said.

When the Sioux Falls plant gets up and running, it should have between \$2 million and \$3 million in sales, Morrow said.

ATP's water treatment pulls pure water out of wastewater without chemicals. The process recoups about 90 percent of the water from an industrial company's wastewater, Morrow said.

"There's no other company worldwide that can do what we do chemical free," he said.

"We anticipate this to blow wide open."

Dan Scott, president of the Sioux Falls Development Foundation, said the company's move will bring skilled jobs to the community.

"This could be a big deal. These guys are making state-of-the-art water treatment and wastewater treatment equipment, and they're selling it as fast as they make it."

ATP sells its equipment to large industrial companies, soft drink manufacturers and Hutterite colonies, for example.

In addition to the Canadian plant, which employs 25, the company has licenses operating in Holland, Poland and Mexico. The Sioux Falls plant will supply U.S. customers.

The company liked the proximity of Sioux Falls to Winnipeg, the area's lifestyle, the positive economic environment and a bright future.

"I think it's a bigger market down here," Morrow said.

A spokesman for Gov. Bill Janklow's office said no state money is involved in the business expansion.

D Argus Leader, Sioux Falls, South Dakota, Wednesday, Sept. 13, 1995

HOW TO REACH US

Business news inquiries and tips:
Brenda Wade Schmidt, business editor,
1-2321 or 1-800-530-NEWS

Business

Canadian firm makes Sioux Falls its home

By BRENDA WADE SCHMIDT
Argus Leader Staff

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S.D. ranked best credit-card climate

Survey praises state for low business costs

By **BRENDA WADE SCHMIDT**
Argus Leader Staff

South Dakota is the top state for credit-card processors, according to one of the nation's largest credit-card companies.

MasterCard International on Monday ranked the state at the top in a survey which evaluated the legal, regulatory and economic climates in 50 states. The state got the top possible rankings in all areas except the availability of skilled workers, which is based on the percent of population with associate's and bachelor's degrees.

Gary Hawthorne, executive vice

president of Service One in Sioux Falls, said the credit-card business climate is as strong as it was when the secured-card company moved here three years ago. He said increased competition for employees is healthy for the credit-card business.

"This is now an employee's market," he said. "In the long run, that's going to have a very positive effect in terms of increasing the labor force and perpetuating growth. This is the mecca, considering the size of the labor force."

More than 4,000 jobs in Sioux Falls are estimated to be credit-card jobs. At least 10 companies do credit-card processing, the largest being Citibank South Dakota and its 3,000 workers.

Citibank was the first credit-card processor to locate in the state. It moved its credit-card operations to Sioux Falls after its legislature removed interest-rate caps on credit cards and made other regulatory changes about 15 years ago.

The local employer, which services Citibank's 25 million MasterCard and Visa accounts, still is happy.

"The ranking is an indication of South Dakota's excellent economic development environment, which has been a benefit to Citibank and its growth in the credit-card business," said Ron Williamson, president and chief executive officer of Citibank South Dakota.

South Dakota earned the top spot over last year's No. 1 state, Utah,

which was second this year. South Dakota improved its ranking by reducing its costs of doing business, the survey said.

South Dakota lacks restrictions on how much a credit-card bank can charge in interest. It also has no restrictions on late fees, fees for accounts that exceed credit limits or fair credit reporting. The state also ranked high in quality of life.

"The study is now pretty heavily used by the industry in determining where they're going to locate their business," said Malin Jennings, spokeswoman with MasterCard. It is the third year the company has done the survey.

Last year, MasterCard had 135.6 million cards issued.

Top 10 states

The following are the top states to locate credit card jobs, according to MasterCard International.

1. South Dakota
2. Utah
3. Nebraska
4. Louisiana
5. Arizona
6. Delaware (tie)
7. Virginia (tie)
8. Idaho
9. Nevada
10. Oregon

5/5/95

State's personal income grew 9.5% last year, report says

By **BRENDA WADE SCHMIDT**

Argus Leader Staff

South Dakota saw the second largest percentage jump in personal income in the nation last year, thanks to good crop production, an annual report shows.

In 1994, the state's personal income increased 9.5 percent, nearly double the national average increase of 4.9 percent, according to the report released Thursday by the government.

"I've heard a lot of farmers indicate it was one of the best years they've had in a long time and not because of prices obviously," said Dick Shane, a grain marketing specialist at South Dakota State University. "It was the good yield that made up for low prices."

Iowa had the biggest jump with

Regional growth

Following is a regional list of personal income growth for 1994. The percentage increases in income compare to a 4.9 percent jump nationally.

- Iowa — 10.9%
- **South Dakota — 9.5%**
- North Dakota — 8.6%
- Minnesota — 7%
- Wisconsin — 6.1%
- Nebraska — 4.1%
- Wyoming — 3.6%
- Montana — 2.8%

10.9 percent, while North Dakota was third at 8.6 percent. Many Midwestern states did well, but Wyoming and Montana showed up near the bottom because of

declining livestock prices, in part.

South Dakota farm income increased substantially following 1993 crop losses and damages from flooding, according to the U.S. Commerce Department report. Corn, bean and sunflower crops all had large yields in South Dakota, Shane said.

But increases in manufacturing helped boost individual income.

Wages for the manufacturing of durable goods increased 18 percent, while nondurable manufacturing wages grew 12.3 percent. Durable goods are long-lasting products such as computers, furniture and appliances.

Construction wages rose 14.1 percent, while private service salaries increased 7.4 percent and government pay increased 4.2 percent.

The report shows that diversification is paying off in South Dakota, said DeVee Dykstra, director of the State Data Center in Vermillion. But the state's income still is very dependent on agriculture, and good and bad years show up in the statistics.

South Dakota's average income still ranks 35th in the nation at \$19,577. That's 90 percent of the national average of \$21,809, Dykstra said.

But the state's per capita income, which is the total personal income of residents divided by the population, was up nearly \$1,700 from \$17,879 the year before.

Connecticut has the highest per capita income with \$29,402; Mississippi has the lowest at \$15,838.

4-26-95

S.D. economy maintaining boom, professor says

State doing well despite a regional slowdown

By **BRENDA WADE SCHMIDT**

Argus Leader Staff

South Dakota's economy keeps charging ahead while other states in the region slowed some in April, according to ongoing research by a Creighton University economics professor.

"From my view, it's hard to argue with success," said Ernie Goss, who conducts the Mid-America Survey of Business Conditions Index. Is South Dakota growing too fast? Not at this point, he said Monday.

South Dakota's index was the highest in the nine-state Mid-America region, which overall continued to grow but slipped some compared with March.

Goss said the downward regional trend reflects some slowing in area growth. Individual state indexes ranged from 51.6 percent in Arkansas to 68.7 percent in South Dakota, he said.

The index ranges between 0 percent and 100 percent. An index number greater than 50 percent indicates an expanding economy. An index below 50 percent forecasts a sluggish economy.

The overall index was 58.8 percent in April, down from 60.5

percent in March and 62.8 percent in February.

"Let's hope that our economic landing gear is down and locked because it looks like the soaring economy that we've been experiencing is about to land," Goss said. "At this point, it is too early to tell if we are in for the soft landing that the Fed is seeking or a bumpier landing."

In South Dakota, Goss surveys purchasing managers at about 85 companies about new orders, production, employment, inventory, prices and overall confidence.

Strong farm income in South Dakota and Sioux Falls' growing economy are two reasons South

Dakota comes out well on the survey, Goss said.

The stronger index was accompanied by slight inflationary pressure that could be the result of rising wages in South Dakota, he said. Increasing housing prices could be another factor, along with the costs of commodities such as steel and aluminum.

"There is inflationary pressure out there. There's probably more in South Dakota," he said.

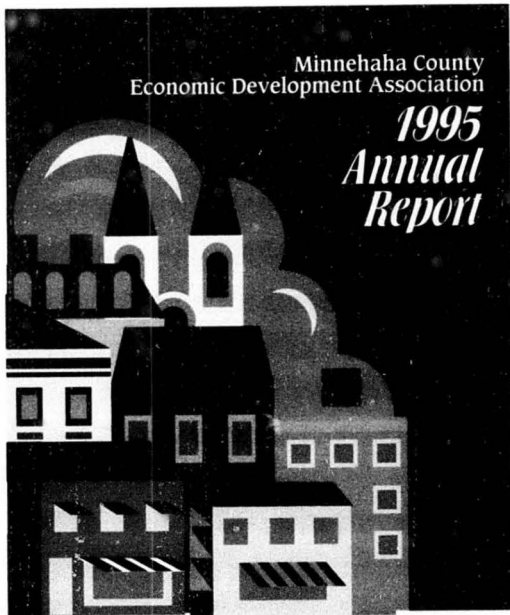
The survey included Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma and South Dakota. South Dakota and North Dakota only recently were surveyed separately.

5-2-95

to the Argus Leader by calling 331-2222 or 1-800-952-0127

Minnehaha County
Economic Development Association

1995
Annual
Report



Minnehaha County Economic Development Association

in cooperation with the
Sioux Falls Development Foundation
Commerce Center, Suite 101, 200 North Phillips Avenue • P.O. Box 907, Sioux Falls, SD 57101
Phone (605) 339-0103

1995 Minnehaha County
Economic Development
Association Board of Directors

Myron Nohava, President, Baltic

Evan Ingebrigtsen,
Vice President, Hartford (Through 9/95)

Jim Wilcox, At Large
Vice President (Effective 9/95)

Dennis Olson,
Secretary/Treasurer, Brandon

Chairman, Rural Mayors Association

James Jarding, Humboldt

Mike Dunn, Hartford (Effective 10/95)

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Wayne Peters, At Large

Roger Sieps, Dell Rapids

Jerry Noonan, County Commissioner

Cheryl Van Duyn, Colton

Russell Meigaard, At Large

Dwayne Jacobson, Garretson

Kathryn Larsen, Valley Springs

Neil Winterton, Sherman

Tom Kucera,
MCEDA Executive Director

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

1995 President's Message

By Myron Nohava, Baltic

The Minnehaha County Economic Development Association is nearly five years old. In that time, we have learned a great deal about the power of cooperation and the wisdom of the concept of bringing together ten communities for the betterment of all. And we have succeeded in tapping into programs and processes that have benefited all the members of MCEDA.

This year's major push has been in the area of enhanced membership benefits. The guiding philosophy of MCEDA has been to enable member communities to participate in economic development activities and programs that each, considered separately, may not be able to share in for economic or logistical reasons. MCEDA brings opportunity to the ten communities, this year more than ever.

We have established ties to the Community Venture Network, a service which links communities and interested companies. CVN brings prospective companies to a central location, and gives companies a chance to make presentations to member communities. So far, we have had several hostings of companies introduced to our county in this way, and of these, strong prospects have emerged. We expect this service to continue to be a viable source of future growth.

MCEDA has also joined the South Dakota Marketing Alliance, a Huron-based service organization to assist small businesses. SDMA provides expertise and networking for businesses just getting off the ground, with marketing and growth strategy information.

County-wide, our numbers for the past year indicate consistent growth. We are still developing marketing options, with an eye toward the future. In the meantime, we are sharing information and development concepts and enjoying a pattern of economic growth which has proven that what's good for one member community is good for all the member communities.

That means MCEDA is working. The idea began five years ago is now an accomplished program, attracting the attention of other counties who want to emulate our successes. Congratulations to all our membership, and to the far-sighted individuals who got MCEDA off the ground.

Wages, retail sales and job creation up for 1995

Manufacturing wages show increase

According to the South Dakota Labor Bulletin, manufacturing production workers in the Minnehaha County area grew by about 20¢ per hour during the past year. The **Non-Farm Wage and Salary Employment** bulletin shows that the metropolitan statistical area around Sioux Falls had about 9,300 manufacturing production workers in this year's analysis period, compared to 8,900 last year. Those workers averaged 41.2 hours weekly at an average hourly wage of **\$9.94**, up from last year's average of \$9.76 per hour. This is significantly higher than the average wage for the state as a whole. **State-wide, average hourly wages are \$9.48, almost 50¢ a hour less than here in Minnehaha County.**

Retail sales show modest growth pattern

South Dakota's retail sales weakened significantly during the past year, according to the South Dakota Data Supplement. Despite a downturn in construction and industrial growth in the county, however, the MCEDA communities reports modest overall retail sales growth, at about 3%. Sampling two months during the spring of 1995 and comparing them to the same two months, March and April, in 1994, the USD Business Research Bureau found these taxable sales results:

Brandon	+ 27.6%
Garretson	+ 25.6%
Dell Rapids	+ 5.7%
Hartford	+ 27.8%
Colton	+ 40.8%
Valley Springs	+ 2.3%
County	+ 3.1%

Non-farm job growth still strong in Minnehaha County

Employment in Minnehaha County grew by nearly **1,300 non-farm workers** from August, 1994 through August, 1995, according to the South Dakota Labor Bulletin, published by the Labor Market Information Center, SD Department of Labor. In August, 1994, 77,857 people were employed in the county, compared with 79,140 employed people in the same month of 1994. Of those new jobs, about **250** were specifically in rural Minnehaha County. Unemployment rates during the past year remained about the same, at a remarkable low **2.1%**.

Unincorporated areas share in economic growth

With at least two major projects expected to be finalized before the end of 1995, the growth pattern for the unincorporated areas should show a continued upturn. With the growth of the county in the MCEDA communities, these areas share in the economic advantages

In 1994: (12 months)
Permits issued.....345
Total valuation.....\$22,330,900

In 1995: (first 9 months)
Permits issued.....283
Total valuation.....\$10,723,100

1995 Categories (by thousands of dollars):

Residential:
New.....\$ 7,833.1
Remodel.....\$ 1,818.0

Commercial & Industrial
Total.....\$ 725.9

Agricultural
Total.....\$ 346.1

"We have come to understand just how interrelated is the economic prosperity of our county. As Sioux Falls grows, so do the neighboring communities, and as those communities grow, the unincorporated areas of our county also experience growth and economic development. It is truly a case of *all for one, and one for all*, which guides MCEDA's efforts."

Myron Nohava
MCEDA President

A snapshot of 1995 growth in the MCEDA communities

Housing development continues to fuel the growth of Baltic. Total building permit valuation in 1995 to date was \$554,295, for 17 building permits. With most of the lots in the community already sold for residential construction, the municipality is working with developers to add a new residential district. The proposed development would add another 80 new homes to Baltic, with 17 homes in Phase 1 of the project. The new addition would also feature a new city park.

Brandon has been the site of considerable housing growth in 1995. Two new housing developments opened during the last twelve months, with 17 new homes, 4 townhouses and three eight-unit apartment houses being built. McGreevy Clinic's erected a new clinic in the community and a 16-unit assisted living complex was constructed. Cornerstone Plastering and Drywall is the newest building in the Industrial Park. \$5.7 million in building permits were issued in 1995, a total of 126 permits.

Colton is working toward developing land for housing with the Gold Committee and the City working with landowners on the edge of town. A new subdivision ordinance is being introduced, and the community is poised for growth in new home construction. Activity for 1995 included 9 building permits with a valuation of \$139,000.

Continued strong residential construction is taking place in Crooks. In 1995, 14 building permits were issued at a valuation of nearly \$900,000. The municipality continued to encourage expansion and residential construction, and the industrial lots at the Crooks/Renne interchange on 129 are continuing to be a major attraction for many small and medium sized manufacturing and service companies.



Dell Rapids Development Corporation is continuing to investigate possible sites for an industrial park. At a recent goal setting meeting, the people of Dell Rapids reaffirmed their number one goal of last year: the enhancement of the banks of the Big Sioux River. The results of such enhancement will be increased local and visitor traffic to this scenic attraction. Upgrading downtown Dell Rapids was also identified as a goal. Building permits for the past year totalled 72, with a valuation of nearly \$3.75 million.

Garretson continues a trend of growth and development as a community. Garretson Land Acquisition Development (GLAD) has a few remaining residential lots available on their 22.3-acre development site. New Land was announced in 1995, containing an existing farm/home, four new homes and a new facility for Minnehaha Funeral Home. Building permits for the year totalled 50, with a valuation of over \$1.83 million.

In Hartford, over \$3.6 million in building permits have been issued during the past year. Building projects included a new manufacturing facility on Highway 38, with wages between \$8 and \$9 an hour and the construction of a new post office building. A medical clinic and a drug store are planning Hartford locations, along with a new bank. The new \$3.8 million high school building is under construction and will be ready for the fall, 1996 school term. Seven residential areas are in the process of being developed, along with a potential new industrial park.

Humboldt has completed the \$1 million addition to West Central High School, and new playground equipment was installed at the new West Central Elementary. A spec building will be ready for occupancy by January, 1996, and 37 building permits valued at \$549,750 were issued during the past year, advertising about 20 local businesses. The community saw the addition of nine new residences during the past year, as growth continues.

The community of Sherman is working on the survey portion of the GOLD community process and with the help of MCEDA will shortly complete the preliminary information required. Following that step, the community goal setting process begins. Housing occupancy in the community continues at full capacity and the retail environment is stable.

In Valley Springs, several more new homes were constructed in the new subdivision. The city completed sidewalk improvements to meet the standards of the Americans with Disabilities Act and the community hall park complex was also made accessible to all, conforming to ADA requirements. School enrollments are up, and 26 permits were issued, with a valuation of \$355,808, continuing an upward trend.

ANGUS C. ANSON SITE DEVELOPMENT

The Angus C. Anson Power Plant / Development Site is located on the Brandon Road just east of Sioux Falls, SD. NSP owns approximately 1,000 acres of land at the site. A 60 MW natural gas fired, steam electric power plant and two 100MW natural gas fired, combustion turbines are currently located on this site.

Costs that will be incurred to develop the currently unused portion of this site for industrial development will include site survey, geological survey, water aquifer study, well study and sizing, raw sewage disposal study, railroad access availability study, and utility availability study.



Dell Rapids Chamber of Commerce

P.O. Box 81 • Dell Rapids, South Dakota 57022

We're the Dells of the Big Sioux!

January 11, 1996

Bill Kullander
Northern States Power Company
P.O. Box 988
Sioux Falls, SD 57101

Dear Bill,

On behalf of the Board of Directors and the membership of the Dell Rapids Chamber of Commerce, I wish to extend our thanks to Northern States Power Company for the generous donation of \$1,000.00 to the Chamber for the purpose of reprinting the informational booklet about Dell Rapids. We look forward to updating and improving this useful promotional tool. When the booklets are complete, samples will be forwarded to you.

A personal thank you to you, Bill, for your efforts in acquiring this donation. It was a pleasure to meet you the other day.

The Dell Rapids Chamber of Commerce is grateful for the interest Northern States Power has shown in our community, as is evident in this financial support as well as NSP's membership in the Chamber.

Sincerely yours,

Dan Ellingson
Chamber of Commerce President

1984 LAUREATE OF SOUTH DAKOTA. The performances will take place in the elementary school at 2:15 p.m. and in the high school at 3:05.

Teen art to hang at Farm, Home Show

Booths are filling up fast according to officials for the Dell Rapids Farm and Home Show. The 13th annual event will be held in the Dell Rapids Elementary gymnasium on Saturday and Sunday, Feb. 3-4.

The two-day show will feature an array of display booths, programs and drawings, including a grand prize drawing for a television set or VCR. An art exhibit by local high school students will be displayed and the annual pancake dinner will be hosted again by the Dell Rapids Optimist Club.

convictions. "I just don't think the city needs to be in business on Sundays," Larsen said. "If you can't make it on six days a week, the seventh isn't going to help."

While he does not believe his "no" vote will stop the ordinance this time, Larsen said he is certain public opposition will bring the issue to a vote.

Mayor Yaroch has indicated he will again veto the ordinance should it pass the second reading at the Feb. 6 meeting, making timing critical. Councilor Wattier, who expects residents to call the ordinance to a public vote, said the first reading had to be held at last week's meeting to make sure the issue could be included in the regular election in April, rather than holding a special election.

NSP gives to Dell Rapids Chamber

Northern States Power Company recently donated \$1,000 to the Dell Rapids Chamber of Commerce. The funds will be used to print promotional materials for the chamber.

Accepting the check are Chamber board members Marty Miller, Sue Hovey, Dan Ellingson, Bill Kullander (NSP area relations representative), Jack Mailey and Roger Sieps.

For more Chamber news see story on page 4.

Tribune photo





Pictured left to right: Mary Devish, Publisher of Sioux Falls Argus Leader newspaper and Bill Kullander, NSP-SD Area Relations Representative in the computer main-frame room at the Argus-Leader building.

The Sioux Falls "Argus Leader" newspaper has been using an older computer system. They had determined that the power usage requirements were too great to justify the expense of a battery backup uninterrupter power supply (UPS). The result of not having a UPS is that the computer system is very susceptible to power outages and even to voltage disturbances. The Argus has been making expansion plans which include a new IBM AS400 computer system. The energy efficiency of the new computer system reduces the power requirement to a level that a UPS is affordable. NSP's investment has allowed the Argus to accelerate the timing of the purchase of the computer system and the associated backup battery UPS by one year.

NSP-South Dakota Economic Assistance Program

- Financial Request Form -

Organization Therm-Dynamics Mfg., Inc. Date 10/27/95

Contact Person Vervin Hwbertson, Owner Phone 335-3232

Address 1115 Railroad St.

Centerville, SD

Amount Requested \$ 2,500

Description (product, expansion, startup, transferring into community?)

Therm-Dynamics Mfg., Inc. is building a new 60' X 120' facility.

Portable industrial heaters will be manufactured in this new building. These heaters are marketed and sold on a world wide basis.

Number of New Jobs Created 16 to 20 by end of 1998.

Annual Electrical Demand and KW Usage Projected demand of 115 KW

Additional Comments: This new business will help keep Centerville, SD a viable and prosperous community.

NSP-SD Representative Joel Bialas / Bill Kullander



Pictured left to right: Bill Kullander, NSP-SD Area Relations Representative presenting a NSP Economic Assistance check to Veryln Hybertson, owner of THERM-DYNAMIC MFG, Inc.

NSP-SD invested \$2,500 with Therm-Dynamics Mfg., Inc. who is building a new 7200 square foot building in Centerville, SD. This business manufactures portable industrial space heaters. Therm-Dynamics will employ four employees at start up, planning to employ 16 employees by 1998.



GOVERNOR'S OFFICE OF
ECONOMIC DEVELOPMENT

711 East
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57501-3389

December 15, 1995

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Internet:
goodstate@
good.state.sd.us

Michael J. Hanson, General Manager and Chief Executive
Northern States Power Company
PO Box 988
Sioux Falls, SD 57101-0988

Dear Michael,

On behalf of the Governor's Office of Economic Development, I want to thank you for the support NSP has shown the South Dakota GOLD Program over the years. Your generous gift of \$500 to each GOLD community in NSP's service area shows a true commitment to the economic development of our state's rural communities.

I share your belief that the program is an effective tool for stimulating economic development in the rural communities of our state. I also firmly believe the support and assistance NSP continues to provide has added to the success of the program in the communities you serve in eastern South Dakota.

Thank you again for your support, and as Christmas and New Year's approach, my entire staff and I wish you and yours a happy and safe holiday season.

Sincerely,

Bonnie L. Untereiner
Commissioner



South Dakota Governor's Office of Economic Development
1995 NSP-SD Service Territory G.O.L.D. Program Communities

G.O.L.D. Program Communities	Grant Given
Baltic, SD	\$ 500
Bridgewater, SD	\$ 500
Canton, SD	\$ 500
Centerville, SD	\$ 500
Dell Rapids, SD	\$ 500
Emery, SD	\$ 500
Garretson, SD	\$ 500
Harrisburg, SD	\$ 500
Lennox, SD	\$ 500
Marion, SD	\$ 500
Salem, SD	\$ 500
TOTAL	\$5,500



NSP contribution

NORTHERN STATES POWER Company is pleased to again support the South Dakota GOLD program effort by investing \$500 in 11 rural communities NSP serves in eastern South Dakota. The \$500 is a tool for stimulating rural economic development and is an investment by NSP in the future of these com-

munities. Presenting the check for \$500 to Emery Mayor Harley Fluth and Kevin Janssen of the Emery Development Corporation are Mary E. Thoen, NSP community relations representative, and Joel Bialas of Marion, NSP district representative.

Mary,

Thanks again for NSP's gift of \$500.00 to Emery's development corporation. Your commitment to South Dakota rural towns is very much appreciated. We have always found you and your fellow representatives to be very supportive.

Best wishes for the Christmas season.

Sincerely,

Baltic, S. D.

People



Dell Rapids, S. D.



NSP gives to GOLD communities

Northern States Power Company has given \$500 to each of 11 rural communities participating in the GOLD program, including Dell Rapids and Baltic. NSP has awarded the money every year. Dells and Baltic have belonged to the state-run program designed to encourage rural economic development.

In Baltic, the donation is regularly used to send Baltic representatives to meetings on economic development. Dell Rapids will give the money to the Dells Development Corporation for its economic development efforts.

Top: accepting the check from NSP employees Darrel Donelan (right) and Mary Thoen (left) is Myron Nohava, Baltic representative to Minnehaha County Economic Development Association. Below: Dells' Mayor Merlyn Yaroch (holding check on left) and Development Corporation President Harold Skatvold (right) accept the check from Donelan and Thoen.

from the CITY OF PARKS

Garretson, South Dakota



Showing support for the South Dakota G.O.L.D. program, Northern States Power invested \$500 in eleven rural communities that NSP serves in eastern South Dakota. On Monday, Jan. 9 a \$500 check was presented to Garretson Development Corp. Pres. Bruce Rektstad (at right) by Denny Garry, local NSP District Representative. Also present were (at left) Owen Wise of the Development Corp. and Mary Thoen of Northern States Power.

The gift is for stimulating rural economic development and is an investment by NSP in the future of the communities. Other communities also receiving \$500 are: Baltic, Bridgewater, Canton, Centerville, Dell Rapids, Emery, Harrisburg, Lennox, Marion and Salem.

KRUID PHOTO

Bridgewater, South Dakota



NSP PRESENTS G.O.L.D. COMMUNITY CHECK: Northern States Power Company is pleased to again support the South Dakota G.O.L.D. program effort by investing \$500 in eleven rural communities NSP serves in eastern South Dakota. The \$500 is a tool for stimulating rural economic development and is an investment by NSP in the future of these communities. Bridgewater, Baltic, Canton, Centerville,

Dell Rapids, Emery, Garretson, Harrisburg, Lennox, Marion and Salem. Pictured here: Mary E. Thoen (second from left), South Dakota Community Relations Rep. presents a check to Carl Goldstone (far left), Evelyn Hoyer (second from right) and Roy Kreeger (far right) representing the Better Bridgewater Club.



Northern States Power Company
South Dakota

Bill Kullander, Area Relations Representative
Government & Community Relations
500 West Russell Street
P.O. Box 988
Sioux Falls, SD 57101-0988
Telephone (605) 339-8343 fax 339-8204

NSP Economic Development "Interest Buy Down" Program
Fact Sheet

Background and Purpose

NSP has an interest in maintaining the economic vitality of our region. The South Dakota Public Utilities Commission has authorized NSP to invest in economic development activities in South Dakota. These economic development activities are intended to encourage the startup of new business or the expansion of existing businesses.

Program

NSP is working with local banks to provide a one-time grant to effectively reduce the borrowing cost to a prospective new business or a business expansion project. Attached is a NSP application form. You must be a customer or a prospective customer of NSP to be considered.

NSP's Selection Criteria

As an energy services company, NSP is primarily interested in encouraging the expansion of businesses that need energy. Secondary to that criteria is the number of new employees this venture will require. Your only obligation to NSP is to allow us to photograph you or your facility and include that and your business name in our annual report to the South Dakota PUC.

Contingent Upon

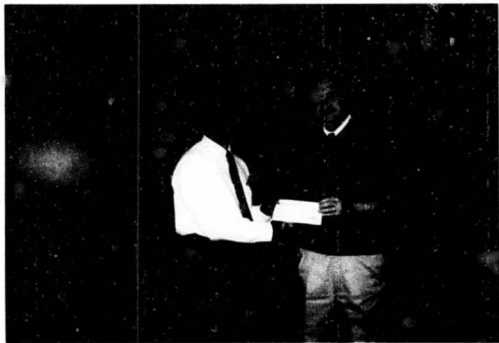
Your eligibility for this program also depends upon your credit approval and loan approval from your local bank. Note that NSP's participation in this program may enhance your opportunity for approval by your bank. Also please note that NSP's annual authorization for this program is limited. Once the budget for the calendar year is reached, the program will necessarily be suspended until the following calendar year.

If you have any questions, please call me at 339-8343.

Sincerely,

William Kullander

nr/facts



Pictured left to right: J. David Dancler, Assistant Vice President of Business Banking - Norwest Banks SD, N.A. and Bill Kullander, NSP-SD Area Relations Representative.

NSP-SD has an interest in maintaining the economic vitality of our service area. NSP-SD is working with local banks to provide a one-time grant to effectively reduce the borrowing cost to a prospective new business or a business expansion project. This new business or business expansion must be a customer or a prospective customer of NSP to be considered. NSP-SD is assisting "Hawkins Precision Tune" franchise that is locating in Sioux Falls, SD by paying the SBA guaranty fee of \$980.00 on their 49,000.00 SBA loan. Pictured is that check being presented by NSP-SD to Norwest Banks of SD, N.A.

Gary G. Olson
President and CEO

Norwest Bank South Dakota, N.A.
101 North Phillips Avenue
Post Office Box 5128
Sioux Falls, South Dakota 57117
605/339-7496

NORWEST BANKS

December 18, 1995

Michael J. Hanson
General Manager and CEO
500 West Russell Street
Sioux Falls, SD 57104

Dear Mike:

I am writing to ask Northern States Power Co. to give \$25,000.00 to help create the South Dakota Health Sciences Information Center at the USD School of Medicine.

The University of South Dakota School of Medicine is dedicated to teaching, research and public service with special emphasis on primary care and on rural health. The performance measures suggested by that mission consistently confirm the quality of the School. As the only medical school in South Dakota, it is crucial to the quality of healthcare available to 700,000 people. Its headquarters is in Sioux Falls.

The School of Medicine is now in the midst of a campaign to create *The South Dakota Health Sciences Information Center* here in Sioux Falls. The information technologies and the staff housed in this 24,000-square-foot facility will become the electronic hub of the state's primary health information network. The Center will give every South Dakota physician — and all other healthcare workers — access to important medical collections, including on-line health databases, compact disk products and other digital texts. It will be the state's principal gateway to these essential resources.

The Center, and the technological infrastructure it represents, will strengthen the healthcare industry in Sioux Falls — which now pumps \$800 million into the local economy each year. The School of Medicine has been crucial to the development of Sioux Falls as a regional medical center, and this campaign is an example of how it will continue to be a vital catalyst for growth.

The Center's impact outside Sioux Falls may be just as important. The Center will strengthen rural communities by bringing Information Age technologies to healthcare professionals across the state, reducing the isolation these men and women often experience, making *all* South Dakota a better place to practice medicine. And, as a result, a better place to live. And a better place to do business.

This is the kind of deep, enduring impact I want Norwest's charitable giving to have. I imagine it is the kind of impact you would like your corporate giving to have.

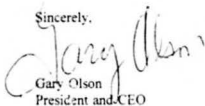
We've talked at length with the Chamber of Commerce about the project. Because of the Center's extraordinarily broad impact — and because we are calling on a very small part of the business community — we've been assured that our work doesn't conflict with the Chamber's community appeals process.

The medical community has shown its support. More than \$1.4 million has been pledged toward the \$2.4 million cost of construction. Almost all this has come from physicians.

A generation or two ago the interstate highway system was essential to the state's growth. As you know, Dave Christensen and I believe the future of South Dakota now hinges on initiatives like this one. And the success of the campaign hinges on the leadership of people like us.

Warm regards.

Sincerely,



Gary Olson
President and CEO

GO:mj

cc: Dave Christensen

**NSP-SOUTH DAKOTA
1996 ECONOMIC DEVELOPMENT
PROPOSED BUDGET**

Forward Sioux Falls III Campaign..... \$ 25,000

Minnehaha County Economic Development Association (MCEDA) \$ 25,000

NSP-SD "Economic Assistance" Program \$ 19,000

NSP-SD G.O.L.D. Program Support \$ 6,000

Sioux Falls Development Foundation

Training Fund \$ 15,000

Tenant Improvement \$ 10,000

TOTAL \$100,000

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

IN THE MATTER OF THE FILING BY) NORTHERN STATES POWER COMPANY FOR) APPROVAL OF AN ECONOMIC) DEVELOPMENT PLAN)	ORDER APPROVING ECONOMIC DEVELOPMENT PLAN EL96-003
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On April 10, 1996, the Public Utilities Commission (Commission) received Northern States Power Company's (NSP's) proposed Economic Development Plan for 1996. The proposed plan was filed in accordance with the settlement agreements reached between NSP and Commission Staff, and approved by the Commission, in the company's most recent rate case filings, Dockets EL90-13 and EL92-016. The Commission approved NSP's Economic Development Plan for 1994 on April 28, 1994, and for 1995 on June 26, 1995.

For 1996, NSP's proposed economic development investment budget is \$100,000. The actual expenditures for the 1995 economic development plan were \$107,500. Fifty percent of the 1996 budget would be recovered through rates, with the remaining 50% funded by shareholders. On May 14, 1996, the company revised the proposed budget for the Minnehaha County Economic Development Association from \$25,000 to \$10,000 with the difference of \$15,000 budgeted for Lincoln County economic development.

At its regularly scheduled May 14, 1996, meeting, the Commission reviewed NSP's Economic Development Plan for 1996. 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 plan, the Commission found the plan is just and reasonable and voted to approve it. It is therefore

ORDERED, that NSP's Economic Development Plan for 1996 is approved as revised.

Dated at Pierre, South Dakota, this 17th day of May, 1996.

CERTIFICATE OF SERVICE
<small>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.</small>
By <u><i>Melaine Kardo</i></u>
Date <u>5/22/96</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kenneth Stofferahn
KENNETH STOFFERAHN, Chairman

James A. Burg
JAMES A. BURG, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner