

KEY BENCHMARKS

The following Key Benchmarks will be used to measure the region's progress each year. Although we have a lot to accomplish over the next 20 years, we expect to see continual improvement along the way.

1. **Earnings per job** Private sector earnings per job for the Rapid City MSA and the Black Hills region will be the highest in the state.

History: in 1994, the average private sector earnings per job for the Rapid City MSA was \$20,725¹ and the Black Hills 8 County Region was \$19,573 while Sioux Falls MSA was at \$24,573.

2. **Poverty** Reduce the percentage of children in poverty by fifty percent.

History:

STATE	COUNTY	% CHILDREN UNDER 18 IN POVERTY
SD	BUTTE	25.5 ²
SD	CUSTER	15.6
SD	FALL RIVER	20.4
SD	LAWRENCE	14.5
SD	MEADE	12.4
SD	PENNINGTON	18.2
WY	CROOK	16.8
WY	WESTON	11.7

3. **Employment growth** The annual percentage change in total employment will be the highest in the state and equal or exceed the United States and also exceed the percentage population increase in the region.

History:

	ANNUAL % EMPLOYMENT CHANGE 1970-1994	ANNUAL % POPULATION INCREASE 1970-1994
RAPID CITY MSA	2.8	1.6
BLACK HILLS REGION-8 COUNTIES	2.6	1.2
SIOUX FALLS MSA	3.2	
UNITED STATES	1.9	

Note that strategy benchmarks will be developed by Vision Partners for specific strategies during the collaborative implementation process.

¹ Job and income data are from the CEDDS 97 by Woods & Poole Economics, Washington, DC. Employment data is for all jobs including 2nd and 3rd jobs and military and is located by place of work. Population, employment and income data are for July 1 of each year. This employment definition is broad and includes wage and salary workers, proprietors, private household employees and miscellaneous workers. Because of the broad definitions and place of work counting, the number of jobs are frequently larger than other employment data series.

² Source: County and City Data Book 1994, Bureau of Census, 12th Edition

Education

VISION

We will have a quality education system that improves quality of life, values and prepares our citizens to compete in the global marketplace.

STRATEGIES

A. K-12 Education Systems

1. **Expect³ all students to graduate with the basic skills and academic excellence necessary to either go to a four-year college, a technical institute, or immediately join the work force. Create clear standards for advancement from grade to grade and receiving a diploma.**
2. **Provide community and parental support for maintaining a disciplined and respectful classroom and provide teachers more authority to discipline students.**
3. **Provide funding for reasonable cost facilities that meet proven educational needs.**
4. **Increase opportunities for parental involvement in the education process. Implement effective communication between the parents, the school system, and the community.**
5. **Create a system that minimizes administration and maximizes classroom teacher support.**
6. **Expect parents to be involved in their children's education, and if parents are not involved, the community organizations, groups, individuals, churches, and synagogues will fill the gap with mentoring programs.**
7. **Implement annual review for teachers based on students' results and parental input; and require regular teacher re-certification.**
8. **Adopt and expand School-to-Work programs that provide opportunity for high school students to choose a technical curriculum in addition to their academic requirements. The technical curriculum will prepare the student to either go immediately to work upon graduation or to enter a two-year technical institution.**
9. **Eliminate open campus in Rapid City High Schools. Open campus currently exists because of a lack of space and encourages students to leave the campus when classes are not scheduled.**
10. **Increase or improve South Dakota teachers' salaries to the median among the fifty states.**
11. **Consider expanding school choice and a voucher system.**
12. **Reform the school tax and funding mechanisms.**
13. **Reduce drop out rates dramatically, specifically Native American drop out rates.**
14. **Hold the school system accountable for the performance of their students.**
15. **Ensure that technological literacy and the latest technology are a part of the teaching tools available to all students but are not the sole focus of the teaching process.**
16. **Provide remedial instruction opportunities for all students not performing at grade level in the basic skills.**
17. **Recognize that Arts education is essential in creating critical thinkers.**

³ The highest priority strategies within each foundation are indicated by bold type. Strategies within each foundation sub-section are in priority order. All strategies receiving less than ten votes were transferred to a list of possible action steps to be referred to Vision Partners.

18. Encourage and reach out to all students regardless of performance.

19. Reduce class sizes.

20. Ensure that basic life skills are a result of the curriculum.

21. Establish a business advisory council that advises the school system on curriculum, graduation requirements, and results required to function in the marketplace.

22. Strive to eliminate problems with substance abuse.

B. Higher Education

1. Ensure that all higher education institutions within the region are involved in the Black Hills Region by: a) the community reaching out to the institutions, b) becoming a resource to increase jobs, c) providing an easy interface for questions and direction, d) providing help in mathematics and science for K-12 students, e) utilizing research and extension service for agriculture and manufacturing, f) expanding opportunities for the non-traditional student.

C. Technical Education and Lifelong Learning

1. Build a community of learners by encouraging industry, education, government, libraries, and civic organizations to work together to provide life-long learning opportunities that vigorously increase productivity per individual.

2. Provide short term training and apprenticeship programs for immediate job openings. The educational institutions and employers will work together to ensure that the training is for marketable skills matching available jobs.

D. General

1. Encourage expanded utilization of school facilities.

2. Instill in all students an understanding of the entrepreneurial spirit, economics and America's free enterprise system that will allow our graduates to create their own jobs in the Black Hills Region or be effective employees.

3. Encourage teaching and decision-making roles for Native Americans and other minorities.

Quality of Life

VISION

We will be a region that requires that growth maintain or improve the quality of life.

STRATEGIES

A. Youth Development, People and Families

1. Develop quality child care to meet the needs of the region including a partnership between education, service providers and employers for extended child care at schools, both pre-school and after school.
2. Develop a strong community focus on keeping our young people in the region after they graduate.
3. Expect parents to be involved in their children's education and development; if parents are not involved, the community organizations, groups, individuals, churches, and synagogues will fill the gap with mentoring programs.
4. Maintain accessibility for the elderly and handicapped in all public facilities and appropriate housing.
5. Provide opportunities for youth to be involved in city activities and to be recognized for their contribution.
6. Provide affordable adult day care as an alternative to institutional care.
7. Enable mothers or fathers to stay at home with their children through providing more flexibility in work hours and better paying part-time jobs.

B. Health Care

1. Provide affordable access to appropriate health care for all citizens.
2. Encourage each individual to be responsible for his or her own health and wellness, beginning at an early age and on through life.
3. Encourage a collaborative environment among health care providers.
4. Provide total quality health care in the Black Hills Region with basic health care clinics in the outlying communities and major medical services provided in Rapid City.
5. Build facilities that encourage lifestyle changes, which result in wellness.
6. Expand preventive health measures for all.

C. Race Relations

1. Develop a region where diversity is recognized and appreciated as one of our Region's strengths.
2. Recognize the existence of racism in the region and take steps to eliminate it.
3. Provide cultural sensitivity training to individuals in community groups and organizations.

D. Recreation, Arts, and Culture

1. Foster collaboration between public and private providers of recreation and other leisure time activities to make them as affordable as possible and to minimize duplication.
2. Provide additional facilities for indoor recreation activities.
3. Keep recreational facilities in the school system available for public use.
4. Provide support and funding for a library system with competitive access to the worldwide information network.
5. Implement the Many Voices cultural plan.
6. Ensure that the Black Hills National Forest remains accessible to the public.
7. Make our natural resource and recreational opportunities accessible and affordable to all citizens throughout the Region.
8. Balance the management of regional natural resources including forestry.
9. Include Arts and cultural programming in appropriate recreational and leisure activities.
10. Encourage parental responsibility for providing and being involved in diverse recreational opportunities for their children.
11. Establish a private/public fund for disadvantaged youth to participate in recreational activities.

E. Safety

1. Make the Black Hills Region one of the safest places to live.
2. Foster citizen involvement in law enforcement and public safety issues.

F. General

1. Encourage volunteerism for all ages.

- A.S.A.P., Inc.
- Al Cornella Refrigeration Service, Inc.
- Allied Arts Fund Drive
- Altrusa
- Always There Home Health Care, Inc.
- AARP: Health Advocacy Services
- AAJW
- ABWA: Gateway Chapter
- American State Bank
- AmFac Parks & Resorts
- ASI, Inc.
- Behavior Management Systems
- Belle Fourche Chamber of Commerce
- Belle Fourche Development Corporation
- Big Brothers Big Sisters of the Black Hills
- Bill Kessloff
- Black Hills American Indian Center
- Black Hills Area Habitat for Humanity
- Black Hills Area Toastmasters
- Black Hills Badlands & Lakes
- Black Hills Business Council
- Black Hills Central Reservations
- Black Hills Child Care Association
- Black Hills Community Theater
- Black Hills Corporation
- Black Hills Council of Local Governments
- Black Hills FiberCom
- Black Hills Healthcare Network
- Black Hills Homebuilders Association
- Black Hills Judo & Jujitsu
- Black Hills Legal Services
- Black Hills Life Underwriters
- Black Hills National Forest
- Black Hills Power & Light
- Black Hills Regional Eye Institute
- Black Hills Resource Conservation & Development Association, Inc.
- Black Hills Society for Human Resource Management
- Black Hills Special Services
- Black Hills Tennis Association
- Black Hills Workshop
- Bob Helmer
- Bob's Amoco
- Boy Scouts of America - Black Hills Area Council
- Brink Electric Construction Co.
- Builders Development, LLC
- Business Information Center
- Buzz Knapp - Rapid City Council
- Canyon Lake Senior Citizens Center
- Career Learning Center of the Black Hills
- Casey Family Program
- Catholic Education Foundation
- Central States Fair, Inc.
- Character Counts!
- Children's Care Hospital & School Outreach
- Children's Home Society
- City of Belle Fourche
- City of Deadwood
- City of Lead
- City of Rapid City
- City of Spearfish
- City of Whitewood
- City/County Alcohol & Drug Programs
- Coca-Cola Bottling Company of the Black Hills
- Coldwell Banker Lewis-Kirkeby-Hall Real Estate, Inc.
- Communication Service for the Deaf
- Consumer Credit Counseling Service of the Black Hills
- Coyote Blues Village Bed & Breakfast and Language School
- Crazy Horse Memorial
- Cummings & Roll Insurance
- Custer Chamber of Commerce
- Custer Community Coalition on Aging, Inc.
- Custer Community Hospital Board
- Custer State Park
- Dacotah Cement
- DTG
- Don Holloway
- Downtown Kiwanis Club
- Duhamel Broadcasting
- Early Childhood Connections
- Ellsworth Family Support Center
- Ellsworth Youth Activities Center
- Exchange Club of Rapid City
- First American Administrators
- First Presbyterian Church
- First United Methodist Church
- French Cleaners & Shirt Laundry
- Gillette Dairy
- Girl Scouts of the Black Hills Council
- Grellind Printing Center
- Health Coalition for Rapid City
- Heart of the Hills Economic Development Corporation
- High Plains Alcorn Realty
- Hill City Chamber of Commerce
- Hills Material Co.
- Hot Springs Area Chamber of Commerce
- Independent Insurance Agents of Rapid City
- JC Penney Company
- Jerry Hammerquist
- John Langdell
- The Journey Museum
- Julie Pearson - Pennington County Auditor
- Kahler Financial Group
- Karen Bulman - Rapid City Council
- Ketel Thorstenson, LLP
- Kids Kastle, Inc.
- Kiwanis Club of Box Elder & Ellsworth AFB
- Korczak's Heritage Inc.
- Lemar Outdoor Advertising
- Lead Area Chamber of Commerce
- Lebrun Investment Management, Inc.
- Literacy Council of the Black Hills
- Luke Planning, Inc.
- Lutheran Social Services
- Lynn, Jackson, Shultz & Lebrun, P.C.
- Mammoth Site of Hot Springs
- Margie Rosario
- McGladrey & Pullen, LLP
- Meadowbrook Manor
- Merillat Industries

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Infrastructure

VISION

We will be a model region of innovative long term infrastructure development for orderly planned growth while protecting our natural resources.

STRATEGIES

A. Transportation

1. Increase air service to the Region at lower cost.
2. Complete the Heartland Expressway.
3. Develop a twenty-year transportation plan and commit to making it reality.
4. Build the southwest connector.
5. Provide adequate downtown parking.
6. Expand and improve rail service.
7. Develop north/south transportation systems.

B. Environmental Development

1. Accommodate long-term planned development and growth while protecting natural resources.
2. Develop and maintain facilities in the following categories: a) quality water supply, b) sewage treatment, c) solid waste, d) storm water management; which accommodate long-term planned growth.
3. Maintain reasonable regulation and local enforcement of environmental standards.

C. Planned Growth

1. Build infrastructure prior to development where economically feasible growth is planned.
2. Encourage cooperative efforts between counties and the region on land use and infrastructure development.
3. Encourage government agencies to be flexible and dynamic in their regulatory policies and enforcement.
4. Create dedicated funding sources available for individual infrastructure improvements necessary to be competitive for economic development projects.
5. Encourage involvement in the coordination of land use planning on major corridors that cross jurisdictional boundaries.

D. Affordable Housing

1. Provide safe, accessible and affordable housing for all ages.
2. Restructure the tax system to shift the burden from property taxes.
3. Ensure adequate levels of housing alternatives as the elderly move through the aging process.
4. Balance the need for housing regulations with its associated impact of increasing housing costs.

E. General

1. Develop toll-free local area telephone service throughout the region.
2. Ensure access throughout the Region to the worldwide information and communications network.
3. Improve our neighborhoods and downtowns, support historic preservation and enhance our park systems.

Economic Development

VISION

We will encourage economic development by utilizing our human, natural, and technological resources without compromising our quality of life.

STRATEGIES

1. Maintain a competitively funded, proactive economic development program that creates value added jobs⁴ that is balanced between expansion and retention of existing business, creation of new business enterprises and relocation. Target the industry clusters that will allow meeting our key benchmarks and provide full time jobs with benefits at the skill levels of all our citizens. Retain Ellsworth Air Force Base at current employment levels or greater.

2. Create an intense focus on attracting technology-based jobs using the resources of SDSM&T and other existing regional resources.

3. Increase the number of visitors to the Black Hills Region with a focus on high value visitors, an extension of the season, fly-drive tourism, cultural tourism, and eco-tourism. Market tourism nationally and internationally through a state advertising budget that exceeds the average of our eight surrounding states advertising budgets. Use the Internet to improve the efficiency and effectiveness of marketing. Establish cooperative alliances where possible to expand the market.

4. Develop public and private sources of capital and support networks that encourages and assists entrepreneurial business startups and expansions in the Region.

5. Enhance and develop new linkages to the broad Black Hills Region. These linkages should encourage trade, efficient provision of quality medical services, and expansion of air transportation.

6. Establish a regional economic forum that provides a regular opportunity for discussion, planning, and implementation of our economic development.

7. Develop state of the art communications throughout the Region.

8. Increase earnings per job by investing in our citizen's lifelong education to increase their work skills and productivity potential.

9. Prepare students from kindergarten throughout life to become entrepreneurs by aggressively teaching entrepreneurship at all levels of education from kindergarten through university.

10. Create a business climate which provides quality new jobs.

11. With the assistance of educational institutions, develop throughout the 26 county region support networks for industry clusters, including our mainstays of agri-business and mining, that increases productivity, competitiveness, and penetration into the global marketplace.

12. Ensure that the region increases private sector jobs at a rate to offset any possible future loss of government jobs.

⁴ Value Added Jobs - In every region, there are jobs that add value for export of goods or services outside the region to the rest of the US and the World. Export of services includes non-residents bringing cash dollars to the region as conventioners, tourists, students, medical patients or as the back office operation for a major financial organization. These value added jobs produce the cash income for the region that provides the opportunity for jobs that are internally focused. These internally focused jobs are either 1) local personal service jobs like barbers, accountants, lawyers, teachers, government workers and bankers or 2) jobs that sell products primarily produced elsewhere such as cars, appliances or clothes.

13. Develop an attitude that recognizes that change is inevitable if we are to protect and increase our quality of life.
14. Maintain a continuous outreach to the reservations that a) helps build their economies and infrastructure and b) develops linkages throughout the Region.
15. Provide adequate childcare for the families of workers.
16. Create economic incentives for job creation in the rural areas. Add value to our agricultural and other products before exporting them from the Region.
17. Encourage high school graduates to take advantage of service-oriented higher education options that will assist the elderly in remaining within their communities.
18. Promote business ownership and development for minorities and ethnic groups.
19. Capitalize on the Arts in downtown areas as economic generators.

Who to contact
Deb Workman
343-1744, ext. 23
vision@rapidcitychamber.com

Coming soon
Watch for our Web Page

Government

VISION

We will have efficient government with consolidated services that encourages citizen involvement and positive community growth and development.

STRATEGIES

1. Review existing local, state and federal rules, regulations and ordinances to determine their current applicability and whether there is a positive cost-benefit ratio. Eliminate unnecessary rules, regulations and ordinances and streamline the remainder to ensure they are effective, efficient, user friendly and increase productivity.
2. Encourage privatization of all government services that can be more efficiently and effectively provided by the private sector. Provide the basic services through government that the private sector will not or cannot produce.
3. Consolidate services between city and county governments and between counties to increase effectiveness and efficiency.
4. Expect all elected and appointed officials in the Region (local, state and federal) to endorse the Frontiers—Forging our Future VISION, adopt specific strategies for implementation and make them reality.
5. Expect government social service providers to change their role from maintaining people on welfare to facilitating people going to work and ultimately going off the welfare rolls. For example, a) medical coverage could be continued for people as they transition from welfare to work, b) welfare payments could be transitioned rather than abruptly cutoff when a person takes a first job, c) assist with child care during the transition, d) encourage skills development and e) provide effective job referrals.
6. Create a Chief Operations Officer for Rapid City that reports to the mayor and who all department heads report to. Combine departments of city government to reduce the number of direct reports to the Chief Operations Officer.
7. Create government that is customer friendly and as responsive as private enterprise.
8. Create a forum to encourage consolidation of services on a regional basis.
9. Expect commonality in zoning and planning between adjacent governmental jurisdiction (city-county, county-county, city-city, city-reservation, county-reservation).
10. Encourage consolidation of local governments and their collaboration.
11. Reduce our government's dependence on gambling revenues.
12. Increase the term of Rapid City's mayor to 4 years.
13. Maintain effective communications between government and citizens.
14. Create the position of ombudsman in local government, a person that people can go to at any time with their concerns.
15. Establish a collaborative public/private effort to increase volunteerism by 50%.
16. Use state of the art communication technology such as the Internet to reduce the amount of dollars spent on public notifications.
17. Create enterprise zones in low income areas that provide economic incentives for job creation.

Private Sector Leadership

VISION

We will encourage and educate citizens of all cultures to play an active role in the leadership, growth and development of the Region.

STRATEGIES

1. Establish a community living wage in the Region by increasing incomes and creating a work force competitive in the global economy.⁵
2. Encourage each individual to take responsibility for their own actions and to be a role model in the community.
3. Expect all for-profit and non-profit organizations to endorse the Frontiers—Forging our Future VISION, adopt specific strategies for implementation and make them reality.
4. Encourage regional civic pride, volunteerism and the spirit of giving back to the community.
5. Encourage public/private cooperation and partnerships that help create the future we want.
6. Increase the involvement of business and industry in the school system.
7. Provide a mechanism to recruit, train, and organize volunteer involvement in the community.
8. Recruit young people from the K-12 system, colleges and universities to work on community projects.
9. Encourage involvement in regional leadership development programs.
10. Encourage cohesiveness in the private sector and the support and use of local services when possible.
11. Create an understanding and appreciation of the free enterprise system in all our citizens beginning at an early age.
12. Create an environment where there is an equality in workplace opportunities for all races.
13. Appreciate the freedoms of our American system and never take it for granted.
14. Develop a regional institute to train local government and tribal government leaders that utilizes the expertise of the private sector.
15. Develop a clearinghouse that serves as a central source for distribution of information about service clubs, neighborhood groups, SCORE, and multitudes of other community organizations.
16. Provide leadership skills training to young people.
17. Encourage and support Native Americans and other minorities in achieving private sector leadership roles.
18. Create new resources by combining the assets and expertise of the non-profit and for-profit sectors.
19. Support community foundations.

⁵ Some of the action steps might include:

- a) change the mix of jobs to higher-paying jobs
- b) increase the number of jobs
- c) increase worker productivity through:
 - 1) good management
 - 2) adding technology
 - 3) skills training
 - 4) education
 - 5) work ethics, loyalty, dedication
 - 6) improving infrastructure
 - 7) improving cycle times and logistics
 - 8) understanding the need for discipline
 - 9) increasing private and public capital investments
 - 10) maintaining a tax and regulatory environment that enhances productivity
- d) increase regional "value added" in our products and services
- e) support entrepreneurs and small businesses who provide new jobs
- f) encourage profit sharing plans
- g) provide training, support groups, networks and mentoring programs for entrepreneurs
- h) encourage aggressive selling in the global marketplace

Frontiers-Forging Our Future Process

Phase I-GENERATING OUR SHARED VISION FOR THE FUTURE

- A. A diverse 32-person Steering Committee representative of the community was selected to guide the process.
- B. The Steering Committee selected a diverse Vision Task Force from all sectors and geographic areas of the Black Hills Region.
- C. The facilitator interviewed 108 individuals on July 9-11, 1997.
- D. Over 180 people attended the Stakeholders Summit on September 13, 1997. Vision Partners and the news media had publicized this public meeting at the South Dakota School of Mines & Technology. The participants selected their top ten issues to be considered by the Vision Task Force and selected 10 additional members for the Vision Task Force.
- E. The 150-member Vision Task Force met during September, 1997 and reached consensus on Vision, Strategies and three Key Benchmarks. The draft was edited and provided for distribution on October 27, 1997.
- F. Organizations and individuals throughout the community were urged to review the draft document and provide comments at the Town Hall meeting on November 20, 1997.
- G. Vision Task Force members made over 35 presentations with over 1000 attendees on the draft Vision to community organization between October 22, 1997 and the November 20, 1997 Town Hall meeting.
- H. The draft Vision document was presented to the public on November 17, 1997 by the media. A Town Hall meeting was held for citizen input at 7:00 p.m. on November 20, 1997 at the Rushmore Plaza Civic Center.
- I. The Steering Committee approved the final Vision document December 15, 1997.

Phase II-COLLABORATIVE IMPLEMENTATION

- A. The **Frontiers—Forging Our Future** Steering Committee will be diverse and community-based to provide leadership during the implementation process.
- B. Private and public sector organizations of all kinds and individuals endorsed the Vision document and became Vision Partners.
- C. Vision Partners who endorsed the Vision will be asked to identify those strategies they can incorporate and effectively implement within their normal mission, purpose and scope of operations or in strategic alliances with other organizations. Each Vision Partner or Strategic Alliance will develop action plans for the specific strategies they adopt and establish benchmarks to facilitate annual measurement of progress for each strategy.
The Chamber will coordinate and assist in establishing the benchmarks for the specific strategies selected by the Vision Partners. The Steering Committee will approve the benchmarks.
- D. Strategy identification and acceptance by Vision Partners will be reviewed by the Steering Committee to ensure that the priority strategies have been covered within the time frames for effective implementation. Progress on every strategy cannot begin immediately, but will be phased in over a 5 to 10 year period as applicable.
- E. Progress on strategies will be communicated on a regular basis.
- F. There will be an annual benchmark update of the three key benchmarks and the benchmarks measuring progress for each strategy identified by Vision Partners and Strategic Alliances. Progress on strategies and the benchmark update will be presented at an annual Town Hall meeting.
- G. The leadership of the **Frontiers—Forging Our Future** Implementation Process will continue to be diverse and community-based with management support and coordination provided by the Rapid City Area Chamber of Commerce for at least a five year period.

VISION TASK FORCE MEMBERS

Chairman: Dan Warren

Stan Adelstein
 Qusi Al-Haj
Adill Ameer
 August Anderson
 James Anderson
 Julie Annicchiarico
 Patrick Argabright
 John Artchoker
 Dave Asbridge
 Chris Baumgartner
 Shari Bloxham
 Robert Bothwell
 Diane Boucher
 Patricia Breen
 Carla Brings Plenty
 John Brockelsby
Gary Brown
 Janet Brown
 Pam Brownlee
 Mike Buckingham
 Karen Bulman
 Patrick Burchill
 Ann Bush
 Jack Cannon
 Pete Cappa
 Dennis Catron
 Cheryl Chapman
 Mike Christensen
 Kathleen Christopherson
 Carrie Cisle
 Sam Clauson
 Deb Claymore
 Lori Coble
Al Cornella
 Doreen Creed
 Bob DeMersseman
 Mike Derby
 Jim Doolittle

Bill Duhamel
 Deb Eagle Elk
 Deb Eiring
 Marcia Elkins
 Susan Fedell
 Bill Fleming
 Thomas Flickema
 Laurel Foust
 Ace Gallagher
 Madonna Goodart
Richard Gowen
 Cindy Griffin
Karen Gundersen Olson
 Nancy Gunter
 Ron Hagen
 Ivera Harris
 Jeff Haverly
 Carol Helfenstein
 Bob Helmer
 Tom Hennies
 Lt. Gov. Carole Hillard
 Bev Hink
 Jennifer Hockaday
Gale Holbrook
Bonnie Hughes
 Julie Jensen
 Al Johnson
 Cecil J. Johnson
 Glade Jones
 Kay Jorgensen
 Rick Kahler
 Bishop L.L. Kelly
 Patricia Kenner
Debbie Ketel
 Marguerite Kleven
Jennifer Lage Sagen
 Duane Lammers
Dan Landguth

Louie Lange
 Judy Larson
Patricia Lebrun
 Eric Lee
 Van Lindquist
 Michelle Lintz
 Bruce Long Fox
 Monte Loos
 Kip Lytle
 Carol Maicki
 Robert Martin
 CQ Mateer
James McKeon
 Anita Meier
 Tom Meier
 Karim Merali
David Miller
 Angie Monheim
 Joe Muller
 Bill Napoli
 Coya Night Pipe
 Jim Nolan
 Doug Noyes
 Ray Ollila
 Nancy Olney
 Shirley Overland
Jim Pahl
Renee Parker
 Grant Parsons
Gorgeous Paulhamus
Lyndell Petersen
Linda Peterson
 Marlys Porter
 Bat Pourier
 John Preston
 Patricia Pummel
 Willard Pummel
 Ron Reed

Mike Richardson
 Terrie Rich
 Lorri Riley
 Mike Rodman
 Walt Roetter
 Steve Rolinger
 Stephanie Romeo
Margie Rosario
 Robert Schilling
 Dick Schleusener
 Dave Schmidt
 Tracy Settle
Jody Severson
 Susan Sharp
Jim Shaw
 Don Shultz
 Jody Sleep
 Rhenda Strub
 John Sundby
 Barb Thirstrup
 Larry Thompson
 Sandy Tritsch
John Twiss
Lynette Two-Bulls Phalin
John Vanstrydom
Karen Waltman
 Dan Warren
 Dan Wenk
 Nancy Wetherill
 Karen Whitehead
 Steve Williams
 Pat Wyss
Luke Yellow Robe
 Ruth Yellowhawk
 Art Zimiga
 Ruth Ziolkowski

* The names of the Steering Committee members are printed in boldface type

Facilitator: Henry Luke, LUKE Planning, Inc., Jacksonville, Florida
 Process Manager: Rapid City Area Chamber of Commerce

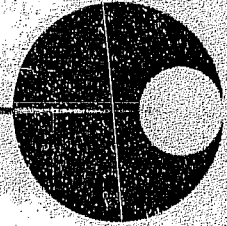
VISION PARTNERS AS OF JANUARY 13, 1999

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- Micro Solutions
- Millstone Family Restaurant
- Montana-Dakota Utilities Company
- Mount Rushmore
- Mount Rushmore KOA
- Mount Rushmore National Memorial Society
- New York Life - Vern Bills
- Nonprofit Management Institute
- North Central Supply Inc.
- North Rapid Civic Association
- Northern Hills Community Development, Inc.
- Northwestern SD Board of Realtors
- Norwest Bank of South Dakota, N.A.
- Oglala Lakota College
- Pennington County Commissioners
- Pete Lien & Sons, Inc.
- Progressive Solutions
- Proteus, Inc.
- Radisson Hotel Rapid City
- Rapid City Academy
- Rapid City Academy Parent Advisory Board
- Rapid City Air Service Task Force
- Rapid City Area Chamber of Commerce
 - Agriculture & Natural Resource Committee
 - Air Service Task Force
 - Ambassadors
 - Cultural Affairs
 - Cultural Diversity Committee
 - Diplomats
 - Ellsworth Task Force
 - Governmental Affairs Committee
 - Health & Human Services Committee
 - Leadership Rapid City
 - Member Services Committee
 - Transportation Committee
- Rapid City Area Christian Ministerial Fellowship
- Rapid City Area Schools Board of Education
- Rapid City Area Schools
- Rapid City Arts Council
- Rapid City Christian High School
- Rapid City Club For Boys, Inc.
- Rapid City Community Development Corporation
- Rapid City Convention & Visitors Bureau
- Rapid City Economic Development Foundation
- Rapid City Economic Development Partnership
- Rapid City Education Association
- Rapid City Foundation
- Rapid City Journal
- Rapid City Police Department
- Rapid City Public Library Board of Trustees
- Rapid City Public School Foundation
- Rapid City Regional Airport
- Rapid City Regional Hospital System of Care
- Rapid City Rotary Club
- Rapid City's Promise
- Rapid Fund
- Representative Alice McCoy
- Representative Carol Fitzgerald
- Representative J.P. Duniphan
- Representative Mark Young
- Representative Michael Derby
- Reptile Gardens
- Robert V. Shannon
- Rushmore Bank & Trust
- Rushmore Mall - SDG Macerich Properties, L.P.
- Rushmore Plaza Civic Center
- Rushmore Rotary
- SCORE
- SDSU-WRAC College of Agriculture & Biological Sciences
- Senator Arlene Ham
- Senator Drue Vitter
- Senator Jerry Shoener
- SHARE South Dakota
- Small Business Development Center
- South Dakota Aviation Association
- South Dakota Chamber & Economic Development Council
- South Dakota Department of Agriculture
- South Dakota National Guard
- SDSM&T
- SDSM&T Foundation
- Spearfish Chamber of Commerce
- Spearfish Economic Development Corporation
- Spearfish School District
- Steve Rolinger - City Council
- Stevens High School
- S.A.V.E. Rapid City
- Sturgis Wheel Company, Inc.
- Tip Top Motel
- Town of Hermosa
- Trinity Lutheran Church
- U.S. Congressman John Thune
- U.S. Senator Tim Johnson
- U.S. Senator Tom Daschle
- United Way of the Black Hills
- US Bank
- VA Black Hills Health Care System
- Warren Windows & Supply
- West Boulevard Neighborhood Association
- West Dakota Water Development District
- West River Electric Association
- Western Dakota Insurers, Inc.
- Western Dakota Technical Institute
- Western Providers, Inc.
- Westhills Village Retirement Community
- Wharf Resources
- Widowed Persons Service of Rapid
- Women's Connection, Inc.
- Women's Network
- YMCA of Rapid City
- Youth & Family Services
 - Child Care
 - Counseling Center
 - Early Head Start
 - Girls Incorporated
 - Head Start
 - Nutrition Services
 - Teaching SMART
- Zonta Club of the Black Hills

FRONTIERS

"FORGING OUR FUTURE"



VISION PARTNER RESPONSIBILITIES

1. Agree to embrace the vision and be a VISION PARTNER. *(Note: This does not mean you agree with every detail of the plan. This was built by consensus, not unanimity.)*
2. Study the vision and adopt those strategies you can incorporate and effectively implement within your normal mission, purpose and scope of operations. Strategic identification and acceptance by Vision Partners will be reviewed by the Steering Committee to ensure that the priority strategies have been covered within the right time frame for effective implementation.
3. Form strategic alliances with other organizations to adopt strategies that will require two or more partners to accomplish.
4. Develop action steps or plans to accomplish the strategies.
5. Establish benchmarks and milestones for each action step to measure progress and be held accountable. There will be benchmark updates periodically of the three Key Benchmarks and demonstrating progress on strategies identified by Vision Partners and Strategic Alliances.

To become a VISION PARTNER, please reproduce this page and return it to:

FRONTIERS - FORGING OUR FUTURE

Debra Workman

PO Box 747

Rapid City, SD 57709-0747

(605) 343-1744, ext. 23

Fax: (605) 343-6550

Email: vision@rapidcitychamber.com

Name of Organization: _____

Organization Representative: _____

Address: _____

(city)

(state)

(zip)

Telephones: (daytime) _____

Fax: _____

(other/e-mail) _____

Number of members _____

Signature _____

Date _____

1999 ANNUAL REPORT

Presented at the Annual Meeting, January 26, 2000, Rushmore Plaza Civic Center

BOARD OF DIRECTORS

1999 BOARD

1999 Chair - Sue Retzlaff, Sturgis Wheel
Vice Chair - Gary Fish, Black Hills Corp.
Sec./Treasurer - Mark Benson, US Bank
Mayor Jim Shaw
School Board Chair - Al Campbell/Peter Wharton
Chamber of Commerce Chair - Bill Barnhart
County Commission Chair - Gale Holbrook
SDSM&T President - Richard Gowen
Economic Development President
Bob DeMersseman
Past Chairman - Randy Hamburg, Norwest Bank
Ken Gifford, WDTI

At Large Members:
Jim Pahl - West River Electric Assoc.
Harry Christianson - Attorney
Owen Emme - Summit Construction
Robert Knecht - SCORE
Kathy Johnson - Johnson Environmental
Rod Pappel - SDSM&T Foundation
Gloria Pluimer - Career Learning Center
Sandy Diegel - Behavior Management
Systems
Rick Hanafin - BHI Regional Eye Institute

PROPOSED 2000 BOARD

2000 Chair - Gary Fish, Black Hills Corp.
Vice Chair - Mark Benson, US Bank
Sec./Treasurer -
Mayor Jim Shaw
School Board Chair - Al Campbell/Peter Wharton
Chamber of Commerce Chair - Bill Duhamel
County Commission Chair - Mark Kirkeby
SDSM&T President - Richard Gowen
Economic Development President
Bob DeMersseman
Past Chairman - Sue Retzlaff, Sturgis Wheel
Ken Gifford, WDTI

At Large Members:
Harry Christianson - Attorney
Sandy Diegel - Behavior Mgmt. Systems
Dave Gustafson - Heavy Constructors
Rick Hanafin - BHI Regional Eye Institute
Ken Kirkeby - Lewis-Kirkeby-Hall
Jennifer Landguth - Lage Development Co.
Rob Mudge, RPM & Associates
Jim Pahl - West River Electric Assoc.
Rod Pappel - SDSM&T Foundation
Gloria Pluimer - Career Learning Center

Rapid City Area Economic Development Partnership

444 Mt. Rushmore Road N., PO Box 747, Rapid City, South Dakota 57709-0747
Phone (605) 343-1880 Fax (605) 343-1916

1999 Annual Report

for

The Rapid City Area Economic Development Partnership

1999 IN REVIEW

The last year of the millennium has seen tremendous success with respect to job creation in the Rapid City area. Through the efforts of the Economic Development Partnership, the Economic Development Foundation and the Rapid Fund, we have been involved in the creation of over 1200 quality jobs. This is the culmination of many years of effort by our various boards.

The Economic Development Foundation began the infrastructure development for the Rushmore Business Park. When this first phase is completed in May, it will make available 60 percent of the land in the new business park. We were fortunate to complete the sale of 8 acres in the new addition for the Conseco expansion. The sale certainly gives us a running start in making the business park expansion successful.

Extraordinary success realized in job development has met immediate goals of creating jobs that pay above the prevailing wage and create a healthy economy with new job opportunities for the people of Rapid City and the Black Hills. The next phase of economic development will be to develop the kind of environment that will recognize the development potential of our indigenous resources, both human and natural.

ECONOMIC DEVELOPMENT PARTNERSHIP

The Partnership staff and volunteers have participated in a record number of hostings with the Governor's Office of Economic Development. We were successful in landing a number of prospects and working with existing businesses to realize a significant number of expansions.

EXPANSIONS AND RELOCATIONS

Conseco - Governor Bill Janklow and Bruce Crittenden, President of Conseco Finance Corporation, announced plans on November 3rd to hire another 500 workers over three years at the Conseco operations in Rapid City. The expansion will bring the Rapid City total to 1,700 associates. Conseco Finance, formerly GreenTree Financial Corporation, will build a new 75,000 sq. ft. office building. The Rapid City Economic Development Foundation has acquired 100 acres north of the original park, and the new Conseco building will be the first structure in the second phase of Rushmore Business Park. The new facility is expected to be built by summer.

SCI announced a major expansion to the Rapid City plant. About 1,100 people now work at SCI, making it the largest factory in western South Dakota. They will construct a 60,000 sq. ft. building north of their present building by Rushmore Mall. The company will spend about \$5 million on the new building and \$10 million to equip it. The addition should be completed by April, and 400 more workers will be hired over the next 12 to 18 months. SCI designs, manufactures, markets, and services electronic products for the computer, aerospace, telecommunications, medical, and entertainment industries as well as the US Government. SCI is the world's largest electronics contract manufacturer and has over 22,000 employees throughout its 29 manufacturing facilities operating around the world.

American Concrete Products, Fergus Falls, MN, plans to move its entire operation to Rapid City by summer. Jim Lampy, President, said at least 8 of its 15 workers will relocate with the company. American Concrete Products makes and refurbishes concrete mixers, molders, packagers and other equipment. It sells the equipment to makers of concrete blocks, culverts and other concrete products. They have an exclusive license with OEM to do this with their old machinery. They sell much of their equipment to developing countries who cannot afford the new equipment. The company will also be manufacturing small batches of high-end new equipment in the future. American Concrete will hire 50 new employees over the next 2-3 years and will construct a 25,000 sq. ft. building in South Creek Industrial Park.

Spiegel continues to be a major employer of Rapid City and announced they will be hiring an additional 250 employees in their current facility. They currently employ 600 in their Rapid City call center.

Rapid City Area Economic Development Partnership Members

*A&B Welding Supply Co., Inc.
American State Bank
Bangs, McCullen, Butler, Foye & Simmons, LLP
Glenn C. Barber & Associates, Inc.
Bice Drilling Co.
Big D Oil Co
Black Hills Agency, Inc.
Black Hills Federal Credit Union
Black Hills Home Builders Assn.
Black Hills Power & Light
Black Hills Regional Eye Institute Foundation
Brink Electric Construction Co.
Budget Inn Motel, Inc.
Career Learning Center of the Black Hills
Casa Del Rey
Central States Fair, Inc.
City of Rapid City
Colson's Champion Auto
Contractors Supply
Al Cornella Refrigeration Service, Inc.
Costello, Porter, Hill, Heisterkamp, Bushnell & Carpenter, LLP
Courtesy Lincoln Mercury, Inc.
Cummings & Roll Insurance
Dacotah Cement
Dakota Steel & Supply
DeMersseman & Jensen, LLP
Dougherty Dawkins
Dodge Town, Inc.
Duhamel Broadcasting Enterprises
A.G. Edwards
Fenske's Printing, Inc.
First American Title Co.
First National Bank
First Western Federal Savings Bank
Galyardt Associates, Inc.
M.L. Gould Insurance, Inc.
Hart Ranch Development Co.
Hebron Brick Supply
Herberger's
Hermanson, Sadowsky & Karen
John W. Hey & Co.*

Ray Hillenbrand
Hubbard Milling
Jacobs Motor Co.
Stanley Johnson Concrete Contractor, Inc.
Ketel Thorstenson, LLP
Korczak's Heritage, Inc.
Leather Unlimited
Pete Lien & Sons, Inc.
Lynn, Jackson, Shultz & Lebrun, PC
Macerich Properties - Rushmore Mall
A.Y. McDonald Supply
McGladrey & Pullen, LLP
Merillat Industries
Montana Dakota Utilities
Morrill, Thomas, Nooney & Braun
Moyle Petroleum
North Western Warehouse Co.
Northwest Pipe Fittings
Norwest Bank South Dakota, NA
Pennington County
Pennington Tile Co.
Casey Peterson & Associates, Ltd.
Pioneer Bank & Trust
Property Rentals
Prudential Kahler Realty
Rapid City Beauty Supply
Rapid City Journal
Rapid City Regional Hospital
Rapid Motors
Reptile Gardens
RE/SPEC Inc.
Riss Brothers Millwork, Inc.
Rushmore State Bank & Trust
Schmid Insurance Agency, Inc.
Sears Roebuck & Co.
South Dakota Gold Co.
Stec's Advertising Specialties
U.S. Bank
U.S. WEST
Waste Management of the Black Hills
West River Electric Assn.
Dr. E.B. Whillock
Dr. Roger Wilson

January 19, 2000

ASI, Incorporated, will expand its staff to about 300 workers in 2000. Currently, 180 people work there. ASI, based in Memphis, is a subsidiary of General Electric. It sells and administers service contracts for GE appliances and other products. The company opened its call center in the Rushmore Business Park in early 1998. At the time, ASI outfitted only half of its call center with desks and office furniture. They will furnish the rest of the building in the first quarter of 2000.

Gunderson's Manufacturing established a jewelry manufacturing and repair facility in Rapid City. Gunderson's Companies, Inc, of Sioux City, IA, will use this facility for a jewelry trade shop to service their current need for the repair and production of fashion and emblematic jewelry. They plan on 12 full time employees within three years.

ECONOMIC DEVELOPMENT FOUNDATION

The Economic Development Foundation is the real estate arm of Rapid City's economic development effort. The Board of Directors and staff have made significant progress with respect to economic stability and strength of the Foundation.

The successful restructuring of the debt and the grant from the Economic Development Administration has positioned the foundation to continue to provide quality industrial land inventory to companies in the expansion or relocation mode. The Foundation owns and operates two industrial parks: South Creek and Rushmore Business Parks, I and II.

RAPID FUND

The Rapid Fund continues to be an important tool in our efforts to expand our industrial base. We have found this relatively new debt-financing program to be an important tool in successfully completing our mission of creating new job opportunities for the people of Rapid City and the Black Hills.

The Rapid Fund board will make a significant draw on the 2012 program monies the City of Rapid City has made available.

LOOKING FORWARD TO THE NEW CENTURY

The year 2000 provides a number of exciting projects that will place Rapid City and the Black Hills area in a very competitive position.

The Western Research Alliance has been formed in an effort to bring together those individuals in both the public and private sectors engaged in basic research. The South Dakota School of Mines and Technology, Black Hills State University, as well as a number of private companies engaged in research, comprise the core of the organization. It is our goal to create an organization that will provide the administrative and financial support that can carry these research projects into viable commercial enterprises. We believe the Western Research Alliance will become a major contributor to quality industrial and job growth in the future.

The economic development organizations have for many years provided the possibility of developing a business incubator to support the growth of high-tech projects in western South Dakota. In the year 2000, we will proceed with an in-depth analysis and business plan for the creation of such a facility in the new Rushmore Business Park. The board has also voted to form a Technology Task Force to determine what our future needs are in a technology-dependent environment.

Regional projects

To proceed with a successful economic development effort, it is necessary to have current information with respect to the dynamics of our regional economy. During the next year, Rapid City Economic Development will proceed with other Black Hills communities to undertake an economic base study. It has been well over 20 years since such a complete study has been undertaken. The information derived from such a study will provide important insight into how the regional economy is developing.

We also plan to pursue funding with other Black Hills communities to create a comprehensive economic development plan. The plan will assist us in securing additional funding for infrastructure development.

ECONOMIC DEVELOPMENT PARTNERS

The boundaries that once separated one community from another have become more indistinguishable each year. The Black Hills region is recognized as being unique in the state of South Dakota for its close working relationship on economic development issues.

Northern Hills Community Development recently expanded its board to include representatives from all of the Black Hills communities. The leadership shown by the Northern Hills Development Board exemplifies the spirit that will allow us to have a successful regional economic development effort. The new Smart Centers have been an effective economic development tool that invites closer working relationships. The Smart Centers in Belle Fourche, Sturgis, and Rapid City now have the capabilities of video conferencing anywhere in the world. We value a relationship with individuals and organizations that have made regional economic development more than a "buzzword." These include:

West River Business Service Center
Service Corps of Retired Executives
Governor's Office of Economic Development
Northern Hills Community Development Corporation
West River Economic Development Coalition
West River Foundation
and the offices of Senator Tom Daschle, Senator Tim Johnson,
and Congressman John Thune

RAPID FUND BOARD

Shirley Stec, President
Al Cornella Ev Hoyt
Bob Kelley Steve McCarthy
Richard Wahlstrom Tom Zellmer

FOUNDATION BOARD

Brian Boyer, President
John Brewer Pat Burchill
Delores Coffing Bob DeMersseman
Randy Hamburg Ev Hoyt
Bob Schurger Mayor Jim Shaw
Tom Zeller

ECONOMIC DEVELOPMENT PARTNERSHIP ADVISORY COMMITTEE

Jim Mattern, 1999 Chairman
Stuart Wevik, 2000 Chairman

<i>Andy Ainslie</i>	<i>Joe Dobbs</i>	<i>Dave Litzen</i>	<i>Patsy Schmidt</i>
<i>Penny Alderman</i>	<i>Mel Dreyer</i>	<i>John Lofberg</i>	<i>Dixie Shreves</i>
<i>Merle Bach</i>	<i>Kari Gabrielson</i>	<i>Sheryl Logan</i>	<i>Val Simpson</i>
<i>Julene Bailie</i>	<i>Arlene Ham</i>	<i>Monte Lucas</i>	<i>Craig Steinman</i>
<i>Bob Barbour</i>	<i>Gary Hamilton</i>	<i>Sandy Massey</i>	<i>Haven Stuck</i>
<i>Greg Bartron</i>	<i>Rick Hanafin</i>	<i>Ron McArthur</i>	<i>Michelle Thompson</i>
<i>Mark Benson</i>	<i>Jeff Haverly</i>	<i>Larry Meier</i>	<i>Verne Thorstenson</i>
<i>Brian Boyer</i>	<i>Terri Haverly</i>	<i>Rick Messer</i>	<i>Mitch Usera</i>
<i>Vince Braun</i>	<i>Dearn Heintz</i>	<i>Bryan Mickley</i>	<i>John VanStrydonck</i>
<i>Dan Carda</i>	<i>David Holte</i>	<i>Chad Miller</i>	<i>Tim Vottero</i>
<i>John Carlson</i>	<i>Leah Jeffries</i>	<i>Jim Morcom</i>	<i>Peter Wharton</i>
<i>Ward Cheney</i>	<i>Greg Ketel</i>	<i>Julie Pearson</i>	<i>Kyle White</i>
<i>Steve Conzet</i>	<i>Joseph Kieffer</i>	<i>Gloria Pluimer</i>	<i>Sheryl Williams</i>
<i>Dennis Coull</i>	<i>Bruce Lail</i>	<i>Sue Retzlaff</i>	<i>Terry Williamson</i>
<i>Claudia Dail</i>	<i>Jennifer Landguth</i>	<i>Steve Rolinger</i>	<i>Bill Wold</i>
<i>Bob DeMersseman</i>	<i>Mike Lees</i>	<i>Steve Schacht</i>	<i>Don Wrede</i>

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400

409 DEADWOOD AVENUE

RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE

858-1234

FAX 858-1234

March 4, 1999

Rapid City Area Economic
Development Partnership Group
Robert DeMersseman, President
P. O. Box 747
Rapid City, SD 57709

Dear Bob:

Black Hills Power and Light supports organizations that promote economic development and new business attraction. Through your enhanced Economic Development home page, the RCAEDP will obtain the state-of-the-art internet technology needed to attract and communicate to prospective companies world wide.

Enclosed is a check for \$4,000 to assist you with your improved home page project. We also look forward to seeing a Utility Section, recognizing Black Hills Power and Light as a sponsor. If you need further assistance during the development or production of your home page, please feel free to contact me at 605-342-1300.

Sincerely,



Mitch Usura
Manager, Marketing Services

cc: Ev Hoyt, President & COO
Jim Mattern, Vice President-Administration



Journal photo/Chris Kallenberg

ques own

community project. acil drawings of the , historic photos and ry of the people and ity, explained Shar- assistant to the His- mission.

being installed: two Main, Sixth and St. th, and St. Joseph South and Main. urie Edge, S. Construc- John. Duhamel rprises, US Bank- erican State Bank- rial Life Insurance.



Kyle Knispel of Boy Scout Troop 74 tightens a screw Saturday morning on one of the nine interpretive signs marking Rapid City's Downtown Historic District.

Plan's aim: Better air

■ Pollution caused by high winds won't count.

By Diane Rietman
Journal Staff Writer

Rapid City residents should be able to breathe a little easier with the implementation of a plan to alert the public to high-wind conditions that can lead to unhealthy air.

The plan also reduces the city's exposure to federal sanctions because pollution problems created by high-wind conditions are not counted as violations.

The U.S. Environmental Protection Agency approved the Natural Events Action Plan in February and it is in effect now. It was developed through a cooperative effort of the state Department of Environment and Natural Resources (DENR), the Pennington County Air Quality Board and industrial quarry businesses in west Rapid City.

The plan addresses dust sources most affected by high winds. It directly affects the operations of seven businesses — Hills Material Co., Pete Lien and Sons, the South Dakota Cement Plant, Fisher Sand & Gravel, Black Hills Power & Light Co., Dakota Block Co. and Simon Contractors Inc.

"They want all industries on a level playing field so everyone is applying the same techniques and same control systems," said Fred Carl, chairman of the Pennington County Air Quality Board. "There are just some weather conditions where we can't control the dust problem."

Carl said results would be more visible in the winter, when the dust level is higher. January and February are dry and the weather is too cold to use water to cover dirt roads.

The National Weather Service will contact local media to issue an alert when there is the potential for poor air quality during high winds. DENR will contact the industries during periods of high winds. Industries are asked to minimize opera-

tions that create dust and increase pollution controls such as watering or chemical treatment.

Alerts will be issued when weather forecast calls for wind of 40 miles per hour or an hourly wind speeds exceeding 30 mph or when there are five or more days of 30 mph or less of precipitation each day.

The alerts will be discount when wind speeds fall below 30 on an hourly average and gusts fall below 30 mph or the more than 32 inches of precip in a 24-hour period.

The businesses voluntarily implemented some of the new measures, which are included in the new air quality permits for facilities, said Tim Rogers, a resources program scientist DENR. While most controls are in place, the companies had until May of 2000 to construct water around stone crushers, install dust collectors, Rogers said.

It cost Hills Material an estimated \$1.5 million to install a closure and dust collecting system in the mid 1990s, Rogers said.

Rapid City has not dealt with dust as much as some of the national standards. Better air pollution controls are in place, street sanding, stream erosion structure, parking lots, open soil and wood burning. These have helped reduce air pollution. High winds have not caused problems at the mill complex along Shargo Road.

Rapid City was on the list being classified as a nonattainment area earlier this month had exceeded EPA standards for times, Rogers said. A nonattainment area is one where at least a national air quality standard is violated.

If problems continue, it could withhold highway funding, forcing a plan to improve air quality. The nonattainment situation could also bring development, since now it could not produce more than 100,000 vehicles.



RAPID CITY AREA ECONOMIC DEVELOPMENT PARTNERSHIP

February 1, 1999

Mr. Mutch Usera
Black Hills Power & Light
PO Box 1400
Rapid City, SD 57709-1400

Dear Mutch:

Thank you and all the people at Black Hills Power & Light for their long-standing support of our economic development programs. We particularly want to thank you for your most recent contribution to our efforts. The \$4,000 you have committed towards the production of our new promotional video and the new WEB page, is greatly appreciated.

These new marketing tools will go along way in helping us tell the story of what Rapid City has to offer new and expanding businesses.

It has been a pleasure working with Sue and Jay during this process.

Please forward the grant to the attention of the Economic Development Partnership at your convenience.

Thanks again to you and everyone at Black Hills Power and Light.

Sincerely,

Robert P. DeMersseman
President

Sue Retzlaff new EDP chairman

The mission of the Rapid City Area Economic Development Partnership is to improve the quality of life and increase personal income levels in the greater Rapid City area by fostering a vital business climate which provides quality new jobs, attracts new business, helps existing businesses, and promotes entrepreneurship.

Sue Retzlaff, owner and vice president of Sturgis Wheel, Rapid City, will lead Rapid City's economic development organization in 1999. "The Partnership has an extremely active, focused program in place working to promote and attract quality, primary jobs for the Rapid City area," says Retzlaff. "Primary jobs are those jobs that bring new wealth into a community. Manufacturing, processing, and service exporting are excellent examples of primary job creating industries. The Partnership plans to continue to focus its programs on attracting those types of industries, AND to continue its efforts to assist companies already doing business in the Rapid City area to grow and succeed as they provide employment opportunities for the people in our

community."

Sue (Baker) Retzlaff was born in Washington State, but moved to the Rapid City area when she was 4 years old. She attended high school at Rapid City High School, and at 19, met and married Ron Retzlaff. Sue and Ron then moved out of state, to Colorado for nine years, and then California for 19 years, before moving back home to Rapid City and starting their manufacturing company, Sturgis Wheel, Inc. Sturgis Wheel manufactures after-market motorcycle wheels and belt drive pulleys for Harley-Davidsons. In addition to the 13 styles and six sizes in the Sturgis Wheel line, they produce proprietary designs for Tucker Rocky/Nemco, Drag Specialties and Arlen Ness. Sturgis Wheel manufactures 25 different styles in all.

Retzlaff says her interest in economic

development comes from a sense of pride in the town she grew up in. Her experiences in the other areas she lived over the years sparked her desire to be involved in the future of her hometown.

Retzlaff is joined on the 1999 Partnership Leadership team by Gary Fish, Black Hills Corp., Mark Benson, U.S. Bank, Mayor Jim Shaw, Al Campbell, Rapid City School Board, Bill Barabart, Gillette Dairy and Chamber of Commerce Chairman, Dolores Coffing, Pennington County Commission Chairman, Richard Cowen, South Dakota School of Mines & Technology, Randy Hamburg, Norwest Bank and past chairman, Rapid City EDP, Ken Clifford, Western Dakota Technical Institute, Jim Pahl, West River Electric, Harry Christensen, attorney, Owen Emme, Summit Construction, Robert Knecht, retired, Kathy Johnson, Johnson Environmental, Red Pappel, South Dakota School of Mines Foundation, Gloria Plummer, Rapid City Career Learning Center, Sandy Diegel, Behavior Management Systems, and Rick Hanañ, Black Hills Regional Eye Institute.



Retzlaff

Learning Lunch

Thursday, February 11

11:30 a.m. - 1 p.m.

Location: Rushmore Plaza Civic Center, Room 207

Computers and Business Related Software

Presented by:

Payson Peterson, consulting services manager
Tim Wagner, microcomputer coordinator/consultant
McGladrey & Pullen, LLP

Future Topics:

March & April: Business through the Internet topics
May: Quality Assurance for ISO 9000 and CE Marking

Learning Lunch Registration: (Financial Statement)

Name: _____

Address: _____

City: _____

State: _____

ZIP/Postal Code: _____

Phone: _____

RSVP is required!
Please call 343-1880

email -
info@rapiddevelopment.com or mail the
registration to
address listed. \$5.00
includes lunch and
registration.

Mail To:

LEARNING LUNCH

Financial Statement
444 Mt. Rushmore Road North
P.O. Box 747
Rapid City, SD 57704-0747

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400

409 DEADWOOD AVENUE

RAPID CITY, SOUTH DAKOTA 57709

MUTCH-USERA

MANAGER, MARKETING SERVICES

FREEPHONE

(800) 525-7000

FAX (605) 342-1000

March 2, 1999

Northern Hills Community Development, Inc.
James L. Doolittle, Executive Director
P. O. Box 218
Sturgis, SD 57785-0218

Dear Jim:

Black Hills Power and Light supports organizations which work to enhance and assist businesses. The West River Economic Development Coalition (WREDC) is an organization that supports and coordinates organizations who accomplish such efforts. We at BHP appreciate WREDC's dedication and enthusiasm in providing a "One-stop" approach to meeting the needs of businesses getting started or seeking business consultation.

Last year, BHP contributed funds to assist South Business Development Center and SCORE. BHP is pleased, again, to submit our commitment of \$7,500 for the 1999 programs under WREDC.

At BHP, we commend your organization for developing a cost effective approach to small business assistance as well as supporting the growth of communities within BHP's service area. We look forward to working with you as a partner in the many Black Hills communities.

Sincerely,



Mutch-Usera
Manager, Marketing Services

c: Ev Hoyt
President & COO

WEST RIVER ECONOMIC DEVELOPMENT COALITION

P.O. BOX 218

STURGIS, SD 57785

TELEPHONE: 605-347-5837

FAX: 605-347-5223

January 25, 1999

Mutch Usera
Black Hills Power & Light
PO Box 1400
Rapid City, SD 57709

Dear Mutch:

Thank you for your contribution that helped support the Small Business Development Center during 1998 as well as the establishment of other services under the umbrella of West River Economic Development Coalition. With your monetary assistance and personal support, we have been able to leverage additional financial support from GOED, SBA, and have expanded services to include:

- a) the establishment of West River Business Service Center in Rapid City;
- b) Business Information Center;
- c) the inclusion of SCORE co-located at the Center;
- d) Small Business Development Center;
- e) a regional revolving loan fund;
- f) regional marketing effort led by Black Hills Business Council.

Currently, our Regional Advisory Board for the Coalition are conducting fund-raising by contacting the private sector. The goal is to raise \$125,000 annually.

In order to reach the goal and be able to support the existing services we also need your help. Find enclosed a sheet that itemized the cash contribution we received in 1998. We ask that you contribute a similar amount to help support the services during 1999. Make checks payable to West River Foundation and send them to me. Also find a pledge form enclosed if you can commit to more than one year.

If you have questions or need further information, contact me.

Thank you for your attention.

Sincerely,


James L. Doolittle *J.L.*

c: West River Economic Development Coalition Board

West River Business Development Center Celebrates First Anniversary of Operation

A good crowd showed up at Rapid City's Rushmore Plaza Civic Center September 29 to mark the West River Business Service Center's first anniversary.

The Center, which Northern Hills Community Development helped establish in 1998, is located on the civic center's second floor. A highlight for most people attending the anniversary event was the opportunity to see, for the first time, Rapid City's "smart center"—a high-tech telecommunications studio developed on the premises (see article in this newsletter).

No less impressive than the smart center, though, was a recounting of the West River Business Service Center's first-year accomplishments. Some 1,260 people registered to use the Center's business library and computers. The Center's staff logged 4,100 hours helping 675 clients prepare business plans, examine market research, and, in many cases, find financing. Clients received \$7.6 million in loans, including funding from three programs administered at the Center: Small Business Administration 504 Loans, West River Revolving Loans, and Lawrence County Revolving Loans.

West River Business Service Center clients have created 300 jobs and have accounted for more than \$6 million in annual sales.

In addition to its library, computers, and on-staff consultants, the West River Business Service Center made available the Service Corps of Retired Executives (SCORE). More than 100 SCORE volunteers were ready to consult business people about the realities of today's commercial climate.

The Center is the largest one-stop resource for business in South Dakota. It's a joint effort involving the Small Business Administration (SBA), West River Economic Development Coalition, West River Foundation, Northern Hills Community Development, USDA Rural Development, Governor's Office of Economic Development, U.S. Department of Commerce, and Service Corps of Retired Executives (SCORE).

Bartron joins West River Business Development Center Staff

Greg Bartron joined the West River Business Development Center last March, and immediately took on several leadership functions.

Greg closes all West River and Lawrence County revolving loan transactions. He heads up fundraising for the West River Business Coalition, and he's highly visible this fall as coordinator of the four Smart Centers opening in Rapid City, Belle Fourche, Lead, and Sturgis.

"It's really been a pleasure to work with Black Hills FiberCom's staff in developing those centers," he says. "The tremendous opportunities resulting from the centers will allow Black Hills business, industry, and education to keep pace with the rest of the world as we enter the 21st century."

He grew up in Watertown and graduated from the University of Colorado in 1972, and the University of South Dakota School of Law in 1975. Early in his career, he served as assistant attorney general for South Dakota, and Codington County deputy states attorney (Watertown).

Greg enjoys living in western South Dakota now.

"I think the people West River, and especially in the Black Hills, are opening up to innovative business and industry ideas, and to economic development overall," he notes.

He recently traveled to New Orleans for a National Association of Development Organizations conference. "Of all the things I heard about there, the effort to create a secondary market for securitization of our type of loans was the most promising news," he says. "That would allow organizations like ours to sell our loans, on a secondary market, much like banks do with housing loans. We could close a loan, sell it, and get money back to loan out again."

The secondary market, Greg thinks, could be a reality within two years. Greg's office is at the West River Business Service Center, and he travels throughout Northern Hills Community Development's service area. He and his wife, Mary, live in Rapid City.

They are the parents of two adult children.



GREG BARTRON

First Anniversary Celebration

of the

WEST RIVER BUSINESS SERVICE CENTER

Wednesday, September 29, 1999

4 p.m.

Rushmore Plaza Civic Center, Room 204

Featuring Partners in Service:

West River Economic Development Coalition

West River Foundation

Northern Hills Community Development, Inc.

Black Hills FiberCom

Small Business Administration - BIC, Small Business Development Center, and SCORE

USDA Rural Development - Revolving Loan Funds

Governor's Office of Economic Development - West River Region

US Department of Commerce - Smart Center

Economic Development Administration - Revolving Loan Funds

PROGRAM

Master of Ceremonies--Jim Doolittle

Welcome--Mayor Jim Shaw-Rapid City

Partners in Service

West River Economic Development Coalition--Pat Burchill, Chairperson

Small Business Administration (SBA)--Gene Van Arsdale-District Director

Service Corps of Retired Executives (SCORE)--Ward Cheney

Introduction of Center Staff

U.S.D.A. Rural Development--Dallas Tonsager-State Director

West River Foundation--Patricia Kenner

Governor's Office of Economic Development--Chris Braendlin

U.S. Department of Commerce--Mark Tibbetts

Northern Hills Community Development, Inc.

Black Hills FiberCom--Smart Centers

Unveiling Rapid City SMART Center

Recognition of Contributors

Open House/Tours

Recognition of Contributors

West River Business Service is extremely grateful to the following:

\$5,000 and up

Black Hills Power & Light
Citibank
City of Rapid City
Pennington County
US Bank

\$2,000 and up

American State Bank
(5 yr pledge)
First Western Bank
(5 yr pledge)
Greater Rapid City Area
Economic Dev. Corp.
Northern Hills Community
Development, Inc.
Pioneer Bank & Trust
Rushmore State Bank & Trust
(5 yr pledge)
US West
West Central Electric Coop
(5 yr pledge)

\$1,000 and up

DeMersseman, Jensen
(Attorneys at Law)
(5 yr pledge)
Michael Wordeman
Pete Lien & Sons
South Dakota Vending
(5 yr pledge)
Spearfish Economic Dev. Corp.
West River Electric

\$999 and below

Ainsworth-Benning Construction
(5 yr pledge)
Badlands RC & D
Bangs, McCullen, Butler, Foye,
Simmons, LLP
(3 yr pledge)
Black Hills Healthcare Network
(5 yr pledge)
Black Hills Land Title, Inc.
Black Hills Regional Eye Institute
(5 yr pledge)

\$999 and below (cont.)

Belle Fourche Chamber of Commerce &
Economic Development Corp.
Butte County
Casey Peterson and Assoc.
(5 yr pledge)
City of Box Elder
Coldwell Banker
Custer Chamber of Commerce
Dakota Craft, Inc.
(5 yr pledge)
Evergreen Office Products
(5 yr in kind)
Fall River Abstract Co.
Farmers Insurance Group
(5 yr pledge)
First American Title Company
Hot Springs Area Chamber of Commerce
Bob Knecht
(5 yr pledge)
Lewis-Kirkeby-Hall
Lynn Jackson, Shultz & Lebrun
(5 yr pledge)
Dr. Keith Moler
Montana Dakota Utilities
(5 yr pledge)
Moyle Petroleum Co.
(5 yr pledge)
Pennington Title Co.
Peter Thoreen
(5 yr pledge)
Rapid Chevrolet/Toyota of the Black Hills
(5 yr pledge)
Rich Knobken
(5 yr pledge)
Riss Brothers, Inc.
(5 yr pledge)
State Farm Insurance Agency
(5 yr pledge)
Sturgis Industrial Expansion Corporation
Western Dakota Insurance

Other "Key" Contributors

All Communications
Black Hills Business Council
Black Hills Council of Local Governments
Black Hills Special Services Cooperative
Black Hills State University
Border States Electric
City of Lead
City of Rapid City
Contractors Insulation & Drywall Service
D & R Enterprise
Dakota Craft
First Western Bank
Freeman's Electric Service
Golden West Tel-tech Inc.
H & N Electric
Bob Knecht
Knecht Home Center
Linoleum & Carpet Center
Merillat Industries
Micro Solutions
National American University
Regal Company
Rushmore Countertops
Rushmore Electric Power Cooperative
SD School of Mines & Technology
Sturgis Area Chamber of Commerce
Tessier's
Twin City Area Development Corporation
University of South Dakota
United Building Centers
Ward Cheney
Warren Window & Supply
West River Foundation
Whitey Broderick
Sherwin Williams
Ziegler Building Center

West River Economic Development Coalition

Regional Advisory Board

Standford Adelstein
Adil Ameer
Pat Burchill, Chairperson
Harry Christianson
Charles Clay
David Geisler
Steve Hayes
Bob Helmer
Jim Hood
Ev Hoyt
Bob Knecht
Larry Mann

West River Economic Development Coalition

Regional Advisory Board (cont.)

Ed McBride
Casey Peterson
Ross Roll
Bob Schurger
Norbert Sebade
Vic Simmons

West River Foundation Board of Directors

Patricia Kenner, President
Don Andersen
William Husband, Sec.
Ed McBride, Treas.
Myron Sullivan

Northern Hills Community Development, Inc.

Board of Directors

Judy Larson, President
John E. Johnson, President Elect
Harley Lux, Sec./Treas.
Vern Bills
Doreen Creed
Lynn Hammerstrom
Bev Hink
Bruce Oberlander
Ray Osloord
Jeff Parrett
Harlan Schmidt
Mark Straub
Neil Vollmer
Tony Westberg
Kevin Whitelock
Dave Zwetzig

(SBA 504 Loans Continued)

Administered by Northern Hills Community Development, Inc., the program works with banks and businesses on what's known as a 50-40-10 structure. That means a regulated lender typically provides fifty percent (50%) of the financing and receives a first mortgage position on all project collateral. Forty percent (40%) is provided by the Northern Hills Community Development which sells debentures guaranteed by SBA and receives a subordinated collateral position. The remaining ten percent (10%) is provided by the borrower in a cash equity injection. Northern Hills Community Development's portion may range from a minimum of \$50,000 to a maximum of \$750,000. Finance rates are fixed for the repayment period, usually 10-20 years.

West River Business Service Center
Rushmore Plaza Civic Center
444 Mount Rushmore Road
Suite 204
Rapid City, SD 57709
Phone: 605-394-1706

Northern Hills Community
Development, Inc.
PO Box 218
Sturgis, SD 57785
Phone 605-347-5837

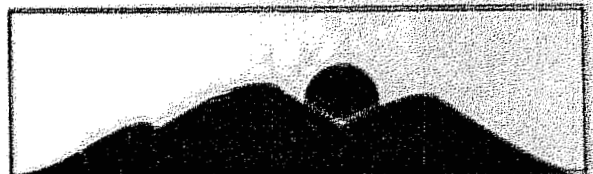
Pierre Area Business Service Center
800 West Dakota Avenue
Pierre, SD 57501
Phone 605-945-1661

Three Business Loan Programs

offered through
**Northern Hills Community
Development, Inc.
and
West River Economic
Development Coalition**

—Lawrence County Revolving Loan Fund
—West River Revolving Loan Fund
—Small Business Administration 504 Loans

**Low Equity Requirements
Competitive Interest Rates And Terms**



Western South Dakota entrepreneurs today enjoy a positive climate for obtaining capital, thanks to three loan programs administered by Northern Hills Community Development, Inc. and West River Economic Development Coalition.

Detailed information and application materials for these loans are available from Jennifer Oberg, West River Business Service Center, Rushmore Plaza Civic Center, 444 North Mount Rushmore Road, Suite 204, Rapid City, SD 57709. Or phone Jennifer at 605-394-1706.

Loans are offered for business start-ups or expansions at competitive interest rates.

In addition to the loan programs, the West River Business Service Center offers free expertise for developing business plans, tapping into market research, and creating marketing strategies. Staff at Northern Hills Community Development in Sturgis (phone 605-347-5837) and at the Pierre Area Business Service Center (phone 605-945-1661) can provide the same expertise, or direct clients to it.

As described below, rules governing these three programs vary. Business Service Center staff and Northern Hills Community Development staff can help business people decide which program is best suited to their needs.

Lawrence County Revolving Loan Fund

Established in 1998, the fund makes loans up to \$150,000 available to for-profit businesses in Lawrence County. Projects must lead to the creation, retention, or expansion of businesses and jobs. Money can be used for acquiring land and buildings, machinery and equipment, construction, working capital, and contingencies. The Loan Fund cannot be used to refinance existing loans.

Bank participation is typically required, and applicants may have to secure other financing and

must provide a minimum of 10 percent of the project cost. The Lawrence County Revolving Loan Fund can provide up to one third of the project cost, and a monthly principal and repayment schedule will be set up.

Loans for buildings and land are limited to 15 years, while equipment loan terms will not exceed the life of the equipment. Working capital loans will not exceed five years.

West River Revolving Loan Fund

Also initiated in 1998, this fund makes available up to \$150,000 for a wide range of uses: feasibility studies, business start-up costs, purchase or development of land, infrastructure, equipment purchase, and community facilities and housing that can demonstrate repayment capability.

Loans are available in all western South Dakota counties, through the U. S. Department of Agriculture's Rural Development funding. Applicants must show at least 10 percent owner equity. Collateral to secure the loan will be required in the form of land, buildings, equipment, or other assets. The repayment period is generally no longer than 10 years. Loans may cover up to 50 percent of project costs.

Small Business Administration 504 Loans

This long-established program has had a great impact on South Dakota business development over the years. Funds are available for fixed assets such as land, buildings, and equipment. No working capital, inventory, venture capital or refinancing loans are eligible. Borrowers must be for-profit businesses with net worths less than \$6 million, and whose after-tax profits the past two years have averaged less than \$2 million. An operation not meeting those standards might still be considered a small business based on its number of employees, a number that varies depending on the type of business.

(Continued)

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 625 NINTH STREET
RAPID CITY, SOUTH DAKOTA 57709

<http://www.blackhillscorp.com>
e-mail: evhoyt@blackhillspower.com

EVERETT E. HOYT
PRESIDENT AND CHIEF
OPERATING OFFICER

TELEPHONE
(605) 348-1700
(605) 348-9749 FAX

September 28, 1999

Mr. Randy Morris
Mr. Greg Bartron
West River Foundation
Rapid City, SD 57001

Dear Randy and Greg,

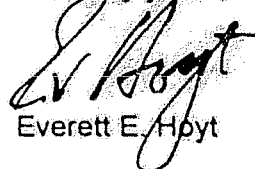
Confirming our conversation yesterday, we are prepared to immediately advance the sum of \$30,000 to West River Foundation as a loan for the purpose of providing matching funds for the West River Foundation Revolving Loan Fund.

We would appreciate Greg's redrafting the previous draft agreement provided to us to reflect the loan as of the current date, with no payments or interest for the first five years, with interest at 2% during the next five years, with annual payments based on a 20-year amortization schedule beginning October 1, 2005, with the unpaid balance of principal to be paid at the end of the ten year term on October 1, 2009.

Recognizing that time is of the essence to accommodate loan commitments made by the Foundation, we are prepared to provide the loan proceeds to the Foundation immediately upon execution of the loan agreement.

We will be pleased to continue to work with you and the Foundation as you continue to broaden your base of support for matching funds for the Revolving Loan Fund. We are confident that the West River Foundation Revolving Loan Fund will be an important factor in job creation and small business success in the Black Hills region.

Sincerely yours,



Everett E. Hoyt

c. Mutch Usera, BHP

CONTINUATION

7

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Rapid City Journal

SATURDAY

August 28, 1999

© 1999 Rapid City Journal, 507 Main St. Rapid City, South Dakota 57701

EXPLORING THE
Century

August 28, 1929
Auto display
big feature at fair
Page A11



Why should I support card companies when I should be looking out for my own finances?" the Chicago jewelry saleswoman said.

Millions of other Americans are doing the same, swiftly paying off credit-card bills, often with the aid of lower borrowing rates from refinancing a mortgage. Others switch balances every few months to competitors that offer low introductory "teaser" rates.

See Credit on page A2

two-thirds say posting police officers in hallways would help cut violence.

The poll, conducted for the AP by ICR of Media, Pa., also indicates many people feel cutting back on television and movie violence would help.

People have had the summer to

would cut violence, 33 percent believed it would not.

"I like the idea of a human being, someone the kids could go to" if there was trouble, said Mary Beth Corvati, a mother of two in Harford County, Md., one of 1,016 surveyed.

look up to, Corvati said. "I think my children could look up to a metal detector."

Reducing violence in TV shows and movies was cited by one-third of

See Safe on page A2

have allowed brush to flourish that, left alone, would have been cleared away naturally by wildfires, he said. That brush now fuels wildfires, making them so hot they kill large trees that otherwise would likely survive.

but the timber harvest process to include more logging than the environmental groups support. Federal policy calls for some

See Fires on page A2

Economic development loans near \$1.77 million

By Gregory V. Harris
Northern Hills Bureau

Strides continue to be made to improve the economy in South Dakota's West River region, as evidenced by strong interest in the use of revolving loan funds.

Through mid-August, more than \$1.25 million in loans from the West River Revolving Loan Fund have been processed or are near closing, officials said. The actual amount that applicants seek is \$1.77 million; officials hope to make up with more loan money as the process continues. (See table on page A3.)

In addition, more than \$250,000 in loans has been approved or almost closed through the separate Lawrence County Revolving Loan Fund.

CARE group was established in the wake of Homestake Mining Co.'s massive layoffs in January 1998. Homestake, Lead's largest employer, cut more than 400 jobs, reducing its workforce by more than half.

CARE reported that the West River and Lawrence County programs combined had loaned out \$1.75 million over approximately five months for business start-ups and improvements.

Lawrence County has benefited from the program as four new businesses and nearly \$2 million in sales have resulted from the county loan program, officials said.

Jill Dwyer, executive director of Northern Hills Community Development Corp., economic development group, said that nearly 60 jobs have been developed in the county. He said an additional 25 jobs have been saved as a result of the loan program.

More jobs will be created as the financing



Leader of the pack, Stephen Richardson of Rapid City Stevens High School, takes the pack over the first hill during the Douglas Invitational Cross Country Meet on Friday. The meet opened the high school season with Richardson leading all the way, finishing in a time of 17:12. See results and another photo on Page B10.

Index

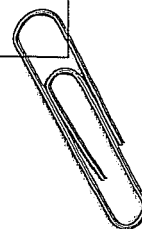
4 sections	
Amusements	B6
Ann Landers	B5
Bernie	B3
Black Hills Journal	B3
Bridge	C9
Celebrated ads	C9-12
Comics	B4, 5
Crossword puzzle	B4
Dr. Demento	B5
From the Mailbox	B4
Humorists	B4
Interview	C12
Local	B6
Markets	A12
Obituaries	B6
Personals	B6

Continuation

#8



of pages



Northern Hills Community Development, Inc.

18th Annual Meeting and Banquet

Friday, May 1, 1999

West River Convention Center

NHCD Welcomes David Owen

David Owen, president of the South Dakota Chamber of Commerce and Industry, is the speaker for our 1999 annual meeting and banquet.



David Owen

He grew up in Rapid City and graduated from the University of South Dakota. He's worked for chamber organizations in Aberdeen, Kansas, and Montana. In Montana, in 1992, he was selected as the state chamber president. David's been active over the years with the U.S. Chamber of Commerce's Institute for Organization Management, serving on the institute's governing board and teaching classes.

Montana's governor appointed David to several boards, including the Work Force Preparation Coordinating Council and Blue Ribbon Telecommunications Task Force.

David worked as a high school varsity basketball referee for 14 years, and enjoys astronomy and woodworking. His daughter, Sabrina, attends college in Montana.

A Year's Highlights

Never has Northern Hills Community Development, Inc. enjoyed a more successful year than the past one. Here are a few highlights since our last banquet:

June, 1998 — NHCD served as vision partner for "Frontiers—Forging Our Future" sent Revolving Loan Fund application to USDA Rural Development, set up West River Economic Development Coalition's organizational meeting.

July, 1998 — Loan application approved for \$1 million. Senator Tom Daschle obtained \$500,000 for Lead and the Northern Hills to respond to mine layoffs.

August, 1998 — NHCD selected by Community Action Resource Enterprise (CARE) to administer Lawrence County Revolving Loan Fund.

September, 1998 — NHCD, Governor Linklow, and Black Hills FiberCom announced \$40 million communications infrastructure project for the Northern Hills and Rapid City. West River Business Service Center grand opening, regional trade show at Denver.

October, 1998 — Official notification of \$575,000 grant for Telecommunications Solutions for Rural Revitalization, which will establish telecommunications centers (Smart Centers) for Belle Fourche, Lead, Rapid City, and Sturgis, official notification of \$376,000 in Economic Development Administration funding for the Lawrence County Revolving Loan Fund, official notification from Rural Development Intermediary Relending Program of \$1 million for West River Revolving Loan Fund.

November, 1998 — NHCD sponsored Small Business Administration SBA lender training at Rapid City, announcement that the state's telecommunications leadership forum will be held at the Spearfish Convention Center in 1999, grand opening for Pierre Small Business Development Center.

December, 1998 — Loan review committees established, first West River and Lawrence County Revolving Loans approved.

January, 1999 — NHCD co-sponsored regional marketing meeting with Governor's Office of Economic Development, U.S. Highway 85 project in state Department of Transportation plan.

February, 1999 — Black Hills FiberCom selected as "Smart Centers" partner, official notification of \$500,000 for Lead revitalization.

March, 1999 — Deadwood selected Lynn Flimmerstrom to replace Bob Kaul on NHCD board, CARE meeting held in Deadwood.

April, 1999 — Revolving loan fund update, \$1.25 million for West River Revolving Loan Fund committed to ten projects, Governor's Office of Economic Development conference in Pierre.

May, 1999 — Revolving loan funds applied for recapitalization, annual meeting and banquet at Spearfish Convention Center.



Senator Daschle

Program

6 pm — Social Hour

7 pm — Banquet

Invocation

Judy Larson, Vice President
Northern Hills Community Development, Inc.

Welcome, Introduction

Jim Thompson, Master of Ceremonies
Creative Broadcast Services

Approval of 1999-2000

Board of Directors

Kevin Whitelock, President
Northern Hills Community Development, Inc.

Annual Report

Jim Doolittle, Executive Director
Northern Hills Community Development, Inc.

Special Recognition - Senator Tom Daschle

Membership Recognition

Keynote Speaker

David Owen, President
South Dakota Chamber of Commerce and Industry

Entertainment

Julie Stulken

Special Thanks

And Appreciation:

Belle Fourche Economic Development

City of Belle Fourche

City of Central City

City of Deadwood

City of Lead

City of Newell

City of Spearfish

City of Sturgis

City of Whitewood

Deadwood Economic Development

Lawrence County

Newell Community Club

Newell Economic Development Corporation

Spearfish Economic Development Corporation

Sturgis Industrial Expansion Corporation

Twin City Area Development Corporation

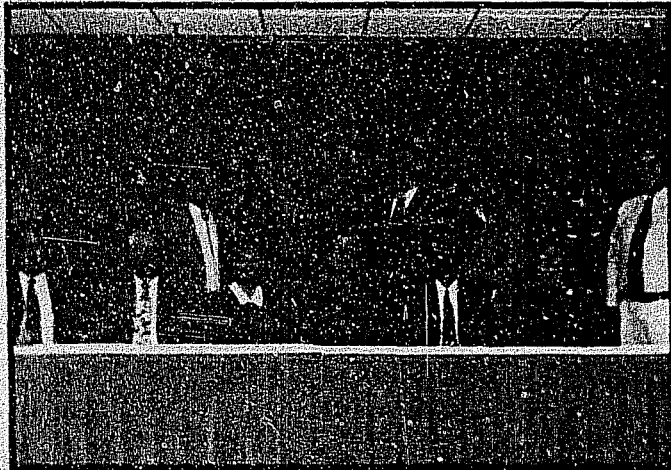
NORTHERN HILLS COMMUNITY DEVELOPMENT, INC. 1999-2000 PROPOSED BOARD OF DIRECTORS

LaVern O. Bills	Belle Fourche
Kevin Whitelock	Belle Fourche
Ray Osloond	Central City
Mark Straub	Central City
Lynn Hammerstrom	Deadwood
Bruce Oberlander	Deadwood
Bev Hink	Lead
Harley Lux	Lead
Neil Vollmer	Newell
Dave Zwetzig	Newell
Judy Larson	Spearfish
Harlan Schmidt	Spearfish
Doreen Allison Creed	Sturgis
John E. Johnson	Sturgis
Jeff Parrett	Whitewood
Tony Westberg	Whitewood

1998-99 PROGRAM OF WORK

(Adopted September 17, 1998)

- Develop and implement a strategic plan for telecommunications infrastructure that will support the long-range demands for economic and community development in the Northern Black Hills region
 - Establish "Smart Centers" in the Northern Hills region and Rapid City
- Develop and administer regional revolving loan funds for the Northern Hills and Western South Dakota
 - Coordinate the business development activities of the West River Business Service Center
 - Market the Northern Hills for business expansion and development
 - Identify and actively participate in regional and national marketing initiatives
 - Market and expand the SBA 504 Loan Program
- Intensify membership efforts and increase the number of business and individual members



Northern Hills Community Development, Inc. Board of Directors

Back Row: Mark Straub, Central City; Jeff Parrett, Whitewood;
Tony Westberg, Whitewood; Neil Vollmer, Newell; Harlan Schmidt,
Spearfish; Bev Hink, Lead; Dave Zwetzig, Newell;
Lynn Hammerstrom, Deadwood; Bruce Oberlander, Deadwood

Front Row: Vern Bills, Belle Fourche; Harley Lux, Lead;
Judy Larson, Spearfish; Kevin Whitelock, Belle Fourche;
Jim Doolittle, Executive Director; Doreen Allison Creed, Sturgis

Not Pictured: John E. Johnson, Sturgis

Northern Hills Community Development, Inc. at a Glance Mission Statement

To promote, attract, and retain the development of industries and businesses that foster economic growth and a positive business climate, for the betterment of Northern Hills communities, and to support responsible development issues and activities in Northern Hills communities.

Board of Directors — 1998-99

Vern Bills, Kevin Whitelock Belle Fourche
Ray Osloond, Mark Straub Central City
Bob Kaul, Bruce Oberlander Deadwood
Harley Lux, Bev Hink Lead
Neil Vollmer, David Zwetzig Newell
Judy Larson, Harlan Schmidt Spearfish
Doreen Allison Creed, John E. Johnson Sturgis
Tony Westberg, Jeff Parrett Whitewood

Executive Committee

Kevin Whitelock — President. Judy Larson — Vice President
Harley Lux — Secretary/Treasurer

Funding the Development Corporation

504 Loan Program — 53.6% City/County — 11.3%
Membership Contributions — 13.7% Other — 21.4%

Staff

Jim Doolittle, Executive Director Georgia Sandgren — EDFD
Jennifer Oberg — Loan Officer
Vickie Harter — Administrative Assistant
Paul Higbee — Media

1998 Membership: 119

NORTHERN HILLS COMMUNITY DEVELOPMENT, INC. STATEMENTS OF FINANCIAL POSITION - September 30, 1998

ASSETS	1998
Current Assets	
Cash	\$1,922
Certificate of deposit	\$6,961
Current maturities of note receivable	1,000
Investments	68,496
Total current assets	147,380

LIABILITIES AND NET ASSETS

Current liabilities	
Accrued contract services expense	\$,805
Funds held for others	9,083
Total current liabilities	17,888
Net assets, unrestricted	129,496
Total liabilities and net assets	147,380

STATEMENTS OF ACTIVITIES - Year Ended September 30, 1998

Total unrestricted revenues, gains and other support	66,116
Total expenses	86,676
Increase in unrestricted net assets	3,430
Net assets, beginning of year	126,076
Net assets, end of year	129,496

With 30 Years of Work to Its Credit, NHCD Seeks Membership Boost as it Moves into 21st Century

It's one of the most active community development organizations in the upper Great Plains, with a list of accomplishments the past year that few groups can claim in a decade. It boasts a big, steadily growing membership—about 200 individuals and businesses.

But Northern Hills Community Development won't rest on its laurels in 1999.

"In fact, we're aggressively pushing new membership this year," said executive director Jim Doolittle. "We're providing more services, across a wider region, than ever before, and a large membership can serve to help the public understand our program of work."

Doolittle urged anyone who supports the organization's recent efforts to consider membership. Information is available from Vickie Harter, (605) 347-5837.

Those recent efforts include coordinating job counseling and training for laid-off Homestake miners last year, obtaining federal funding in 1998 to establish the



Governor Bill Janklow visited with NHCD President Kevin Whitelock and Executive Director Jim Doolittle during a recent trip to the Northern Hills.

Lawrence County and West River revolving loan funds, obtaining \$575,000 from the U.S. Department of Commerce to build "smart centers" in four Black Hills towns (see article this newsletter), working with Black Hills FiberCom to improve the region's communications technology infrastructure (see article this newsletter), bringing the state telecommunications leadership forum to the northern Black Hills (see article this newsletter), and establishing Small Business Development Centers in Rapid City and Pierre.

Thirty years ago, the organization started out with the aim of creating jobs in Whitewood. Members wrote a successful Small Business Administration loan application for expanding Whitewood Post and Pole, recalled

(Continued on page two)

NHCD Annual Meeting and Banquet in Spearfish May 7

Mark Friday, May 7 on your calendars as the date for NHCD's 1999 membership meeting and banquet. Spearfish's new convention center will be the site.

David Owen, South Dakota Chamber of Commerce and Industry President, will be the keynote speaker. Master of ceremonies will be Jim Thompson of Creative Broadcast Services. A social hour will begin at 6:00 p.m., and the dinner at 7:00 p.m.



JIM DOOLITTLE

"It promises to be an outstanding program," said NHCD executive director Jim Doolittle. "It's a big convention center, so it works out well that we're trying to increase our membership now. Our goal is to bring the convention center one of the largest gatherings of local people that the place has seen."

Oberg Coordinates Loans

Jennifer Oberg took over responsibility for Northern Hills Community Development's loan programs in December.

She grew up in Spearfish and graduated from the University of South Dakota in 1995. In addition to administering Northern Hills' long-established Small Business Administration's 504 loan program, Jennifer is promoting two new loans — the Lawrence County Revolving Loan fund and the West River Revolving Loan fund

(Continued on page three)

Oberg -

(Continued from page one)

"Things are starting to pick up for our loan programs, and we'd like to see more activity," Jennifer said. "It's a matter of letting the public know what we've got, and forming working relationships with banks."

Her office is located within the West River Business Service Center at the Rushmore Plaza Civic Center, Rapid City. She can be phoned at 605-394-5311.



JENNIFER OBERG

Following is basic information about the three loans:

Lawrence County Revolving Loan Fund

Established in 1998, the fund makes loans up to \$150,000 available to for-profit businesses in Lawrence County. Lawrence County also provides matching funds to support each loan. Projects must lead to the creation, retention, or expansion of business and jobs. Money can be used for acquiring land and buildings, machinery and equipment, construction, working capital, and contingencies. The Loan Fund cannot be used to refinance existing loans.

Bank participation is typically required, and applicants may have to secure other financing and must provide a minimum of 10 percent of the project cost. The Lawrence County Revolving Loan Fund can provide up to one third of the project cost, and a monthly principal and repayment schedule will be set up.

Loans for buildings and land are limited to 15 years, while equipment loan terms will not exceed the life of the equipment. Working capital loans will not exceed five years.

West River Revolving Loan Fund

Also initiated in 1998, this fund makes available up to \$150,000 for a wide range of uses: feasibility studies, business start-up costs, purchase or development of land, infrastructure, equipment purchase, and community facilities and housing that can demonstrate repayment capability.

Loans are available in all western South Dakota counties, through the U. S. Department of Agriculture's Rural Development funding. Applicants must show at least 10 percent owner equity. Collateral to secure the loan will be required in the form of land, buildings, equipment, or other assets. The repayment period is generally no longer than 10 years. Loans may cover up to 50 percent of project costs.

Small Business Administration 504 Loans

This long-established program has had a great impact on South Dakota business development over the

years. Funds are available for fixed assets such as land, buildings, and equipment. No working capital, inventory, venture capital or refinancing are eligible. Borrowers must be for-profit businesses with net worths less than \$6 million, and whose after-tax profits the past two years have averaged less than \$2 million. An operation not meeting those standards might still be considered a small business based on its number of employees, a number that varies depending on the type of business.

Administered by Northern Hills Community Development, Inc., the program works with banks and businesses on what's known as a 50-40-10 structure. That means a regulated lender typically provides fifty percent (50%) of the financing and receives a first mortgage position on all project collateral. Forty percent (40%) is provided by the Northern Hills Community Development which sells debentures guaranteed by SBA and receives a subordinated collateral position. The remaining ten percent (10%) is provided by the borrower in a cash equity injection. Northern Hills Community Development's portion may range from a minimum of \$50,000 to a maximum of \$750,000. Finance rates are fixed for the repayment period, usually 10-20 years.

West River Business Service Center
Rushmore Plaza Civic Center
444 Mount Rushmore Road
Suite 204
Rapid City, SD 57701
Phone: 605-394-1706

Northern Hills Community Development, Inc.
PO Box 218
Sturgis, SD 57785
Phone 605-347-5837

Pierre Area Business Service Center
800 West Dakota Avenue
Pierre, SD 57501
Phone 605-945-1661

Smart Centers to Open in Northern Hills

Four "smart centers" will open by next October in the Black Hills, allowing for advanced teleconferencing between those communities and with locations worldwide.

The centers are being developed in Belle Fourche, Lead, Rapid City, and Sturgis.

Each center will feature desk-top video conferencing, high-speed Internet connectivity, and large group video conferencing capabilities. The centers will be available for both private sector and governmental use.

Black Hills FiberCom won the contract for establishing the centers. Funding comes from a U.S. Department of Commerce grant, applied for by Northern Hills Community Development last year.

Northern Hills Community Development, Inc.

P.O. BOX 218 • STURGIS, SOUTH DAKOTA 57785-0218

PHONE (605) 347-5837 • FAX (605) 347-5223

1999 MEMBERSHIP OR CONTRIBUTION APPLICATION

NAME _____

ADDRESS _____

PHONE NUMBER _____

Name of Owner or Manager if Business or Corporate Member:

We welcome your new membership or renewal!

Check membership option:

BUSINESS/CORPORATE

* Gold – \$750 and up	\$
**Silver – \$250 to \$749	\$
Bronze – \$100 to \$249	\$

* Gold members receive four complimentary banquet tickets

**Silver members receive two complimentary tickets

INDIVIDUAL

Amount

* Gold – \$200 and up	\$
* Silver – \$100 to \$199	\$
Bronze – \$50 to \$99	\$

* Gold and Silver members receive two complimentary banquet tickets

May 7 Annual Banquet Tickets @\$15.00/person	\$
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TOTAL	\$
--------------------	----------

Please list names of individuals receiving complimentary tickets:

Enclose this form with your check and mail to:

NORTHERN HILLS COMMUNITY DEVELOPMENT, INC.

P.O. Box 218

Sturgis, South Dakota 57785

Phone (605) 347-5837

BH FiberCom on Schedule

Northern Hills communities were represented December 7 at the groundbreaking for the Black Hills FiberCom operations center, on Deadwood Avenue in Rapid City.

Ron Schaible was named vice president and general manager for the company, which is building a \$40 million communications infrastructure to serve Rapid City and Northern Hills communities.

The system will consist of 200 miles of fiber optics and 500 miles of hybrid fiber coaxial cable. Resulting services, for both individuals and businesses, will include local access calling, high-speed Internet access up to 1,750 times faster than the current infrastructure allows, expanded cable TV, and high-speed data and video capabilities. The operations center will open this May, and the first customers will be served this summer.

Governor Bill Janklow, Black Hills FiberCom, and Northern Hills Community Development announced the new system in Sturgis last September 17.

Meeting with Sturgis business leaders this winter in Pierre, the governor called Black Hills FiberCom the best community development tool the region has. Few places in the world, he noted, will have the technology capabilities enjoyed by the northern Black Hills.



Construction continues on Black Hills Fibercom's new Rapid City headquarters

"Charting the Future" Conference Oct. 12-14 at Convention Center

Northern Hills Community Development and Spearfish will host "Charting The Future," South Dakota's annual telecommunications leadership forum, October 12-14, at the new Spearfish Convention Center.

"This is a major event that draws hundreds of participants, representing business, medicine, government, education, agriculture, and other fields," said Jim Doolittle, NHCD executive director. "We want people to come away with new knowledge they can put to use personally and professionally, and we want them to also enjoy an autumn break in the Black Hills."

Spearfish's Christine Watson chairs the conference marketing campaign, and Spearfish Economic Development executive director Bryan Walker co-chairs the program committee, along with Brad Martin of Technology and Innovations in Education.

Doolittle noted the convention center immediately established a reputation across South Dakota as an outstanding, comfortable place to meet, and should prove a draw in itself. It's a perfect facility, he noted, for showcasing communications technology.

Annually drawing about 700 participants in location across the state, the forum is supported by a broad-based group of organizations. It is especially relevant for community leaders facing the challenges of accessing current, cost-effective telecommunications capabilities.

There will be an exhibit area for vendors, who should contact Monica Barnes (605-394-1876, mbarnes@tie.net). Questions about doing a presentation should be directed to Brad Martin (605-394-1876, bmartin@tie.net) or Bryan Walker (605-642-3832, sede@mato.com). Further information about attending the forum may be obtained from Northern Hills Community Development. The conference will be promoted by NHCD statewide throughout the summer.

Eide, Turbiville to Head Northern Hills Development Corporations

Twin City Area Development Corporation hired long-time Lead resident Laurie Eide as its executive director, effective the first of this year.

Her office, next door to Lead Area Chamber of Commerce at 640 West Main, is open afternoons Mondays, Wednesdays, and Fridays. The phone number is 605-584-3546.

Laurie's been very active in her community's civic and education efforts, and she served on the Lead City Commission in the early 1990s.

"One of the major things Twin City Area Development is looking at is the re-establishment of our revolving loan fund," Laurie said. The fund was depleted by Lead's landslide crisis, which threatened the Lead mill a few years ago.

Laurie sees good signs for Lead, including Stan Adelman's purchase of the historic roundhouse, and construction of a new elementary school.

Chuck Turbiville, well known across South Dakota for his economic development work, has accepted the executive director position for the Deadwood Economic Development Corporation.

A Newell native, where he's ranched and owned real estate and restaurant businesses, Chuck worked in Governor Frank Farrar's administration in the 1970s, promoting industrial expansion, and he was part of the Governor's Office of Economic Development during the George Mickelson and Walter D. Miller administrations, 1986-94.

His Deadwood office's phone number is 605-578-2082.

"We're working to create jobs, to alleviate some of the pressure put on the market with the cutbacks at Homestake," Chuck said. "I'd like to see us create jobs that utilize the types of skills those laid-off workers have, and I'd also like to see us eventually diversify the local economy." Another goal Deadwood Economic Development is working toward, he added, is revitalizing Deadwood's service industries.

Regional Small Business Development Center Opens in Pierre

Christine Martin, a Black Hills Special Services Cooperative employee who oversees Small Business Development Centers in Rapid City and Pierre, has announced her Pierre-based program is now fully operational.

The Center offers free, individual counseling to small business owners and also those wanting to start their own businesses. Appointments can be arranged at the

Center itself, located within the Pierre Chamber of Commerce at 800 W. Dakota Avenue, or at sites across central South Dakota where Christine will provide regular outreach services.

Counties she will travel include Buffalo, Corson, Dewey, Haakon, Hughes, Hyde, Jones, Perkins, Stanley, Sully, and Ziebach.

Expertise includes cash flow management, personnel administration, sales, marketing, financial

management, exports, and writing business plans.

She can also steer clients to members of the Service Corps of Retired Executives (SCORE) volunteers who draw upon a lifetime of business experience to mentor entrepreneurs.

Christine, a California native, earned an MBA at San Diego State University and ran her own business before moving to South Dakota. She's also worked for Dakotah, Inc. of Webster, and in US West Direct's corporate office in Denver. In early 1998, she started as a business consultant for the North East Region Small Business Development Center located in Aberdeen.

Appointments with Christine Martin can be set up by phoning the Center at 605-945-1661. She can also be reached on her cellular phone, 605-530-5960.

The Rapid City Small Business Development Center, profiled in the last issue of this newsletter, is located at the Rushmore Plaza Civic Center, and can be reached at 605-394-1706.

Rosenboom to Serve as South Dakota Chamber and Economic Development Council President

Ron Rosenboom, Sturgis Industrial Expansion Corporation executive coordinator, will become South Dakota Chamber and Economic Development Council president this spring.

Ron is former Northern Hills Community Development executive director, and remains active in this organization. He is also a longtime Black Hills Special Services Cooperative educator, specializing in vocational education.

The South Dakota Chamber and Economic Development Council represents chambers of commerce and community development groups statewide, and works with local and state government in promoting healthy business climates.



CHRISTINE MARTIN

management, exports, and writing business plans.

"Developing a good business plan is essential as someone explores a new business, or a business expansion," Christine said. "It's a necessary step in obtaining financing, and often it's how ideas become fully developed."

She noted she can help clients find answers to questions about things like business requirements and licensing, and make referrals to funding sources.

Christine hopes to organize seminars, too, addressing general business operations and management, marketing issues, and specific needs expressed by businesses and communities.

Executive Director's Report... by Jim Doolittle

The past few months have been extremely active and successful for Northern Hills Community Development, Inc. Highlights include the establishment and administration of regional revolving loan funds totaling almost \$2.5 million. We also manage the West River Business Service Center in Rapid City that houses the loan offices as well as business consultants sponsored by the Small Business Administration. Additionally, the Service Corps of Retired Executives (SCORE) and the regional representative from the Governor's Office of Economic Development are located in the Center, which is on the second floor of Rushmore Plaza Civic Center.

Smart Centers in four communities will be operational this October. FiberCom was selected as our partner, and we expect that this "state-of-the-art" technology will greatly enhance our opportunities in this region. The Smart Centers will be showcased during the statewide telecommunications conference held in Spearfish October 12-14.

Northern Hills Community Development, in cooperation with Community Action Resource Enterprise (CARE), will be conducting a labor-availability survey for the entire Black Hills region this fall. The result of this survey will provide us with current and accurate

information for business development.

The above examples indicate that our role as an economic service provider in the region has grown and changed. We are now involved in direct lending, tele-

(continued on page six)

"Charting the Future" set for Spearfish Convention Center

Northern Hills Community Development members are encouraged to use the form in this newsletter to register for "Charting The Future," South Dakota's annual telecommunications leadership forum, scheduled this fall in Spearfish.

Dates are October 12-14, and the Spearfish Convention Center—one of South Dakota's most modern facilities for showcasing communications technology—will be the site. Keynote speakers are Governor Bill Janklow and US West's Pam El.

Annually drawing about 700 participants, the forum is supported by a broad-based group of organizations.

(continued on page six)

Custer, Hot Springs join NH Community Development

By unanimous votes, the Northern Hills Community Development board voted September 14 to add Custer and Hot Springs to its community membership.

Requests for membership were made at the board's regular monthly meeting that day by Deb Eiring, Hot Springs Chamber of Commerce executive director, and Cindy Mayes, Custer County Chamber of Commerce executive director.

Discussion prior to the votes centered on how the organization can be strengthened by being viewed as a vehicle promoting all the Black Hills.

"In fact, that's the way we've been moving for some time, through our loan programs and West River Business Service Center," noted executive director Jim Doolittle.

Deb Eiring pointed out that the southern Black Hills region claims lots of pluses right now for prospective business people, including a solid workforce, railroad



Executive Director Jim Doolittle welcomed Cindy Mayes, Custer, and Deb Eiring, Hot Springs, into the Northern Hills Development organization.

service, and development of the Heartland Expressway, the highway linking the Black Hills with Denver.

Black Hills FiberCom Marks First Year

Black Hills FiberCom, Black Hills Corporation's communications subsidiary, hosted an open house anniversary celebration Saturday, September 18.

One year ago, the company announced that it would invest \$75 million to bring state-of-the-art communications services to Rapid City and the Northern Hills. Prospective customers came from all over the Northern Hills to the new FiberCom operations center on Deadwood Avenue and Plant Street in Rapid City to see demonstrations of the communications technology, meet the FiberCom staff, and learn what services will be available.

"We're pleased to have come this far in only one year," said Ron Schaible, Vice President of FiberCom. "The broadband technology we're deploying is highly unusual in a rural area—in fact, we were invited to a CEO Summit in Washington, D.C. September 9 by

Senator Daschle and the Federal Communications Commission to highlight what Black Hills FiberCom is doing. We were the only electric utility providing communications services to be invited."

The new company expects to be offering local and long distance telephone service with free local calling among Rapid City, Spearfish, Belle Fourche, Lead, Deadwood, Whitewood, and Sturgis, high speed Internet access, expanded cable television, and data and video services in selected areas by this fall. The initial build-out is scheduled for completion by late 2002.

Other construction work on the Black Hills FiberCom system is also on track, according to Schaible. The redundant fiber-optic loop is complete, seven mini-hubs are in place throughout the service area; the FiberCom center on Deadwood Avenue is operational; and neighborhood buildouts have begun.



Galena Industries Breaks Ground

Galena Industries, Inc., broke ground in June at the Sturgis Industrial Park.

The Company, which produces stainless steel firearms, is moving to the Black Hills from Iwindale, California.

1999 Annual Meeting Boosts NHCD Membership

Last spring's membership drive culminated with a successful banquet and annual meeting for Northern Hills Community Development members and friends, May 7 at Spearfish's convention center.

David Owen, South Dakota Chamber of Commerce and Industry president, delivered the keynote talk. Joining Owen at the podium was U.S. Senator Tom Daschle. Master of ceremonies Jim Thompson kept the evening well-paced, and a TV image projected on a big screen kept attendees face-to-face with the speakers; the system was supplied by Technology and Innovations in Education.

NHCD executive director Jim Doolittle, described for the audience the organization's busiest yearly program of work ever.

"This year's banquet was probably the most enjoyable one we ever had," Doolittle noted. "The convention center is an outstanding facility, and we drew more than 300 people that night." NHCD membership stands at 116.



Kevin Whitelock, NHCD president, welcomed keynote speaker David Owen at the 1999 membership banquet. More than 300 people attended the May 7 event in Spearfish.

Judy Larson New NHCD President

Judy Larson became Northern Hills Community Development president at the annual meeting last May.

She's been Spearfish's representative to NHCD for several years. As a member of Spearfish's city council for 13 years, until two years ago, she was the council's liaison to Spearfish's development group.

For the past 11 years, Judy's been Director of Career Services at Black Hills State University.



JUDY LARSON

"There are lots of parallels between my job and the work Northern Hills Community Development does," she says. "My job takes me off campus to see what the needs are of area businesses and industries. And, of course, I work daily with university students and share their hopes and visions for careers in coming years."

She believes NHCD's efforts to establish four Black Hills telecommunications centers—Smart Centers—ranks among its biggest accomplishments.

"Those centers," she said, "link our communities to one another and to the outside world. There are plenty of immediate uses for the centers, and undoubtedly some future uses that we can't even guess now."

Judy's noticed some big changes in attitudes and expectations at NHCD meetings the past decade.

"At one time, people came to the meetings to share, and yet primarily they hoped to get businesses into their own community," she recalls. "Now we're aware of the spillover effect when business and industry come to any one part of our area, and it seems like we're cooperating in order to make the whole area marketable."

With Hot Springs coming into the organization, Judy thinks, NHCD has a fresh opportunity to market the entire Black Hills region.

She's always appreciated how NHCD works not only to recruit outside businesses and industries, but has helped existing businesses and manufacturers expand.

"I also believe we've been sensitive to the needs of people living here, people who have told us we need to hang on to our graduates and not lose them to out-of-state employers," she says.

A native of Groton, Judy was a teacher at Canton and at Mitchell Technical School early in her career. She and her husband, Lennis, moved to Spearfish 21 years ago. Lennis teaches at Spearfish High School.

Judy is well known across South Dakota for her work in starting job fairs, and for her leadership in the South Dakota Career Planning and Placement Association, and South Dakota College Personnel Association. In 1996 she was awarded the Patrick Merrigan Award for Distinguished Service by the state's College Personnel Association.

Julie Gregg GOED Rep

Since July, Julie Gregg of the Governor's Office of Economic Development has based her work out of the West River Business Service Center. She's one of four GOED regional representatives based not in Pierre, but in outlying communities across the state. Julie's region is the 13 western-most counties in South Dakota.

"The state recognizes the regions across South Dakota are very different from one another," Julie says. "This regional effort is designed to get communities involved in deciding what they need, and to have someone within the region available to offer hands-on assistance."

Most of Julie's work with communities and individual businesses deals with business consulting, access to capital, technical assistance, and training.

"My job varies a lot from community to community," she adds. "For example, Rapid City is very self-supporting when it comes to economic development, so I'm working more with individual businesses there. But some of our smaller towns don't have an economic development person, so there I'll take on some of the functions that kind of professional would handle."

Julie is well-known to Black Hills area business people. The past four years she worked for the Rapid City Economic Development Partnership, and for nine years prior to that, for the Rapid City Chamber of Commerce. She's a native of the Winner area.

She's pleased by western South Dakota's tradition of communities banding together for economic development.

"One key thing the state is encouraging communities to do is to collaborate and cooperate," she notes. "Along those lines, this region has been involved for sometime in regional marketing. The regional attitude is already here, and so all I have to do is enhance it."

As an example, she cites booths put together for trade shows, promoting the entire region, with communities taking turns running the booths. "One of the hardest things about trade shows is doing sufficient follow-up once you get home," she says. "That's the type of thing I'll be doing a lot of for communities."

Smart Centers Ready

Four new telecommunication facilities—dubbed "smart centers" because of their state-of-the-art technology—are ready for the public's use in Belle Fourche, Lead, Rapid City, and Sturgis. Northern Hills Community Development secured a U.S. Department of Commerce grant in 1998 to fund the project. Black Hills FiberCom won the contract for putting the centers together, and did most of the work this past summer.

Greg Bartron coordinates the four centers, each of which is staffed also by a facilitator and technician.

"Black Hills FiberCom has been a great partner," Greg said. "We've enjoyed working with their people—Charles Osoffie, Kyle White, and Ron Schaible. With them, we built a system that will allow Black Hills business, industry, and education to keep pace with the rest of the world."

Available for both private sector and governmental use, the centers feature high-speed Internet connectivity via four computers, a teleconference room for up to 25 participants, and a small room for three or fewer teleconference participants.

Charting The Future '99 Participant Registration

South Dakota Telecommunications Leadership Forum 1999

October 12-14, 1999

Spearfish Convention Center - Spearfish, SD

Name (Mr/Mrs/Ms/Dr): _____

Position/Title: _____

Organization: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Day Phone: (____) _____ Phone: (____) _____

Fax: (____) _____ E-Mail: (____) _____

INDIVIDUAL RATES

4-hour Indepth Workshop (Tuesday, October 12) - \$50

- Session attending:

- 1st Choice _____
- 2nd Choice _____

General Forum: One day (Wednesday, October 13 or Thursday, October 14) - \$60

General Forum: Two days (Wednesday, October 13 and Thursday, October 14) - \$95

Total Individual Participant Fees Enclosed: _____

Purchase Order Number _____

TEAM RATES (3 or more attending from the same company or school--MUST be submitted together)

General Forum: One day (Wednesday, October 13 or Thursday, October 14) - \$55

General Forum: Two days (Wednesday, October 13 and Thursday, October 14) - \$85

Total Team Participant Fees Enclosed: _____

Purchase Order Number _____

**Make checks payable to TIE. Send Participant Registration Form and payment to
Becky Fish, TIE, 1925 Plaza Blvd, Rapid City, SD 57702.**



Presenting!

Charting the Future '99

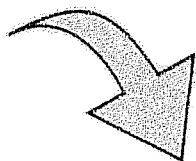
South Dakota Telecommunications Leadership Forum

South Dakota's only statewide forum focusing on
vital telecommunications applications and issues for local leaders in the areas of:

Business ♦ Industry ♦ Education ♦ Medicine ♦ Agriculture ♦ Government

October 12-14, 1999

**Spearfish Convention Center
Spearfish, South Dakota**



It's time to mark your calendar and make plans!

Register now for General Sessions. Pre-conference registration will begin in August. General conference information, registration forms and session information are available from the website at <http://sdtlf.tie.net> as well as highlights from the 1998 forum.

Hosted by:

**Northern Hills Community Development, Inc.,
the Community of Spearfish and a
Statewide Telecommunications Consortium.**

For more information call the TIE Office, 605-394-1876 or
e-mail dgulden@tie.net

West River Business Development Center Celebrates First Anniversary of Operation

A good crowd showed up at Rapid City's Rushmore Plaza Civic Center September 29 to mark the West River Business Service Center's first anniversary.

The Center, which Northern Hills Community Development helped establish in 1998, is located on the civic center's second floor. A highlight for most people attending the anniversary event was the opportunity to see, for the first time, Rapid City's "smart center"—a high-tech telecommunications studio developed on the premises (see article in this newsletter).

No less impressive than the smart center, though, was a recounting of the West River Business Service Center's first-year accomplishments. Some 1,260 people registered to use the Center's business library and computers. The Center's staff logged 4,100 hours helping 675 clients prepare business plans, examine market research, and, in many cases, find financing. Clients received \$7.6 million in loans, including funding from three programs administered at the Center: Small Business Administration 504 Loans, West River Revolving Loans, and Lawrence County Revolving Loans.

West River Business Service Center clients have created 300 jobs and have accounted for more than \$6 million in annual sales.

In addition to its library, computers, and on-staff consultants, the West River Business Service Center made available the Service Corps of Retired Executives (SCORE). More than 100 SCORE volunteers were ready to consult business people about the realities of today's commercial climate.

The Center is the largest one-stop resource for business in South Dakota. It's a joint effort involving the Small Business Administration (SBA), West River Economic Development Coalition, West River Foundation, Northern Hills Community Development, USDA Rural Development, Governor's Office of Economic Development, U.S. Department of Commerce, and Service Corps of Retired Executives (SCORE).

Bartron joins West River Business Development Center Staff

Greg Bartron joined the West River Business Development Center last March, and immediately took on several leadership functions.

Greg closes all West River and Lawrence County revolving loan transactions. He heads up fundraising for the West River Business Coalition, and he's highly visible this fall as coordinator of the four Smart Centers opening in Rapid City, Belle Fourche, Lead, and Sturgis.

"It's really been a pleasure to work with Black Hills FiberCom's staff in developing those centers," he says. "The tremendous opportunities resulting from the centers will allow Black Hills business, industry, and education to keep pace with the rest of the world as we enter the 21st century."

He grew up in Watertown and graduated from the University of Colorado in 1972, and the University of South Dakota School of Law in 1975. Early in his career, he served as assistant attorney general for South Dakota, and Codington County deputy states attorney (Watertown).

Greg enjoys living in western South Dakota now.

"I think the people West River, and especially in the Black Hills, are opening up to innovative business and industry ideas, and to economic development overall," he notes.

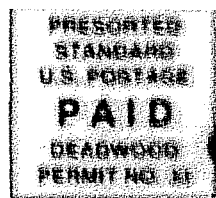
He recently traveled to New Orleans for a National Association of Development Organizations conference. "Of all the things I heard about there, the effort to create a secondary market for securitization of our type of loans was the most promising news," he says. "That would allow organizations like ours to sell our loans, on a secondary market, much like banks do with housing loans. We could close a loan, sell it, and get the money back to loan out again."

The secondary market, Greg thinks, could be a reality within two years. Greg's office is at the West River Business Service Center, and he travels throughout Northern Hills Community Development's service area. He and his wife, Mary, live in Rapid City.

They are the parents of two adult children.



GREG BARTRON



West River Revolving Loan Fund Recapitalized

Northern Hills Community Development received word in August that its West River Revolving Loan Fund has been recapitalized by the U.S. Department of Agriculture.

"We were recapitalized at \$500,000," said Jennifer Oberg, coordinator of NHCD's loan programs. "There was \$3 million available through U.S.D.A. nationally, so we got one-sixth of the total amount."

NHCD applied for recapitalization in June. Originally capitalized at \$1 million in 1998, the loan program proved attractive to western South Dakota business people.

Thirteen loans were approved the first year, ranging from \$20,000 to \$150,000, creating 115 jobs and retaining 81. Loans were approved in the fields of retail, manufacturing, Internet services, and construction, and for community infrastructure improvements.

West River Revolving Loans are available in all western South Dakota counties. Loans can be used for feasibility studies, start-up costs, purchase or development of land, equipment, and community facilities and housing. The repayment period is generally no longer than 10 years, and loans may cover up to 50 percent of project costs.

Meanwhile, it's also been a busy year for the Lawrence County Revolving Loan Fund, another pro-

gram started in 1998 and administered by NHCD. Seven business loans in Deadwood, Lead, and Spearfish totaled \$502,435, creating 45 jobs and retaining 38.

Anyone interested in these loan programs, as well as NHCD's long-established Small Business Administration 504 Loans, should contact Jennifer Oberg or Jason Collins at the West River Business Service Center in Rapid City's Rushmore Plaza Civic Center. The phone number is 605-394-1706.

Meetings Attract People Interested in Medical Transcription Careers

With the goal of creating Black Hills jobs in the medical transcription field, NHCD joined with MedQuist, Inc. to organize meetings in Hot Springs, Sturgis, and Belle Fourche, September 20-21. Over 180 people attended the meetings.

The informational meetings described how MedQuist will arrange 16-week training courses if there is enough local interest. MedQuist seeks people wanting to work out of their homes. Prior knowledge of medical terminology is preferred. More information is available from NHCD, 605-347-5837.

Partners with NHCD in this effort were the Governor's Office of Economic Development, Belle Fourche Economic Development, Sturgis Industrial Expansion, Inc., and the Hot Springs Chamber of Commerce.

Executive Director's Report...

(continued from page one)

communications applications, business consulting, and research. We have also expanded our scope to offer these services to a larger region. The Board of Directors for Northern Hills Community Development, Inc. recently accepted Hot Springs and Custer into its membership. We expect that some other Black Hills communities will also apply for membership and voting privileges on the board. We are becoming larger and more diverse. I view these changes as being very positive and important to the future of the Black Hills.

In the next millennium, our organization will be a key partner in helping make the Black Hills a better place to live because of a stronger economy. Our ultimate goal is to help create opportunities so that our people, and especially youth, can remain in South Dakota.

"Charting the Future"

(continued from page one)

It is especially relevant for community leaders facing the challenges of accessing current, cost-effective telecommunications capabilities. There will be a showcase area filled with the latest, state-of-the-art equipment, and sessions aimed at business people, medical professionals, educators, farmers and ranchers, and other professionals. NHCD, the community of Spearfish, and the state's telecommunications consortium are hosts.

"We want people to come away with new knowledge they can use both personally and professionally," said NHCD executive director Jim Doolittle. "The Spearfish location also provides people from across South Dakota with the chance to combine a Black Hills autumn break with the forum."

Area Residents Surveyed for Labor Study

Some 1,515 people, randomly selected in seven Black Hills area counties, answered questions in October and November as part of a labor availability study.

"With our region's low unemployment, business and industry leaders from the outside might wonder whether they'd find qualified employees if they relocated here," said Jim Doolittle, Northern Hills Community Development executive director. "But unemployment figures don't tell us how many people are underemployed, maybe currently in jobs they're over-

qualified for, or which don't suit them for other reasons."

The survey, the most extensive labor study ever conducted in the region, was done by the University of North Dakota's Social Science Research Institute, Grand Forks. Full results will be reported in this newsletter later this spring. The Institute's Cordell Fontaine previewed some survey figures that he called "very, very encouraging. The Black Hills has a highly educated work force, willing to travel to jobs, and having computer skills."

Specifically, Fontaine noted:

- Ninety-two percent of current job-seekers have completed high school or course work beyond high school. Thirty percent say their education has taken them to a college degree or beyond.

- Job-seekers would be willing to travel an average of 42 miles one way to work. "That's about ten miles further than any other survey we've done in recent years," said Fontaine.

- Seventy-nine percent of job-seekers have experience with computers, averaging 7.3 years.

People other than job-seekers were surveyed, too. Results will mean business people and community leaders will have statistically valid numbers reflecting both the quantity and quality of the local work force.

The study is funded by part of a federal grant the city of Lead obtained for long-term work force development after the 1998 Homestake layoffs. Northern Hills Community Development, in cooperation with the Community Action Resource Enterprise (CARE), is administering the project and contracting with the Institute. South Dakota Job Service reviewed the survey questions.

Data will be broken down three ways, by northern Hills counties, southern Hills counties, and the Black Hills overall.

Counties include Butte, Custer, Fall River, Lawrence, Meade, and Pennington in South Dakota, and Crook County in Wyoming.

Annual Meeting Set for May 5; Members to Vote on Name Change

Northern Hills Community Development's membership will vote in May about changing the organization's name and region size.

The vote will come at the annual meeting and banquet, set for the evening of Friday, May 5, at the Spearfish Convention Center.

"Our board of directors decided in recent meetings to recommend becoming Black Hills Community Development, Inc.," said executive director Jim Doolittle. "The change would reflect the fact that we're supporting projects across a much wider region than we were a few years ago, and that our membership includes individuals and organizations from Custer, Fall River, and Pennington counties."

For three decades, Northern Hills Community Development worked to advance business and industrial expansion in Belle Fourche, Central City, Deadwood, Lead, Newell, Spearfish, Sturgis, and Whitewood. In 1998 it secured federal funding for economic development activities all across western South Dakota, and it was a leader in developing the West River Business Service Center based in Rapid City. In 1999, it opened its organizational membership to development groups in Custer, Hot Springs, Rapid City, and Edgemont.

Smart Centers Offer Free Introductory Sessions

Interest in the four Smart Centers, opened in October, continues to grow, according to coordinator Greg Bartron.

The state-of-the-art telecommunications centers are located at the Belle Fourche Chamber of Commerce building, Rapid City's Rushmore Plaza Civic Center, Rapid City's Black Hills FiberCom building, and the Sturgis Community Center. Another will open soon at Lead's Homestake Opera House.

As an orientation to the centers, individuals and businesses and public institutions can schedule a free, introductory session for communicating between two or more of the Black Hills centers. Phone numbers are 892-2676 in Belle Fourche; 394-1706 in Rapid City; and 347-6513 in Sturgis.

"I'd encourage any member of Northern Hills Community Development to tell their community members about the introductory offer," said Bartron. "We're working right now with several corporations here in the Hills who are seeing lots of opportunities for themselves."

He said the system was showcased January 14 and 15 at the Future Fair held at the Rushmore Plaza



**Executive Director
Jim Doolittle**

Civic Center.

"And we are now capable of connecting with anyone in the nation, or around the globe, for that matter," Bartron added. "Black Hills FiberCom, US WEST, and AT&T got together and worked everything out to make long-distance use of the Smart Centers workable."

The Smart Centers were developed last year with U. S. Department of Commerce funding obtained by Northern Hills Community Development.

Each center features:

- Full-motion video
- 35 inch monitors
- Averkey scan converters for slide and power point presentations
- VCRs
- Computers for high-speed Internet connectivity
- Staff for technical assistance

Medquist, Inc., Training Underway in Belle Fourche, Hot Springs

As reported in the last issue of this newsletter, more than 180 Black Hills people attended September informational meetings about becoming medical transcriptionists.

Because of the interest, MedQuist, Inc. is currently providing training in this field at Belle Fourche and Hot Springs.

"It's an 18-week course, limited to ten or fewer people," said Julie Gregg of the Governor's Office of Economic Development. "MedQuist is seeking people who have strong medical terminology backgrounds, and who want to work from their homes."

MedQuist will offer more classes in the future. Interested people can contact Julie Gregg (605-394-1706) or their local Job Service. SD Job Service can provide a MedQuist screening test.

NGO Official from China Visits Hills

Liu Jun, deputy secretary of the China Association for Non-Government Organizations Cooperation, visited the West River Business Service Center in November.

His agency promotes economic development across China, especially in the nation's most impoverished regions, through international, nongovernmental alliances.

He told West River Business Service Center leaders that most people in China consider trade with the United States to be vital.

Liu Jun met with Julie Gregg of the Governor's Office of Economic Development, business loan specialists Greg Bartron and Jennifer Oberg, and Small Business Development Center consultant Jody Bender. All are based at West River Business Service Center, a one-stop business assistance office serving all of western South Dakota. The center is located at Rushmore Plaza Civic Center.

In South Dakota, Liu Jun also learned about the Small Business Administration Lakota Fund.

Census Numbers Can Be Vital For Community Development

Northern Hills Community Development is encouraging its membership to spread the word about the importance of the 2000 census.

The numbers can make a big difference in how many federal and state dollars are granted to regions.

And, a Census Bureau release notes, an accurate count can mean less risk for businesses, "because census numbers help industry reduce financial risk and locate potential markets."

Teresa Schanzenbach Named Belle Fourche Chamber of Commerce Manager

Teresa Schanzenbach began work November 29 as Belle Fourche Chamber of Commerce manager.

"I'm enjoying the job, and am pleased by the good things happening in Belle Fourche and the ideas people have for the community's future," Teresa said. "Something that's great about the northern Black Hills is how the communities want to work together. You hear that expressed through the mayors, the chambers of commerce, and through the Northern Hills Community Development membership." She was nominated for the job by the West River Foundation, which assumed management of the Chamber November 8.

Vern Bills, a Belle Fourche businessman who's been active in Northern Hills Community Development for several years, said the arrangement is similar to one Northern Hills has enjoyed with West River Foundation for a decade. During that time, Bills said, Northern Hills Community Development membership has grown, it has provided more services than before, and its funding for discretionary projects increased greatly.

Chamber of Commerce president Mary Riley said she was impressed by West River Foundation's long history in business education and economic development promotion, including its administration of business development loans.

In early January, Teresa and the Chamber released "Goals 2000," a checklist of 26 activities



Teresa Schanzenbach

and developments the organization will pursue this year. Listed under categories of leadership, membership services, marketing/promotion, and financial, the goals include increasing membership, establishing a Youth Chamber providing professional training, distributing half-a-million brochures, and supporting at least a dozen new businesses or business expansions.

Teresa said she was impressed by how Belle businesses band together each Christmas for a cooperative advertising blitz, and she hopes to expand the concept to other seasons.

Raised on a farm-ranch operation near Miller South Dakota, Teresa worked as a high school teacher for many years. Recently she was part of a statewide program that promotes business start-ups by young people.

She and her husband, Dave, have three school-age children, and have been living near Brookings. Because of her husband's job obligations, it will be several months before her family will join Teresa in Belle Fourche. "That will be a hardship for a while, but it will be worth it for my family, because we're looking forward to living in the Black Hills area," she said.

More than 200 people attended the Chamber's annual banquet and meeting January 21, which featured Jim Thompson's "Talk of the Town" radio show. The show will be broadcast over KBFS in the near future.



Northern Hills Community Development hosted a successful statewide telecommunications leadership forum in October at the Spearfish Convention Center.

Northern Hills Community Development, Inc.

P.O. BOX 218 • STURGIS, SOUTH DAKOTA 57785-0218
PHONE (605) 347-5837 • FAX (605) 347-5223

2000 MEMBERSHIP OR CONTRIBUTION APPLICATION

NAME _____

ADDRESS _____

PHONE NUMBER _____

Name of Owner or Manager if Business or Corporate Member:

NAME _____

We welcome your new membership or renewal!

Check membership option:

BUSINESS/CORPORATE

* Gold – \$750 and up \$ _____

**Silver – \$250 to \$749 \$ _____

Bronze – \$100 to \$249 \$ _____

* Gold members receive four complimentary banquet tickets

**Silver members receive two complimentary tickets

INDIVIDUAL

Amount

* Gold – \$200 and up \$ _____

* Silver – \$100 to \$199 \$ _____

Bronze – \$50 to \$99 \$ _____

* Gold and Silver members receive two complimentary banquet tickets

May 5 Annual Banquet Tickets @\$15.00/person \$ _____

TOTAL \$ _____

Please list names of individuals receiving complimentary tickets:

Enclose this form with your check and mail to:

NORTHERN HILLS COMMUNITY DEVELOPMENT, INC.

P.O. Box 218 • Sturgis, South Dakota 57785

Phone (605) 347-5837

FASTRACK –

A Business Loan Program for South Dakota Students

South Dakota banks received information and application materials in early January for FASTRACK, a loan program that helps students start businesses.

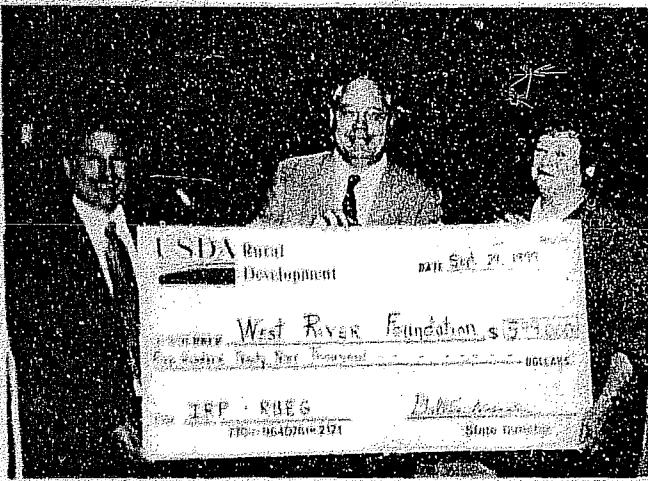
Backed by the South Dakota Bankers Association and South Dakota Community Foundation, FASTRACK aims to shape future business leaders. It provides guaranteed loans, up to \$5000, for enterprises run by elementary or secondary students. In addition to the loans, students learn about preparing business plans, the loan application process, and repayment.

"There are some lessons only the free market can teach," said Bob Sutton, South Dakota Bankers Association's executive vice president. "This is real money, and real products and services, so we hope many of the businesses are successful. But in cases where they're not, we know the FASTRACK experience will still be valuable educationally."

The FASTRACK process begins with a student taking a business idea to an adult oversight committee, and getting help developing a written business plan. A loan application is completed, and if approved, fifty percent of the loan is guaranteed by the South Dakota Community Foundation. At that point, a lender in the student's own community begins a professional relationship with the student. The local lender makes the loan and sets up a repayment schedule.

The state's network of Small Business Development Centers will assist students with market research and writing business plans.

More information may be obtained from the South Dakota Bankers Association's 330 member banks and branches, or by phoning the West River Business Service Center at 605-394-5311.



Foundation Receives \$599,000 Grant

West River Foundation President Patricia Kenner accepted \$599,000 from the U.S. Department of Agriculture's Rural Development Program. Presenting the check were Tim Potts, West River USDA Rural Development director, and Dallas Ionsager, state USDA Rural Development director. \$500,000 is earmarked for Intermediary Relending Program business loans, and \$99,000 is a Rural Business Enterprise grant for regional revolving loans and technical assistance aimed at business development.

"Wall Street Journal" Article Features Sturgis Gunmakers

Congratulations to David Small and James Keith of Galena Industries, Inc. A "Wall Street Journal" article published December 15 described their company and the community of Sturgis, in glowing terms.

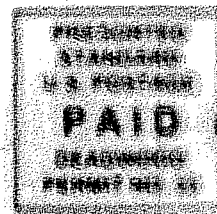
The article told how the pair founded Galena Industries in 1998 to manufacture handguns, including the .44-caliber Automag featured in "Sudden Impact," a Clint Eastwood movie. Galena began operations near Los Angeles, but 1998 was also the year California enacted tough gun-company regulations.

Wrote "Wall Street Journal" reporter Paul Barrett, "...In response to California's hostility to gun companies, the pair decided to shop for a more hospitable locale...In South Dakota's rugged Black Hills, Galena's rebirth indicates both how determined many people in the gun business are to survive in the face of legal peril, and how drastically geography can shape attitudes toward those who produce firearms."

Small and Keith said when they decided to leave California, they searched for places where "pickup

trucks with gun racks are common." They found Sturgis which, noted Barrett, is nationally-known for its motorcycle rally, but also "quietly has become a mecca for small gun manufacturers," including Dakota Arms and ammunition manufacturer Cor-Bon.

"We view this as a very positive piece of marketing for all of Sturgis," said Ron Rosenboom, Sturgis Industrial Expansion Corporation executive director. "We've already had one business prospect contact us because of the article."



NHCD Supports Frawley, Costner Projects

Northern Hills Community Development is on record in support of two major Black Hills building projects.

At its January 11 board meeting, the organization endorsed the Frawley Ranch Development. On December 17, word was received that funding had been secured for Dan and Kevin Costner's Dunbar Resort, which NHCD has supported and assisted since 1991.

Located on a thousand acres east of Spearfish, and subject of a Lawrence County referendum election February 1, the Frawley development would see 400 housing sites plus a business park. The business park could eventually be home to between 500 and 2500 jobs. Development would happen over a 13-year period, and would mean an average of 127 construction jobs each of those years.

"The board was impressed by the projection that this thousand acres, now generating \$3500 annually in property taxes, can generate \$2 million in property taxes each year after development is completed," said executive director Jim Doolittle.

"Our board voted unanimously to support the project and help promote it publicly," said NHCD president Judy Larson.

The Dunbar is a resort to be built on 767 acres at Deadwood. Plans call for 320 guestrooms, gaming, live entertainment, an 18-hole golf course, and more—at a development cost of more than \$100 million. The resort would be connected to Rapid City by a 54-mile rail connection.

"For the Dunbar, we've supported state funding incentives and we helped put together the railroad authority in order to secure the rail right of

way," said Doolittle. "It's a project that will have a huge, year-round economic impact for our entire region."



JULIE GREGG is the Governor's Office of Economic Development's regional representative for South Dakota's westernmost counties. She may be reached at her Rapid City office (605-394-1706) located at the West River Business Service Center, and she travels throughout the area regularly.

Julie provides information about state business loans, loans through the West River Foundation, opportunities for regional marketing, and all other state assistance for business and industry.

CONTINUATION

9

_____ -

**2nd Annual Legislative Open
Official Score Card**

Name: _____

Business/Title: _____

Thank You for Participating!

Host:

Black Hills Business Council

Community Hole Sponsors:

Belle Fourche

Custer

Deadwood

Hill City

Hot Springs

Lead

Rapid City

Spearfish

Sturgis

Business Day Co-Sponsors:

Black Hills FiberCom

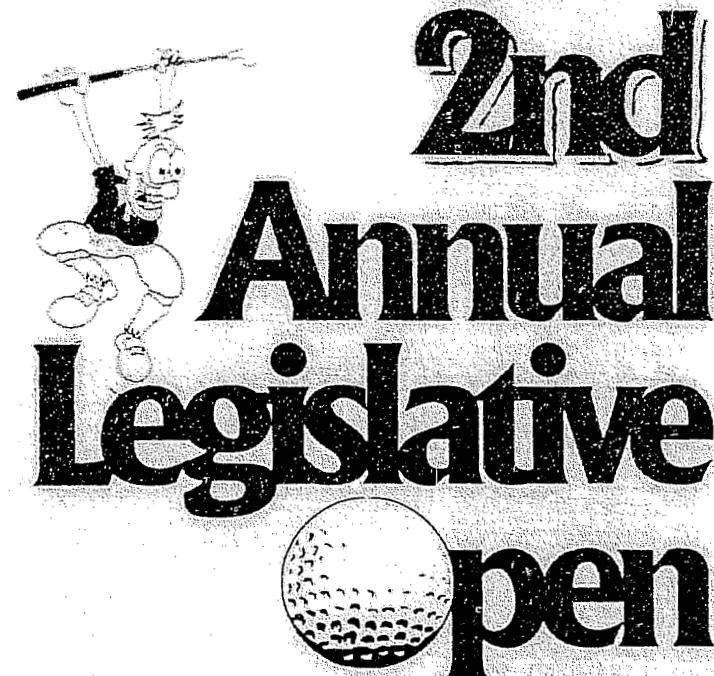
Black Hills Power & Light

First Western Bank

Norwest Bank of South Dakota

Montana-Dakota Utilities

Black Hills Business Council's



Business Day at the Legislature

Wednesday, January 13, 1999

4:00 pm - 6:00 pm

Ramkota Inn, Pierre, SD

Legislative Open Official Rules

Visit the nine holes shown on this card—in any order.

Have your card validated at each hole.

Drop your completed score card in the entry box.

There is a flag prize drawing for each hole.

Each community sponsor will present a flag prize for a person (random drawing) who completed their score card.

Prizes will be awarded at 5:30 p.m.

Have Fun!!!

Thank you for participating!

Black Hills Business Council's
2nd Annual Legislative Open
Business Day at the Legislature!

Visit each hole in any order...



Belle Fourche Community



Custer Community



Deadwood Community



Hill City Community



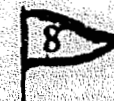
Hot Springs Community



Lead Community



Rapid City Community



Spearfish Community



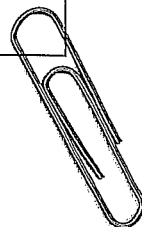
Sturgis Community

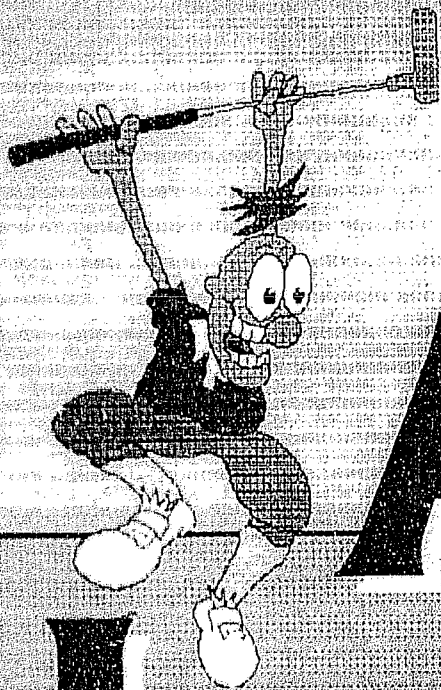
Score

Continuation

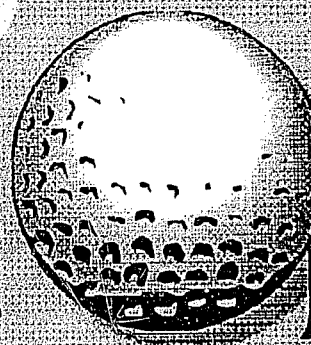
10

of pages





2nd Annual Legislative Open



Date: January 13

Time: 4:00 - 6:00

Place: Ramkota, Pierre

Host: Black Hills Business Council

Cost: \$50 per person

Chamber Hole Sponsors: Custer, Rapid City, Spearfish, Hill City, Hot Springs, Lead, Sturgis, Deadwood & Belle Fourche

Bus Sponsors: First Western Banks, Black Hills Power & Light, Norwest Banks, MDU, and Black Hills FiberCom

Refreshments will be served, and prizes awarded!

Gas tax not just for 4-lanes

By Jim Bell, chairman
Transportation Committee

Our congressional delegation is to be commended for obtaining an approximate 60 percent increase in highway funds for South Dakota over the next six years. No one expected them to be so successful.

Along with this pleasant surprise is the need to come up with the matching funds of approximately \$107 million. This can be accomplished by enacting a 3-cent motor fuels tax (gas tax).

A 3-cent gas tax would generate about \$15.3 million per year. Approximately 3/5 cent of the proposed 3-cent gas tax is needed to advance 4-lane projects which fall under the "special projects" program. The other 22/5 cents is needed to match the "program funds" for road and bridge maintenance, road

construction (including Phase II of the Heartland Expressway) and to manage the statewide backlog of maintenance and repair.

If we give the federal government 20 percent, they will give us 80 percent in return. Your chamber sees this as a great investment for South Dakota and has endorsed the 3-cent motor fuels tax (gas tax).

The Heartland Expressway is projected to receive \$6.5 million from "special project" money. This is additional money obtained by our congressional delegation which can only be used to build Phase I of the Heart-



Bell

land Expressway. From "program funds," the next phase of the Heartland down to Fairburn will be built beginning in 2002. With your help, we will seek additional DOT support and "program funds" for completion of the entire Heartland Expressway to Nebraska's border.

The Heartland is the only 4-lane project funded with program funds. Aberdeen to I-29, Pierre to I-90 and Huron to I-90 are to be funded with "special project" funds.

This money must be used for those projects or it will be lost to South Dakota. Again, only about \$90 million of the \$1.146 billion total highway monies will be used for 4-lanes and the 20 percent match of approximately \$18 million could come from 3/5 cent of the 3-cent gas tax needed for the entire bill.

Government:

Continued from page 3

Saturdays, Feb. 6 and 27, you are welcome to attend the crackerbarrel sessions at the South Dakota School of Mines and Technology. They start at 9 a.m. and are an excellent way to get firsthand information on legislative issues.

The Business Day at Pierre is set for Feb. 17 and if you are interested call the chamber.

You can get the most from your membership by getting involved and participating. I want to thank the members of the Chamber Governmental Affairs Committee for their efforts during last fall and for helping us to better understand all the measures that were on the ballot.

"Speaking As One Voice"

Legislative Open a swimming success

The Second Annual Black Hills Business Day and Legislative Open was held Jan. 13 at the Ramkota in Pierre.

The Black Hills Business Council hosts this event, "Speaking As One Voice," to represent western South Dakota, the mission of this group. The day was a total success.

Seven communities hosted the legislators with food and drink and challenged the group to a very intense miniature golf course.

Each golf hole featured landmarks from the host community. Rapid City tested the golfers and non-golfers in the pack with a floating green featuring some beach music and fruit from "the Banana Belt."

The Black Hills Business Council meets monthly and consists of regional chamber and economic development organizations as well as Black Hills businesses supporting positive growth for the Black Hills region.



Members of the Hill communities enjoy the bus trip to Pierre to host the Legislative Open state legislators.



The Rapid City golf hole was a challenging "floating green."



Playing in the New Year

These slot machine players were busy enjoying themselves as 1998 started to become 1999. At the stroke of midnight, champagne toasts were enjoyed by the large and lively crowd that came to the First Gold to see in the New Year. GUSTAFSON photo

The 19th hole

Following the presentation of the prizes to the winners of the various 'golf holes' at the second annual Legislative Open in Pierre, Mutch Usera from Black Hills Power & Light, left, had a chance to visit with Mark Young, newly elected state representative from Lawrence County. Usera served as the master of ceremonies for this relaxing, fun-filled event. COYLE photo



bread, cookies, fudge, candies
100 or more people to sample

People's Choice Awards

1st	-	\$120	The
2nd	-	\$85	Com
3rd	-	\$65	
4th	-	\$45	
5th	-	\$25	

Dinner Special: Served in t

Saturday, Feb. 13th

Sunday, Feb. 14th -

Prime Rib & King Crab, potato, f
chocolate cake and a complim

Room

\$39 - One

\$75 - Two Night

Have a heart a

February

"KOTA Care



HISTORIC HOMESTAKE OPERA HOUSE SOCIETY

Organizational Background

Lead's Historic Opera House Society will return the Opera House to productive use for the enrichment of our community, to provide educational and cultural opportunities for generations to come.

Mission Statement, adopted November, 1997

From its construction in 1914 until a catastrophic fire in 1984, the Homestake Opera House was the center of community life in Lead, South Dakota. This organization is dedicated to its restoration, use and preservation for future generations, in the belief that it is the cornerstone for the preservation, renewal and development of our community.

The Homestake Opera House is listed in the National Register of Historic Places, and is designated a National Landmark of American Music. The Opera House and Recreation Building was among several projects initiated by Phoebe Hearst, widow of George Hearst, a California Senator who was a founder and developer of the Homestake Gold Mine in the late 1800's. Homestake Mining Company gave the Opera House and Recreation Building to the City of Lead in 1972. The 1984 fire was a devastating blow to an already depressed community. The people of Lead voted to re-roof the under-insured building to prevent further damage by the elements. The building remained vacant and unused, its fate uncertain. The Opera House Committee of Lead's City Historic Preservation Commission conducted some restoration activity. This included a new roof for the Opera House, studies and reports on its condition and projections for its restoration, and some work on the theater lobby, foyer and courtyard. A grant from the National Trust for Historic Preservation funded a comprehensive Existing Conditions Report and Restoration Plan in 1995. The study concluded that the theater was structurally stable, and that every element of its interior could be restored or replicated because of the extensive documentation and salvage available.

In 1997, the City offered the property for sale and development. The Opera House Committee was moved to act, fearful that the opportunity to restore the building to its former grandeur and put it to public use would be lost forever. A group of concerned citizens met to make a strategic plan. They developed a mission statement and three objectives: 1) to establish ownership and governance of the Opera House; 2) to develop a use and program plan; and 3) to become a catalyst for community development. All three were accomplished within six months, and work had begun on restoration within one year of that strategic planning session.

The Historic Homestake Opera House Society incorporated in 1997. Grants from the South Dakota State Historical Society, the Walt Green Foundation and the Adams-Mastrovich Family Foundation funded partial restoration of the courtyard and foyer. The Society was designated a 501 (c) 3 organization in 1998, and has a twelve-member Board of Directors. In its first year, the Society's grass-roots membership grew to more than 300 people.

Both the restoration project and our organization have become effective agents for revival and change in our community and in the Black Hills. The first phase of construction is complete. The lobby floors and ceilings have been stabilized and reconstructed, theater and balcony floors replaced, box seats framed, projection booth stabilized and the swimming pool level prepared for the construction of a telecommunications center. The project has the strong support of our United States Senators, Tom Daschle and Tim Johnson. Funding for the first phase of the Opera House Restoration Project has been provided by the Adams-Mastrovich Family Foundation, the John T. Vucurevich Foundation, the Sid and Georgia Cooper Estates, the South Dakota State Historical Society, The City of Lead, and a Community Development Block Grant, at the invitation of Governor William Janklow. Accounting services are contributed through McGladrey & Pullen, CPA.

Local business people now own the buildings. The Opera House portion of the building complex is leased to the Historic Opera House Society for 95 years, or in perpetuity. This lease will survive any subsequent sale or change of ownership of the property. The Society has contracted with a consultant who serves as Development Director for the restoration project, and with a private company for the management of the property through its construction and eventual reuse. Plans call for the creation of an Executive Director position within two years, and such support staff as may become necessary. The Recreation Building, which was not severely damaged in the fire and was remodeled by the City, is leased space housing several businesses. Activity to renovate the Recreation Building is the responsibility of its owners, and is not funded through the Society.

The Opera House will be restored to its 1914 grandeur, according to the Secretary of the Interior's *Standards for Historic Preservation*, with some important improvements in safety, accessibility, comfort and technology. Upon completion of the restoration project, the Society will maintain stewardship of the Opera House in order to ensure its preservation and standards for maintenance, conservation, programming and accessibility. The Opera House will carry out its original functions as a performance and entertainment venue, conference center and meeting place.

* The project has become a catalyst for growth and development. Contributions from Homestake Mining Company, Black Hills Corporation, John T. Vucurevich and the West River Foundation have provided funds for the second phase of the restoration, now in progress. It is a guiding policy of the Society that to the fullest extent possible, restoration project funds will remain in the community of Lead and the surrounding area. Two influential community leadership groups, CARE and Lead 2000, have designated the Opera House as a cornerstone project for economic development in the Northern Hills. The Opera House Society works in partnership with the City of Lead, the Lead Area Chamber of Commerce, the Historic Deadwood/Lead Arts Council, Twin City Area Development, Northern Hills Community Development, The Black Hills Mining Museum, Homestake Visitors Center, the Phoebe Hearst Public Library, and the Adams Memorial Museum. The Opera House will house one of four new telecommunications centers being established in this region by a Department of Commerce technology program, through a grant administered by Northern Hills Community Development, Inc. The Opera House restoration project is directly responsible for attracting two new businesses to Lead's Main Street, and has generated interest in the creation of other retail business. This historic preservation project is the impetus for economic development that is both appropriate and authentic to this unique Black Hills community.

People are envisioning the future of the Homestake Opera House. Program design has moved onto the pages of the plan. The 850-seat theater will be an excellent venue, technically and aesthetically. It will have the capacity for creation and production, will accommodate touring performances, and will connect with the teleconference center on the theater's lower level to literally open a world of possibilities.

Lead's Historic Homestake Opera House Society welcomes new partnerships and honors the visionary leadership of those who have helped us to begin. We share great pride in the jewel of the Black Hills, and look forward to Opening Night and the many seasons to come.

The Historic Homestake Opera House Society will restore the Opera House to productive use for the enrichment of our community.

October 15 1999

For immediate release.

For more information contact: Pat Boyd (605) 584-2067 opera@lead.sd.us

Barbara Thirstrup, Black Hills Corp. (605) 348-1700

BLACK HILLS CORPORATION CONTRIBUTES \$100,000 TO LEAD OPERA HOUSE

A \$100,000 contribution from Black Hills Corporation launches the campaign for the second phase of Lead's Historic Homestake Opera House restoration project.

"This is a very important gift," according to Jacque Fuller, President of the Opera House Society.

"It comes at a turning point in our fund raising campaign. We are extremely proud of the progress we have made in the last year. This major gift from Black Hills Corporation bolsters that pride and provides a big boost as we approach the challenges ahead."

"We're glad we can help with this project," said Dan Landguth, Chief Executive Officer of Black Hills Corporation. "We see the Lead Opera House renovation benefiting the Northern Hills in terms of quality of life, historic preservation, and also economic development. We are pleased to see a blend of the arts with modern technology, with the "Smart Center" co-located in the Lead Opera House."

-MORE-

Black Hills Corporation Gives \$100,000 to Lead Opera House

October 15, 1999

Page 2 of 2

Landguth challenges other donors to also consider major gifts. "We would like to see our gift leveraged, both as a local match for potential grants and as an encouragement to other companies and individuals to step forward."

Lead's Historic Homestake Opera House Theater was devastated by fire in 1984. The current \$4.5 million fund-raising campaign for its restoration began in 1998, after the announcement of the reorganization and down-sizing of Homestake Mining Company, Lead's major employer. Among the major developments in the restoration project in the past year has been the addition of Lead's "Smart Center" in the lower level of the theater building, now under construction.

-END-

Historic Homestake Opera House

Telecommunications Center

In 1998, Northern Hills Development, Inc. was awarded a grant through the Department of Commerce Telecommunications and Information Infrastructure Assistance Program, "To revitalize rural communities in the Northern Black Hills [South Dakota] through the development of telecommunications resources that can support current and future economic opportunities and ensure continued access to quality health, education and other needed services." Four communities in this region, Rapid City, Belle Fourche, Sturgis and Lead, were selected as sites for "Smart Centers" to "...support connectivity between the Northern Hills communities and global opportunities."

Because of the tremendous access provided for education and training, Lead first designated the High School building as the site for the Smart Center. The Opera House Society became interested in including the Smart Center in our plans, and offered the lower level of the theater as an alternative location. We could foresee the wonderful possibilities of linking the telecommunications center with the 800-seat theater once restoration is complete. Much more immediately, we saw the opportunity to restore the Opera House building to one of its most important historic uses as a center for the exchange of information, ideas and culture in the Black Hills. This had been a primary function of the Opera House building complex, which housed an excellent library with journals, periodicals, books and maps from around the world in this very cosmopolitan frontier gold town. Lead now attracts a new group of global business-people, who can live and work anywhere, given the ability to communicate.

We advocated strongly for placement of the Smart Center in the Opera House, but the decision to house it in the high school as primarily an extension of that educational facility had been made. Plans continued accordingly until May, when tragedy struck Columbine High School, forcing every school board and administration in the country to take a hard look at plans and policies which might jeopardize the security of their students. Simultaneously, Governor Janklow announced plans to wire every high school in South Dakota for telecommunications specific to the requirements of secondary education. In late May, the City of Lead announced a change in the location of the Smart Center, to the Opera House building.

While the grant covers equipment and other operational costs, it does not include funding for construction of the facility. In other communities, buildings have been remodeled or retrofitted to accommodate the Smart Centers, but the Lead project is very different in scope and vision. Only Lead is building a center to meet and exceed the specifications of the original grant. Engineering and cost estimates are now complete. Construction of the Smart Center will cost \$200,000. The structural and programming plans for Lead's center have been applauded at every level from local to Federal, and we look forward to many years of growth and development in this community facilitated by the Center. The project will not only serve the educational and training needs of our current population, but will help to attract business, families and commerce in this beautiful region of our state.

South Dakota Future Fair *A Family-Friendly Event* **January 14 & 15, 2000**

Rushmore Plaza Civic Center
Rapid City, South Dakota

Technology is Fun! Technology is a Family Thing!
Technology represents the working knowledge for the next Millennium.

Plan to Attend Today!!!

The South Dakota Future Fair promotes the use, management and understanding of technology resources for today and tomorrow. Nationally-known speakers and exhibits help children and adults learn new ways of using emerging technology.

Education Day - January 14, 2000

Be alert for your child's teacher to request \$1/child to attend Education Day at the Future Fair, designed especially for children.



**Celebrate
Technology**
SOUTH DAKOTA
FUTURE FAIR
2000



BROUGHT TO YOU BY:

Black Hills Power & Light
Black Hills State University
KOTA Radio & TV
Norwest Bank S.D.N.A.

Rapid City Journal
U.S. WEST
TIE/West River Foundation

Rapid City Regional Hospital
System of Care
South Dakota School of
Technology

Opinion

Journal Editorial Board

John VanStrydonck, publisher

Peggy Sagen, editor

Randall Rasmussen, opinion page editor

Judy Olson, controller

Marty Two Bulls, graphics editor

Future Fair an education

■ Civic Center event teaches uses of emerging technologies.

New technology can be a blessing and a curse. A blessing, because technology makes our work easier and more productive; a curse, because new technologies come faster and faster, making it hard to keep up with new advances.

That's where the Future Fair comes in. Last weekend's South Dakota Future Fair Trade Show at the Rushmore Plaza Civic Center gave area businesses the opportunity to

A Journal salute showcase their new technologies to the public, and other booths offered hands-on science exhibits for children and adults.

Speakers included Dr. Kevin Freiberg, a speaker and consultant from San Diego, and NASA astronaut Kalpana Chawla, a native of India and a space shuttle veteran. Also featured was Bob Friedhoffer, "The Madman of Magic," who presented several science/magic shows each day.

Future Fair's goal, according to event chairman Mutch Usera, is to educate young and old how to use and understand emerging technologies. The event stresses new applications of technology rather than the nuts and bolts of it. Part of the proceeds of Future Fair will fund \$500 scholarships — Future Leader Awards.

As with most nonprofit organizations, Future Fair depends on volunteers to plan, organize and operate the every other year event. Several Black Hills area businesses and universities sponsored the event. This week we salute the Future Fair volunteers and sponsors for putting together an educational and entertaining event.



GOVERNOR'S OFFICE OF
ECONOMIC DEVELOPMENT

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

March 25, 1999

605-773-5032

800-872-6190

Fax:
605-773-3256

Internet:
goedinfo@
goed.state.sd.us

Mutch Usera

Black Hills Power and Light

PO Box 1400

Rapid City, SD 57709-1400

Dear Mutch:

Thank you for attending the National Manufacturing Week Plant Engineering Trade Show in Chicago last week. I appreciate the time you gave to help make this a successful show.

Your presence at the South Dakota booths added that extra touch of authenticity. As businessmen enjoying the advantages of this state's business climate, we can share those personal experiences with prospects and tell them how we really do benefit from a South Dakota bottom line.

I'm enclosing a small token of our gratitude, Mutch.

Thank you again for sharing your talents, your expertise and your time with us in telling the South Dakota story.

Sincerely,

Ron W. Wheeler
Commissioner





Spearfish Economic Development Report

Director Bryan Walker

October 1, 1999

Not long ago, I outlined the goals, objectives and strategies identified within SEDC's three year marketing plan. This plan has been designed to focus SEDC's attention and resources on both its internal markets, (local businesses/community leaders) as well as its external markets, or more commonly referred to as business recruitment activities outside the area.

While it took several months to research and develop, I am excited to report that SEDC has already begun implementing several projects identified within its marketing plan.

Most recently, I returned from Chicago, where representatives from various Black Hills communities and I attended the "1999 International Call Center Management" tradeshow and conference. The purpose of our mission was to market the Black Hills area as an attractive place for call centers to do business. I am happy to report that through our attendance, we had the opportunity to meet with over 150 corporate representatives whose interests



ranged from administering financial and insurance services, to providing world-wide travel and medical support assistance.

Of those with whom we spoke, 20% indicated they would be expanding within the next 6 to 12 months. This growth represents a tremendous opportunity for our area. Currently, the Black Hills Regional Marketing Committee is working with the Governor's office on follow-up activities.

Attending the ICCM Tradeshow was a success by all accounts, and it is through increased cooperative ventures such as this, that the region as a whole will further diversify its economic base.

Spearfish Economic Indicators

	Aug 99	Aug 98	Yr. to Date 99	Yr. to Date 98
Building Permits				
New Housing Units	3	2	17	18
Dollar Amount	\$480,582	\$437,874	\$2,586,493	\$3,257,676
New/Addition Commercial	2	0	23	9
Dollar Amount	\$1,064,000	\$161,000	\$4,304,292	\$3,671,130
Total Permits	18	15	152	134
Total Dollars	\$1,688,190	\$543,9055	\$8,314,721	\$7,705,631
Sales Taxes				
2nd Penny Sales Tax	\$137,365	\$124,590	\$872,315	\$837,444
Hospitality Tax	\$30,450	\$32,932	\$154,764	\$156,697
Work Force Lawrence Co.				
Total Work Force*	10,689	11,147	N/A	N/A
Total Employed*	10,338	10,726	N/A	N/A
Unemployment Rate*	3.3%	3.8%	N/A	N/A

* July Statistics: Aug. Statistics were not available at press time.

Hot Springs **official facts**



\$2,000 donation for health care

Members of the Hot Springs Chamber Economic Development Committee gives \$2,000 to Goldie Reichardt and Erv Heimback of Greater Fall River Health Services. Reichardt and Heimback are also members of the economic committee. Other members of the economic committee present included Darla Stevens, Karri Fisher and Joyce Farrell. The money from the committee recently was obtained through a grant for improving health care from Black Hills Power and Light. GFRHS also received a donation of \$30,000 from one individual last week, said Heimback.

Academic News

About area students

University of Wyoming

William S. Coffield, Hot Springs, and Brenda S. White, Oelrichs, both received their Bachelor of Science degrees at the University of Wyoming at the completion of the 1999 spring semester.

Police Report

Hot Springs Police Department



Circus c

Culpepper & Merriweather Circus will be appearing in Hot Springs on Friday, July 2, for two performances at 5:30 p.m. and 7:30 p.m. at Butler Park. Sponsoring the circus for these performances is the Hot Springs Rotary Club.

Due to the public's renewed interest in live family entertainment, Culpepper &





Mutch Usera
Black Hills Power & Light
PO Box 1400
Rapid City, SD 57709

December 18, 1998

Dear Mutch,

Several months ago you spoke to Jim Aberle and me about Black Hills Power & Light's marketing program. You indicated there may be marketing funds available from Black Hills Power & Light for organizations such as the Lead Area Chamber of Commerce.

The Lead Area Chamber of Commerce is approximately one-year old due to the recent split of the Deadwood/Lead Chamber. During this year the Chamber has faced many challenges from establishing an office and membership base, to developing marketing material to promote the community of Lead. In addition to these challenges, we were also faced with an economic disaster due to the layoffs of over 500 employees in the mining industry.

The good news is that the community of Lead is already redefining itself from an old mining town to an outdoor recreation community with an interesting history and exciting future. The local real estate market is stable and home prices have maintained their value. New businesses continue to open and the Chamber still receives many calls from people considering relocating to Lead. The recent announcement by Black Hills Power & Light to develop Black Hills Fiber Comm also adds new possibilities for the future of Lead.

When the Lead Chamber opened its doors, the only marketing tool available was one copy of a city of Lead map. Having to start our marketing efforts from scratch has been a very expensive endeavor. I have enclosed a copy of all the new marketing material for the Lead Chamber along with a spreadsheet listing the costs of this material. Any assistance Black Hills Power & Light can give the Lead Area Chamber of Commerce to help offset these expenses would be most appreciated.

Thank you for your continued interest in Lead, South Dakota! *Lead, the Way!*

Sincerely,

Karen Everett
Executive Director

LEAD AREA CHAMBER OF COMMERCE

640 W. Main St., Suite A, Lead, SD 57754 • phone: (605) 584-1100 • fax: (605) 584-2209

E-mail: leadcoc@leadco.com • www.lead.sd.us

Chamber Receives \$1000 Marketing Grant from Black Hills Power & Light

The Lead Area Chamber of Commerce was recently the recipient of a \$1,000 marketing grant from Black Hills Power & Light as part of their marketing program. The money was awarded to the Lead Chamber to help offset the costs of starting a brand new Chamber. A majority of the Chamber's first year expenses were for marketing material such as our new rack cards, video, community profile folder, stationery, etc. Thanks again Black Hills Power & Light!

Board Member Needed

The Chamber Board of Directors is looking for a new Board member to replace Michelle Percy who recently resigned from the Board after serving approximately two years. The Board would like to thank Michelle for the contributions she made to the new Lead Area Chamber of Commerce. If you are interested in serving on the Chamber Board, please contact the Chamber Office at 584-1100 before Thursday, April 29.

Chamber Staff

Karen Everett - Executive Director - 584-1100

Board of Directors

Jim Aberle - President - 584-1255

Secretary -

Mike Chaput - Treasurer - 578-2454

Melanie Sieveke - 584-1468

Karen Barthel - 584-3326

Tracy Thacker - 584-1960

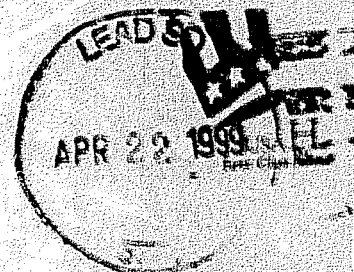
Jerry Aberle - 584-1984

MISSION OF THE LEAD AREA CHAMBER OF COMMERCE:

*Be organized for the purpose of advancing the economic, industrial,
professional, cultural and civic welfare of the Lead area!*

*Lead Area Chamber of Commerce
640 W. Main, Suite A
Lead, SD 57754*

Mutch Usera
Black Hills Power & Light
PO Box 1400
Rapid City SD 57709





March 31, 1999

Mutch Usera
Black Hills Power & light
PO Box 1400
409 Deadwood Avenue
Rapid City, SD 57709

Dear Mutch,

The Lead Area Chamber of Commerce would like to thank Black Hills Power & Light for the \$1,000 marketing grant. This grant is very much appreciated and helps offset the marketing costs associated with starting a brand new Chamber of Commerce.

We believe a big change is in store for the community of Lead as it changes from an old mining town to a historic city with an interesting past and an exciting future. Thanks to companies like Black Hills Power & Light who are committed to the communities they serve, the future of Lead is bright.

Lead the Way!

Sincerely,

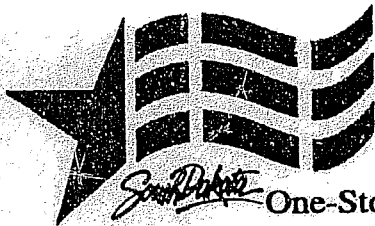
Karen Everett
Executive Director

Cc: Jim Jeffrey

LEAD AREA CHAMBER OF COMMERCE

640 W. Main St., Suite A, Lead, SD 57754 • phone: (605) 384-7101 • fax: (605) 384-2401

E-mail: leadarea@leadarea.com • www.leadarea.com



2500 Minnekahta Ave. • P.O. Box 242 • Hot Springs, SD 57747-0242 • (605) 745-5101
Fax (605) 745-6562

May 11, 1999

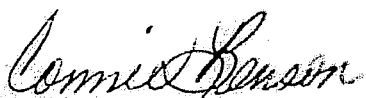
Mr. Mutch Usera
Black Hills Power & Light Company
409 Deadwood Avenue
Rapid City, SD 57702

Dear Mr. Usera:

I want to thank you for coming to Hot Springs to speak at the state institute for IAPES (International Association of Personnel in Employment Services). Many of the conference participants really enjoyed your presentation.

I know you have a very busy schedule and I really appreciate your willingness to share the information with us. The Job Service Managers and Career Learning Center Directors, also, enjoyed your presentation at the end of March.

Sincerely,


Connie Benson
Manager



111 New York Street • P.O. Box 2480 • Rapid City, SD 57709-2480 • Fax (605) 394-1424
Voice & TDD (605) 394-2290

April 5, 1999

Mutch Usera
Black Hills Corporation
P.O. Box 1400
Rapid City, SD 57709

Dear Mutch:

On behalf of the Job Service/Career Learning Center Managers in the state, I would like to say thank you for speaking at our conference last week. You gave us some excellent information about what we should be telling and teaching our future work force.

I look forward to seeing you again at our IAPES Conference the end of this month.

Thanks again for your interest in our future work force. It is good to have people like you in our community who are working for our state's economic development.

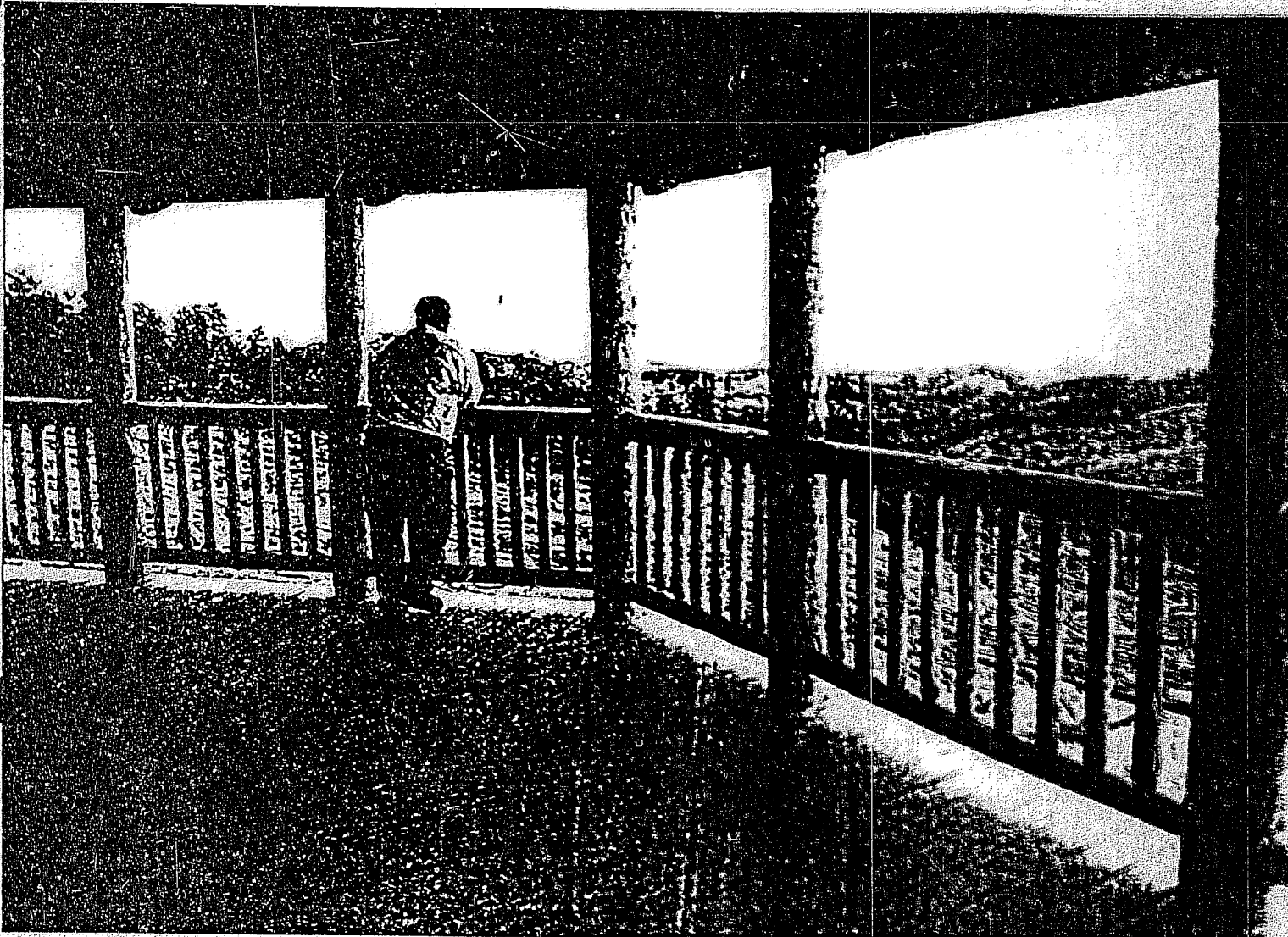
Sincerely,

A handwritten signature in cursive script, appearing to read "Dennis Coull".

Dennis Coull
Manager

DC/lm

March 1999



Open house: Scott McNamar of Rapid City, above, takes a look at the view from the new shelter overlook at Heddy Draw in Custer State Park Saturday afternoon. The Heddy Draw development, which was dedicated Saturday, is the result of the combined efforts of the Rocky Mountain Elk Foundation in South Dakota, Custer State Park and Black Hills Corp. At right, Randy and Sharon Olson, along with their daughter Rachel Case in front, all of Piedmont, hike back to the Heddy Draw Overlook along the trail. The park's 15th annual Open House Weekend continues today with no entrance fee, free fishing and a variety of activities, beginning at 8 a.m. with a pancake feed at Legion Lake Resort and a volksmarch starting at Peter Norbeck Visitor Center. All South Dakota state parks are free this weekend.



RC Journal
5/23/99

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 625 NINTH STREET
RAPID CITY, SOUTH DAKOTA 57709

<http://www.blackhillscorp.com>
e-mail: eehoyt@go.blackhillscorp.com

EVERETT E. HOYT
PRESIDENT AND CHIEF
OPERATING OFFICER

TELEPHONE
(605) 344-1700
(605) 348-9749 FAX

April 5, 1999

Mr. Kurt Buer, Coordinator
Black Hills Resource Conservation & Development
1530 Samco Road, Suite 4
Rapid City, South Dakota 57702-8007

Dear Kurt:

Subject: Sponsorship of "Cows, Condos, Critters, and Communities..."

We're pleased that you have invited BHP to participate as a sponsor of your seminar "Cows, Condos, Critters, and Communities." Our check in the amount of \$500.00 in support of the seminar is enclosed.

The preliminary agenda looks interesting and informative. As I mentioned, I regret that I will be unable to attend due to my previous commitment on that date (turkey and trout in Montana).

Best personal regards.

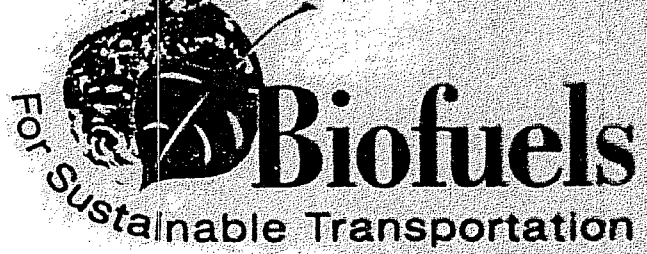
Sincerely yours,


Everett E. Hoyt

mh

Enclosure: \$500.00 - Check #522065

Ethanol Workshop Series



U.S. Department of Energy
Regional Biomass Energy Program

Agenda

September 23-24, 1999
Ramkota Inn & Conference Center
Rapid City, SD

The purpose of the Workshop is to provide information on emerging technologies to make ethanol from nontraditional biomass feedstocks. Biomass includes local resources such as forestry wastes, agriculture crop residues, and dedicated energy crops. The advantage of biomass feedstocks is that they are low cost and available in large quantities in almost every geographic region.

Friday, September 24, 1999

8:00 am Continental Breakfast

9:00 am **Welcome to South Dakota**

The Honorable Cheryl B. Madden, Senator – District #35

9:15 am **Overview and Goals of Workshop**

What are the goals of the workshop and how can the goals be realized?

- Doe Perspective – Mike Voorhies, Program Manager Regional Biomass Energy Programs, U.S. Department Of Energy, Office Of Fuels Development
- East River & West River Team Together – Lisa Richardson, Executive Director, South Dakota Corn Utilization Council
- Health Benefits – Karen Roth, American Lung Association

9:45 am **Introduction to Ethanol**

An overview of the current ethanol industry – production, regulations, and economic impact.

Moderator – Dan Schwartzkopf, Wyoming Ethanol

- Jim Kuch, Heartland Grain Fuels LLC
- John Silvernail, Lake Area Corn Processors

10:15 am Break

10:30 am **Ethanol as a Transportation Fuel**

A look at the various ways ethanol is used as a transportation fuel and why it is so important to the rural community.

- Trevor Guthmiller, Executive Director, American Coalition for Ethanol

11:00 am **Automotive, Small Engines, and Aviation Fuel Advancements – Greater Markets for Ethanol**

Tremendous advancements have been made using fuel ethanol. Learn about the progress as well as exciting potential new marketplaces.

Moderator – Dennis Heider, Ph.D. Professor of Electrical Engineering, SDSU

- Small engines and Automotive Applications – Al Kasperson, Department Supervisor, Automotive Technology, Lake Area Technical Institute
- The Latest Advancements in Aviation Applications – James Behnken, President, Great Plains Fuels Development, Inc

12:00 pm Lunch

TED EITMAN
NEWCASTLE, WYO.
COUNTY COMMISSIONER



For Sustainable Transportation

South Dakota Biofuels

South Dakota is home to approximately 740,000 people largely employed in the agriculture, wholesale/retail businesses, tourism, equipment manufacturing, and grain processing industries. South Dakota's business climate is notable for its lack of a corporate or personal income tax, no personal property tax, and a sales tax rate of only 4 percent.

Transportation energy use in South Dakota

In 1998, South Dakota residents used more than 406 million gallons of gasoline and ethanol blend fuels in motor vehicles. South Dakota ranked 29th among the States in gasoline prices, with average motor gasoline prices for all grades, excluding taxes, at \$0.53 per gallon in 1998. The U.S. Department of Transportation estimates that 71 percent of the vehicle-miles traveled in South Dakota on land occur via automobile; 15 percent by other 2-axle, 4-tired vehicles; and 11 percent by single-trailer tractor trailers. Other vehicles make up the remaining 3 percent.

Biomass resources in South Dakota

The most common biomass resources in South Dakota include agricultural crop residues and forest product industry residues. Corn and wheat are prevalent crops in South Dakota. Following harvest, nearly 12 million dry tons of residues in the form of stalks, leaves, and other plant material are left in the fields. Up to 65 percent of this material could be used to manufacture ethanol without



compromising soil productivity. In addition, logging generates approximately 79,000 dry tons of residues – wood left in the forest after logging – each year. Forest products manufacturers generate 123,000 dry tons of residues during the manufacture of lumber and other products each year. Additional wood residues may be available from stewardship activities on public and private forestland.

Biofuels markets in South Dakota

South Dakota residents used nearly 18 million gallons of ethanol in a 10 percent blend with gasoline in automobiles and trucks in 1997. South Dakota ranked 19th among 33 U.S. States reporting the use of ethanol in motor vehicles. In addition, South Dakota has a significant number of alternative fuel vehicles (AFVs) that use high percentages of alcohol-based or other clean-burning fuels. AFVs represent a potential growth market for ethanol and other biofuels in South Dakota. This is due in part to increased availability of



Rapid City Journal

FRIDAY

September 18, 1998

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Fiber-optic system to link N. Hills

■ Black Hills Corp. investing \$40 million in Black Hills telecommunications system.

By Dan Daly
Journal Staff Writer

Black Hills Corp. jumped into the telecommunications business with both feet — and a \$40 million investment — on Thursday.

Just 18 months from now, the company will offer long distance and local telephone service, cable TV, high-speed Internet access and other services in nine Black Hills communities.

Black Hills FiberCom, a new, wholly owned subsidiary, will build and operate a fiber-optic-based communications system that will connect Rapid City, Black Hawk, Piedmont, Sturgis, Lead, Deadwood, Spearfish, Belle Fourche and Whitecourt.

"This announcement today will probably have more impact on this area than electricity did in the last century," Black Hills Corp. CEO Dan Landguth told a packed theater at the Sturgis Community Center Thursday.

The new system will bring true competition, especially for phone service U.S. West, the existing provider, vowed Thursday to remain competitive.

The Rapid City-based parent of Black Hills Power & Light has mostly been in the energy business. It brought in telecommunications veteran GEA International of St. Louis to design and build the 500-mile hybrid fiber and coaxial network.

The work should be done in 18 months, and the first customers could



Landguth

be online by this spring.

The system's fiber-optic backbone, much of it running up the median of Interstate 90, will reach homes and businesses through copper coaxial cables,

similar to those used by cable TV companies.

When told the new system would offer local, toll-free phone service among the Northern Hills towns and Rapid City, the crowd in Sturgis applauded. Long-distance charges by U.S. West have long been an irritation in the Northern Hills.

"This is one economic area," Landguth told the group, and it should be served as such. Rapid City retailers want their Northern Hills customers to be able call them toll-free, and employees at Homestake Mine in Lead want to call their homes in Sturgis, he said.

More important for the Northern Hills, an area hit hard by last year's layoffs at Homestake, is the potential for jobs. Companies such as Green Tree Financial Corp. and Citibank need a good, high-speed telecommunications pipeline, said Gov. Bill Janklow, who shared the Sturgis stage with Landguth.

"As we move from the industrial age — into the information age — access to information will be king," Janklow said. "You could do credit card operations in downtowns Belle Fourche as easy as you can in downtown Sioux Falls, downtown Des

See Telecom on page A2

A2

People

Telecom: Link

Continued from page A1

Moines, or downtown New York if you have the infrastructure in place."

Others also welcomed the announcement.

Vern Bills of Belle Fourche, who has been on the Northern Hills Economic Development board, said his group has been pushing for extended area phone service for years.

"We've been trying to get any company to step forward and do this. That it's a local company and a company of Black Hills Corp.'s stature is beyond our dreams," Bills said.

"Personally, I'm very excited about what this promises for the region," said George Peabody, a partner in RapidNet, an Internet service provider in Rapid City. "It will make the quality of regional telecom infrastructure a nonissue when attracting business, and it will extend the reach of businesses already in the Hills."

Features will include:

- Network redundancy to prevent breakdowns in service.
- 80-channel cable TV.
- High-speed Internet access.
- High-speed data with video.
- High-speed distance learning for schools.

How fast? A 15-second video clip, downloading at the current rate of 56 kbps (56,000 kilobits per second), now takes about 20 minutes. This system, at 100 mbps, will move the

same clip in less than a second.

"We expect schools, hospitals and other users to come up with uses we've not yet imagined," Landguth said.

Prices were not released, but Landguth said FiberCom will offer competitive residential and business rates.

FiberCom will have 30 to 40 employees and an annual payroll of \$2 million. Staff, equipment and buildings will be separate from Black Hills Power & Light, which remains regulated by the Public Utilities Commission.

The company will have to negotiate an interconnection agreement with U.S. West, so FiberCom customers can talk with U.S. West customers. Service to areas outside the nine cities will be offered when it becomes cost-effective, officials said. Landguth said the company has no plans to go beyond its general service territory.

Sandra Velez, spokeswoman for U.S. West, said Thursday the company has known since the Telecommunications Act of 1996 passed that it would face competition for urban and business customers.

"Where there is competition, our competitors have chosen to be selective," she said. "Our commitment is that we will serve anyone and every one. ... But we are committed to being the customer's first choice. We will be competitive."

backing

high school activities

hammer said. The association con- We expect this year to be a big one."

was signed by the association and at Falls, Dakota as 24 of the 29 in South Dakota City and one

each in Sturgis and Spearfish.

Tom Walsh of Sioux Falls owns Dakota King. He said he was excited to get his company involved with the activities association.

"This is the right thing to do," Walsh said. "This goes beyond just athletics and will help fine arts as well. We can structure the program to meet the needs of everyone."

Wayne Carney, chairman of the SDHSAA board, said this is an opportunity that will help and expand all of the association's programs.

With its contribution, Burger King's

See Sponsor on page A2



Tom Walsh of Sioux Falls, owner of Dakota King Inc., speaks at a news conference Thursday in Rapid City about Burger King's new corporate sponsorship of the South Dakota High School Activities Association. Seated at center is Marilyn Goldthamer, executive director of the SDHSAA, and at right, Wayne Carney, chairman of the SDHSAA board of directors.



member of the Newport department's dive n. Thursday afternoon bridge subdivision, a

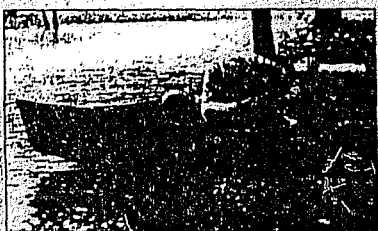
U.S. Navy housing community, after helping rescue residents from 10- to 12-foot floodwaters spawned by Hurricane Floyd.

d floods East Coast

ill-strength, storm o as it blows east:

Writer

Inside:
■ Drought being eliminated
■ Miss America
■ Pageant soaked
■ Senate debates
■ House for recessing
■ How hurricanes are named
— Page A6
■ Sporting events affected
— Page A10



Oren Northam checks to make sure there was no mail left in his mailbox Thursday outside his flooded home in Leland, N.C., after Hurricane Floyd made landfall early Thursday morning.

tion in the Carolinas and dumping more than a foot of rain that flooded hundreds of North Carolina homes. But the overall damage was considered modest.

From there, Floyd's winds weakened steadily to less than half its fearsome peak of 165 mph. The minimum wind speed for a hurricane is 74 mph.

At 6 p.m. MDT, the storm was over western Long Island, about 25 miles southeast of New York City.

Even the gentler Floyd was threat enough for New York and New Jersey authorities, who declared states

See Floyd on page A8

New cable, phone service nearly ready

■ Black Hills FiberCom releases first price list.

By Dan Daly
Journal Staff Writer

A year ago this week, Black Hills Corp. Chairman Dan Lamiguth officially launched subsidiary Black Hills FiberCom, a \$75 million venture to bring competitive telephone, cable TV and high-speed Internet service to the Black Hills.

Among the first questions: Just how competitive would FiberCom be? At the time, the company said it was too soon to talk about prices.

A year later, Black Hills FiberCom's wiring network is nearly in place, and the company is almost ready to begin large-scale service. On Saturday, Sept. 18, Black Hills FiberCom celebrates its first birthday with an open house — and price list.

The open house runs from 10 a.m. to 2 p.m. at the company's new operations center at Plant Street and Deadwood Avenue. There will be tours, demonstrations and a guest appearance by Alaska girl Jade LaLaine.

The price list, of course, is a complicated jumble of bundles and services. Consumers will have to do their homework to compare FiberCom's rates with U.S. West phone rates and TCI Cablevision cable prices.

"We're being pretty aggressive in our features and prices," said Kyle White, vice president of marketing and regulatory affairs for Black Hills Corp. "We recognize that U.S. West and TCI are the well-established monopolies, and we need to attract customers with features, service and value."

Black Hills FiberCom has been busy in the past year. The company built its building on Deadwood Ave-

Customers can choose phone, cable, Internet

If you want The Works — phones loaded with options, high-speed Internet and more than 100 cable TV, movie and pay-per-view entertainment channels — you're going to pay about \$100 a month, according to Black Hills FiberCom.

But you can mix and match services to suit your needs, said Kyle White, vice president of marketing and regulatory affairs. (And you should call the company for a detailed list of charges.)

If you order a la carte, the prices are \$15.95 per month for phone service (including toll-free calling to other Northern Hills states), \$9.95 per month for a second phone line, \$9.95 per minute for long distance service in the lower 48 states, and \$25.95 per month for basic TV channel cable TV.

In addition, the company offers discounted bundles of services, all of which require a one-year commitment. Some are. Some of the bundles require a consultation fee, and The Works includes 200 to 300 high-speed cable modems.

See Prices on page A2

White said it will take another year to complete the network to reach every home and business in the Black Hills.

See FiberCom on page A2

-use increase predicted

Thursday during the second day of the 1999 Black Hills Hydrology Conference at South Dakota School of Mines & Technology.

the same population it has now. The MR&I water-use predictions mirror the population projections for the study area, which included the north of northeastern Wyoming and

Municipal, rural & industrial water use projections

Year	1990	2005	2015	2025	2035	% Change
Water use is millions of gallons						
Chiswick (McClure, Wyo.)	0.580	0.779	1.002	1.099	1.010	71%
"Rural" towns	0.750	0.800	0.800	0.800	0.800	0%

CONTINUATION

11 -

Sponsor: \$160,000 over the next four years

Continued from page A1

logo and the Dakota King motto "Simply the Best" will appear on all future SDHSAA publications. The company will get an ad in every state tournament program as well as scoreboard and public address announcements at those events. Burger King also will participate in trophy and medal presentations as well as other to-be-determined benefits.

Goldhammer said the SDHSAA is still deciding exactly what the sponsorship money will be used for but did announce plans to use some of the money to help fund a coaches education program, which could start as early as the spring of 2000.

At first, the program will consist of education on two fronts — sports first aid and basic coaching

principles. The SDHSAA already is looking for interested athletic directors and trainers to become teachers for the program.

Goldhammer said the coaching principles program will go beyond game strategies and deal more with the best ways for coaches to interact with and motivate student athletes.

"We will most assuredly provide new services for our member schools," Goldhammer said, "For both athletics and fine arts."

Walsh said this deal was an easy one to agree to.

"Since Dakota King Inc. is the largest single employer of teen-agers in South Dakota," Walsh said, "This was a natural extension of support and commitment to our young people of South Dakota. As an employer of many first-time young workers, our role as 'mentors,' 'teachers,' 'coaches' and role

models are even more important now in developing values, work ethics, teamwork and character."

The decision to search for a corporate Premier Partner was made last spring by the SDHSAA board of directors.

"We felt there were some things that needed to be done that couldn't be done without more money," Goldhammer said.

In addition to the premier partnership, the SDHSAA board has authorized its staff to develop supporting partnership opportunities with other businesses. However, Burger King will be the only Premier Partner.

Goldhammer said he expects to have an announcement in early October about a tournament sponsorship deal with another South Dakota company.

FiberCom: System being tested Prices:

Continued from page A1

Belle Fourche, Spearfish, Lead, Deadwood, St. Onge, Whitewood, Sturgis, Piedmont, Black Hawk and Rapid City.

But a handful of business customers already are placing telephone calls through the system. Also, White said, a group of 10 residential customers in the Parkridge subdivision soon will take the system for a test drive.

About 40 percent of the wires and cables will be strung overhead along the network of electric power lines established by sister company Black Hills Power & Light Co. The rest are being buried.

FiberCom's Deadwood Avenue operations center will serve as the primary telephone, cable TV and Internet hub between Northern Hills communities and the world beyond, explained Gary Henson, head and supervisor. The office handles the technical work through fiber lines to 125 homes in a 10-mile radius from their base on Deadwood Avenue, to each telephone station in Rapid City and to the South Dakota Network's long distance

fiber network.

Also, the Deadwood Avenue facility will link the Northern Hills communities with each other. FiberCom's marketing campaign will tout the fact that its customers won't pay long-distance telephone charges to call other cities in the Northern Hills.

Downstream from the main office, cable, voice and data will be distributed and boosted through a series of junctions called "hubs," "mini-hubs" and "nodes." The nodes will be scattered in neighborhoods throughout the region. For example, Rapid City will have 125 nodes and Spearfish will have 125 nodes.

The signal will travel the final stretch through coaxial copper cables in a metal box attached to your house. Equipment inside the box will split the telephone and cable TV/digital signals, which connect to your telephone, TV set and computer, mostly along wires already inside your home.

Depending on what services you subscribe to, you might need a new line for a cable modem for your computer, and possibly an Ethernet port on your computer.

Continued from page A1

■ **The Basics:** Local and long distance service; 77 channels of cable with 40 music channels; and access to 32 pay-per-view channels — \$44.95 per month.

■ **The Upgrader:** All The Basics plus a second line, various calling features (like call forwarding) and a choice of Caller ID or Voice Mail; an extra 30 digital TV channels; and one of four premium channel packages — \$74.95 per month.

■ **The Worker:** Just about every phone and cable service you can imagine, and a high-speed Internet connection that is 40 times faster than traditional dial-up service — \$89.95 per month. White said high-speed Internet probably will not be for the casual user, so he isn't sure.

"We really built this for the future," White said.

Appeal: Defense blunders alleged

Continued from page A1

The defense attorneys argued that the government had failed to prove that the defendant was in the area at the time of the crime.

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Water:

Continued from page A1

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People



AP photo

One on the way: "Tonight Show" host Jay Leno talks with actress Kelly Preston during taping of Wednesday night's show in Burbank, Calif. Preston, who is married to actor John Travolta, announced on the show that she and her husband are expecting their second child. Preston currently co-stars with Kevin Costner in the film, "For Love of the Game."

Actress gets graceful proposal

NEW YORK (AP) — Debra Messing, co-star of NBC's "Will & Grace," has an engaging story about how her fiancé proposed. Actor-screenwriter Daniel Zelman popped the question while the couple were in Morocco.

"Daniel threw this big spring-dance birthday party for me, and he had the ring on him the whole night. He was going to take me but he didn't because we had too much champagne," Messing, 31, tells USA Weekend magazine Sept. 17, 18 issue.

"He gave it to me the next morning in bed; we were both waking up. I was half asleep when he whispered in my ear asking me. And the ring was in his hand. It was perfect."

It's been 30 years since town went 'Cold Turkey'

GREENSBORO, N.C. (AP) — This town is mentioned here in all puffery up with names like Dick Van Dyke will be attending the "Cold Turkey" reunion.

On June 26, the town will celebrate the 30th anniversary of the "Cold Turkey" movie about an town town in which everyone goes to smoking for 30 days to win a \$50 million prize.

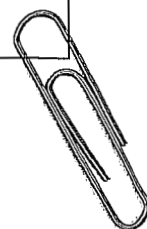
The movie, starring Van Dyke, Tim Allen and Jane Fonda, was filmed in Greensboro, a town of about 20,000 people 50 miles northwest of the movie.

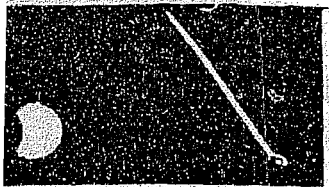
While Dick Van Dyke remains the town's most famous resident, the town is still a town.

Continuation

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of pages





Journal photo/Dick Kettlewell

Is and Teri Molitor are
omecoming Royalty.
noon. The Wildcats
ng football game



Journal photo/Dick Kettlewell

ity: Brian Lecy and
id Friday as the 1999
Thomas More High
valiers take on Douglas
ning football game this

16. Two other meetings, Sept. 22 and an upcoming Sept. 27 meeting, were both canceled.
Part of the problem apparently is the fact that long-time city finance director Bev Patterson was

The statement concludes: "The next budget meeting will be held as soon as pertinent data is available. The date will be publicly announced. The meeting is open to the public."

Peers honor business leaders

■ Rapid City Chamber of Commerce awards presented at banquet.

By Dan Daly
Journal Staff Writer

Rapid City's business community gathered Friday night for the 113th annual meeting and banquet of the Rapid City Area Chamber of Commerce. The group honored a community stalwart, Mildred Roberts, with its top award — the George Award.

Also on Friday night, the Rapid City Economic Development Partnership presented the Magnet Award to Black Hills FiberCom, and the Rapid City Convention & Visitors Bureau gave its Black Hills Hero Award to Jim Perry, director of Technology & Innovation in Education (TIE).

The banquet marked the start of Bill Duhamel's one-year term as chairman of the chamber board of directors. Duhamel, president of Duhamel Broadcasting Enterprises, took over for Bill Barnhart, who completes his term as chairman.

A series of short video films, starring trench-coated chamber of commerce board members on location at Canyon Lake and Dinosaur Park, carried the banquet's "Mission: Possible" theme throughout the evening. Linn Productions in Rapid City produced the video and the banquet program. Motivational speaker David Okerlund had his own theme: "If it ain't broke, break it. If it won't break, at least try to bend it. And ... sacred cows sometimes make the best burgers."

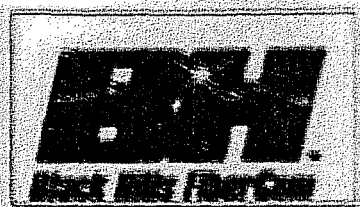
Named for the old saying, "Let George do it," the George Award is presented each year to a community leader who, in the true volunteer spirit, takes an active role in getting things done.

Roberts, a previous winner of the Athena Award, made her mark in the laundry business and became one of the early women leaders of the business community.

She continues her legacy of service, chamber officials noted, and Roberts can be found raising money for charities, helping children and serving



Roberts



as an ambassador for Rapid City.

She has been an active member of the chamber's Ambassadors group and a supporter of the South Dakota Air and Space Museum and Ellsworth Air Force Base. "This is such a surprise," she said, accepting the award.



Perry

Perry opened the doors of the TIE office and tackled a statewide mission to help educators use computers, telecommunications and other technology.

Today, TIE tackles broader issues such as school improvement and use of technology.

Perry thanks his wife, his staff and Randy Morris of Black Hills Special Services Cooperative, which helped him get the organization launched.

"If I am a hero, it's because of the heroes around me," he said.

Black Hills FiberCom, a new subsidiary of Rapid City-based Black Hills Corp., is investing an estimated \$75 million in a fiber-based communications system.

The system will soon deliver cable television, telephone services and high-speed Internet access to business and residential customers in Belle Fourche, Spearfish, Lead, Deadwood, Rapid City, Black Hawk, Piedmont, Sturgis, Whitewood and St. Onge.

Black Hills Corp. President Don Landguth accepted the award on FiberCom's behalf. He told the crowd of 600 that the West will increasingly be divided into those who have technology and those who do not. "We're going to be among the haves," Landguth said.

er dies of apparent heart attack

heart Green was driving a 1999 Ford pickup truck with a pop-up camper east on the interstate. He was delivering the camper to Whitewood. About two miles east of Whitewood, he apparently suffered a heart attack, and the pickup veered off the north side of the road and into a field, where it struck a tree.
Crews from the Whitewood Fire Depart-

ment and the Spearfish Ambulance Service started emergency care at the scene. He was taken to Sturgis Community Hospital, where he was pronounced dead.
There were no other occupants in the vehicle. The accident was investigated by the Highway Patrol with assistance from the Lawrence County Sheriff's Department.

Correction

Black Hills State royalty

In a photo caption on Page B1 Thursday the name of the Black Hills State University homecoming Queen Carol Stalter was misspelled. She and King Jay Boyer, both of Rapid City, will preside over games 10:30 a.m. games through Spearfish and 2 p.m. football games

BH FiberCom on Schedule

Northern Hills communities were represented December 7 at the groundbreaking for the Black Hills FiberCom operations center, on Deadwood Avenue in Rapid City.

Ron Schaeble was named vice president and general manager for the company, which is building a \$40 million communications infrastructure to serve Rapid City and Northern Hills communities.

The system will consist of 200 miles of fiber optics and 600 miles of hybrid fiber coaxial cable. Resulting services, for both individuals and businesses, will include local access calling, high-speed Internet access up to 1,000 times faster than the current infrastructure allows, expanded cable TV, and high-speed data and video capabilities. The operations center will open this May, and the first customers will be served this summer.

Governor Bill Janklow, Black Hills FiberCom, and Northern Hills Community Development announced the new system in Sturgis last September 17.

Meeting with Sturgis business leaders this winter in Pierre, the governor called Black Hills FiberCom the best community development tool the region has. Few places in the world, he noted, will have the technology capabilities enjoyed by the northern Black Hills.



Construction continues on Black Hills Fibercom's new Rapid City headquarters

"Charting the Future" Conference Oct. 12-14 at Convention Center

Northern Hills Community Development and Spearfish will host "Charting The Future," South Dakota's annual telecommunications leadership forum, October 12-14 at the new Spearfish Convention Center.

"This is a major event that draws hundreds of participants, representing business, medicine, government, education, agriculture, and other fields," said Jim Doolittle, NHCD executive director. "We want people to come away with new knowledge they can put to use personally and professionally, and we want them to also enjoy an autumn break in the Black Hills."

Spearfish's Christine Watson chairs the conference's marketing campaign, and Spearfish Economic Development executive director Bryan Walker co-chairs the program committee, along with Brad Martin of Technology and Innovations in Education.

Doolittle noted the convention center immediately established a reputation across South Dakota as an outstanding, comfortable place to meet, and should prove a draw in itself. It's a perfect facility, he noted, for showcasing communications technology.

Annually drawing about 700 participants in locations across the state, the forum is supported by a broad-based group of organizations. It is especially relevant for community leaders facing the challenges of accessing current, cost-effective telecommunications capabilities.

There will be an exhibit area for vendors, who should contact Monica Barnes (605-394-1876 or mbarnes@tie.net). Questions about doing a presentation should be directed to Brad Martin (605-394-1876 or bmartin@tie.net) or Bryan Walker (605-642-3832 or sede@mato.com). Further information about attending the forum may be obtained from Northern Hills Community Development. The conference will be promoted by NHCD statewide throughout the summer.

Elde, Turbiville to Head Northern Hills Development Corporations

Twin City Area Development Corporation hired long-time Lead resident Laurie Elde as its executive director, effective the first of this year.

Her office, next door to Lead Area Chamber of Commerce at 640 West Main, is open afternoons Mondays, Wednesdays, and Fridays. The phone number is 605-584-3546.

Laurie has been very active in her community's civic and education efforts, and she served on the Lead City Commission in the early 1990s.

"One of the major things Twin City Area Development is looking at is the re-establishment of our revolving loan fund," Laurie said. The fund was depleted by Lead's landslide crisis, which threatened the Lead mill a few years ago.

Laurie sees good signs for Lead, including Stan Adamek's purchase of the historic roundhouse, and construction of a new elementary school.

Chuck Turbiville, well known across South Dakota for his economic development work, has accepted the executive director position for the Deadwood Economic Development Corporation.

A Newell native, where he's ranched and owned real estate and restaurant businesses, Chuck worked in Governor Frank Farrar's administration in the 1970s, promoting industrial expansion, and he was part of the Governor's Office of Economic Development during the George Mickelson and Walter D. Miller administrations, 1986-94.

His Deadwood office's phone number is 605-578-2082.

"We're working to create jobs, to alleviate some of the pressure put on the market with the cutbacks at Homestake," Chuck said. "I'd like to see us create jobs that utilize the types of skills those laid-off workers have, and I'd also like to see us eventually diversify the local economy." Another goal Deadwood Economic Development is working toward, he added, is revitalizing Deadwood's service industries.

Black Hills FiberCom Marks First Year

Black Hills FiberCom, Black Hills Corporation's communications subsidiary, hosted an open house anniversary celebration Saturday, September 18.

One year ago, the company announced that it would invest \$75 million to bring state-of-the-art communications services to Rapid City and the Northern Hills. Prospective customers came from all over the Northern Hills to the new FiberCom operations center on Deadwood Avenue and Plant Street in Rapid City to see demonstrations of the communications technology, meet the FiberCom staff, and learn what services will be available.

"We're pleased to have come this far in only one year," said Ron Schaible, Vice President of FiberCom. "The broadband technology we're deploying is highly unusual in a rural area—in fact, we were invited to a CEO Summit in Washington, D.C. September 9 by

Senator Daschle and the Federal Communication Commission to highlight what Black Hills FiberCom is doing. We were the only electric utility providing communications services to be invited."

The new company expects to be offering local and long distance telephone service with free local calling among Rapid City, Spearfish, Belle Fourche, Lead, Deadwood, Whitewood, and Sturgis; high-speed Internet access, expanded cable television, and data and video services in selected areas by this fall. The initial build-out is scheduled for completion by late 2000.

Other construction work on the Black Hills FiberCom system is also on track, according to Schaible. The redundant fiber-optic loop is complete; seven mini-hubs are in place throughout the service area; the FiberCom center on Deadwood Avenue is operational; and neighborhood buildouts have begun.



Galena Industries Breaks Ground

Galena Industries, Inc., broke ground in June at the Sturgis Industrial Park.

The Company, which produces stainless steel firearms, is moving to the Black Hills from Iwindale, California.

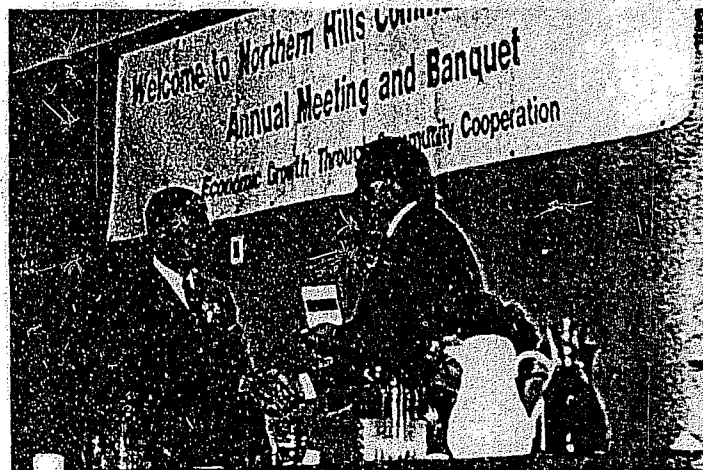
1999 Annual Meeting Boosts NHCD Membership

Last spring's membership drive culminated with a successful banquet and annual meeting for Northern Hills Community Development members and friends, May 7 at Spearfish's convention center.

David Owen, South Dakota Chamber of Commerce and Industry president, delivered the keynote talk. Joining Owen at the podium was U.S. Senator Tom Daschle. Master of ceremonies Jim Thompson kept the evening well-paced, and a TV image projected on a big screen kept attendees face-to-face with the speakers; the system was supplied by Technology and Innovations in Education.

NHCD executive director Jim Doolittle, described for the audience the organization's busiest yearly program of work ever.

"This year's banquet was probably the most enjoyable one we ever had," Doolittle noted. "The convention center is an outstanding facility, and we drew more than 300 people that night." NHCD membership stands at 116.



Kevin Whitelock, NHCD president, welcomed keynote speaker David Owen at the 1999 membership banquet. More than 300 people attended the May 7 event in Spearfish.

CONTINUATION

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Pressler: Railroad would lower cost

By Dan Daly
Journal Staff Writer

In 1984, then-Sen. Larry Pressler and his aide Kevin Schieffler saved the Pierre-Rapid City rail line from abandonment.

Pressler, now an attorney in Washington, was back in South Dakota on Thursday touting a \$1.4 billion plan to rebuild and expand the line into the coalfields of Wyoming.

"Believe me, that's a world-class project, and I hope South Dakota does not slip on that," Pressler said during a luncheon speech to the Rapid City Rotary Club.

The project is being advanced by Brookings-based Dakota, Minnesota & Eastern Railroad, a company now headed by Pressler's former aide, Schieffler.

Pressler said after the speech that the railroad did not hire him to campaign for the project. Rather, he feels it is important for the state's economic future.

Saving the railroad from abandonment benefit from it.

document back in the early 1980s was not easy, he said. The track was in such bad shape that one train derailment while standing still. Much track is still in poor shape, especially between Rapid City and Pierre, and Schieffler has said the project is the best, if not only, way to save the line.



Pressler

landowners along the 200-mile new line who don't want the railroad to carve up their ranches; and residents of Pierre, Brookings, and other cities up the industry as companies find a place in the new free-wheeling marketplace.

Pressler said critics of the Telecom Act feared it would allow big industries, as an example of the good that energy business into telecommunications, as an example of the good that

But he cited Black Hills Fiber-Com, a subsidiary of Black Hills Corp. that is branching out from the energy business into telecommunications, as an example of the good that

Pressler said DME's expansion has come out of the Telecom Act in the Telecom Act, Pressler said. "The war in Kosovo: I think it was a mistake to go in ... but now we're there, and I think we should win as quickly as we can and get out as quickly as we can."

Pressler said the fears potential investors — DME has not identified who will pick up the \$1.4 billion tab — might be scared off if DME's home state doesn't support the project. "I fear it will falter ... unless there is really a chorus of support for it."

Other topics Pressler addressed: "The Telecommunications Act of 1996: Written by Pressler, the sweeping legislation is still shaking up the industry as companies find a place in the new free-wheeling marketplace."

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Black Hills FiberCom is a classic example of what we were looking for in the Telecom Act, Pressler said. "The war in Kosovo: I think it was a mistake to go in ... but now we're there, and I think we should win as quickly as we can and get out as quickly as we can."

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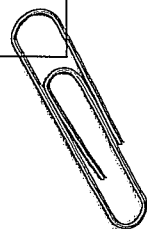
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Continuation

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of pages



...line information... or for
...information about conference
...teleconferencing and system...

Belle Fourche - 892-2676

Rapid City - 394-1706

Sturgis - 347-6513

...any company time and
...you affiliated with another
...the Northern Black Hills.

...before we traveled up there, or they
...traveled to Rapid City, or we had to
...to meet halfway. The Smart

...make meeting so easy that
...do it monthly instead of every

...months.

...Casey Peterson, Rapid City

...easy to use. Technically, it
...flawlessly. We'll definitely
...again.

...David Pummel, Belle Fourche



Black Hills FiberCom

and

Northern Hills
Community Development, Inc.

An
Introductory Offer
from

Black Hills Area

Smart Centers



State-of-the-Art
Video-Conferencing Systems
in

Belle Fourche, Lead,
Rapid City and Sturgis

No place on earth can claim more advanced video-conferencing technology than the Black Hills, thanks to Black Hills FiberCom's expertise and Northern Hills Community Development's leadership.

Four state-of-the-art telecommunications studios opened in October, 1999. Now individuals, businesses, and government agencies can give these Smart Centers a try, at no cost for the first time when they connect between Black Hills sites.

Smart Centers are located at the Belle Fourche Chamber of Commerce building, Rapid City's Rushmore Plaza Civic Center, Rapid City's Black Hills FiberCom building, and the Sturgis Community Center. Another will open soon at Lead's Homestake Opera House. Each Smart Center features:

- A teleconference room for 25-30 people, furnished with comfortable chairs and oak board room tables, and smaller teleconference rooms for three or fewer participants
- Full-motion video
- 35 inch monitors
- Averkey scan converters for slide and power-point presentations

- VCRs

- Computers for high-speed Internet connectivity
- Staff for technical assistance

While the free introductory offer applies to links between Black Hills Smart Centers, the system can, of course, be linked to telecommunications studios worldwide. It is anticipated area businesses will use the system for meetings, training, sales pitches, product demos, and interviewing. Educators, physicians, and government officials will exchange information with colleagues anywhere—instantly. Just as importantly, individuals will be able to use the Smart Centers just to keep in touch with friends, or for face-to-face discussions in times of celebration or crisis. Developed with U. S. Department of Commerce funding obtained by Northern Hills Community Development, Inc., Smart Centers are open for use by all South Dakotans.

Celebrating

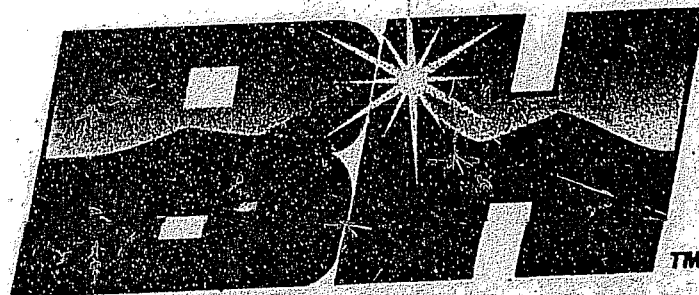
Come to Our 1st Birthday Party

**10 a.m. - 2 p.m. Saturday, Sept. 18
Deadwood Avenue/Plant Street**

Come see the telecommunications technology you've been hearing about!
High-speed Internet access; expanded cable television; local and long distance
telephone with free calling between Rapid City and Northern Black Hills;
the infrastructure of the future!

Special appearance by Jack LaLanne in support of SeniorFest
KKMK/Hot 93.1/KKLS Live Remotes - Morning Animals/Win a Car

Contests! Prizes! Free Lunch!



Black Hills FiberCom

No One Else Has Our Connections.SM



Presenting!

Charting the Future '99

South Dakota Telecommunications Leadership Forum

South Dakota's only statewide forum focusing on
vital telecommunications applications and issues for local leaders in the areas of:

Business ♦ Industry ♦ Education ♦ Medicine ♦ Agriculture ♦ Government

October 12-14, 1999

**Spearfish Convention Center
Spearfish, South Dakota**



It's time to mark your calendar and make plans!

Register now for General Sessions. Pre-conference registration will begin in August. General conference information, registration forms and session information are available from the website at <http://sdtlf.tie.net> as well as highlights from the 1998 forum.

Hosted by:

**Northern Hills Community Development, Inc.,
the Community of Spearfish and a
Statewide Telecommunications Consortium.**

For more information call the TIE Office, 605-394-1876 or
e-mail dgulden@tie.net

WEEKLY FILINGS
For the Period of May 4, 2000 through May 10, 2000

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 filing.

Phone: 605-773-3705 Fax: 605-773-3809

ELECTRIC

EL00-014 In the Matter of the Filing by Black Hills Corporation for Approval of an Electric Service Agreement between Black Hills Corporation and South Dakota School of Mines & Technology and Black Hills State University.

Filing by Black Hills Corporation for approval of a contract with deviations to provide electric distribution and Supplemental Supply service to South Dakota School of Mines and Technology and Black Hills State University. This contract will modify and supersede contracts currently serving these customers which are set to expire July 31, 2000.

Staff Analyst: Dave Jacobson
Staff Attorney: Camron Hoseck
Date Docketed: 05/04/00
Intervention Deadline: NA

EL00-015 In the Matter of the Filing by Black Hills Power and Light Company for Approval of its 1999 Economic Development Annual Report.

Pursuant to Docket EL95-003, Black Hills Power and Light filed its 1999 Economic Development Annual Report which includes the 1999 budget breakdown of actual expenditures for economic development activities.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Docketed: 05/09/00
Intervention Deadline: N/A

EL00-016 In the Matter of the Filing by Northern States Power Company for Approval of its 1999 Economic Development Annual Report and 2000 Economic Development Plan.

Pursuant to Docket EL91-004, Northern States Power Company filed its report on 1999 economic development activities and its proposed economic development budget for 2000.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Docketed: 05/09/00
Intervention Deadline: N/A

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

IN THE MATTER OF THE FILING BY BLACK)	ORDER APPROVING 1999
HILLS POWER AND LIGHT COMPANY FOR)	ECONOMIC DEVELOPMENT
APPROVAL OF ITS 1999 ECONOMIC)	ANNUAL REPORT
DEVELOPMENT ANNUAL REPORT)	EL00-015

On May 9, 2000, the Public Utilities Commission (Commission) received Black Hills Power and Light Company's (BHPL) 1999 Economic Development Annual Report. The report was filed in accordance with the settlement agreement reached between BHPL and Commission Staff, and approved by the Commission in the company's most recent rate case filing, Docket EL95-003. This is the final economic development report required to be filed for approval.

The actual expenditures for the 1999 economic development plan were \$128,960.

On July 13, 2000, at a duly noticed meeting, the Commission reviewed BHPL's Economic Development Annual Report for 1999. 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, the Commission found that it was just and reasonable and voted to approve it. It is therefore

ORDERED, that BHPL's 1999 Economic Development Annual Report is approved.

Dated at Pierre, South Dakota, this 20th day of July, 2000.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Alvin Kelbo</i></u>
Date: <u>7/20/00</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner