EL99-007

EL99-007

DOCKET NO. EL99-007

In the Matter of IN THE MATTER OF THE FILING BY BLACK HILLS POWER AND LIGHT COMPANY FOR APPROVAL OF ITS 1998 ECONOMIC DEVELOPMENT PLAN ANNUAL REPORT AND 1999 ECONOMIC DEVELOPMENT PLAN

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
3/5 99	Filed and Docketed;
3/6 99	Weekly Filings;
3/9 99	Intervening 1998 Economic Development Annual Report and 1999 Economic Development Plan;
3/16 99	Docket Closed.

EL99-007

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MITCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-4991

May 3, 1999

RECEIVED
MAY 05 1999
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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

SUBJECT: 1998 ECONOMIC DEVELOPMENT PLAN ANNUAL REPORT

Dear Mr. Bullard:

In accordance with SDPUC Docket EL95-003, enclosed is Black Hills Power and Light's (BHP's) 1998 Economic Development Annual Report. The report was compiled for you and the Public Utilities Commission to review.

The report includes documentation of activities involving community development and support in BHP's Kick Start Grant Program, BHP's GOLD Community Grand, South Dakota GOLD Achievement Awards Program, South Dakota Future Fair, and the West River Economic Development Foundation.

During 1998, BHP contributed to these activities:

* Approximately $8,700 was spent on membership fees to the nine community economic development organizations within our service territory.
* BHP was a major sponsor of $6,318 to the South Dakota Future Fair.
* BHP contributed $1,500 to the GOED GOLD Community Awards Program.
* We contributed $5,000 to the West River Economic Development Foundation for their staffing support in the Black Hills Region.
* We contributed $8,587 to eight businesses through BHP's Kick Start Grant Program.

* We contributed $12,000 to the communities involved in the South Dakota GOLD Community Program.

* BHP contributed $1,000 to the SCORE of Western South Dakota.

* BHP's Business Enhancement Program contributed $34,431 to businesses for energy efficient enhancements.

These are just some highlights of BHP's activities in economic development. BHP also recognizes its employees involvement in economic development activities as an important resource and added value to the Black Hills communities. They are involved in various economic development projects, serve on committees and Boards of Directors, as well as participate in task forces and company sponsored events.

Enclosed is a 1998 budget breakdown of actual expenses contributed to the economic development activities in the Black Hills communities. If you have any questions about the 1998 report, please contact me at (605) 342-3200, extension 481.

Sincerely,

Mutch Usera, Manager
Marketing Services Department

cc: Kyle White, Vice-President
Marketing & Regulatory Affairs

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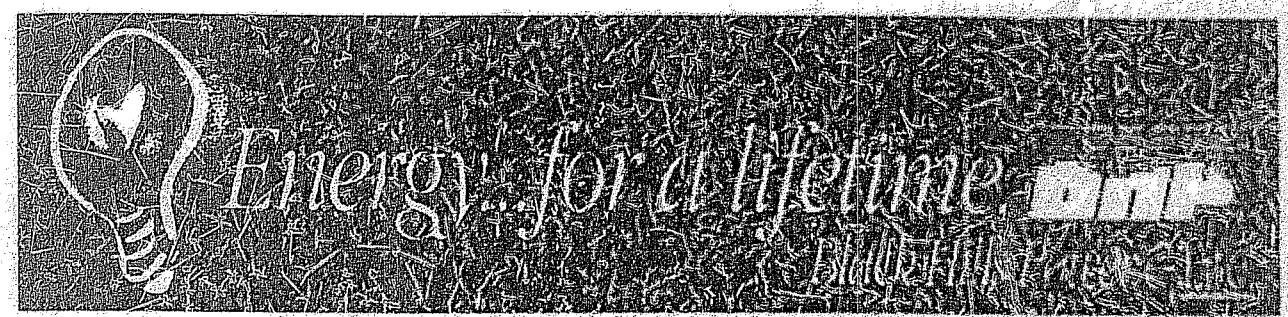
Mutch Usera, Manager
Marketing Services Department

cc: Kyle White, Vice-President
Marketing & Regulatory Affairs

BLACK HILLS POWER AND LIGHT

1998 Economic Development Plan



Annual Report

EL99-007

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MAY 05 1999
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Black Hills Power and Light

1998 Economic Development Annual Report

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Energy...for a lifetime. Black Hills Power & Light

1998 ECONOMIC DEVELOPMENT ACTIVITIES

(Actual Expenses)

BUSINESS ENHANCEMENT INCENTIVE PROGRAMS	AMOUNT
Lighting Rebate	$31,703.64
Motor Rebate	2,500.00
Interest from Loan Program	227.80
Total	**$34,431.44**

ECONOMIC DEVELOPMENT MEMBERSHIP DUES	AMOUNT
National Council for Urban Economy	$325.00
SD Chamber & Economic Development Council	125.00
Rapid City Area Economic Development Partnership	5,000.00
Black Hills Business Council	2,000.00
Spearfish Economic Development	500.00
Northern Hills Community Development	750.00
Total	**$8,700.00**

COMMUNITY GOLD GRANT PROGRAM	AMOUNT
Custer Chamber of Commerce	$1,000.00
Lead Area Chamber of Commerce	1,000.00
Spearfish Economic Development Corporation	2,000.00
Keystone Chamber of Commerce	1,500.00
Hill City Area Chamber of Commerce	500.00
Custer County Housing	1,000.00
City of Edgemont	500.00
Hill City Public Library	500.00
Hill City Memorial Park	500.00
Custer -- George S. Mickelson Trails	1,500.00
Hot Springs Chamber of Commerce	2,000.00
Total	**$12,000.00**

KICK START BUSINESS GRANT PROGRAM	AMOUNT
Hi Grade	$1,000.00
Sunrise School	337.50
Imaginations	750.00
Quasimodo's	500.00
Heart of the Hills	500.00
Custom Caster	1,000.00
Global Engineering, Black Hawk	2,000.00
Rodeo Legends	500.00
VA Daycare, Hot Springs	500.00
L & W Electric, Hot Springs	500.00
Simunek Electric, Hot Springs	500.00
Elk Horn Café, Hot Springs	500.00
Total	**$8,587.50**

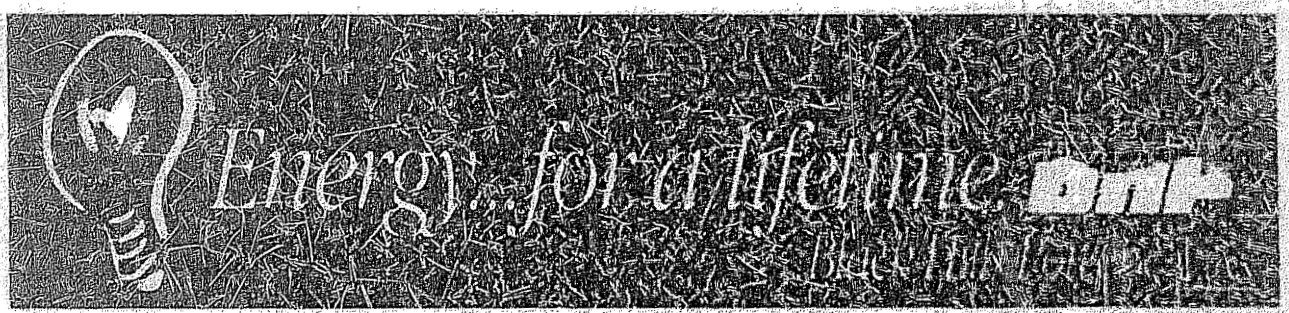
MARKETING & COMMUNITY SUPPORT	*AMOUNT*
SD Future Fair – Sponsorship	$6,318.43
SD Future Fair – Booth Sponsorship	1,817.00
GOED Gold Awards - Sponsorship	1,500.00
Small Business Development Center	5,000.00
Chiesman Foundation of Democracy	3,810.00
Economic Development Advertising	481.80
Black Hills Business Recruitment, Denver, CO	817.31
Total	$19,744.54

1998 Total Expenditures **$83,463.48**

Revised April 9, 1999

BLACK HILLS POWER AND LIGHT COMPANY

1998 Economic Development Plan



"To promote the economic growth of our states and communities by establishing and maintaining partnerships with economic development groups in order to achieve locally established and supported goals that will enhance the profitable growth of BHP and the communities we serve."

1998 Economic Development Plan
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BLACK HILLS POWER AND LIGHT COMPANY

1998 Economic Development Plan

INTRODUCTION

Black Hills Power and Light Company (BHP) is an investor-owned utility company serving approximately 56,000 customers throughout a 9,000 square mile area in Western South Dakota, Eastern Wyoming, and Southeastern Montana.

The economic prosperity of our service territory is vitally important to us and the customers and communities we serve. BHP has developed programs and services to assist both existing businesses and potential customers in our service territory. Since each community is unique, our intent is to offer a flexible package of economic development programs that benefit the community, our customers, and BHP. Our support will be through:

- Economic Development Goals
- Financial Assistance
- Business Development Service Program
- Business Enhancement Program
- Small Business Kick-Start Grants
- Site and Spec Building Development
- Residential Housing Development
- Marketing Support
- Cooperative Advertising and Marketing
- Community Involvement

BHP's Economic Development Support Requirements:

BHP encourages the development of all business including minority owned businesses. To qualify for BHP's Business Development Service program, BHP energy efficiency grants and incentives, financial or joint venture assistance from BHP, there are several requirements that must be met and reviewed for approval by BHP's Economic Development Committee:

1. The business, manufacturer or development project must be located within BHP's service territory.

2. The project or manufacturer must be able to stimulate the economy through new, good paying jobs created by the development activity.

3. The local support must be evident through such vehicles as REVOLVING LOAN FUND, Site Assistance Programs, Community Redi-Funds, Tax Credits, and the efforts of local financial and utility companies.

4. The new company or proposed development is able to present a business profile or plan which shows potential employment and economic growth for the community it plans to reside in.

5. The manufacturer or development electric usage as well as load factor/peak coincidence can be projected.

Economic Development Committee:

BHP's Economic Development Committee will review requests made by communities and development organizations requesting financial assistance. The Area Manager will participate on the committee when the request or presentation for request is from the specific area of interest. The Area District Manager will also screen applicants from their area before presenting or recommending that the committee review the request. Rapid City will be represented by the Manager of Marketing Services, who will also be a full-time member of the Committee.

Each request will be reviewed as unique opportunities and presented based on the economic growth and activity of the proposal.

The Committee members are:

Dan Landguth, BHC President & CEO
Ev Hoyt, BHP President & COO
Jim Mattern, BHP Vice President Administration
Kyle White, BHP Vice President Energy Services
Mutch Usera, BHP Manager-Marketing Services

Industry Resource Team:

BHP's Resource Team will be available to work with new and existing industrial and commercial businesses which are in our service territory. The Resource Team will focus on various areas of interest such as electric rates, system demand, power line relocation, new power line planning, site development, and national trade information.

The Resource Team will consist of experts from the various departments of BHP (Customer Service, Marketing, Engineering Dept., etc.) depending on the needs of the perspective customer. Coordinated by the Manager of Marketing Services, the Resource Team will be activated in response to a request by the customer or an economic development organization in order to assist in gathering information and/or research for the customer interested in locating a business in BHP's service territory.

ECONOMIC DEVELOPMENT GOAL

To promote the economic growth of our states and communities by establishing and maintaining partnerships with economic development groups in order to achieve locally established and supported goals that will enhance the profitable growth of BHP and the communities we serve.

FINANCIAL ASSISTANCE

BHP supports economic development loan funds available in BHP communities. These loans are established by the economic development corporations and have received contributions in communities served by BHP.

BHP's goal is to encourage growth through leveraged financial packaging. Realizing that each community is unique, our assistance must stay flexible to meet the various needs of the community.

BUSINESS DEVELOPMENT SERVICE PROGRAM

The goal is to continue support and assistance for existing and new businesses through loan programs and other activities which are available through the economic development corporations and BHP's Business Development Service Program.

BHP's Economic Development rate structures, incentives or adjustments for new manufacturers and developments must meet the Business Development Service requirements. The Business Development Service was approved by the South Dakota Public Utility Commission on August 1, 1995. Tariff eligibility requirements include:

Available:

At points on the Company's existing transmission or distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

Applicable:

To customers requiring an appropriate response to non-standard, unique or specialized electric services and/or to meet competitive forces in the energy services markets in a manner that satisfies the needs of participating customers while balancing the interests of the participating customer, the non-participating customers, and the Company.

Character of Service:

Alternating current, 60 hertz, at the voltage and phase of the Company's established transmission or distribution system most available to the location of the customer.

Eligibility:

Customers requesting Business Development Service (BDS) will be considered upon written application to the Company if one or more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new or existing load;

2. The customer has unique requirements for new load;

3. The customer intends to acquire its electric service for new or existing load from a source other than the Company absent service under this rate by showing:

   a. The customer demonstrates a competitive alternative, energy source or business location, to the Company's standard tariff rates;

   b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariff rates are material;

   c. The alternative is demonstrated to be technologically feasible and legally permissible;

   d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time.

Upon receipt of the customer's written application, and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If a mutually acceptable agreement is reached, the agreement and full support for it shall be forwarded to the Commission for their file of contracts with deviations as authorized by this rate schedule.

Contract Provisions:

All mutually acceptable service agreements will meet these minimum standards:

1. The initial service term shall not be less than three years;

2. No service term shall exceed 7 years without the inclusion of language providing for renegotiation by the Company;

3. The minimum written notice of cancellation by either party shall be nine months;

4. The customer shall not be eligible for any discounts or service conditions except as provided for in the service agreement;

5. The compensation to be received under the service agreement during its term shall exceed the marginal cost to the Company of performance under the contact;

6. The rate for metered service will be designed to encourage the customer to improve load factor, calculated using the customer's on-peak kVA;

7. Minimum contract demand is 250 kVA;

8. The terms and conditions of service shall be those contained in the service agreement between the Company and the customer;

9. Identification of the rate schedule that customer would have received service under in lieu of BDS.

Rate:

All charges for service under this rate shall be the charges contained in the contract between the Company and the customer.

Confidentiality:

Upon request of the Company or the customer, upon good cause shown by affidavit, all terms and conditions of any service agreement under this rate schedule and any supporting information shall be protected from disclosure as confidential in accordance with the Commission's Administrative Rules provided for at Section 20:10:01:41 and 20:10:01:42.

BUSINESS ENHANCEMENT PROGRAM

The purpose of BHP's Business Enhancement Program is to help our Commercial and Industrial electric customers gain a competitive edge in their area of business through the use of Electro-technologies. In return for our support, BHP expects the customers to sign a 3-5 year contract with BHP for their future electrical needs.

Economic development incentives through the implementation of new "Electro-technologies" will help BHP implement its long term contracting strategies. The new Electro-technologies will aid our customers in reducing their electrical costs as well as upgrading their older electrical equipment.

Through the use of energy efficient electro-technologies and power quality support, C & I customers will improve productivity in their operations and lower their cost in energy usage. This allows a long-term investment in equipment that helps reduce peak demand for BHP while reducing operational costs for the C & I customer.

Program Benefits:

BHP benefits from the Business Enhancement Program in many ways:

* Customer loyalty
* Brand Identity
* Attraction of new businesses
* Securing of long term contracts
* Development of a working relationship with our trade allies
* Customer comfort and satisfaction (may use additional energy as a result)

1998 Budget Plan for Business Enhancement Program:

Lighting

$500 maximum rebate per account per year. Customers are eligible for additional rebates up to a maximum of $5,000 per account when they sign a three year GS Large contract extension or, for smaller customers, when they sign a three year all requirements electric power service contract.

In 1997, 51 lighting rebates were issued. 38 of the rebates were less than $500 and totaled $8,373 while the other 13 rebates were over $500 and totaled $27,026.

Once the $50,000 budget is reached, lighting incentives cease for the year. A customer may spread their work out over several years (RC School District, City of RC, etc.). BHP will continue to provide customer assistance in evaluating the energy savings with lighting retrofit projects.

Motors

$500 maximum rebate per account per year. Customers are eligible for additional rebates up to a maximum of $5,000 per account when they sign a three year GS Large contract extension or, for smaller customers, when they sign a three year all requirements electric power service contract.

In addition, adjustable speed drives qualify for rebates at the same levels as the energy efficient motors ($5/HP-working motor, $2/HP-new motor).

In 1997, 8 motor rebates (4647 HP) were issued for a total of $4,575. 1 of the rebates was for $2,500 (2650 HP). All other rebates were $500 or less. Once the $6,000 budget is reached, motor incentives cease for the year.

Power Factor Improvement

Reduced demand charges are the primary incentive for power factor improvement. Customer savings have amounted to $55,100 in 1997, $104,600 in 1996, and $64,700 in 1995 as a result of PF correction projects in those respective years.

Most of the first year cost savings and a significant portion of the cost savings each year thereafter is a result of BHP lowering the Customer's contract capacity and treating the 11 month ratchet as if the PF improvement had always been in place. In 1997, BHP required the customer to sign a three year Electric Power Service contract extension in order to lower their contract capacity.

In 1997, there were 13 power factor correction projects completed. BHP financed 5 of the projects at zero percent interest. BHP waived the interest it would have charged ($4,293.94 @ 8 1/2%) on the loans ($50,194.36) and are counting the waived interest as a Business Enhancement incentive.

Custom Packages

There are other electro-technologies in addition to those stated above that may qualify for an economic development incentive including water loop heat pumps, geothermal loop fields, heating or air conditioning systems, water heating systems, power quality equipment and energy management systems. Financing, project design assistance or an economic development rate may also be options to consider. Business attraction and innovative solutions to a customer's electrical needs will be the focus of the custom packages.

These economic development incentives would be negotiated on a case-by-case basis and BHP would expect the customer to sign at least a three year contract extension or, if a smaller customer, sign a three year all-requirements contract for electric service. Economic development rates would require a negotiated contract for up to seven years.

SMALL BUSINESS DEVELOPMENT KICK-START GRANT PROGRAM:

The program is designed for qualified small businesses located in BHP's small communities with populations of under 10,000. The Kick-Start amount may range up to $1,000 per customer applicant.

Qualifications for the cash grant:

* Applicant's business facilities must be a customer of BHP electric services.
* Applicant must have good credit standing with all local loan agencies.
* Grant is available to new or existing small businesses less than 2 years old. Small business is defined as a business with under 25 employees.
* Business must meet all qualified licensing for the operation their establishment.

BHP's Kick-Start Grant is available for new small businesses needing assistance in starting their businesses through a small grant for support in employee training, electric business equipment, or facility enhancements for energy efficiency improvements. Grants will not be used for business debt or employee compensation.

Process:

* All applications will be available at the Small Business Development Center's Rapid City Office in Room 208 of the Rushmore Plaza Civic Center, 444 Mt. Rushmore Road. Applicants can also call SBDC at (605) 394-5311.
* Completed applications will be faxed to Mutch Usera at Black Hills Power and Light at (605) 342-4991.

- The applicant's request will be reviewed by the District Manager, Manager-Marketing Services, and Vice President of Energy Services. The Small Business Development Center, Western South Dakota Region, will also be available for reference and consultation of the approval review.

- SBDC will mention the grant program to clients that have a good possibility of economic viability, as defined by:

  1. Having future profit potential and cash flow sufficient enough to support the liabilities and the operating cycle of the business.

  2. A well-defined, substantial, and accessible market for their products or services.

  3. Management with skills and capabilities in the industry they serve as well as a sufficient level of business skills.

When approved, the BHP District Manager will present a check in the amount of the funding request to the applicant or supplier. A press release will be developed and mailed to the local media for grant recognition. A financial request application form is included in this plan.

SPEC BUILDING/SPECULATIVE BUILDING DEVELOPMENT

BHP supports and encourages the development of commercial and residential sites and speculative buildings which can produce a positive economic climate as well as meet the development standards and support of the city, county, and state.

BHP will participate in a land development study conducted by the Rapid City Area Partnership Board, which will focus on potential properties for industrial development within BHP service area.

Areas that will be studied and evaluated are properties along: Deadwood Avenue, South Hi-Way 16 commercial strip, Expansion of South Creek Industrial Park, North of Rushmore Mall area, and South Hi-Way 79.

BHP will develop a new section in the BHP Homepage (www.blackhillspower.com) that will feature industrial and commercial properties available throughout its service area.

The page will highlight industrial parks, existing facilities as well as spec-buildings. This will allow us to promote properties to companies interested in locating in the Black Hills area. Completion of this homepage addition will be September 1, 1998.

We will also assist, participate, and invite proposals which involve joint ventures in speculative buildings for potential manufacturers and major businesses relocating to the Black Hills area.

RESIDENTIAL HOUSING AND SUBDIVISION DEVELOPMENT

BHP will also seek opportunities to participate in new residential development areas, through total electric technologies that are sensitive to demand-side management objectives and areas which enhance the economic growth of the community.

The participation will allow BHP the opportunity to research new technology such as Geothermal Heating and Cooling on a larger scale.

Economic growth possibilities are present in the success of geothermal communities because of the unique equipment and installation of the system. The geothermal communities will also become marketable and an added option for home buyers who plan to relocate in the community.

MARKETING SUPPORT

Several Black Hills communities will be working with the Governor's Office of Economic Development to target potential manufacturers interested in relocation of their businesses in order to reside in the Black Hills.

BHP will actively participate and support the Northern Hills and Rapid City Economic Development groups in this effort through sponsorship of new business hostings, the Black Hills Buffalo Roundup, and Minnesota and Denver recruitment missions as a co-host and sponsor. These efforts are scheduled throughout the year based on availability of participants from the GOED and area economic development groups and business volunteers.

To ensure the success of new businesses for the Black Hills communities, BHP will support and encourage new businesses to enroll in available business workshops, seminars, and training which will aid in the success of the business. BHP will participate as a co-sponsor of these workshops, and other training programs coordinated by the community. This support can include BHP staff support and financial contributions. The request for sponsorship support will be assessed by the District Manager and Manager of Marketing Services with approval by the President of BHP.

WEB INTERNET HOME PAGE

During the fall of 1996, an internet home page was developed and put on-line through the efforts of Information Services, Marketing and Sales, Finance, and the Public Affairs Department. The company's Home Page was designed and input by Coyote Film Works, Inc. of Rapid City.

This project has opened the door for consumers to now reach us through their computer in any home or business that has Internet access. Our strategy is to utilize the Home Page as an added value service for our customers as well as consumers across the country. The main home page is Black Hills Corporation, which highlights the financial and management information ideal for investors and consumers interested in knowing about our parent company.

The Home Page is then divided into home pages for each subsidiary of Black Hills Corporation. You can now reach information pertaining to the Wyodak Coal Mine, Western Production's oil operations, DakSoft, Enserco and Black Hills Power and Light. Each company also has its own Home Page address for easy direct access.

Home Page addresses are:

Black Hills Corporation:	http://www.blackhillscorp.com
Black Hills Power and Light:	http://www.blackhillspower.com
Wyodak Resource Development:	http://www.wyodak.com
Western Production Company:	http://www.westernproduction.com
DAKSOFT, Inc:	http://www.daksoft.com
Enserco Energy, Inc:	http://www.enserco.com

The Home Page will be periodically updated for user interest and interaction. 1997 marketing and service information will also be updated, along with special features like Economic Development, "Sparky and Buzz", "The Doorway To The Black Hills", and "FAQ" Frequently Asked Questions.

BHP's Home Page:

BHP's Home Page was primarily developed for promoting our products, services, electricity pricing, electric generation, and economic development programs. Also included are unique features such as "The Doorway To The Black Hills." This feature allows users to access information about tourism, business, education, and other Black Hills organizations of interest to users. It was developed as a Directory of "Who's-Who" on the Internet in the Black Hills. It is intended to make it easy for individuals to "evaluate" the Black Hills from their computer.

During 1997, we advertised the "Doorway to the Black Hills" through the local Chamber of Commerce. Forty businesses contacted us to be linked to the page. We will continue promoting this feature in the small communities.

The Economic Development page features BHP's programs and services available to our commercial and industrial customers. It is also available to prospective companies interested in knowing more about BHP's service area and programs. The page also lists all of BHP's commercial and industrial rate tariffs.

The section called "Frequently Asked Questions" will answer common questions about BHP's products and services as well as other utility issues and consumer questions about electric products and safety tips.

COOPERATIVE ADVERTISING AND MARKETING

BHP will participate in cooperative advertising, promotional, and direct marketing activities which promote and inform companies of the positive lifestyle and economic growth within BHP's service territory within South Dakota and Wyoming. Activities include support and sponsorship of area economic development videos, brochures, and trade shows including the Future Fair.

The cooperative advertising request will be presented to the marketing and economic development manager and the area district manager for review and approval based on the following guidelines:

- The advertisement promotes BHP's service territory.
- Involvement of other Businesses and Utilities.
- BHP receives the list of company contacts from the Coop Advertisement.
- BHP is recognized as a participating sponsor.
- BHP cost does not exceed 1/4 of the total cost of the promotional campaign.

COMMUNITY INVOLVEMENT

Community involvement is the key to BHP's economic development strategies and goals. There are 19 communities in which BHP is presently an active member which includes payment of annual membership dues. Some communities have combined their efforts to achieve success in meeting their economic development goals. For specific information regarding the economic development organizations that are represented in each community, refer to the Economic Development Organizational Profile section of the plan.

The goal for community involvement is to strengthen the communities by supporting strategically planned projects which are located within BHP's service territory. Although financial contributions are often requested, a personal commitment by key employees can often have as great or greater impact.

Part of our support for the economic development organizations in each community will be that key BHP employees will participate on boards, committees, and task forces on a regular basis. This will ensure continued communication of the economic development activities in each district as well as focus on key projects and goals that can impact BHP's load forecast and customer growth.

BHP district manager or assigned employee will represent BHP as part of the economic development organization in their district. This will develop support for the organization from BHP and maintain an active communication link for participating in the activities related to economic development.

BHP employees are encouraged to support and attend local and area activities which promote economic development through workshops, conferences, tradeshows, and seminars.

Economic development activities will be included in the district monthly and quarterly reports. The marketing and economic development staff will monitor the activities and assist with the districts as support staff.

BHP's GOLD Community Grant Program:

The GOLD Program is designed to encourage all South Dakota communities, regardless of size, to plan, initiate and carry out a program for complete community and economic development. Through this program it is possible for all activities to be carried out by members of the community at the local level.

Members of each local community determine the success of the GOLD Program. Through their own initiative, community members can improve the economic development potential of their community. Each community will develop a program tailored to the needs of that community. Particular facets of the community's local program, along with the community's goals and objectives, will be based on the needs within that community.

The program assists communities by taking them through a series of phases:

* Identify a development organization.
* Research and gather information about the community.
* Identify opportunities and establish goals.
* Create a working plan for the first twelve months.
* Evaluate first 12 months of progress, and establish a plan for the second 12 months.

GOLD community members located within BHP's service territory include:

* Belle Fourche
* Deadwood
* Hill City
* Keystone
* Spearfish
* Sturgis
* Custer
* Edgemont
* Hot Springs
* Newell
* Lead

Black Hills Power and Light will offer the Black Hills Gold communities a grant program designed to assist communities in need of financial assistance in order to complete their community project or goal. The grant request must be submitted no later than April 1, 1998.

Benefits:

* BHP will demonstrate a presence and support in community projects that encourage or create economic development and beautification of the community.

* BHP may receive media coverage which will display a positive perception for BHP.

* BHP will have development plans for review regarding communities within their service territories. This will allow BHP to develop action plans to meet the individual community's projects.

The community may apply for only one grant within their GOLD community membership. BHP will send out information about the Grant Program in early March, 1997. To qualify for BHP Grant support, a community must be a member of the GOLD program. They must complete a BHP GOLD Community Grant Program application, which is available at the community's local BHP district office or they may contact BHP's Marketing Services Department.

Process:

* Applications must be submitted by April 1, 1998. Community action plan must be included.

- Maximum Grant amount awarded to a qualified community is $1,500.

- BHP's GOLD Grant Committee will review each application to determine the level of the grant to be awarded to the community.

  Grant Committee members include:

  - Rapid City District Manager
  - Northern Hills Manager
  - Southern Hills Manager
  - Manager-Marketing Services
  - Vice President Energy Services

- The District Manager and Marketing Services Manager will present the Grant to the community during a scheduled meeting presentation. Media coverage will also be requested for the presentation.

The GOLD Community Achievement Award Program:

The South Dakota GOLD Community Achievement Award Program is a new program designed by the Governor's Office Of Economic Development to recognize the unique and progressive community projects being implemented in GOLD communities across the State of South Dakota.

The program is similar to the GOED's Community of the Year program; however, this award program focuses on individual projects. The program is solely sponsored by utility companies from across the State. Each Utility company contributed $500 to the program. The money is then allocated based on one Excellence Award and two Merit Awards. During 1997, seven utility companies contributed to the award program. They were Black Hills Power and Light, Northern States Power, Northwestern Public Service, South Dakota Rural Electric Association, Mid American Energy Company, Otter Tail Power Company, Montana Dakota Utilities and West River Electric Association.

Black Hills Power and Light will continue to sponsor the program with a $1,500 sponsorship gift based on equal sponsorship by other utilities. The awards are presented to communities during the GOED's Annual Conference and Awards Banquet. Award winners from BHP's service territory during 1997 were Lead, Spearfish, Custer, and Edgemont.

Small Business Development Center:

Black Hills Power and Light supports and recognizes organizations which work to enhance and assist businesses in need of business development. The Small Business Development Center (SBDC) is an organization which has a proven track record of doing just that.

Over the past 11 years, the SBDC has provided management and technical assistance through one-on-one professional consulting. As part of a national network, this service is provided free of charge to both existing and prospective small businesses in our service area through the SBDC's Western Regional Office in Rapid City.

In the past, funding of the SBDC has been provided by federal dollars matched by state funds. Although some funding is provided by USD's School of Business, the principal source of matching funds at the state level has been the GOED. In August of 1995, GOED informed SBDC that it will no longer provide any funding of this proven program, and suggested SBDC seek alternate sources of funding.

SBDC has collected its needed funding through businesses from across the state. BHP contributed $5,000 during 1997 and will again contribute $5,000 for the 1998 program year.

In 1997, the SBDC went through additional organizational changes when they were decentralized and went on their own, representing territories that required their use. The West River Economic Development Coalition has organized the restructuring and strategic plan for the West River Small Business Development Center (SBDC). Through the strategic plan to maintain a West River area office, SBDC submitted a grant proposal on behalf of West River Economic Development Coalition to the University of South Dakota for the continuation and expansion of the existing Small Business Development Center. Beginning January 1, 1998, the staff consisting of Regional Director Valerie Simpson, Business Consultant Duane Fladland, and Administrative Assistant Krista Tyler are employees of Black Hills Special Services Cooperative. The region served by the SBDC include the counties of: Bennett, Butte, Custer, Fall River, Haakon, Harding, Lawrence, Meade, Pennington, and Perkins. Currently, itinerant on-site outreach services are located in Spearfish, Sturgis, Lead, Custer, and Hot Springs. The central office is located in the Rapid City Civic Center on the second floor.

The 1998 budget to operate the program is $180,000 of which $90,000 is federal money from the Small Business Administration. The remaining $90,000 must be raised locally. ($45,000 can be in-kind and $45,000 must be cash.)

The SBDC in Rapid City will also assist BHP in our new Kick-Start Grant Program designed for small businesses in rural communities of population under 10,000.

South Dakota Future Fair:

South Dakota Future Fair provides an opportunity for progressive companies to showcase their cutting-edge products and services to area residents excited by the latest technological advances in a variety of areas. Exhibits will be explained and demonstrated so average citizens can understand them.

Nationally known speakers are also planned for this event. Speakers present topics of national and regional interest in areas of technology and education. Proceeds of Future Fair will go to two $1,000 scholarships to be used for any college, university or technical institute across the state. The event is scheduled for January 14, 15 & 16, 2000 at the Rushmore Plaza Civic Center.

BHP will continue to be a major sponsor of Future Fair, along with other businesses (Rapid City Journal, US West, Rapid City Regional Hospital, SDSM&T, Norwest Bank, Black Hills State University, and KOTA Broadcast Company). Major sponsorship consists of a $5,000 investment per event and active participation in the coordination and planning of the event.

Major sponsors receive headline recognition as a major sponsor along with 2 booths to display their technology and services to the public. The event will be managed by the Rapid City Area Economic Development Partnership. This will ensure administrative support for the event, as well as develop a direct tie to an organization that involves community support and awareness towards economic development and education.

Service Corps of Retired Executives:

The Service Corps of Retired Executives (SCORE) is a volunteer member association sponsored by the U.S. Small Business Administration. Since 1964, the association has matched volunteer business-management counselors with clients in need of expert advice.

SCORE volunteers consist of senior members of the community with professional expertise to consult and mentor businesses in need of organizational and business enhancement in areas of marketing, accounting, personnel, leadership, and management.

BHP receives benefits from the assistance of SCORE volunteers. Through SCORE's efforts businesses are more likely to become profitable. This avoids delinquency procedures, including electric shut-offs by BHP.

BHP will contribute $1,500 to the SCORE of Western South Dakota to assist in promoting their local chapter as well as to communicate their services to communities within BHP's service area. The SCORE office is located in Rapid City.

GRANT APPLICATION FORMS

BLACK HILLS POWER AND LIGHT COMPANY

GOLD Community Grant Program

Financial Request Application Form

Community:_____ Population:_____

Organization Applying For Grant:_____

Contact Person:_____ Telephone:_____

Mailing Address:_____ Date:_____

Please answer the following questions as completely as possible regarding your community.
Feel free to include references and any supporting documentation with your application.
Deadline for Grant Request is April 1, 1998. Grants will be awarded by April 15, 1998.
Please include your GOLD Community Action Plan and your application form.
Mail applications to: BHP&L, C/O:Marketing Services, P.O. Box 1400, Rapid City, SD 57709

Amount Requested: $_____ **Amount Approved: $_____**

1. Does your action plan address a pressing need for your community?
2. If no, what are those needs?
3. What are the benefits of your GOLD community improvements?
4. Are there other organizations contributing to your project plans?
5. If yes, please list them and their involvement or contribution?
6. Will this plan affect your community long-term (over 5 years)? How?
7. Will there be a continuous need for assistance based on your action plan? Why?
8. How will you achieve that support?
9. In summary, why do you believe your community needs Grant Program assistance?

Financial Request Authorization:

Submitted by:_____ Position:_____ Date:_____
BHP District Manager Approval:_____ Date:_____
Marketing Manager Approval:_____ Date:_____
VP Energy Services Approval:_____ Date:_____

START-GOLD1998

BLACK HILLS POWER AND LIGHT COMPANY
Kick Start Grant Program
Financial Request Application Form

Organization (Name):_____ Customer Acct. #_____
Contact Person:_____ Position:_____ Phone:_____
Address:_____ City:_____ State:_____ Zip:_____
Type of Business Requesting Funding:_____
Number of Employees:_____ Last Year's Total Revenues:_____ Date Business Started:_____

Amount Requested: $_____ Amount Approved: $_____

Purpose of Project/Funding:_____

Planned Start Date:_____ Project Completion Date:_____

How will the project's success be measured?

What benefit will this project have to BHP?

Other funding/organization assisting in the project:_____

What type of products/services do you sell?:_____

Who is your target market?_____

Submitted by:_____ Position:_____ Date:_____

Financial Request Authorization:
SBDC Representative:_____ Position:_____ Date:_____
BHP District Manager:_____ District:_____ Date:_____
Approved by Manager Marketing:_____ Date:_____
Approved by VP Energy Services:_____ Date:_____

BELLE FOURCHE DEVELOPMENT CORPORATION
510½ National Street
Belle Fourche, SD 57717

BUTTE COUNTY 605-892-2494

Vern Bills, Chairman

Type of Organization: Development Corporation
Service Area: Belle Fourche Area
Main Activities: Enhance economic well-being of community and promote industrial development
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Community Economic Development Training
Financial Management Assistance
Business Financing
Import or Export Assistance
Procurement Assistance
Site Selection
Marketing Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	75%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Industrial or Manufacturing Firms - 100%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	$80,000
Average Interest Rate	13.5%
Average Term	7 Years

BHP Representative: Tony Hay

BELLE FOURCHE, CITY OF

606 6th Avenue
Belle Fourche, SD 57717

BUTTE COUNTY: 605-892-2494
FAX: 605-892-2784

Bill Noziska, Treasurer

Type of Organization: City
Service Area: Belle Fourche Area
Main Activities: City government; pass-through funding agent for local development corporation
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Business Financing
Procurement Assistance
Site Selection
Marketing Assistance
Business Planning Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	75%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms - 100%

FINANCIAL ASSISTANCE PROGRAMS:

Grants:

The purpose of the grant program is: CDBG Programs

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	$ 0
Average Interest Rate	0%
Average Term	5 YEARS

Percentage of Loans made for:

Fixed Assets	100%
Working Capital	0%

BHP Representative: Tony Hay

CUSTER CHAMBER OF COMMERCE
ECONOMIC DEVELOPMENT COMMITTEE
447 Crooks Street
Custer, SD 57730

CUSTER COUNTY: 605-673-2244

Mike Chase, Chair

Type of Organization: Chamber of Commerce
Service Area: Custer County
Main Activities: The main purpose of the Economic Development Committee is to attract light industry, retention of current businesses and upgrading or adding to infrastructure.

Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Community Economic Development Training
Business Financing
Employee Training
Procurement Assistance
Site Selection
Marketing Assistance
Business Planning Assistance
General Management Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	25%
Retirement Recruitment	50%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Tourism-related businesses (existing and proposed)
Retiree Re-location
Light Manufacturing

BHP Representative: Kristy Schmitz

DEADWOOD ECONOMIC DEVELOPMENT CORPORATION

PO Box 532
Deadwood, SD 57732

LAWRENCE COUNTY: 605-578-2082

Kevin Cummings - Chairman

Type of Organization: Development Corporation
Service Area: Deadwood
Main Activities: Developing a parcel acquired from Burlington Northern Railroad; historic preservation; rebuilding the city as a national historic landmark; processing loans made by the Deadwood Historic Preservation Foundation
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Referrals only

SERVICE FOCUS:

Other Infrastructure 100%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Service Firms - 100%

FINANCIAL ASSISTANCE PROGRAMS:

No locally administered funding assistance

BHP Representative: Jim Jeffery

EDGEMONT, CITY OF
P O Box A
Edgemont, SD 57735

FALL RIVER COUNTY: 605-662-7422

Connie Andersen, Finance Officer

Type of Organization: City
Service Area: Edgemont
Main Activities: Retain the vitality of the ranching industry; improving solid waste treatment; retirement services; tourism
Target Constituencies: Ranchers

SERVICES DIRECTLY PROVIDED:

Business Financing
Site Selection
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	5%
Business Retention	5%
Business Expansion	5%
Business Start-Ups	5%
Water or Sewer Systems	60%
Other Infrastructure	5%
Affordable Housing	10%
Other Purposes	5%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Industrial or Manufacturing Firms - 50%
Service Firms - 50%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend $ 0
Average Interest Rate 3%

Percentage of Loans made for:

Fixed Assets 100%
Working Capital 0%

Other Programs

Venture capital

BHP Representative: Robert Foster

(LEAD)TWIN CITY AREA DEVELOPMENT CORPORATION
P O Box 735
Lead, SD 57754

LAWRENCE COUNTY: 605-584-3546

LeAnn Johns, Executive Director

Type of Organization: Development Corporation
Service Area: Lead, Deadwood & Central City
Main Activities Lead Lot Sale Program and promote and encourage new industry and business.
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Assistance for new and old business.

SERVICE FOCUS:

Other Infrastructure 100%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Service Firms - 100%

FINANCIAL ASSISTANCE PROGRAMS:

Has revolving loan fund of $50,000

BHP Representative: Jim Jeffery

NEWCASTLE AREA CHAMBER OF COMMERCE
P.O. Box 68
Newcastle, Wyoming 82701

VISITOR CENTER/CHAMBER OFFICE: 307-746-2739
1-800-835-0157

E-MAIL: nacoc@trib.com

Annie Mullen, Director

Type of Organization: Development and Retention Partnership
Service Area: Newcastle
Main Activities: Local Business Development and Retention
Economic Development
Industrial Development
Tourism Development

Target Constituencies: In the area of local business development, retention and economic, industrial and tourism development, assistance is provided to all who request it and typically consists of business counseling, the provision of information and the distribution of local promotional materials.

SERVICES DIRECTLY PROVIDED:

Promotion of area
Distribution of Tourism, Economic & Industrial Development Literature
Information Resource
Networking resource to related regional and state agencies

BHP Representative: Jim Bunch

NORTHERN HILLS COMMUNITY DEVELOPMENT, INC.
P O Box 218
Sturgis, SD 57785-0218

MEADE COUNTY: 605-347-5837
FAX: 605-347-5223

Ron Rosenboom, Executive Director

Type of Organization: Development Corporation
Service Area: Counties of Lawrence, Meade, Butte, and Pennington
Main Activities: Coordinate and facilitate development efforts of communities in Northern Black Hills Region
Target Constituencies: Low income, unemployed

SERVICES DIRECTLY PROVIDED:

Community Economic Development Training
Financial Management Assistance
Business Financing
Site Selection
Business Planning Assistance
General Management Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	40%
Business Retention	10%
Business Expansion	15%
Business Start-Ups	20%
Water or Sewer Systems	5%
Other Infrastructure	10%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Industrial or Manufacturing Firms - 70%
Retail Firms - 15%
Service Firms- 15%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Start-up & expansion

Loan Fund Parameters:

Amount Available to Lend $ 0
Average Interest Rate 8%

Percentage of Loans made for:

Fixed Assets 100%
Working Capital 0%

Other Programs

Loan Guarantees

BHP Representative: Tony Hay

RAPID CITY AREA ECONOMIC DEVELOPMENT PARTNERSHIP

444 Mount Rushmore Road
Rushmore Plaza Civic Center
Rapid City, SD 57709

PENNINGTON COUNTY: 605-343-1880
FAX: 605-343-1916

Bob DeMersseman, President
Julie Gregg, Vice-President

Type of Organization: Development Partnership
Service Area: Pennington
Main Activities: 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
Target Constituencies: No specific socio-economic focus
Manufacturers, Processors, Wholesalers/Dist., & Service Exporters: Primary employees

SERVICES DIRECTLY PROVIDED:

Financial Management Assistance
Business Financing
Import or Export Assistance
Site Selection
Marketing Assistance
Business Planning Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Retention/ Business Expansion	25%
Business Start-Ups	25%
Administrative, Etc.	25%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Industrial or Manufacturing Firms - 80%
Service Firms - 20%

FINANCIAL ASSISTANCE PROGRAMS:

No locally administered funding assistance
Pennington County Economic Development Fund
Rapid Fund Revolving Loan Fund being established

BHP Representative: Gary Fish

Committees:

Rapid City Foundation	-	Ev Hoyt
Rapid Fund	-	Ev Hoyt
New Business Attraction	-	Kyle White Mutch Usera
Business Retention/Expansion	-	Jim Mattern Mutch Usera

SPEARFISH CHAMBER OF COMMERCE
P O Box 550
Spearfish, SD 57783

Lawrence County: 605-642-2626
FAX: 605-642-5502

Diana Nielson, Executive Director

Type of Organization: Chamber of Commerce
Service Area: County side
Main Activities Chamber of Commerce
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Community Economic Development Training
Employee Training
Site Selection
Marketing Assistance
Business Planning Assistance
General Management Assistance

SERVICE FOCUS:

Business Recruitment	15%
Business Retention	50%
Business Expansion	10%
Business Start-Ups	10%
Other Infrastructure	10%
Affordable Housing	5%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows;

Industrial or Manufacturing Firms -	25%
Retail Firms -	25%
Service Firms -	25%
Other types of Firms -	25%

FINANCIAL ASSISTANCE PROGRAMS:

No locally administered funding assistance

BHP Representative: Mike Shultz

SPEARFISH ECONOMIC DEVELOPMENT CORPORATION

P O Box 550
Spearfish, SD 57783

LAWRENCE COUNTY: 605-642-2626

Brian Walker, Executive Director

Type of Organization: Development Corporation
Service Area: Spearfish Area
Main Activities: Expand diversity of the tax base by creating jobs in lumber and mining industries
Target Constituencies: No specific socio-economic focus

FINANCIAL ASSISTANCE:

Revolving funding for loans are available, similar to the REDI provided by the state, except city monies are used.

BHP Representative: Mike Shultz

CAMPBELL COUNTY ECONOMIC DEVELOPMENT CORPORATION
P O Box 3948
Gillette, Wyoming 82717

CAMPBELL COUNTY: 307-686-2603
FAX: 307-686-7268

Susan Bigelow, Executive Director

Type of Organization: Development Partnership
Service Area: Campbell County, Wyoming and limited service to Crook County as well.
Main Activities: Local Business Development
Economic Research/Publications
Industrial Recruitment/Marketing
Target Constituencies: In the area of local business development, assistance is provided to all who request it and typically consists of business counseling, the provision of information and financial packaging. Targeted marketing for industrial recruitment is primarily in manufacturing with specific emphasis on precision machining, tool and die, plastics and ceramics.

SERVICES DIRECTLY PROVIDED:

Financial Packaging	Financial Analysis
Business Plan Assistance	Economic Research
Publications	Economic Impact Analysis
Information Clearinghouse	Project Development Assistance
Grant Writing Assistance	Business Counseling
Involvement in State and Regional ED Planning	

SERVICE FOCUS:

Local Business Development	30%
Research and Publications	20%
BHPL Questionnaire Responses	
Industrial Recruitment	20%
General	30%

TYPE OF BUSINESS CLIENTS:

Client base varies from large multi-national corporations to micro-business enterprise. Energy companies, manufacturing concerns, service companies and even retail operations on occasion. CCEDC is widely recognized as an excellent source of information and everyone including private and public entities utilizes this service and our publications.

FINANCIAL ASSISTANCE PROGRAMS:

Direct financial assistance not available.

BHPL REPRESENTATIVE: Dick Bratton

TYPE OF BUSINESS CLIENTS:

Mostly would be start-ups followed by general existing businesses.

FINANCIAL ASSISTANCE PROGRAMS:

Our board does not have the revenues to become involved in providing direct financial assistance to our clients. We do direct clients to lending institutions, loan/grant programs provided by Federal and State governments as well as private and corporate programs.

BHPL REPRESENTATIVE: Jim Bunch

Energy...for a lifetime.

Black Hills Power & Life!

www.blackhillspower.com

BHP presents grants in seven GOLD cities

Black Hills Power and Light Co. presented $12,000 in grants to seven communities participating in the South Dakota GOLD Community program.

Grants were presented to organizations in Lead, Custer, Edgemont, Hill City, Hot Springs, Keystone and Spearfish.

BHP's grant program was designed to encourage communities within BHP's service area to plan, initiate and carry out a community enhancement project or program for the betterment of the community. This is the second year of the program, said Mitch Utech, manager of marketing and economic development.

GOLD, a state program, stands for Guide to Opportunities for Local Development.

Organizations and their grants were: Custer County Historical Society, $1,000; Custer Chamber of Commerce, $1,000; the city of Edgemont, $500; George Mickelson Memorial Chapel in Custer State Park, $1,500; Hill City Memorial Park, $500; Hill City Public Library, $500; Hill City Area Cultural Center, $500; Hot Springs Chamber of Commerce, $2,000; Keystone Chamber of Commerce, $1,500; the Lead Area Chamber of Commerce, $1,000; and the Spearfish Convention Center, $2,000.

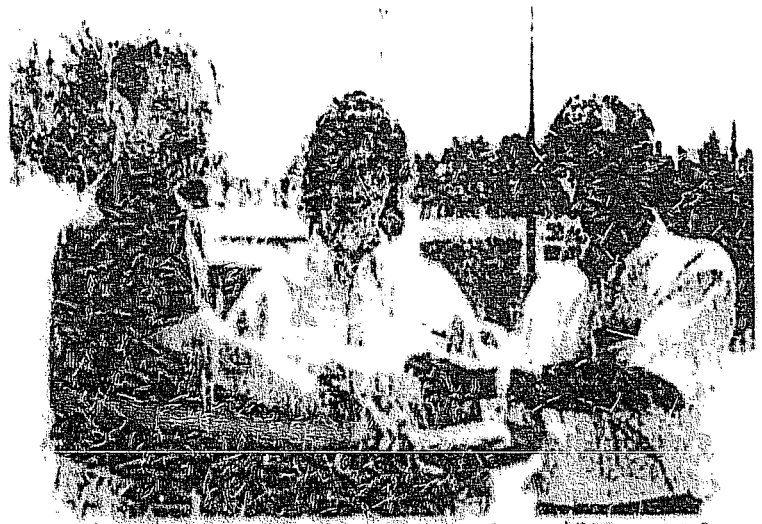
EDGEMONT
HERALD-TRIBUNE

12 Pages | Wednesday, June 17, 1998 | 60¢ including tax
U.S.P.S. No. 167- 820 | Edgemont, Fall River County, South Dakota 57735 | Volume 76, Number 24

BHP presents GOLD grants to seven Black Hills communities

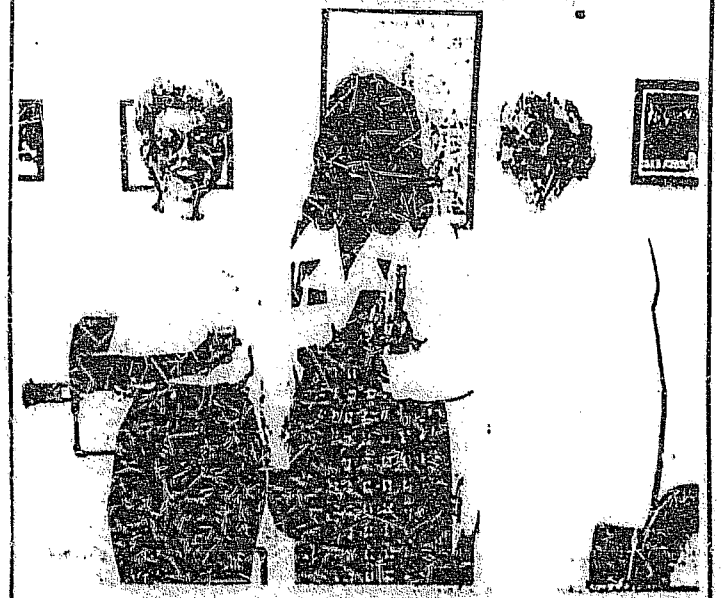
RAPID CITY Black Hills Power and Light Company (BHP) is pleased to present $12,000 in grant funding to seven communities participating in the South Dakota GOLD Community program. Grants were presented to organizations in the communities of Edgemont, Hot Springs, Lead-Deadwood, Hill City, Keystone, and Spearfish.

BHP's Hi and Dry team was designed to encourage communities located within BHP's service area to plan, initiate, and carry out a community redevelopment project or program for the betterment of the total community. "This has been the second year we have offered this program to the Black Hills communities," said Mitch Evans, Manager of Marketing and Economic Development. "BHP is committed to supporting economic development in



Edgemont Mayor Gary Martin accepting a $500 grant from Black Hills Power and Light to the City of Edgemont. Bob Foster, BHP Southern Hills manager, and Barb Thirstrup, BHP public relations manager, presented Mayor Martin the grant.

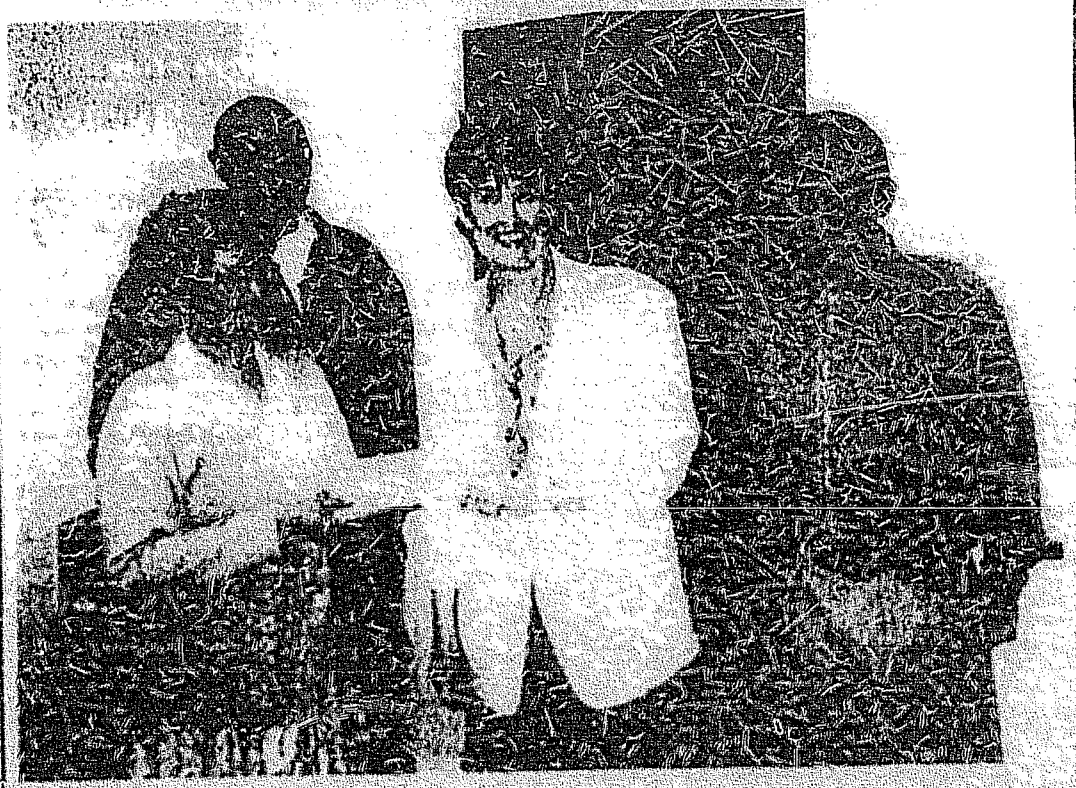
BHP & L donates to 1881 Courthouse Museum



Beverly Lowe, representing the Black Hills Power & Light Company, presented a check for $1,000 to the Custer County 1881 Courthouse Museum Thursday morning from the Gold Community Grant Program. It was accepted by Jessie Sundstrom, Manager; and Sharon Martin, Treasurer of the Museum. The check will be used to start the first of several major improvement projects at the museum with heating being the first priority of the trustees. *photo by Randy Walgamuth*

High Country Herald
Page 3 June 3, 1998

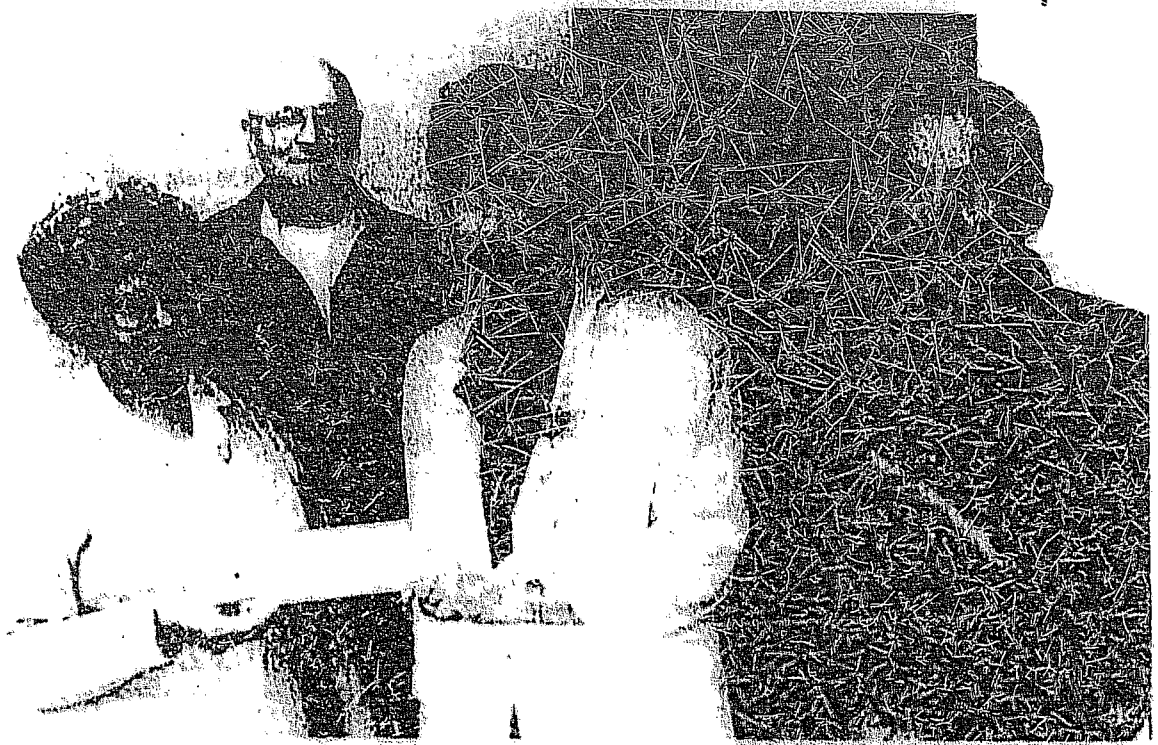
Black Hills Power & Light donates to Memorial Chapel



Black Hills Power & Light offers Black Hills Gold Communities a grant program designed to assist communities in need of financial assistance needed to complete this project or goal. A $1,500 grant was awarded to George S. Mickelson Memorial Chapel. Pictured left to right are: Jim Rumbolz, Treasurer; Francie Larsen, Secretary; Kristi Schmitz, Manager of Black Hills Power & Light; Milt Seaman, Vice Chairman; and Jerry Baldwin, Chairman.

photo by Lisa Hargarten

BHP&L donates to Mickelson Chapel



▲ Black Hills Power and Light has a program within their company entitled Black Hills Gold Communities, which is a grant program designed to assist communities in which they serve, financial assistance to complete projects or goals. Black Hills Power and Light has granted $1500 to the George S. Mickelson Memorial Chapel that is being constructed in Custer State Park at the Lamont Center. The Chapel may be used by the public, but most importantly it will be used as a place of worship for the boys and girls who are residents in the correctional facilities. Presently there are several non-denominational services and projects conducted by local church groups that help in the overall rehabilitation of these youth and many success stories are told of how these youth are helped with their association with these groups. Donations are still needed to complete the construction. The executive committee of the construction committee says they are about half-way into raising enough money to complete the project.
Pictured receiving the check are members of the executive committee. Left to right: Front: Francis Larson receiving the check from Kristy Schmitz of Black Hills Power; Back: Jim Rumbolz, Milt Seaman and Gerald Baldwin.

Custer County Chronicle
June 14

BHP Awards Kick-Start Program Grant

The Heart of the Hills Economic Development Corporation was presented a check for $500.00 towards business expansion and retention in the Hill City area [illegible] Corporation at Workstage. Mary [illegible] Vice President's Assistant and Secretary Cathy Grubtill of the Economic Development Corporation, provide presentation for the [illegible] Ron Rossknecht of Rossknecht Appraisal Service and Marv Malkins of Malkins Realty. Ron and Marv were instrumental in ram-rodding the renovations to the building in which RMA-West now occupies.

The funds were applied for under the BHP Kick Start Program, which is designed to assist communities with business retention and expansion. With assistance from the Economic Corporation and the Hill City Area Chamber of Commerce, RMA-West began operations on April 15, 1998, hiring over 40 personnel to work in the telecommunications center. RMA-West is Hill City's second largest year-round employer and offers residents part-time telecommunications employment at a beginning pay rate of $6.50 per hour, including training.

KICK-START FUNDS RECEIVED — Heart of the Hills Economic Development Corporation recently received a $500 check from Black Hills Power & Light's Kick-Start Program to fund the start-up of RMA, Inc. in Hill City. Shown at the new business are (from left): Cathy Grubtill, Marv Malkins, Colleen "Coke" Meyers, Ron Rossknecht, Loren Umphfres, Yvonne Harris, and Kristy Schmit, presenting the check from BHP&L.

Hill City Prevailer 6-17-98

BHP&L Awards $1500 To Keystone Chamber for economic development: On the right is Kristy Schmitz, Custer District Manager, of the utility presenting the check to Bob Main, Chamber President, and Bonnetta Eich, Chamber Director. The money will be used to update the chamber office or their computer.

BHP&L Awards Grant To Keystone Chamber

The Black Hills Power and Light Company recently awarded a grant of $1500 to the Keystone Chamber of Commerce. Kristy Schmitz, Custer District Manager, presented the check to Chamber President, Bob Main, and Chamber Director, Bonnetta Eich.

It is apparently the policy of the Black Hills Power and Light Company to be good neighbors and support the communities where they do business. Keystone is a Gold Community and the grant is earmarked for economic development. The Keystone Chamber plans to update the chamber office or their computer.

MEETING HIGHLIGHTS
BOARD OF DIRECTORS

- Contribution of $5000 presented by Golden West Telecommunication officials, George Strandell and Harold Wyatt.
- Reviewed proposed FY1999 budget. Final action tabled to July board meeting.
- Approved motion to oppose Constitutional Amendment A on South Dakota November ballot.
- Reviewed Custer Day at Mount Rushmore activities and performances.
- July board meeting: Thursday, July 23, Noon, Pizza Factory.

GOLD DISCOVERY DAYS

- Motion approved to purchase material for costumes.
- Motion approved to purchase deadbolt for basement storage at City Hall. Keys must be checked out at City Hall Finance Office or Custer County Chamber of Commerce Office.
- Discussed having the Messenger, storm & rain help collect money at pageant.
- The pageant fee will be $3 per person and $6 per carload with any donations accepted.
- Motion approved purchasing electrical cords for Festival in the Park entertainment booths.
- Motion approved to do $50 worth of advertising for Festival in the Park availability.
- Motion approved to do listing on Craft Shows USA for $12.50 per year.
- Motion approved to have sandwich boards repainted for pageant.
- After discussion, motion approved to resume painting of the horses.
- Next meeting: July 7th, Pizza Factory, noon.

BOARD ELECTIONS

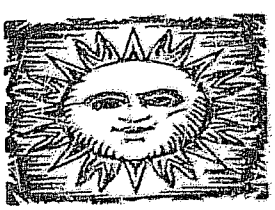
Returns are still being counted as we go to press! Over 70 ballots have been returned to date making this one of the best elections ever! Results will be announced following the July 10 voting deadline.

THANK YOU BLACK HILLS POWER & LIGHT COMPANY

Kristy Schmitz, Custer District Manager, recently presented a check in the amount of $1,000 to the Custer County Chamber as part of its community reinvestment program.

These funds will be used as matching funds for the production of a community video for the retiree recruitment campaign. The video will highlight businesses and organizations that provide products and services such as housing options, health care, transportation and personal assistance for people looking to retire in the Custer area.

This is the second year that the Custer County Chamber has been a recipient in the grant program. Your support is very appreciated Black Hills Corporation!



THANK YOU GOLDEN WEST TELECOMMUNICATIONS

George Strandell, District Manager, and Harold Wyatt, Golden West Board of Directors, attended the June 29 Chamber board meeting to present a check for $5,000 to assist with community economic development efforts. This funding will be directed to the Economic Development Committee projects which include a retiree recruitment campaign and implementation of a business recruitment marketing plan.

Recognizing the difficulty that rural communities face in attracting new businesses, Golden West intends to make an annual contribution to the 23 communities and three tribes in their service area.

Golden West started out in 1916 as a stock company providing telephone service between the communities of Quinn and Interior, SD. Today, Golden West provides telecommunication services including internet and cable television to over 30,000 customers in over 20 counties, making it the largest independent telecommunications company in South Dakota. It recently purchased a license to operate Local Multipoint Distribution Service in Rapid City. LMDS is a new wireless technology that provides high-speed multimedia services to businesses and residents.

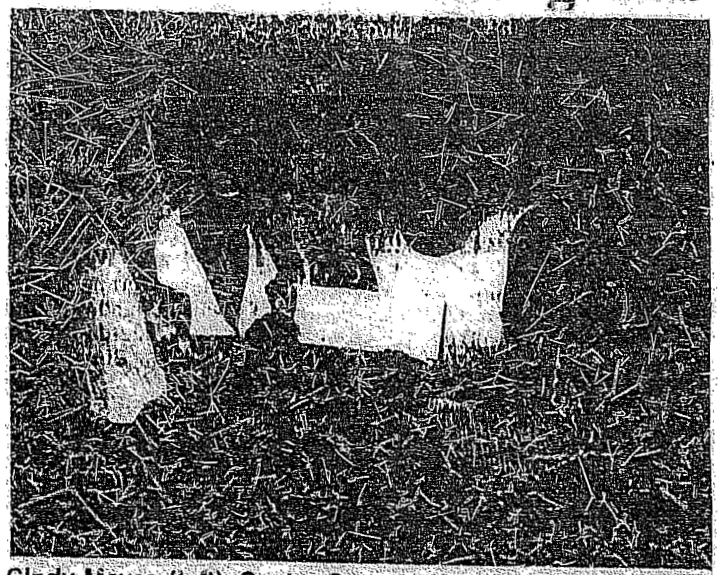
Thank you, Golden West for your commitment to the Custer community!

Organizations benefit from GOLD grants

The Custer County Chamber of Commerce, Custer County Historical Society and Mickelson Chapel have all benefited from grant money received through the Black Hills Power and Light GOLD Community Program. The grants are awarded in BHP&L's service area to community enhancement projects. Total awards this year were $12,000 to seven communities: Lead, Custer, Edgemont, Hill City, Hot Springs, Keystone and Spearfish. Custer received a total of $1,000 for three organizations.

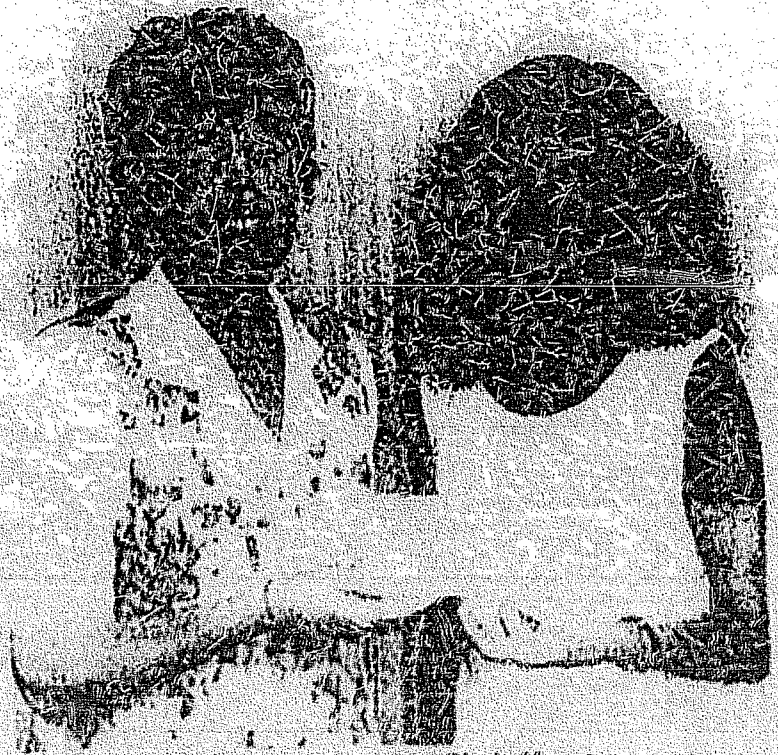
"This has been the second year we have offered this program to Black Hills communities," said Mutch Usera, manager of marketing and economic development, "Black Hills Power is committed to supporting economic development in the communities we serve. This is just one way in which we have demonstrated that commitment."

To receive an award, the community must be a member of the South Dakota GOLD Program and offer an economic development enhancement plan. Grants are awarded annually in April following a review of proposals by town district managers and leaders at BHP&L.



Cindy Mayes (left), Custer County Chamber of Commerce Director, accepts a $1,000 check from Kristy Schmitz, BHP & L Manager that will help the Chamber, Historical Society and the Mickelson Chapel. *photo by Doe Bergeron*

Custer organizations benefit from BHP&L GOLD Grants



Kristy Schmitz and Cindy Meyer

Custer County Chamber of Commerce, Custer County Historical Society, and the Michelson Memorial Chapel, have all received donations from Black Hills Power & Light GOLD Community Program. The grants are awarded in BHP&L's service area to community enhancement projects. Total awards this year were $12,000 to seven communities: Lead, Custer, Edgemont, Hill City, Hot Springs, Keystone and Spearfish.

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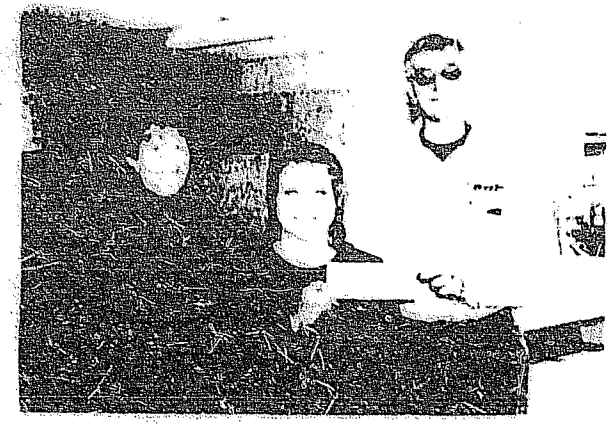
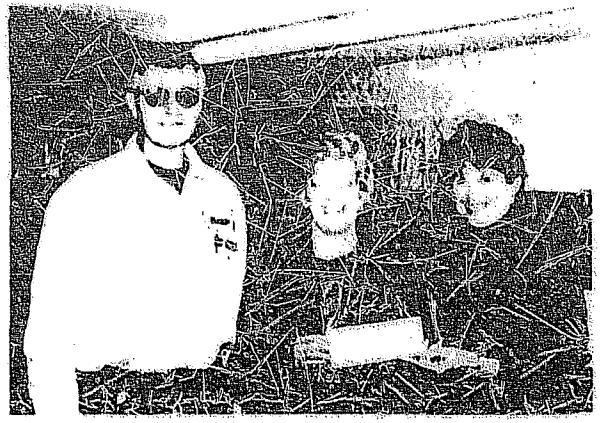
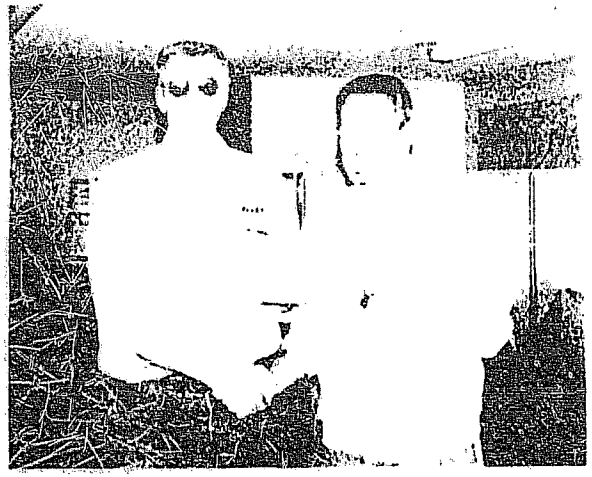
Photo by Mary McKibben



CULTURAL CENTER GRANT — The Hill City Cultural Center received a $500 grant in the Black Hills Power and Light GOLD Community Program. The funds will be used towards the cultural center's construction projects. Shown are (from left): Kristy Schmitz, BHP&L Custer District Manager; Denise Etzkorn, Cultural Center President; and Rod Olson, BHP&L Hill City service man.



LIBRARY GRANT — Hill City Public Library received a $500 grant in the Black Hills Power and Light GOLD Community Program. Librarian Muriel Anderson said the funds will be used for a sidewalk to the new library entrance and for better signage. Shown are (from left): Rod Olson, BHP&L Hill City service man; Muriel Anderson, Librarian; and Kristy Schmitz, BHP&L Custer District Manager.



PARK GRANT — Hill City Area Memorial Park received a $500 grant in the Black Hills Power and Light GOLD Community Program. The funds will be used to power up the Little League field for lights. Shown are (from left): Rod Olson, BHP&L Hill City service man and Pete Stach, Park Board President.

Hill City Organizations Benefit From BHP&L GOLD Grants

Hill City's library, park and cultural center have all benefited from grant money received through the Black Hills Power and Light GOLD Community Program. The grants are awarded in BHP&L's service area to community enhancement projects. Total awards this year were $12,000 to seven communities: Lead, Custer, Edgemont, Hill City, Hot Springs, Keystone and Spearfish. Hill City received a total of $1,500 for three organizations.

"This has been the second year we have offered this program to Black Hills communities," said Mutch Usera, manager of marketing and economic development. "Black Hills Power is committed to supporting economic development in the communities we serve. This is just one way in which we have demonstrated that commitment."

To receive an award, the community must be a member of the South Dakota GOLD Program and offer an economic development enhancement plan. Grants are awarded annually in April following a review of proposals by town district managers and leaders at BHP&L.

June 4, 1998

Thank you for the wonderful contribution to the Hill City Public Library. The money will be used to complete the library project. With signs and a sidewalk. Thanks again

Sincerely
Muriel Anderson
Librarian

Spearfish
ECONOMIC DEVELOPMENT CORPORATION

December 5, 1997

Mike Shutz
Black Hills Power & Light
145 E. Hudson
Spearfish, SD 57783

Dear Mike:

Greetings! I would like to thank you for your support in 1997 as a Gold member of the Spearfish Economic Development Corporation. An effective economic development program for our community is possible only because you join with others in maintaining a regular investment in SEDC.

During the Christmas season, most of us typically look into our mirrors to see how we have changed from previous years. As an organization, Spearfish Economic Development Corporation tends to do a lot of looking into "the mirror" to measure where we are now compared to a year ago.

A short trip down memory lane reminds us of some the progress made in the area of economic development over the past year. SEDC had the opportunity to;

- assist two locally owned businesses with their expansion efforts in the Spearfish Heavy Industrial Park.
- review and support three S.E.R.F loans totaling - $280,000, which is projected to create 263 job opportunities.
- organize the recruitment efforts of O.E.M. Worldwide
- assist in gaining public support for the Spearfish Convention Center

Although this is a short list of accomplishments, it is evident that SEDC achieved a great deal and can be proud of its involvement in a number of economic development endeavors. In order to continue this progress *we need your help!* Through your past support, I know you appreciate the importance of economic development within our community. SEDC is counting on your continued support in 1998. Please, take time now to renew your membership and help us continue our journey toward another banner year in development activity.

The SEDC Board of Directors and staff wish you and your family the merriest of Holidays, and the brightest of New Years.

Sincerely,

Glenn Hufnagel
V.P/Membership Chairman

P.S. Please note that a membership contributions are due by January 19, 1997.

(605) 642-3832 • 1-800-626-8013 • Fax (605) 642-7310 • Email sedc@blackhills.com
Main & Kansas • PO Box 550 • Spearfish, South Dakota 57783

Thank You

Thank you so much for the #2000 GOLD community economic development grant! We truly appreciate your support of our project, and your help in promoting Hot Springs and it's economic base

Deb Ehring + Hot Springs Chamber of Commerce Board

South Dakota
GOVERNOR'S OFFICE OF
ECONOMIC DEVELOPMENT

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

605-773-5032

800-872-6190

Fax:
605-773-3256

Internet:
goedinfo@
gov.state.sd.us

February 6, 1998

Mutch Usera
Black Hills Power and Light Company
PO Box 1400
Rapid City, SD 57709-1400

Dear Mutch:

I would like to take this opportunity to ask if you or a representative from your company would like to take part in the judging process for the 1998 GOLD Awards? We welcome you to take part if you wish, but understand if your busy schedule does not allow you to participate in the judging.

We have received 28 nominations for the GOLD Awards. We also have some late community entries still rolling in. We plan to start reviewing the nominations in the next couple of weeks. Please let me know before then if you would like to be part of the judging team.

Thanks again for your role in sponsoring these awards. I look forward to hearing from you soon.

Sincerely.

Jay D. Johnson. Development Specialist
South Dakota GOLD Program

South Dakota
GREAT PROFITS

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-4691

January 20, 1998

South Dakota Future Fair
Ms. Joyce Comfort, Business Administrator
501 E. St. Joseph Street
Rapid City, SD 57701

Dear Joyce:

Black Hills Power and Light (BHP) is committed to the promotion of economic development of the communities in which we serve. The South Dakota Future Fair has allowed many companies to showcase their technology as well as educate the community about technology that is used and produced within the Black Hills area.

We are also very pleased to be a major sponsor for the 1999 South Dakota Future Fair scheduled in January 1999. In order to assist the Future Fair organization, and in beginning the process of coordination of this three day event, enclosed is a check for $5,000. The money is to be used as needed by the Future Fair Board of Directors to begin the efforts of coordinating next year's event.

We understand, as a major sponsor that we will continue to be recognized throughout the promotional efforts as well as participate as a member on the Future Fair Board of Directors. We also understand that this amount will be matched by any other company agreeing to take part as a major sponsor.

Congratulations on a successful 1998 Future Fair event and we look forward to participating in the 1999 South Dakota Future Fair.

Sincerely,

Mutch Usera
Manager, Marketing Services

Rapid City Journal

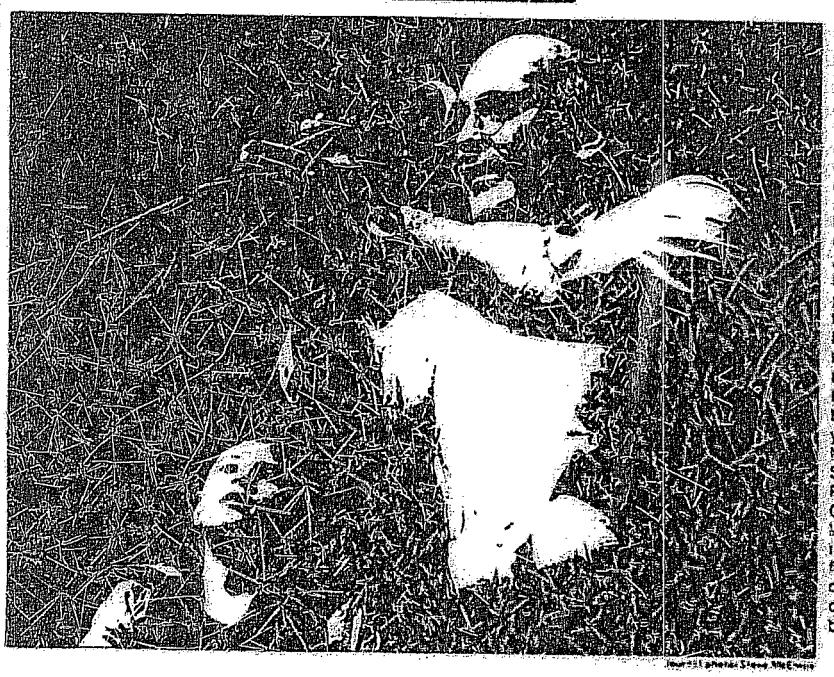
January 17, 1998

Inside:

■ Posse, Raiders, Cobblers triumph — Page B7

■ Tech, BHSU men, women sweep SDIC foes — Pages B9-10

Future Fair '98



Journal photo by Steve McGuire

Magician Bob Friedhoffer demonstrates how magic uses science to create illusions at one of his two presentations Friday at the Future Fair. Here, 9-year-old Kayd Sharp of Rapid City learns how to find an object's center of balance.

Kids soak up technology

■ Approximately 3,000 West River students converge on Rapid City fair.

By Stephen Buchholz
Journal Staff Writer

You want technology. The South Dakota Future Fair has technology.

Auto technology, medical technology, computer technology, law enforcement technology, even diaper technology.

[illegible] happening thing right [illegible] Dakota Co[illegible] [illegible] up in elementary [illegible] [illegible] up with [illegible] [illegible] what the future [illegible]

[illegible] of the [illegible] [illegible] [illegible] Plaza [illegible] [illegible] [illegible] [illegible] the fair.

Approximately [illegible] students from [illegible] West River [illegible] [illegible] in the fair on [illegible] [illegible] [illegible] [illegible]

Fair: Technology will drive the future

Continued from page A1

fessionals from local companies and universities talked about the importance of technology in the workplace and what students can expect in the workplace of tomorrow.

Doug Wessel, dean of the College of Applied Science and Technology at Black Hills State University, said technology will be part of every job in the future and today's jobs may not even exist tomorrow.

"If you asked me 10 years ago what a Web master was, I would have had no idea," Wessel said. That means "you will have to learn continuously after you leave college. You won't be set when you graduate.

"Regardless of what career you choose, technology will have a pervasive effect on your work."

In the main exhibit hall, more than 30 businesses and other groups set up displays and demonstrations of the latest in technology.

The Rapid City Police Department showed off the on-board computers now carried in squad cars. The computers allow officers to access police records, view who may be wanted on a warrant and communicate easily with other patrol cars.

South Dakota School of Mines & Technology showed off three student creations — the mini-Indy car, the solar-powered racer and a concrete canoe. The canoe wasn't there, but there are lots of pictures and students willing to explain the contraption. All three vehicles are raced by students at regional or national events.

At the Same Day Surgery Center exhibit, students took turns experiencing how doctors remove gall bladders today. Instead of making a large incision, doctors make several small ones, and, using an instrument called a trocar, they operate guided by a picture on a television screen.

Students tried the procedure Friday, but instead of gall bladders, they removed Tootsie Rolls and mints from a mannequin's abdomen.

"It's pretty cool that doctors can do an operation like that," said 12-year-old Mike McCaskell of Hill City. "I've seen that on TV, but it was fun to try it."

About that diaper technology. One company at the fair, Amcol International, makes a super-absorbent polymer that sucks up moisture better than any sponge and turns liquids into a gel-like substance. It just goes to show that nothing is beyond improvement through technology.

Gilbert's libel suit vs. tablo moves ahea(

SAN FRANCISCO (AP) — Mel Gilbert won a round in her libel s against the National Enquirer for publishing her ex-husband's accusation that she was a "deadb mother."

The state Supreme Court refus Wednesday to block the lawsuit. Enquirer had sought a review pending the court's ruling in anot case on libel lawsuits involving public figures.

The former "Little House on th Prairie" star sued in 1996. An appeals court in October overturn an earlier decision to dismiss the lawsuit.

A Los Angeles judge had said i 1995 story — based on an interv with her ex-husband, screenwrit Bo Brinkman, in which he referr to Gilbert as a "deadbeat mother accurately quoted him and that t Enquirer could not be sued for reporting on a subject of public interest.

Only one rail line listed as threatened

ABERDEEN (AP) — A rail line from Aberdeen to Rutland, N.D., is the only one listed in a state study as being subject to possible abandonment.

The South Dakota Rail Plan, published last spring, identifies no lines that are likely to be abandoned in the next three years. It lists the Aberdeen-Rutland line as "threatened."

Gus Melonas, a spokesman for the Burlington Northern Sante Fe, said the company has no current plans to stop operating the Aberdeen-Rutland line.

Carl Anderson, executive secretary of the South Dakota Grain & Feed Association, said small branch lines could be in trouble because of a trend in the railroad industry toward larger elevators capable of loading unit trains of 180 cars.

That could mean there will be fewer but larger elevators in the future and

Pigs:

Continued from page A1

On Friday morning, the Daily Mail trumpeted that it had bought the pair for an undisclosed amount and had captured Butch — who was, in fact, a feisty female.

She was cornered early Thursday by reporter Barbara Davies and her team, who published what the paper claimed was a "world oinkslusive" with the captive.

"One second she was free, then, with one slam, Butch was trapped — squealing and flinging herself around the pen in an indignant display of pig ignorance," Davies wrote.

Authorities said Sundance's flight for freedom ended Friday with a shot from a tranquilizer dart by a marksman for the Royal Society for the Prevention of

Gamblir

Continued from page A1

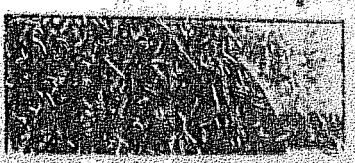
require a two-thirds majority of t Senate.

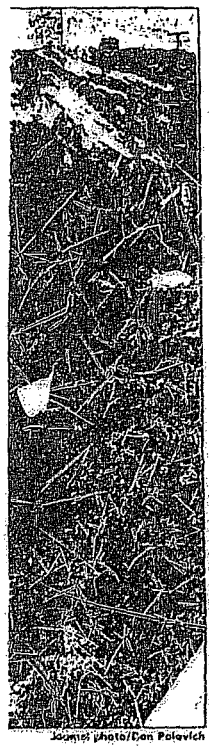
Neither the governor nor some l publican legislative leaders see the sa

"I don't believe the Legislature thirds vote for an additional reve don't believe the Legislature will vote for a sales tax," Senate Repul Rounds of Pierre said.

House Democratic leader Pat Hi passage of video gambling in 19 of South Dakota's flawed tax sy pealing it should be delayed whi are brought in to look at the tax

Iran: Sp





Journal photo/Don Polovich

berm below the road
end of November.
earby overpass bridge
ed next month.

e lice

ier, a pharmacist at Lewis Drug.
ie parasite does not discriminate
he basis of socio-economic status,
. sex, religion or age. And al-
igh the problem often starts with
eone who has poor hygiene, once
lice are present, they do not care
ise scalp becomes their home.
t has nothing to do with cleanli-
," Fortier said. "It is a natural
an parasite. In the old days it was
mon for people to carry head lice
r whole life. That is one of the
gs that started people cutting their

ack in the 1800s shorter hair was
ctive in treating the itchy problem.
these days, shampoos such as NIX,
and Lindane can kill lice in as
e as one treatment. Fine-toothed
bs pull remaining nits (lice eggs)
n the hair follicles.
ice do not jump or fly. They spread
ugh close contact, such as children
ring a mat at school, sharing a
ow at home, loaning combs and
shes, trading caps, or even hanging
r coats near one infested with the
asite.
nda Poppens Boland, a nurse in

Future Fair to be out of this world

Speakers will include computer and Internet execs and an astronaut.

Executives from both Microsoft and Netscape, the former editor of Discover Magazine and an astronaut who has logged 975 hours in space will be among the speakers at the 1998 South Dakota Future Fair.

The fair, the third since the first Future Fair was held in 1995, is scheduled for Friday, Jan. 16, through Sunday, Jan. 18, at Rushmore Plaza Civic Center.

Usera

"The technology in our world changes at a very rapid pace," said Mutch Usera, chairman of the 1998 South Dakota Future Fair. "The Future Fair helps all of us embrace the technological changes that are having an impact on our lives."

The fair begins Friday, Jan. 16, with an Education Day for students of all ages. It will run from 8 a.m. to 3 p.m., and will feature Bob Friedhoffer, noted author and master magician. He offers an educational program that teaches children about science by mixing magic tricks with explanations of the scientific principles behind each trick.

Also, the Discovery Center Children's Museum will be a feature of Friday's Education Day events.

Older students at Friday's Education Day will get a chance to deal with career issues during a panel discussion and one-on-one sessions with several South Dakota professionals, as well as presentation by Tad Perry, executive director of the South Dakota Board of Regents.

Margie Rosario, Education Day coordinator, urged teachers and leaders of youth groups to contact the Future Fair organizers as early as possible to make arrangements to attend.

The Discovery Center Museum will also be open during the Saturday Future Fair session, from 10 a.m. to 6 p.m., and Sunday's session, from 11 a.m. to 5 p.m. Both are open to the public.

Weekend speakers include:

- Astronaut Kathy Thornton, a veteran of four space flights. She was a member of the crew of the 1992 maiden flight of the space shuttle Endeavor. She is now a professor at the University of Virginia.
- Dr. Victor Spitzer and the virtual reality surgical simulation.
- Nigel Burton, vice president of small business for Microsoft Corp. He

Perry

Thornton

Friedhoffer

Burton

Hoffman

Harter

giant's marketing to small business customers.

- Paul Hoffman, publisher of Encyclopedia Brittanica and former editor in chief of Discover Magazine. He was responsible for the magazine's expansion into television, interactive media and Disney World's Epcot Center.
- Peter Harter, vice president of global public policy for Netscape Communications Corp. He is responsible for directing the Internet pioneer's efforts on a variety of Internet legal, policy and strategic fronts.

A number commercial booths and exhibits are also part of the weekend event.

Future Fair, founded by the Rapid City Journal in 1994, is a nonprofit corporation whose primary beneficiary is a scholarship fund for high school graduates who plan to continue their education in South Dakota.

The Journal remains a Future Fair sponsor. Other sponsors are Black Hills Power & Light Co., Rapid City Regional Hospital System of Care, South Dakota School of Mines & Technology, U S West and new sponsors Black Hills State University, KOTA Radio and Television, and Norwest Bank South Dakota.

For more information about the 1998 South Dakota Future Fair, call Joyce

vors include three daughters, Mrs. Catherine Martens, St. Peter, Minn., Mrs. Nancy Bruch, Appleton, Wis., and Mrs. Jennifer Spradling, Iowa City, Iowa; a brother, Bernard Alt and wife Lucille, Kalispell, Mont.; a sister, Ellen Yadesky, Danbury, Conn.; a sister-in-law, Mrs. Ethel Alt, Pompton Lakes, N.J.; three grandsons, Bruce, James and Bob Martens, St. Peter; and one granddaughter, Stefny Von Crossman of Iowa City.

Marlys was preceded in death by her parents, Albert and Josephine Alt, a sister, Arlene, and a brother, Wendel.

A memorial service will be held at 10 a.m. Saturday, Dec. 27, at the United Methodist Church in Vermillion. Siecke-Iverson Funeral Home of Vermillion will be handling the arrangements.

Those who wish may make a contribution to the USD Shrine to Music (414 E. Clark, Vermillion, SD 57069) in her name.

Charles E. Culver

LEAD — Charles E. Culver, 70, Lead, died Monday, Dec. 22, at Northern Hills General Hospital in Deadwood.

Survivors include his wife, Maxine Culver, Lead; two sons, Dean Culver, Lead, and Kim Culver, Spearfish; a brother, Robert Culver, Oregon; and two grandchildren.

There will be no visitation.

Services will be at 10 a.m. Monday, Dec. 29, at Chaput Memorial Chapel in Lead, with the Rev. Simon Looking Elk officiating. Burial will be in Black Hills National Cemetery near Sturgis.

Raymond Tracy Gay

CHADRON, Neb. — Raymond Tracy Gay, 88, Chadron, died Tuesday, Dec. 23, 1997, at Chadron Community Hospital.

Survivors include a daughter, Marsha Miller, Casper, Wyo.; two sons, James Gay, Lincoln, and Thomas Gay, Hot Spring S.D., two stepsons, Bruce Stuart, Kearney, and Robert Stuart, Anniston, Ala.; one stepdaughter, Joan Stuart, Bountiful, Utah; and nine grandchildren.

Memorial services are pending with Kline-Frost Funeral Chapel of Belle Fourche.

C.W. Duncan

C.W. Duncan, 71, Rapid City, died Monday, Dec. 22, 1997, at Rapid City Regional Hospital.

Survivors include his wife, Helen Duncan, Rapid City; a daughter, Deeann Allen, Ravenel, S.C.; a sister, Gloy McMurray, Hobbs, N.M.; and two grandchildren.

Memorial services will be announced at a later date.

Arrangements are under the direction of Behrens Mortuary.

sen officiating. A second service will be held on Monday, Dec. 29, in Cumberland. Burial will be in Lakeside Cemetery in Cumberland.

A memorial has been established.

Arrangements are under the direction of Osheim-Catron Funeral Home in Rapid City.

Calif.; 21 grandchildren; and numerous great-grandchildren and great-great-grandchildren.

Rosary services will be at 2 p.m. Friday, Dec. 26, at Corpus Christi Catholic Church, followed by graveside services at Newcastle Greenwood Cemetery.

Journal obituary policy

The Rapid City Journal offers obituaries as a way to inform friends throughout the area about the death of a person. Obituaries also offer families the opportunity to provide a final public memorial.

The Journal offers two kinds of obituaries:

- A standard obituary will list the name, age and residence of the deceased, along with surviving spouse, children, brothers and sisters, number of grandchildren and great-grandchildren, and funeral arrangements. There is no charge for this obituary.
- A memorial obituary allows family or friends to fashion the obituary to their particular specifications. In addition to information for the standard obituary, you may add information about the person's life, work, community activities, awards or honors, special interests or whatever else you feel is important. You also may include other survivors, close friends or pallbearers. You may also include a photograph in this obituary.

Your funeral counselor has a form for this obituary, including a sample that might be of help when writing your tribute.

There is a charge for the memorial obituary. As part of our service for those purchasing memorial obituaries, the Journal provides a laminated copy of the memorial obituary at no extra cost.

The Journal will run either the standard obituary or the memorial obituary, not both.

If you have questions about the Journal's obituary policy, you may call the Journal's obituary desk at 394-8420 from 1:30 to 5 p.m., Monday through Friday.

Creator of Visible Man to speak at Future Fair

Victor M. Spitzer, who helped create the most detailed look inside the human body ever recorded, will join the lineup of speakers at the upcoming South Dakota Future Fair.

The Future Fair is Friday, Jan. 16, through Sunday, Jan. 18, at Rushmore Plaza Civic Center.

Spitzer

Spitzer's presentation is scheduled for 11:45 a.m. on Saturday, Jan. 17.

Spitzer and his collaborator, Dr. David G. Whitlock, were awarded the contract to create the Visible Human Man, a detailed database of the human anatomy that is based in part on 1,800 thin slices of a human cadaver.

The body was frozen in gelatin then sliced into millimeter-thick slices.

Each slice was photographed and, along with more conventional CT and MRI images turned into a software package available on CD-ROM or laserdisc.

The images show every muscle, tendon, organ and bone in the man's body.

"This project, turned career, has evolved into the creation of the Center for Human Simulation at the University of Colorado Health Sciences Center — a center devoted to the simulation of human anatomy, physiology, pathology, pathophysiology and engineering based on the Visible Human data base" according to a biography of Spitzer.

The Future Fair is a three-day event that will feature speakers and presenters from a variety of fields, including astronaut Kathy Thornton, Paul Hoffman, publisher of the Encyclopedia Britannica; Nigel Burton, vice president of small business for Microsoft Corp.; and Peter Harter, vice president of global policy from Netscape Communications Corp.

DAKOTA
DATELINE

JANUARY

7-30 Juried Photography, Brookings, Free, 692-4177.

12-30 Photography Exhibit by Chris Carter, Yankton, 668-1011.

14-15 Day County Farm and Home Show, armory, Webster, Free, 345-4668.

15-17 Winter Crazy Days, Watertown, Free, 886-5814.

16-18 South Dakota Future Fair, Rushmore Plaza Civic Center, Rapid City, 394-6996.

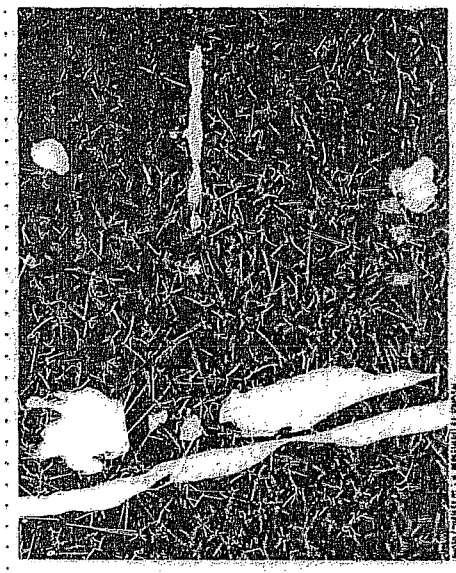
17-18 Governor's Winter Games, Lake Poinsett, 983-5412.

22-24 Black Hills Gold Rush Dog Sled Race, Sturgis, Free, 347-2556.

23-25 South Dakota Bowhunter Inc. Annual Convention, Howard Johnson Motor Lodge, Rapid City, Admission, 345-3429.

26 Kool Kids Klassic Fishing Derby, Oakwood Lakes State Park, Admission, 627-5441.

26 Travelogue "Lewis and Clark," D.D. Miller Auditorium, Watertown, Admission, 886-2408.



27-30 Sioux Empire Farm Show, convention center, arena, and expo building, Sioux Falls, 373-2016.

28-29 Grant County Farm and Home Show, Milbank, Free, 1-800-675-5565.

30-Feb. 8 Black Hills Stock Show and Rodeo, Rushmore Plaza Civic Center, Rapid City, Admission to rodeos, 342-8325.

31 Media One Funski, Riverview Ski Area, Sioux Falls, 339-0000.

FEBRUARY

1 Ground Hog Cross Country Ski Race, Oakwood Lakes State Park, 627-5441.

2-6 Old-timers Cowboy Chuck Wagon Breakfast, Hotel Alex Johnson, Rapid City, Admission, 342-1210.

6-7 Northern Plains Sustainable Agriculture Society Winter Conference, Ramkota Inn, Aberdeen, 701-883-4304.

7 Winter Carnival, Richmond Lake Recreation Area, 225-5325.

7-8 Dakota Territorial Snowmobile Ice Drag Races, Lake Kampeska, Watertown, Admission, 882-2734.

10-15 53rd Annual Winter Farm Show, Codington County Expo Building, Watertown, Free, 886-5814.

20-21 Big Boy Toy Show, mall, Huron, 352-7133.

20-21 Black Hills Sport Show and Sale, Rushmore Plaza Civic Center, Rapid City, Admission, 343-4076.

20-22 Annual Arts of the Plains Art Show and Sale, Radisson Encore Inn, Sioux Falls, Free, 336-4007.

24-25 Annual South Dakota Crop and Pest Conference, Ramkota Inn, Watertown, 688-4605.

WRITE TO

The *South Dakota High Liner Magazine* compiles this calendar using information received from readers and the South Dakota Department of Tourism. Mail complete information, including date, event, name, time, place and contact telephone number to: Dakota Dateline, *South Dakota High Liner Magazine*, PO Box 1138, Pierre, SD 57501. Include your name, address and daytime telephone number. Information must be submitted no later than the 10th of the month preceding publication.

Future Fair attendance doubles

By Stephen Buchholz
Journal Staff Writer

A total of 6,050 people visited the South Dakota Future Fair over the weekend, making it the most successful of the three fairs so far.

The number of visitors over the three-day event was double the number who attended the 1997 fair.

"We would say it was a great success," said Mutch Usera, chairman of the fair board and marketing manager for Black Hills Power & Light. "We believe as long as we keep the momentum going and have the support of our sponsors, it will keep getting better."

The South Dakota Future Fair ran Friday to Sunday at the Rushmore Plaza Civic Center in Rapid City. Friday was Education Day when approximately 3,000 students from schools across the region attended. That's more than double the number attending last year's day for students.

"It was a success on every single level," said Margie Rosario, Education Day chairwoman of the students-only day.

Rosario attributed the success to getting the word out sooner about the fair and sending information out more than once.

"I also think people remembered last year and the word of mouth got around," Rosario said. "I think people were anticipating the fair and were very anxious about it."

Next year, Rosario wants to target more businesses and vo-tech teachers in hopes of getting students from those classes to attend. This year and last, science teachers were targeted.

The fair featured speakers from national corporations and universities, as well as a retired NASA astronaut who flew in four space shuttle missions. There were also more than 30 exhibits from businesses and schools that trumpeted technology and gave a glimpse into the future.

"It really was a unique opportunity to bring people in who understand that technology has a big role in the future," said George Peabody, director of corporate service for RapidNet, which had a fair exhibit. "It's an opportunity to see what exists now and what is coming up and discuss issues the future presents."

RapidNet, an Internet service provider in Rapid City, set up an exhibit for that purpose, Peabody said.

"We have a lot of things we want to show folks," Peabody said. "We have a lot of capabilities, and the Future Fair is a great place to showcase them. It's also a chance to visit with customers that have questions."

Planning for next year's Future Fair will begin in a few weeks. Usera said plans include having more technology-oriented exhibits. He also hopes more Rapid City schools participate.

"We had a lot of out-of-town schools, but we would like to have more schools from right here in Rapid City," he said.

Money collected from admission charges Saturday and Sunday will be used for scholarships that will be given to students who plan to attend a university or technical school in South Dakota. The fair will award $2,500 in scholarships in the spring. Last year, the fair gave out five scholarships, ranging from $250 to $1,000. Scholarship applications are available at area high schools.

"All proceeds go back to the community in the form of scholarships for students," Usera said.

To help plan next year's event, organizers want to hear from the public and schools about what they would like to see at the fair. You can call the Future Fair office at 394-6996.

the Earth. He noted that his plan to become the oldest human in space fulfills "an unquench-

said he would try to complete it during breaks from the Senate.

supposed to have followed i in the Teacher in Space prog

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Bill Clinton t
questions fron

Clinton

WASHINGTON (AP) — President Clinton prepared on Friday to face Paula Jones and unprecedented questioning by her lawyers — under oath — about the accusation that he pressed her for sex seven years ago.

For at least the second time this week, Clinton was meeting with his legal team to get ready for a deposition this morning in Mrs. Jones' lawsuit.

Previous depositions in the case have included interviews of Gennifer Flowers and other women claiming extramarital affairs with Clinton, raising the question of how far from Mrs. Jones' allegations Saturday's deposition might range.

Rules for evidence gathering at such sessions are more freewheeling than at trials. But two people close to the case said U.S. District Judge Susan Webber Wright had directed Donovan Campbell, Mrs. Jones' Dallas-based attorney, to stick to questions on what may have happened between Clinton and the former Arkansas government secretary.

However, another source suggested

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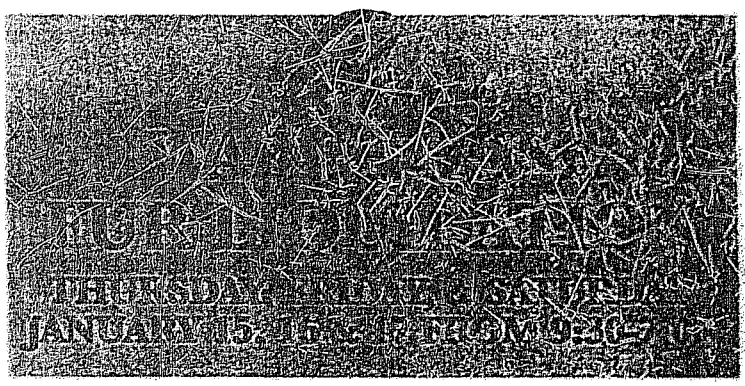

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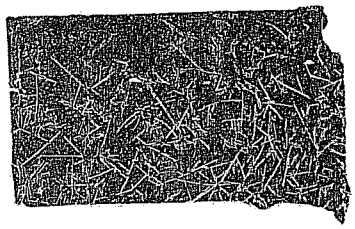

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University of Colorado [illegible] Human Pro[illegible] Physical The Visible [illegible] Project
SAT. JANUARY 17TH AT [illegible]:15 AM

NIGEL [illegible]
Director of Small Business Group, Microsoft Corporation
SAT. JANUARY 17TH AT [illegible] PM

TREVOR [illegible]
Executive Director America's Coalition of Cleaner
SAT. JANUARY 17TH AT 3:15 PM

PAUL HOFFMAN
Publisher of ENCYCLOPEDIA BRITANNICA, Former President and Editor in Chief of DISCOVER Magazine
SUN. JANUARY 18TH AT 12:30 PM

PETER HARTER
Global Public Policy Counsel, [illegible] Communications [illegible] Corporation
SUN. JANUARY 18TH AT 2:15 PM

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Ex-astronaut promotes openness to discovery

By Stephen Buchholz
Journal Staff Writer

Just 66 years passed between the first airplane flight and the first moon walk, and that may seem as how quickly we could see technological developments in the future, a retired astronaut said Saturday at the South Dakota Future Fair.

"My 93-year-old uncle talks about traveling in a covered wagon," Kathy Thornton said. "He has seen his niece fly into space four times. That shows how far we've come."

Thornton

"You can imagine what incredible discoveries we will make during the next 300 or 400 years."

Inter-stellar travel, colonization of Mars, moving faster than the speed of light – all these things aren't feasible now, but could be in years to come.

Thornton retired from NASA in 1996 after flying on four space shuttle missions. She now teaches at the University of Virginia in the School of Engineering and Applied Science.

During her first talk of the day, Thornton told several hundred listeners about her shuttle experiences and what discoveries may lie ahead.

"What seems impossible now may be tomorrow's reality, she said. Like Copernicus' discovery that the sun was the center of the universe and Darwin's theory of evolution, both of which were shunned and refuted, what we think are crazy ideas now may be the truth in a few years.

Now, society is faced with changes in medicine, genetic engineering and cloning.

"All the parents here today had children the old-fashioned way and we took what we got," she said.

"The children here today may be able to choose their children so they truly will be chips off the block."

"We can't hide from these changes and we can't legislate against them," she said. "We have to learn how to deal with it."

Thornton spent the second half of her presentation talking about her experiences in the shuttle program.

The hardest part of being an astronaut is saying good-bye to your family and especially your children, she said. That is one reason she retired – she saw the stress her children went through every time she was about to launch into space.

"There's always a lot of stake below that everything will be OK but we all know something could go wrong," she said.

Thornton compared leaving the launch pad to sitting on a train on your back with your knees up while a bowling ball is pushing on your chest. That feeling lasts for about 2½ minutes until the shuttle reaches low orbit and weightlessness begins.

"Your first instinct is to try and swim but that doesn't work," she said. "And if you push off a wall too hard, you crash into the other one."

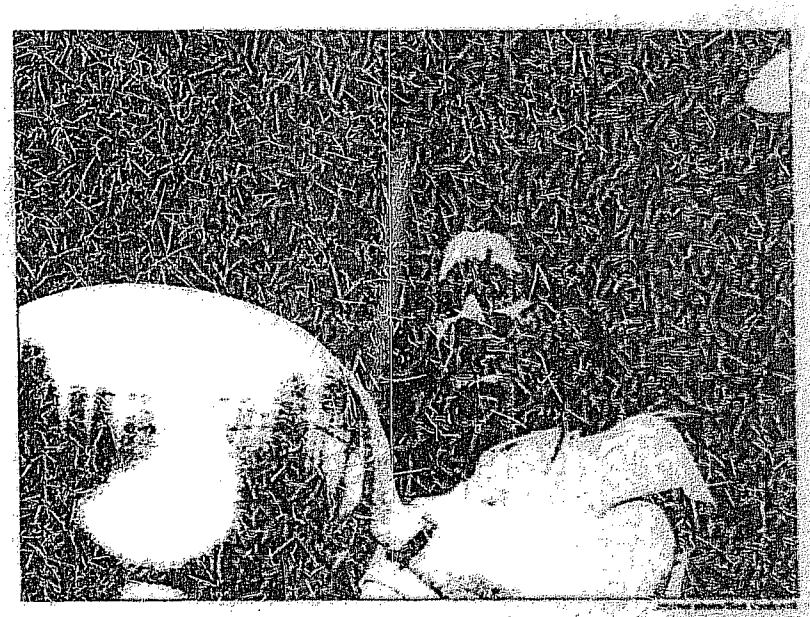
The secret is moving in slow motion. But it's the mundane activities on Earth that can be troublesome in space. When you brush your teeth, you don't have a sink to spit into, so you either swallow toothpaste for the duration of the mission or spit into a tissue.

Thornton's lasting memories include floating around the cabin but knowing the shuttle is orbiting at 17,500 mph. She'll always remember the view of Earth, seeing lightning, ocean currents, volcanoes, the San Andreas fault and the Himalayas, where it is obvious that India crashed into Asia to form the mountain range.

"I never got the feeling the Earth was fragile. I think we are the ones who are fragile," she said. "I think the Earth, with or without us, will be here for a long time."

Another lasting impression Thornton shared on space was the feeling that all people in the world are neighbors. You don't see political boundaries from space except where land use is dramatically different, making it look more like we are part of the same planet.

"If another alien race were to make contact, around the world, she said, "maybe if everyone saw the Earth from that perspective, we wouldn't have so many problems."



Kailyn Hestos of Pierre temporarily gets a new 'do as she places her hands against a Van De Graaf static electricity machine in a Future Fair exhibit sponsored by the South Dakota Discovery Center & Aquarium of Pierre. Kailyn is a 6th-grader at Wilson Elementary School.

Aaron Hanson of Williston, N.D., blows into a bubble wall at the Future Fair that was part of an exhibit sponsored by the South Dakota School of Mines & Technology's Museum in Motion. Aaron, a second-grader, and his family made the journey from Williston

As computers change, so will the future

By Stephen Buchholz
Journal Staff Writer

The Internet is one of the greatest technological developments in the past 100 years, and many of its benefits haven't even been realized yet, a Microsoft Corp. official said Saturday at the South Dakota Future Fair.

Nigel Burton, director of Microsoft's Small Business Group, called the Internet a "revolution," that evolved as computer power, speed and abilities changed dramatically.

"The Internet marks the first time that we truly have a global communication system," Burton said. "We can now access every other computer and person in the world that is connected to the Internet.

"The Internet will have many, many implications, most of which haven't been felt yet."

Burton

The Internet will change the way we do business, the way we educate our children, how we are entertained, how we communicate with family and friends and the nature of the government's relationship with its citizens, he said.

In October 1995, 24 million households in the United States had access to the Internet. In 1997, 22.1 million had access. The present number is thought to be about 37 million.

The figure above are of the Internet is growing faster than the fax machine and the PC did.

The Internet will allow consumers to purchase more information about products than was ever available before and allow companies to search further for the best price. It will be cheaper because companies can through the Internet, for example, solicit or make bids for services. Burton said.

Today's highlights

The South Dakota Future Fair continues today from 11 a.m. to 5 p.m. at Northern Plains Civic Center. Business exhibits will be set up all day. Admission is $1 for students ages 3-12 and $3 for adults and children over 12. The schedule of speakers:

■ 12:30 p.m., Paul Huffman, publisher, the Aberdeen Businessman

■ 2:15 p.m., Peter Hanna, Missouri Conservation Corps Senior Parks Policy Council

Legislation via e-mail and given the government an easy avenue to provide information to consumers.

In the business world, the Internet is changing the way companies and consumers interact. International trade, which is already open 24 hours a day, will be even more open. Companies can communicate with franchisees and dealerships.

But the Internet will have its biggest impact on small businesses by opening the doors to small businesses. Companies can't compete, Burton said, small businesses can. New tools, customers outside their region and their own home town are the new rules.

Many of these things haven't been realized yet because it hasn't been promoted or developed, Burton said.

As companies begin to make more use of the Internet, people will see the benefits in cheap and convenient communication. Companies will continue to change, but the beginning of the Internet Revolution is here, he said. The Internet will radically affect you in your life, your business and your children's education and it's all going to happen more quickly.

"There will be companies that don't exist today, like Yahoo, that will make millionaires and billionaires out of people," he said.

There will be some losers in the Internet revolution, Burton said. Companies that don't adapt will be left behind.

Continued from page nine

we met up with a pair of mountain bikers and two different groups on horseback — that's it for a 10-day trip. I encourage others to venture onto the trail and find the true Black Hills.

KEN BIRGEN
Lafayette, Colo.

Thanks for trip down river

This is just a note to tell you how much I enjoyed the Sept/Oct '97 issue, especially the articles on the Cheyenne River and Newton Hills.

I am familiar with some stretches of the Cheyenne River so that was like a journey back in time. I've never been to Newton Hills, but that article certainly makes me want to go.

IRENE STEINMEYER
Denver, Colo.

Keep food stories coming

I've a question for your readers. Does anyone remember "chipped steaks?" As I recall, they were about three to four inches across and perhaps a quarter inch thick. One could pick thin layers of beef apart. I think they were manufactured in Sioux Falls around 1949 by Ray Lein, although I'm not sure how to spell his name.

I really enjoy the magazine and look forward to more articles about food in South Dakota.

LINDA ARMSTRONG
New Rochelle, N.Y.

Trotzig poem in error

E.G. Trotzig, affectionately known as "Trotter," who penned the poem, "This Hunter's Last Ditch," was a professor of journalism at the University of South Dakota, not S.D. State University.

How do I know? I graduated from USD in 1944 and all of the profs mentioned in the poem were there then. You're excused.

VERLYN B. SCHROEDER
Miller, S.D.

It was USD not SDSU

As a former student and long-time friend of E.G. "Trotter" Trotzig, I truly enjoyed reading his poem (Nov/Dec '97). However, your author credit is in error. He was a long-time (1924-1954) chairman of the University of South Dakota Journalism Department in Vermillion.

His hunting buddies, also long-time members of the USD faculty, were Cedric Cummins, history; Tom Geary, government; and Bill Ekman, mathematics.

In spite of the error, I'm sure Trotter would have been very pleased to see his work published in *South Dakota Magazine.*

I noticed a reader inquired about the National Ski Jumps in the Newton Hills east of Canton. I was a spectator of the jumps in the '30s.

CLARICIE V. COLLINS
Rogers, Ark.

Editor's note: You are correct. E.G. Trotzig was chairman of USD's Journalism Department. Thanks for setting the record straight.

Historic home memories

I read with great interest your article in the Nov/Dec '97 magazine on the histor-

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a prominent Rapid City merchant, and five years later the couple married. By that time Hughes was editor of the *Rapid City Journal*, a position he held for a decade and considered his best job ever. From the time of their marriage, though they traveled widely, Richard and Mattie Hughes always considered Rapid City home. They raised two sons there, along with countless trees as hard-working advocates of city beautification and landscaping.

Hughes won many friends participating in amateur baseball and theatrical productions, and those friendships translated to votes when he jumped into politics. He served as a constitutional delegate to the 1887 convention working toward statehood, and after that was accomplished Hughes won election as a Democratic legislator.

To get to Pierre he had to ride a train from Rapid City south to Nebraska, eastward across Nebraska, north through Iowa's corner, then northwest to the capital city. "The distance was approximately a thousand miles," Hughes recalled, and his mileage stipend exceeded his salary as a legislator.

In Pierre, Rapid City's School of Mines and Black Hills conservation were favorite causes. As a private conservationist he especially loved the Hills' clear streams. He and Sam Scott are credited with being the first to stock trout in Black Hills waters, at Cleghorn Springs and Rapid Creek west of Rapid City.

President Grover Cleveland appointed Hughes South Dakota's surveyor general in 1894. After four years in that position he moved on to supervise operations at the Cleopatra Mine at Spearfish and the Holy Terror Mine at Keystone, and eventually rejoined the *Rapid City Journal* staff. Then he and Mattie decided to retire to Portland, Ore., and bought a house there.

Within a week they were homesick for the Black Hills, and returned to Rapid City. Back home again, Hughes sat down to write *Pioneer Years in the Black Hills*, 50 years after he had first glimpsed the Hills through a springtime mix of rain and snow. His fingers were so arthritic he had to use a pencil to punch the typewriter keys.

That span of time had given him perspective on those long-past days of the Gold Rush. Indians defending the region in 1876 had "all the right on their side, and the white invaders not even a shadow of it," he wrote. In any event, for every three stories of Indian attacks that year maybe one had basis in fact, he estimated; such stories were mostly, "calculated to raise the hair of a tenderfoot."

Fifty-four springs after he arrived, during a March blizzard, Richard B. Hughes was laid to rest in a Rapid City cemetery. Upon his death he was mainly memorialized as a gold rush adventurer, but he was also one who found the true treasures of the Hills. ❑

Paul Higbee, our Black Hills correspondent, lives in Spearfish with his wife, Janet.

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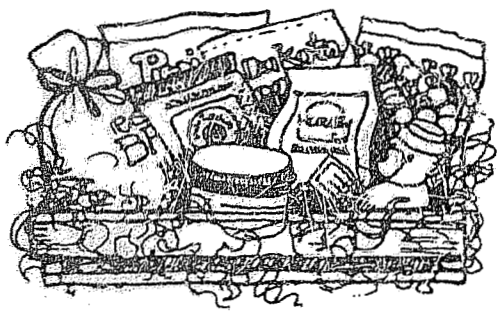

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- A 10' x 10' booth with backdrop and side skirt.
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FOR IMMEDIATE RELEASE:
(January 12, 1998)

ELECTRIC CAR TO BE DISPLAYED AT SOUTH DAKOTA FUTURE FAIR

An electric car will be displayed at the 1998 South Dakota Future Fair being held this weekend, January 16-18, at the Rushmore Plaza Civic Center. The all-electric 1997 Geo Metro is being displayed courtesy of West River Electric Association and Rushmore Electric Power Cooperative.

"We are pleased to be able to bring this leading-edge technology to Rapid City for the public to take a closer look," explains Brian Boyer, Manager of Member Services, West River Electric Association.

The electric vehicle (EV) has all the standard features of a conventional car with a few minor adjustments. A battery thermal management system keeps the batteries warm in cold weather and a cabin pre-heater heats the car's interior while the batteries are being charged. Thirteen 12-volt lead acid batteries in the EV are similar to deep-cycle marine batteries. The 3-kilowatt (kw) on-board charger can replenish the batteries in 3 ½ hours from a 220-volt outlet or seven hours with 110 volts. The batteries cost $1,300, an average of $325 per year for the four-year life span.

The 42-kw, AC induction motor powers the 2,700 pound car to a top speed of 70 mph and acts as a battery charger when coasting or going down hills. This regenerative braking feature can be used to extend the car's normal range of 50-60 miles. The car lacks some costly components found in a conventional vehicle. Even the best mechanic wouldn't be able to find a carburetor, oil lubrication system, engine cooling system, filters, spark plugs, gas tank, transmission, starter or exhaust system.

"When factoring in the emissions from power plants, electric vehicles can still reduce pollution by 85 percent," says Boyer. "At 7 cents per kw, an EV costs about 75 cents to travel 50 miles. Gasoline would have roughly 29 cents per gallon to compete."

All the major car manufacturers are involved with electric vehicles, but limited battery range remains a major hurdle holding up mass production. Government and private industry have joined to develop new battery technology that will extend vehicle ranges up to 400 miles between charges and reduce charging times. The vehicles being manufactured today are targeted toward the commuter. Today's EV would be sufficient for anyone who drives a specific route every day, if that route isn't more than 50 miles. The newest model in production has a range of over 250 miles.

The 1998 South Dakota Future Fair showcases speakers and exhibits that help children and adults learn new ways of thinking about emerging technology. Speakers scheduled to appear include: Bob Friedhoffer, Master Magician and Science Historian; Dr. Kathy Thornton, retired NASA Astronaut; Dr. Victor Spitzer, "The Visible Human Project"; Nigel Burton, Vice President of Small Business Group, Microsoft Corporation; Paul Hoffman, Publisher of the Encyclopedia Brittanica; Peter Harter, Vice President of Global Policy, Netscape Corporation; and Trevor Guthmiller, Executive Director, American Coalition for Ethanol.

Friday, January 16, is Education Day at Future Fair (9:00 am - 3:00 pm), with admission limited to students and educators (free) and senior citizens ($1 admission). Future Fair is open to the general public on Saturday, January 17 (10:00 am - 6:00 pm) and Sunday, January 18 (11:00 am - 5:00 pm). Admission costs $1 for children (3-12 years) and $3 for adults (13 and over).

Future Fair sponsors include Black Hills Power & Light, Black Hills State University, KOTA Radio & TV, Norwest Bank of South Dakota, N.A., Rapid City Journal, Rapid City Regional Hospital System of Care, South Dakota School of Mines & Technology, U.S. Department of Energy Biomass Energy Program, and US WEST Communications.

For additional information about Future Fair, contact Joyce Comfort at 394-6996 or visit the web site at http://www.futurefair.com.

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FOR IMMEDIATE RELEASE:
(January 8, 1998)

SOUTH DAKOTA STUDENTS ENCOURAGED TO APPLY FOR SOUTH DAKOTA FUTURE FAIR SCHOLARSHIPS

South Dakota residents are encouraged to apply for the scholarships being awarded by the1998 South Dakota Future Fair. Admission proceeds from South Dakota Future Fair will be designated for the Future Leaders Award Scholarship Fund.

A minimum of four scholarships ranging from $250 to $1,000 will be awarded to South Dakota residents entering a South Dakota university or technical institute this fall and pursuing a major involving technology. Scholarship applications will be available during the South Dakota Future Fair, which will be held January 16-18, 1998, at the Rushmore Plaza Civic Center. Scholarship application materials also have been mailed to every high school in South Dakota.

Scholarship recipients will be selected based on academic achievement, extracurricular activities/leadership, letters of recommendation, and demonstrated involvement in technology. Scholarship applications must be received by Friday, January 30, 1998, or postmarked by Monday, January 26, 1998.

Designed to help both children and adults learn about emerging technology, South Dakota Future Fair offers a wide range of speakers, programs and exhibits to stimulate new thinking about technology and the future. Students and educators will be given free admission to Future Fair's Education Day on Friday, January 16. Admission on Saturday and Sunday, January 17-18, is $1 for children (3-12 years) and $3 for adults (13 and over).

Sponsors of the 1998 Future Fair are Black Hills Power & Light, Black Hills State University, KOTA Radio & TV, Norwest Bank South Dakota, N.A., Rapid City Journal, Rapid City Regional Hospital System of Care, South Dakota School of Mines & Technology, U.S. Department of Energy and US WEST.

To obtain additional information about the scholarship application procedures or the Education Day activities planned for the 1998 Future Fair, contact Joyce Comfort at (605) 394-6996 or E-mail: future@silver.sdsmt.edu. Information also can be obtained through the web site at *www.futurefair.com*.

++30++

(f:\programs\dept\univrel\futurefair\pressrele\Scholarship Applications fax/stwd)

FUTURE FAIR

FUTURE FAIR TIMES

January 17th & 18th, 1998

NIGEL BURTON

Microsoft Executive featured at Fair

Nigel Burton, Vice President of Small Business Group for Microsoft Corporation, will be one of the featured speakers at South Dakota Future Fair being held this weekend at the Rushmore Plaza Civic Center. Burton will speak at 1:30 p.m. on Saturday, January 17, in the Civic Center Theater.

Burton is responsible for developing the strategy and programs that drive Microsoft's marketing efforts to the small business customer segment. He leads a team of marketing managers focused on partnership opportunities, associations, professions and all channels of communications that enable Microsoft to effectively reach approximately 7 million small businesses.

Burton joined Microsoft in 1989 to establish and lead a financial services group in London, England. He later managed Microsoft's European Independent Software Vendor (ISV) Partner division, in which Burton's division supported the Visual application by banking and insurance companies on the Windows NT client/server platform. Most recently, Burton served as group manager of the Worldwide Solutions Developers Group, responsible for developing Microsoft's partnership with solution developers on a global basis.

Prior to joining Microsoft, Burton was Chief Executive Officer of Dialog Software, one of the earliest Windows software companies. His education included the study of microprocessor design and development at Sunderland University and sales and marketing training at IBM.

Women's space walk record holder to speak at Future Fair

Retired NASA astronaut Kathy C. Thornton, PhD., will give two presentations during South Dakota Future Fair being held this weekend in Rapid City. Dr. Thornton will speak at 10 a.m. and 5 p.m. on Saturday, January 17, in the Rushmore Plaza Civic Center Theater.

Thornton, who is a veteran of four space shuttle flights, has logged over 975 hours in space, including more than 21 hours of extravehicular activity spent outside the space shuttle. She holds the women's astronaut record for the number and duration of space walks.

Selected by NASA in 1984, Thornton was a mission specialist in the Space Shuttle Discovery crew, which orbited the earth 79 times in 1989. She was a crew member on the 1992 maiden flight of the Space Shuttle Endeavor. During this flight, the crew performed a record four space walks to retrieve, repair and deploy the International Tele Communications Satellite (INTELSAT). This space shuttle flight logged 213 hours in space and 141 earth orbits. In 1993 Thornton was again a mission specialist about the Space Shuttle Endeavor on the mission to service and repair the Hubble Space Telescope. During the 11-day flight that logged nearly 4.5 million miles and 163 orbits of earth, the hubble Space Telescope was captured and restored to full capacity through a record five space walks by four astronauts.

For fifteen days in 1995, Thornton served aboard Space Shuttle Columbia as the payload commander of the second U.S. Microgravity Laboratory mission. This mission focused on materials science, biotechnology, combustion science, the physics of fluids, and other scientific experiments housed in the pressurized Spacelab module. In completing her fourth space flight, Thornton orbited the earth 256 times and traveled over 6 million miles.

In August 1996 Thornton resigned from NASA to accept a position as a Professor at the university of Virginia in the School of Engineering and Applied Science. Division of Technology, Culture and Communication. She also serves as Director of the University of Virginia Center for Science, Mathematics and Engineering Education whose goal is to use the University's resources to strengthen science, mathematics and technology teaching at all levels in Virginia's Public School system.

KATHY C. THORNTON

After graduating from Auburn University in 1974 with a B.S. in Physics, Thornton is behind the University of Virginia, where she received a M.S. and Ph. D. in Physics. She was awarded a NATO Postdoctoral Fellowship to work in the research at the Max Planck Institute for Nuclear Physics in Heidelberg Germany. In 1983 she returned to Charlottesville, Virginia where she was employed as a physicist at the U. S. Army Foreign Science and Technology Center.

Spitzer ready to take you on voyage

Visitors to Future Fair will have an opportunity to become a part of the Human Genome Project when they step aboard the "Visible Human Project." Victor M. Spitzer, Ph.D., of the University of Colorado will present a special showing upon completion of the human anatomy from head to toe at 11:45 a.m. on Saturday in the Rushmore Plaza Civic Center Theater.

The "Visible Human Project," which was developed by Dr. Spitzer and Dr. David Whitlock, offers an exciting 3-D virtual reality voyage through the entire human body. The project is the first phase of the Human Genome Project to provide the opportunity to explore the entire human anatomy on a CD.

By applying computer imaging techniques to thousands of thin cross-sections of an entire human cadaver, Dr. Spitzer and his colleagues developed the Visible Human Project database with the support of a contract from the National Library of Medicine. The Visible Human Project database more than 10,000 digital images, including 1,878 full-color, cross-sectional images. Used in conjunction with magnetic resonance (MR) and computed tomography (CT) images, the digital color photos result in a unique combination of the highest resolution and most detailed information ever assembled for the human anatomy that provide new opportunities for the study and function of the human body.

The project has earned the designation of the Center for Human Simulation at the University of Colorado Health Sciences Center, which is devoted to the development of human anatomy, physiology, pathology, biophysiology and engineering based on the Visible Human Database.

Spitzer has been awarded the Biofile Service Award in Recognition of Significant and Unique Contributions in the Field of Science, the Silver Award for the Dissemination of Medicine through Communication, The University of Southern California Annual Achievement Award, the NICOGRAPH Grand Prize Award, and Omni, Spitzer, the Computer Animation Graphics and the American Anesthesiology Best Scientific Exhibit Award for the Visible Human Simulation.

Spitzer's wife, Ann E. Schweiger, Ph. D., serves as the neurological physicist in charge of radiological research of the specimens for the project. They live in the mountains in Estes Park where Spitzer and programmer.

A native of Pueblo, Colorado, Spitzer received undergraduate degrees in chemistry and mathematics from the University of Colorado. He earned a Master's degree in nuclear engineering and his doctoral degree in physical chemistry from the University of Illinois.

Harter is Internet legal expert

Peter F. Harter of Netscape Communications Corporation will be a featured speaker at South Dakota Future Fair at 2:15 p.m. on Sunday, January 18 in the Rushmore Plaza Civic Center Theater.

Harter is Global Public Policy Counsel for Netscape Communications Corporation in Mountain View, CA. He is responsible for Internet law and policy issues and strategy. Since joining Netscape in the fall of 1995, Harter has dealt with a variety of issues, including the Communications Decency Act of the 1996 Telecommunications Act and Securities Litigation Reform. He is currently involved with reforming U.S. export control laws on encryption technology, copyright issues and Federal Communications Commission (FCC) proceedings on universal service, internet voice service and software products.

Prior to joining Netscape, Harter was executive director and general counsel for the National Public Telecomputing Network (NPTN) in Cleveland, Ohio. While at NPTN, Harter assisted in the expansion of community computer network systems into ten countries handling over 400,000 users. In March 1995, Harter garnered interest from others in industry to start forming a legal analog to the Internet Engineering Task Force. The Internet Law and Policy Forum (ILPF). Today the ILPF has organized and an ad hoc body of over twenty companies, focusing on their efforts on developing open draft legal standards for a variety of Internet law issues.

Harter graduated from Lehigh University with a B.A. in Business and Government in 1980 and from Villanova Law School in 1983.

TREVOR CUTHBERTSON

Speaker to discuss economics of Ethanol

Trevor Cuthbertson, Executive Director of the American Coalition for Ethanol, will present the keynote address during a presentation at the South Dakota Future Fair on Saturday. Cuthbertson will speak at 1:15 p.m. on Saturday, January 17 in the Rushmore Plaza Civic Center Theater.

Cuthbertson's presentation is entitled *"Corn Fuels! Oil Fuels! The Economics of Ethanol. It's a "Big Ole Dream Come True for America."* His presentation will explain the economics of ethanol and gasoline, and the subsidies of the oil as well as where the new ethanol is used today. Cuthbertson also will discuss new technologies being used to create ethanol such as wood waste, garbage and different types of grasses.

The American Coalition for Ethanol (ACE) is a national non-profit organization devoted to bringing together a wide variety of organizations to support ethanol use. For the past seven years as ACE director, Cuthbertson has been promoting the production and use of ethanol. He previously worked with the South Dakota Corn Growers Association and the South Dakota Corn Utilization Council.

Cuthbertson's appearance at Future Fair is sponsored by the U.S. Department of Energy Western Regional Biomass Energy Program. Encompassing 13 states from South Dakota to California, the Western Regional Biomass Energy Program is comprised of individuals who share information about research programs that are occurring in their respective states to promote the use of biomass materials.

"Western South Dakota is an incredible warehouse of biomass materials, such as switch grass, bluestem grass and trees, that can be made into fuel stock or pellet burning materials," explains Steve Wegman, South Dakota Public Utilities Commission and the Western Regional Biomass Energy Program member and Future Fair board member. "The Future Fair offers us an opportunity to promote biomass energy as a viable alternative to fossil fuels and products.

"We represent a fairly young technology as compared to the years of research available on fossil fuel production," says Wegman. "However, the future of biomass technology makes good sense since it represents an environmentally friendly fuel source for the future. For example, diesel fuel made from soy beans is a cleaner burning fuel. It could be a positive alternative for use in public transit vehicles or for machinery that works in an enclosed space, or a building."

Former science journalist experimenting with publishing

PAUL HOFFMAN

Paul Hoffman, publisher of Encyclopedia Britannica and former Editor in Chief of Discover Magazine, will be in Rapid City this weekend to take part in the 1998 South Dakota Future Fair. Hoffman will speak Sunday afternoon at 2:15 p.m. in the Rushmore Plaza Civic Center.

During his 20 years with Discover Hoffman was responsible for expanding the magazine's readership and revenues, launching many successful new ventures, including Discover Books, Discover Travel Adventures, Discover Cruises, and the National Science Festival. Hoffman created the new prototype science curriculum for 6-12 grade students called "The Science of Place".

Hoffman has also published over a dozen articles in the magazine, including "The Man Who Loved Only Numbers", "On Board Noah's Ark", "Lost Languages" and "Solving Sudoku".

Hoffman has written and hosted his own television documentaries, including "The Lost Empire of Atlantis", "Back to the Ice Age", "Lost Secrets of the Maya", "Quest for the Lost Dinosaurs", "Mysteries of the Mummies", "Secrets of the Sphinx", "Ancient Mysteries" and "Inside the Great Pyramid".

Hoffman has written and hosted his own television documentaries, including "The Lost Empire of Atlantis", "Back to the Ice Age", "Lost Secrets of the Maya", "Quest for the Lost Dinosaurs", "Mysteries of the Mummies", "Secrets of the Sphinx", "Ancient Mysteries" and "Inside the Great Pyramid".

Hoffman has also been a special correspondent on "Good Morning America", "CBS This Morning" and "Inside Space" on the Sci-Fi Channel. Other television appearances include "Donahue", "Larry King Live" and "Charlie Rose". In April 1998, The Discovery Channel is to unveil plans for its original programming starring Paul Hoffman and Discover Magazine. The two-hour show, tentatively entitled "Discovering the Great Minds of Science".

Hoffman has written and hosted his own television documentaries, including "The Lost Empire of Atlantis", "Back to the Ice Age", "Lost Secrets of the Maya", "Quest for the Lost Dinosaurs", "Mysteries of the Mummies", "Secrets of the Sphinx", "Ancient Mysteries" and "Inside the Great Pyramid".

AN EVENT YOU SIMPLY CAN'T MISS!

SOUTH DAKOTA FUTURE FAIR

A Vision of Tomorrow

FUTURE FAIR

July 5, 1998

Mr. Usera,
I am writing to express my great appreciation for the grant money from the 'kick start' program. The money will be put towards bringing the church basement (which will be used for a group family daycare) up to code for fire and safety regulations to receive state licensing. Black Hills Power and Light aided in bringing quality, affordable child care for many parents in the Lead- Deadwood community, Thank You.

Angelia Williams
Imagination's Day Care.

Everybody needs a friend, especially the R.C. Library

By Mary Linda McBride
Special to the Journal

Nearly 200 people visited the door prize registration box at the Rapid City Public Library's Future Fair booth last weekend. The winner of Bill Gates' book and CD-ROM, "The Road Ahead," was Kay Jorgensen of Spearfish. Bonnie Rowley of Black Hawk won a deluxe two-CD edition of the Microsoft "Encarta 97 Encyclopedia."

Library staff at the booth enjoyed seeing familiar faces and making new acquaintances. It was gratifying to hear so many people of all ages speak of their appreciation for the library. With the uplifting experience of the Future Fair and in celebration of the new year, the library invites readers to join the Friends of the Rapid City Public Library.

The Friends organized 20 years ago to help support the library. Members enjoy monthly program meetings and raise funds through book sales. This event has undergone a few changes over the years, but it has always proved a successful and enjoyable means for providing book-buying bargains to the public. It has also provided the library with special equipment and furnishings, programming and promotion, and materials and collections that are beyond the library's budget. Many of the children's CD-ROM programs that were previewed at the Future Fair were purchased with Friends book sale proceeds.

Originally held twice a year, the sale used to include a wide variety of books that were donated to the library throughout the year. The sale is now held on an October Friday evening and Saturday morning and afternoon. Only quality books are offered, priced from $2 up.

Friends President Donna Carlisle said the 1997 book sale was the library's most lucrative — grossing almost $5,000 — but was also the most expensive, due to advertising costs. A silent auction added this time, with seven unique donations, brought in an additional $825.

The Friends also maintain an ongoing sale in a special bookshelf at the library. Items donated to this effort are sold for $1 or less. Adult hardbound books are $1, children's books are 25 cents, paperbacks are 50 cents, series romance novels are 25 cents, records and tapes are 50 cents, and magazines are 25 cents. The sale raises around $300 a month.

Leftover books are sorted by Friends volunteer Jon Boone and are either placed outside the library inner doors for anyone to have or are donated elsewhere. After the last book sale, dozens of boxes of books were given to Red Cross, Pennington County Juvenile Detention, Eagle Butte Library, Canyon Lake Senior Citizen Center, St. Thomas More High School, and to Ellsworth Air Force Base troops in Saudi Arabia.

Membership dues for Friends of the Rapid City Public Library are $5 a year. Active involvement is optional, but many hands are needed to mount the annual book sale. Volunteers naturally have first pick of book sale items.

Every Christmas season, the Friends display a Storybook Tree in the center of the library. All the handmade tree ornaments represent classic children's book titles. Members of Friends attended city budget meetings last summer to show support for the library. Program meetings are held on the second Thursday of the month, September through May, from 11:45 a.m. to 1 p.m. at the library.

Remaining programs planned include "Romance and the First Ladies of Our Land," "Herbs and You," "Meeting a Local Author," and "Literacy and the Library."

The Friends of the Rapid City Public Library web address is http://www.sdln.net/libs/rcp/friends.html.

Mary Linda McBride is public information and development officer of Rapid City Public Library.

Kick start grant available to local businesses

Chamber of Commerce News

By Deb Ering
Chamber Director

Small businesses in Hot Springs and the surrounding area may be eligible for a grant program offered through Black Hills Power and Light Company.

The Kick-Start Grant is one of several different programs within BHP&L's 1998 Economic Development Plan, which helps to promote economic development in our community and at the same time, enhances the growth of Black Hills Power and Light Company.

The Kick-Start Grant Program is designed for qualified businesses located in BHP&L's small communities with populations of fewer than 10,000.

The Kick-Start amount may range from $500 to $1,000 customer applicant. The grant is available for new small businesses needing assistance in starting their businesses to support employee training, electric business equipment (i.e. computer), or facility enhancements for energy efficient improvements. Grants may not be used for business debt or employee compensation.

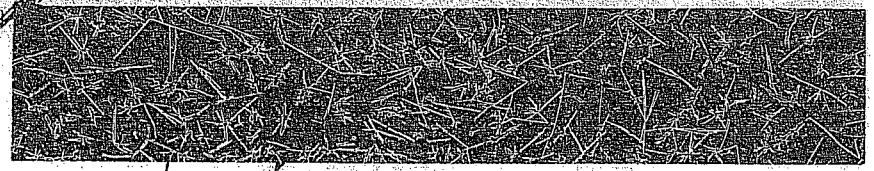
To qualify for the cash grant, applicant's business facilities must be a customer of BHP&L electric services.

Applicant must have good credit standing with all local loan agencies. Grant is available to new or existing businesses less than two years old.

Small business is defined as a business with fewer than 25 employees. Business must meet all qualified licensing for the operation of their establishment.

If your business is interested in applying for this grant, you may contact the Small Business Development Center at (605) 394-5311 or call the Chamber office at 745-4140 for more information.

Thank you
so much for
your thoughtfulness.
I hope that the 65 hr a
wk I work and the hard
work will make a successful
business someday and I can
help the little person as
the little business struggles.
Like my business as
I had paying customers
but sometimes get
deals the $ I'm owed
struggle. It's a turn of
I was just happened
Please that you have taken
Thanks. I learned a lot
Thank You again for the
$8,000.00 worth of help
I'm writing when I
have $ to pay
Sincerely yours
Darlene Hardy
Cincinnati
Evangeline

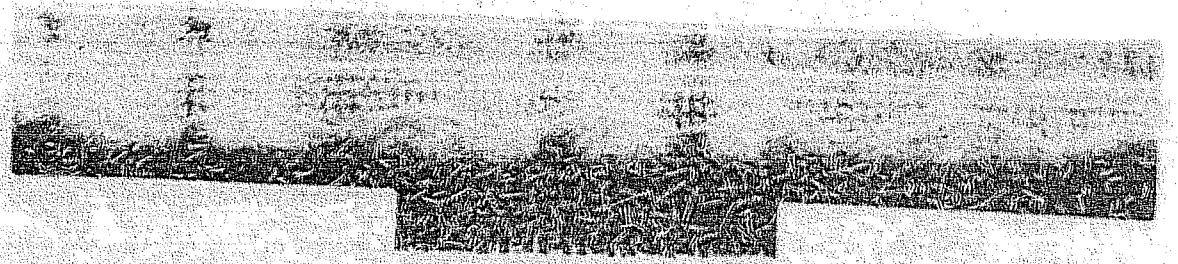


Thoughtfulness like yours is appreciated more than words can say.

Dear BHP,

This card is to thank you for the very generous grant of $1500.00 that you so graciously donated to our Chamber in Keystone. We are planning to have our computer updated in the fall as soon as the tourist season is over. If there is any money left over, it will go toward insulating our Chamber building. This will give us a place to house the chamber & my office year round. Thank you so much again!

Sincerely,
Bonnette Eich, Director
Keystone Chamber of Commerce



Kick start grant available to local businesses

Chamber of Commerce News

By Bob Erling
Chamber Director

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The Kick-Start Grant Program is designed for qualified businesses located in BHP&L's small communities with populations of fewer than 10,000.

The Kick-Start amount may range from $500 to $1,000 customer applicant. The grant is available for new small businesses needing assistance in starting their businesses to support employee training, electric business equipment (i.e. computer), or facility enhancements for energy efficient improvements. Grants may not be used for business debt or employee compensation.

To qualify for the cash grant, applicant's business facilities must be a customer of BHP&L electric services.

Applicant must have good credit standing with all local loan agencies. Grant is available to new or existing businesses less than two years old.

Small business is defined as a business with fewer than 25 employees. Business must meet all qualified licensing for the operation of their establishment.

If your business is interested in applying for this grant, you may contact the Small Business Development Center at (605) 394-5311 or call the Chamber office at 745-4140 for more information.

605-394-5311

Grant from BHP&L

Bob Foster, right, of Black Hills Power and Light, gives Scott Simunek of Simunek Electric a $500 grant from the BHP&L Kick-Start program. The grants are set up to help new businesses.

Global Environmental, Inc.
5311 Spring Canyon Trail • Rapid City, SD 57702-9176
(605) 342-5311

September 25, 1998

Mutch Usera
Black Hills Power & Light Company
P.O. Box 1400
Rapid City, SD 57709-1400

Dear Mutch:

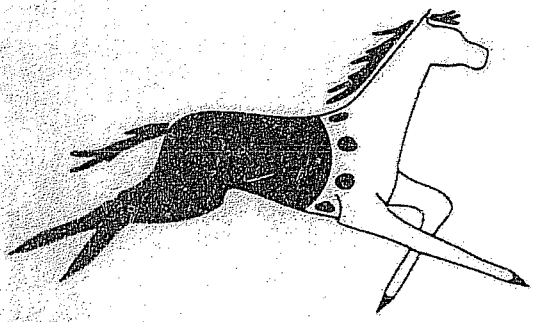
Global Engineering Inc. expresses thanks to Black Hills Power & Light Company for all the support given in the past and for the $2,000.00 Kick Start Grant we received. The grant will be spent for:

1. Geothermal Design Software (Wrightsoft-residential)	$ 1,341
2. Geothermal Marketing Material for Dakota Geothermal	$ 500
3. Geothermal Marketing Material for Global Engineering	$ 159

Because Global Engineering Inc. is originally an environmental services company, it is easy to be committed to the promotion of electric energy use, especially geothermal systems when feasible.

Sincerely,

Adel Heriba, P.E.
President



Muddy Creek Oil & Gas Inc.
P.O. Box 1987
Pine Ridge, South Dakota 57770
605-867-1673

October 16, 1998

Rec'd 10/20

Black Hills Power and Light Co.
ATTN: Bob Foster

Hot Springs, SD 57747

Dear Bob,

I am in receipt of invoice #18455 for the amount of $4652.00 to put underground power to our #3 store on Highway 79, east of Hot Springs. Bob, as we have talked previously, our cost to do this project was quite high. We have evaluated this project and remodel further and appreciate your assistance in applying for the Economic Development grant and securing it for us, but will have to delay further construction until spring of 1999. We, as a business watch our expenditures very closely and will not have sufficient cash to complete until spring of 1999 as we can cash flow all our construction. If at all possible we would like to retain the grant until spring of 1999. If there are any questions or problems feel free to contact me at my administrative office in Pine Ridge, SD. Thanks again for all your help.

Sincerely,

Loren B. Pourier

Loren B. Pourier

Custom Caster

316 W. Main Street • Lead, South Dakota 57754 • 605-584-2217

2 October, 1998

Black Hills Power & Light
Black Hills Corporation
318 Main
Deadwood, SD 57732

Gentlemen:

I received the check for $1,000.00 for the Kick Start Program.

THANK YOU!!

I am looking forward to purchasing the equipment that will allow me to expedite the rod building process. Also, I plan to buy the Ultrasonic Cleaner for my clock repairs.

Thank you again.

Sincerely,

CUSTOM CASTER & CLOCKS

Dale R Peters

DRP:cp

P.O. Box 779
114 Main Street, Suite 2
Hill City, South Dakota 57745
(605) 574-4410
FAX (605) 574-2377

1998
Heart of the Hills
Economic Development
Corporation

A. Loren Umphfres
President

Yvonne Harris
Vice-President

Cathy Grubtill
Secretary

Deb Casey
Treasurer

Victor Jepsen
Past Officer

Mike Verchio
Member at Large

Nell Hatcher
Member at Large

Mary Orum
Member at Large

Nell Holzwarth
Member at Large

Black Hills Corporation
Post Office Box 1400
Rapid City, South Dakota 57709-1400

Greetings and Salutations;

On behalf of the board of directors, I am extremely pleased to receive your generous contribution toward the establishment of RMA, Inc., in Hill City.

As you recognized long ago, a diversified resource or asset base that is deliberately and strategically maintained makes a community more competitive and sustainable over time, both in attracting investment and in delivering favorable returns. The Kick-Start Program is indeed one of these resources.

Hill City is especially proud of our newest employer and with that distinction comes the fact that RMA, Inc., is now the second largest employer in the community. Your funding helped to make one of our GOLD Community Programs a reality quicker than we ever expected it too. Thank you very much.

Sincerely,

A. Loren Umphfres

Ambassador

AMBASSADOR CARDS
© HALLMARK CARDS INC
MADE IN U.S.A.

TPT 412 J

Dear Bob,

The Tots N Toddlers playgroup would like to
thank you for the "Kick Start" grant
of $500.00 thank you for being a sponsor
we will be purchasing playground equipment
for the kids thanks again.

Tots N Toddlers Playgroup
Katherine Wilkinson

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-4091

January 20, 1998

South Dakota Small Business Development Center
ATTN: Mr. Jim Doolittle
P. O. Box 218
Sturgis, SD 57785

Dear Jim:

Black Hills Power and Light supports organizations which work to assist and enhance businesses in need of business and job development. The Small Business Development Center is an organization which has a proven track record of doing just that. We appreciate the professionalism and quality assistance your staff have given the many businesses in the Black Hills Community.

On behalf of Black Hills Power and Light (BHP), I am pleased to submit to you the enclosed check for $5,000 which will be used in the support of the SBDC daily operations. The contribution is also important to ensure that the West River office, located in Rapid City, remain accessible to our Black Hills Communities. Your resources and expertise has made an impact in helping businesses maintain their operations and enjoy overall success.

At BHP, we commend your enthusiasm, professionalism, and commitment to economic development in the Black Hills communities and throughout the State of South Dakota. We look forward to the continuing partnership.

Sincerely,

Mutch Usera
Manager, Marketing Services

WEST RIVER ECONOMIC DEVELOPMENT COALITION
P.O. BOX 218
STURGIS, SD 57785

TELEPHONE: 605-347-5837 FAX: 605-347-5223

February 12, 1998

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

Dear Mutch:

West River Economic Development Coalition sincerely appreciates Black Hills Power & Light's cash contribution to support the operation of West River Small Business Development Center (SBDC). With your support, this service to new and existing entrepreneurs can be continued. Since 1994, this program has helped clients obtain more than $9,768,969 in financing and create or retain 381 jobs in the Black Hills region.

Find attached some recent information regarding the West River Coalition as well as specifics relating to the SBDC.

Thank you for your support.

Jane L. Fiddler, Northern Hills Community Development
Chuck Vanderwal, Black Hills Council of Local Governments
Ron Boyer, West River Electric
Warren Albertson, SD Rural Enterprises Inc.
Robert J. Schnuger, West River SBDC Director
[illegible]
[illegible]
Judy Meyer, Custer County Economic Development
Ernie Mapp, Rapid City Economic Development

WEST RIVER ECONOMIC DEVELOPMENT COALITION
P.O. BOX 218
STURGIS, SD 57785

TELEPHONE: 605-347-5837 FAX: 605-347-5227

May 18, 1998

Ev Hoyt
Black Hills Power and Light
PO Box 1400, 409 Deadwood Ave.
Rapid City, SD 57709-1400

Dear Ev:

Thank you for accepting our invitation to serve as a member of the regional advisory board for West River Economic Development Coalition.

We have scheduled our first meeting to be held on **Wednesday, June 3** beginning at **4 p.m.** in **Room #204** at the **Rapid City Civic Center.** The purposes will be to clarify the role of the advisory board and to provide orientation regarding the regional efforts. **Ron Wheeler**, Commissioner of the Governor's Office of Economic Development, will present at the meeting. I will be contacting you prior to June 3 to confirm attendance.

You are also welcome to attend any of the monthly meetings of our coalition's general membership. I have enclosed an agenda for the next meeting which will be held prior to your advisory board meeting.

Also find enclosed some general information about West River Economic Development Coalition and a list of people that are confirmed members of the advisory board.

Contact me at 347-5837 if you have questions.

Thank you again for your support.

Sincerely,

James L. Doolittle

James L. Doolittle
Chairperson

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3300
FAX: (605) 342-4601

December 23, 1997

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

Dear Jim:

Black Hills Power and Light supports organizations which work to enhance and assist businesses in need of business and job development. The Small Business Development Center (SBDC) is an organization which has a proven track record of doing just that. We, at BHP, appreciate the professionalism and quality the SBDC has given to the many businesses throughout the Black Hills area.

Last year, BHP contributed funds to assist SBDC in receiving matching State and Federal funds. BHP is pleased to again submit our commitment of $5,000 for the 1998 SBDC program. We will submit this contribution on January 31, 1998.

The contribution is also important to ensure that the West River office, located in Rapid City, remain accessible to our Black Hills communities. Your resources and expertise has made an impact in helping businesses maintain their operations, thus enjoying overall success.

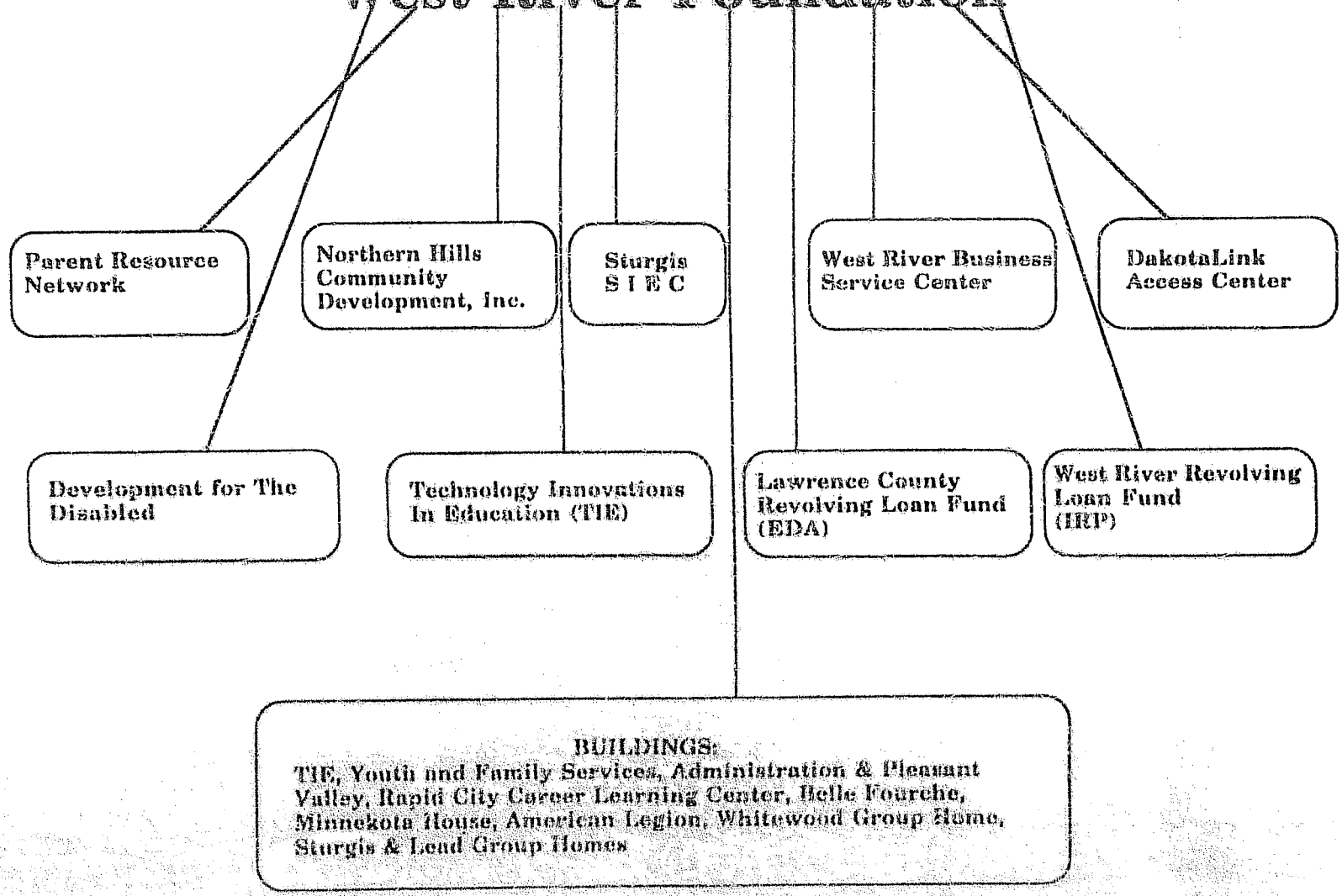
At BHP, we commend SBDC's enthusiasm, professionalism, and commitment to economic development in the Black Hills communities and throughout the State. We look forward to working with you as a resource partner.

Sincerely,

Mutch Usera

cc: Ev Hoyt
President & COO

West River Foundation

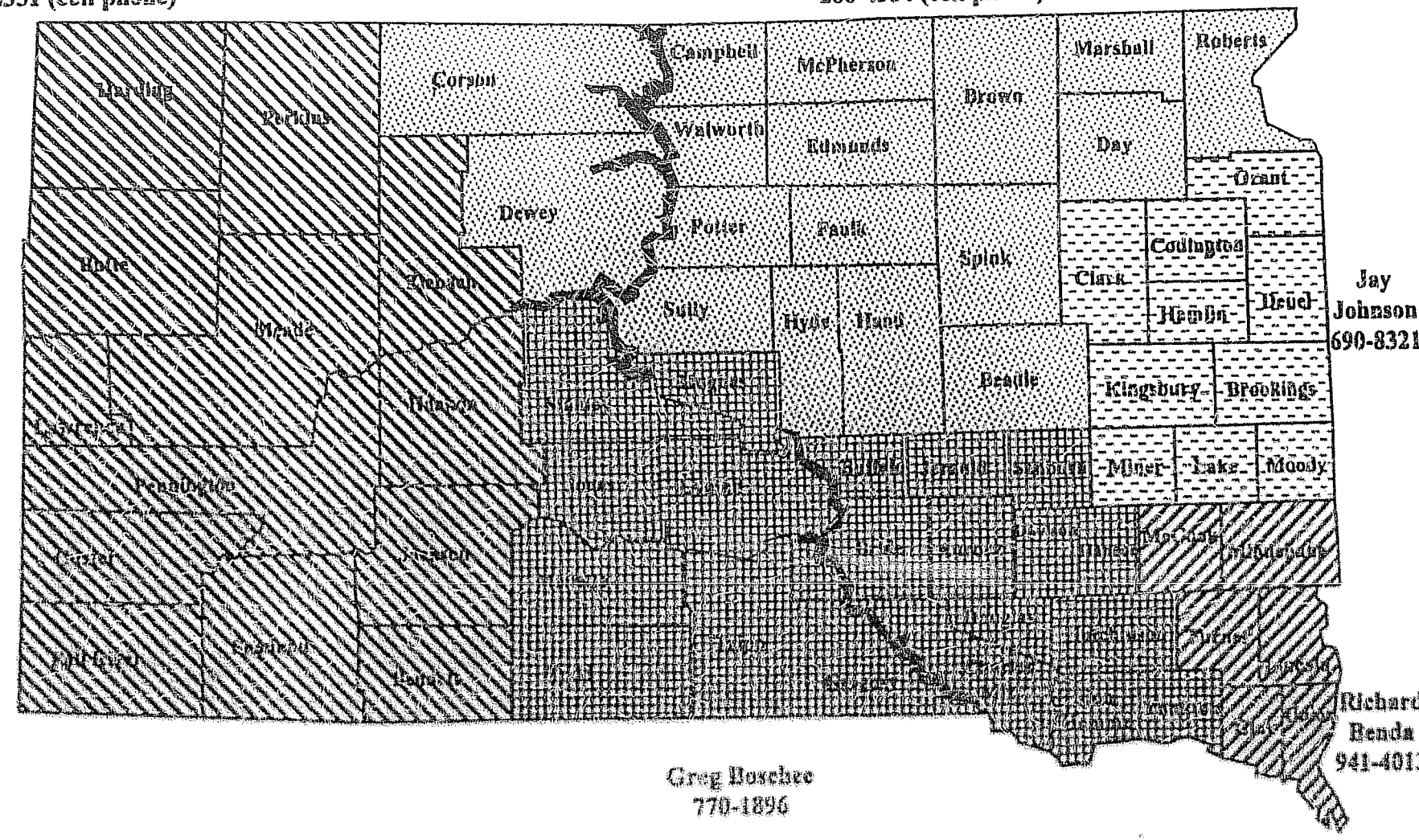


April, 1990

GOED Regional Representatives

Charlie Van Gerpen
800-872-6190 (office)
280-4351 (cell phone)

Toby Morris
800-872-6190 (office)
280-4354 (cell phone)



Greg Borchee
770-1896

FACT SHEET

RBS

UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL DEVELOPMENT

RURAL BUSINESS-COOPERATIVE SERVICE

Intermediary Relending Program (IRP)

The purpose of the Intermediary Relending Program (IRP) is to finance business facilities and community development projects in rural areas. This is achieved through loans made by the Rural Business-Cooperative Service (RBS) to intermediaries. Intermediaries relend funds to ultimate recipients for business facilities or community development. Intermediaries establish revolving loan funds so that collections from loans made to ultimate recipients in excess of necessary operating expenses and debt payments will be used for more loans to ultimate recipients. At the state and local levels, the programs are administered by Rural Development field offices.

Who May Borrow?

Intermediaries may be private nonprofit corporations, public agencies, Indian groups or cooperatives. Intermediaries must:

* Have legal authority to carry out the proposed loan purposes and to incur and repay the debt.

* Have a record of successfully assisting rural business and industry, normally including experience in making and servicing commercial loans.

* Provide adequate assurance of repayment.

Any type of legal entity, including individuals and public and private organizations, may be an ultimate recipient.

At least 51% of the owners or members of both intermediaries and ultimate recipients must be United States citizens or admitted for permanent residence. Both intermediaries and ultimate recipients must be unable to obtain the proposed loan elsewhere at reasonable rates and terms.

How May Funds Be Used?

All of the IRP loan funds received by an intermediary must be reloaned to ultimate recipients. Interest income and fees may be used for administrative costs, technical assistance to borrowers, or debt retirement. All collections from the operation of the IRP revolving loan fund that are not used for the above authorized expenses must be made available for relending to eligible ultimate recipients.

Loans from intermediaries to ultimate recipients must be for the establishment of new businesses, the expansion of existing businesses, creation of employment opportunities, saving of existing jobs, or community development projects.

What Are The Loan Terms?

Loans to intermediaries are scheduled for repayment over a period of up to 30 years.

The term of loans from intermediaries to ultimate recipients is set by the intermediary.

What Is The Interest Rate?

The interest rate on loans to intermediaries is 1% per annum.

The interest rate charged to ultimate recipients is negotiated by the intermediary and the ultimate recipient.

Is Collateral Required?

Yes. All loans to intermediaries must be adequately secured. Intermediaries are asked to provide a proposal for securing the loan, for RBS's consideration, in the application. Security normally consists of a lien on the IRP revolving fund, including assignments of security pledged by ultimate recipients. Intermediaries are also required to obtain RBS approval for their security policies for loans to ultimate recipients.

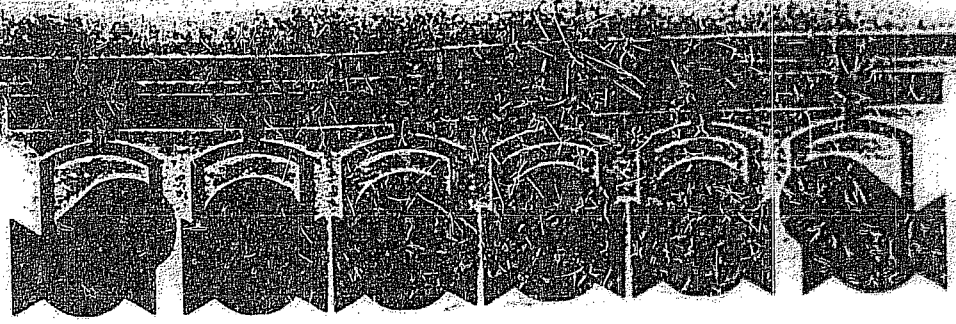
If Ultimate Recipients Fail To Repay Loans From The Intermediary, What Happens To The Intermediary's Loan From RBS?

When the intermediary accepts the IRP loan, it is incurring a debt. Collections from loans to ultimate recipients should be sufficient to repay the RBS loan on schedule. However, even if collections from ultimate recipients are not sufficient, the intermediary is fully responsible for repaying RBS.

Where Should Applications Be Filed?

Complete applications should be sent to the RBS National Office, at the following address:

USDA Rural Business-Cooperative Service
Attn: Business and Industry Division
14th and Independence Avenue SW Room 6321 South
Washington, DC 20250-0700



You're Invited
to the
GRAND OPENING
of the

NEW

West River Business Service Center

in the
Rushmore Plaza Civic Center, Room 204

1:30 p.m. Program & Rope Cutting
Tours Until 5 p.m.
Thursday, September 24

Home of
Service Corps of Retired Executives (SCORE)
Small Business Development Center (SBDC)
Governor's Office of Economic Development (GOED)
and the
U.S. Small Business Administration's
NEW
Business Information Center (BIC)

Come check out this FREE one-stop entrepreneurial resource center serving western South Dakota.

Please RSVP to (605) 394-1708 by Sept. 21.

SBA

South Dakota Small Business Development Center

SCORE

Governor's Office of Economic Development

Northern Hills Community Development, Inc. update

FALL 1998

P.O. Box 218 · Sturgis, South Dakota 57785-0218 · (605) 347-5837

Gov. Janklow Announces Fiber Optic Network

Speaking in conjunction with Northern Hills Community Development and Black Hills Corporation, Governor Bill Janklow announced that Black Hills FiberCom will build a telecommunications fiber optic network to serve the growing needs of the Northern Black Hills and Rapid City.

Black Hills FiberCom is part of Black Hills Corporation.

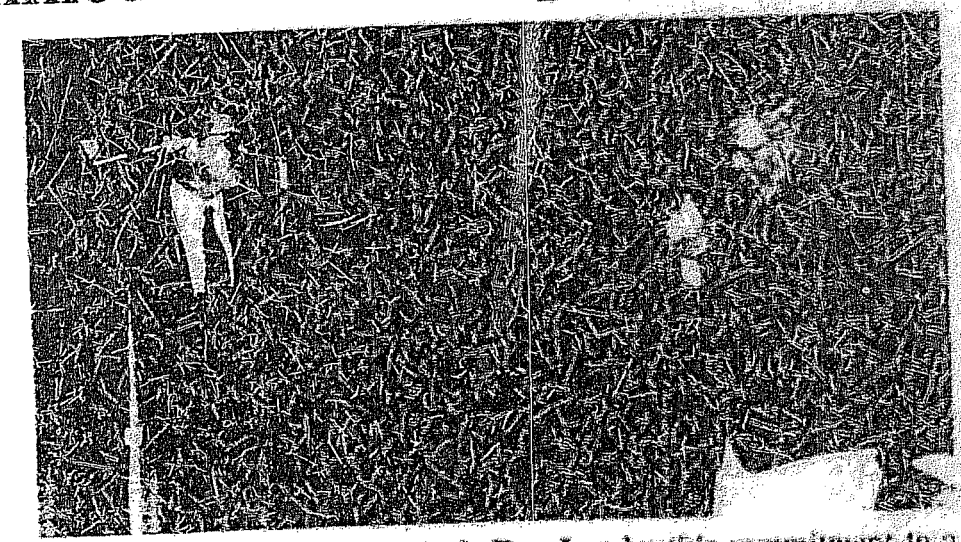
The announcement came September 17 at Sturgis Community Center.

"This project is a prime example of the kind of effort that I had in mind when I sponsored telecommunications legislation," Janklow said.

The governor drew applause when he stated the network means calls between Rapid City and Northern Hills communities will be local, rather than long distance, as will calls from one Northern Hills town to another. Northern Hills Community Development has worked for that kind of local access calling for several years.

As an illustration of what the network will do for computer users, Janklow said a document currently downloaded in 22 minutes will be downloaded in less than a second. He added that for the first time he is authorizing use of the Interstate 90 median for a wiring route, "because of the public good that will result."

For economic development efforts the benefits will be tremendous, he noted, and he recounted how frustrating it's been to lose potential development in South Dakota because of poor infrastructure. As for education, Janklow added, "We are now going to have in place the best system in the world for life-long learning."



Governor Bill Janklow applauds Dan Landguth's commitment to a state-of-the-art telecommunications infrastructure.

"This network will allow us to offer telecommunications services in the Black Hills which typically have been accessible only in more densely-populated areas," said Dan Landguth, President and CEO of Black Hills Corporation. "We're excited to be making what we think is the most significant investment in the infrastructure of the Black Hills area since the Interstate highway system was built nearly 40 years ago. And we'll begin construction immediately."

Black Hills FiberCom will invest approximately $40 million.

Lead Mayor Bev Hink said, "When we Northern Hills mayors identified our greatest needs to move forward with economic development, especially with the Homestake cutbacks, telecommunications infrastructure came out near the top. We appreciate the partnership Black Hills has had with our communities for the past 57 years, and look forward to working together in communications."

"Black Hills FiberCom grew from Black Hills Corporation's study of its internal need for reliable and advanced telecommunications services," said Landguth. "In talking with area communications users, including individuals, businesses, school systems, local governments, and economic development groups in Rapid City and the Northern Black Hills, we were advised that the current telecommuni-

(Continued on page two)

JIM DOOLITTLE

NHCD Adopts 1998-99 Goals

Executive Director's Report

By Jim Doolittle
NHCD Executive Director

Northern Hills Community Development's board adopted the following 1998-99 goals at its September 17 meeting:

—Develop and implement a strategic plan for a 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 (four of these state-of-the-art telecommunications centers will be funded by a U.S. Department of Commerce grant, and located at Belle Fourche, Lead-Deadwood, Sturgis, and Rapid City).

—Develop and administer regional revolving loan funds (recent funding from the federal Economic Development Administration will make possible a Lawrence County loan fund, and USDA Rural Development dollars are making possible a loan fund for all 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 Small Business Administration 504 Loan Program.

—Intensify membership efforts, and increase the number of business and individual members.

The organization was successful in reaching its 1997-98 goals, which included securing funding for the revolving loan funds, bringing about local access calling between Northern Hills towns and Rapid City, and keeping the Small Business Development Center in operation.

Governor Janklow

(Continued from page one)

cations infrastructure inhibits their efforts to employ new technology."

Black Hills FiberCom is partnering with an international telecommunications firm, GLA International, Inc., of St. Louis, Missouri, to build a 500-mile hybrid fiber coaxial network to link customers in Rapid City and the Northern Black Hills communities. "As pioneers in fiber optic communications, the people at GLA International have the expertise to work with us on all phases of this project," said Landguth.

"GLA was the firm that developed the fiber networks for Brooks Fiber Properties, which was recently purchased by WorldCom. They assisted Brooks Fiber in the build-out of over 20 major cities during the '90s, and will bring a wealth of experience and perspective to this project."

The fiber optic link will enable customers to receive telephone, cable television, high-speed Internet, and high-speed data and video services all through one cable coming into their businesses and homes. The network is designed to provide greater reliability because there will be redundancy built into the system.

Compared with the present telecommunications network in the Black Hills, connections to homes initially will have 4 to 700 times greater capacity to carry information; connections to schools and businesses will have from 65 to 1750 times greater capacity.

For example, a 15-second video clip at 56 Kbps, a common connection into a school, takes over 20 minutes to receive, but at the 100 Mbps that will soon be available, the download will take less than a second. "We expect schools, hospitals, and other users to come up with uses we've not yet imagined," said Landguth.

"With full motion video, a teacher in Japan could interact with a classroom in the Black Hills. A Rapid City physician could observe a patient in Spearfish or Deadwood."

"Black Hills Corporation has always had a strong commitment to the communities we serve through Black Hills Power and Light," said Landguth. "We are pleased to be able to make this investment in technology through our new company, Black Hills FiberCom, which will operate independently from Black Hills Power and Light Company. In this century BHP brought the benefits of electricity; for the next century Black Hills FiberCom will bring the benefits of fiber optic communications. Our communities will truly be ready for the next millennium."

Northern Hills Community Development, Inc.

17th ANNUAL BANQUET

Friday, May 1, 1998

Sturgis Auditorium – Sturgis, SD

PROGRAM

6:00 p.m. – Social Hour

7:00 p.m. – Banquet
Welcome

Invocation
Father Gary Oreshoski
St. Francis of Assisi Church

Welcome/Introductions
Peter Henry, Fort Meade Medical Center
Master of Ceremonies

Approval of 1998-99 Board of Directors
Kevin Whitelock, President
Northern Hills Community Development, Inc.

Annual Report
Jim Doolittle, Executive Director

Recognition - Gold and Silver Members

Keynote Speaker
Gary Stern, President and CEO
Federal Reserve Bank, Minneapolis

Entertainment
Foothills Bluegrass Band

Our 1998 Banquet Headliners

GARY STERN

PETER HENRY

Northern Hills Community Development, Inc. welcomes Gary Stern, Peter Henry, and the Foothills Bluegrass Band.

Tonight's keynote speaker, Gary Stern, is president and chief executive officer of the Federal Reserve Bank in Minneapolis. He serves on the Federal Open Market Committee, the principal body for establishing national money and credit policies. A Wisconsin native, Stern holds degrees from Washington University of St. Louis, and from Rice University of Houston.

Peter Henry, master of ceremonies, became director of the Medical Center at Fort Meade in 1993, and of the Veterans Administration Black Hills Health Care System in 1996. He obtained an MBA degree in Hospital Administration from the University of Florida in 1976. Henry serves on the boards of the Sturgis and Hot Springs Chambers of Commerce, and was a recipient of Vice President Gore's Hammer Award for "making government work better and cost less."

Our entertainers -- Foothills Bluegrass Band, a k.a. Fast Larry and the Whiners -- began performing together last summer. The band is composed of area health care providers and educators: Terry Altstiel, Billy Fields, Hank Fridell, Marianne Fridell, Tom Loff, Patrick Salcone, and Larry Wehrkamp.

Northern Hills Community Development Progress Report 1997-98

By Executive Director Jim Doolittle

Northern Hills Community Development, Inc. (NHCD) continues to play an active role in enhancing the business atmosphere of the Northern Hills through recruitment, retention and expansion efforts, and community development efforts that advocate or oppose issues affecting the Northern Hills. Northern Hills Community Development has had a productive year and is proud to represent the communities and individuals of the Northern Black Hills.

504 Certified Development Company

Northern Hills Community Development, Inc. is one of three Small Business Administration (SBA) 504 Development Companies in South Dakota. This program enables growing businesses to secure long-term, fixed-rate financing for major fixed assets, such as land and buildings.

A Certified Development Company is a non-profit corporation set up to contribute to the economic development of its community or region. Northern Hills Community Development's Inc.'s 504 loan program includes the counties of Butte, Lawrence, Meade, Pennington, Custer, and Fall River.

The 504 loan program continues to be the primary tool used by NHCD for business retention and expansion

The impact of the retention and expansion program as a result of NHCD's effort through the 504 Loan Program is as follows: total SBA share - $6,924,000; total bank share - $8,267,398; total cash injection by the individual business - $3,162,370; total development funds from all sources - $18,092,073; total jobs created - 666.

Georgia Sandgren is the Economic Development Financial Professional. She has attended specialized 504 Loan Program Training courses so that NHCD can provide proper service to our clients.

Small Business Development Center (SBDC)

Northern Hills Community Development was a major partner in submitting a grant proposal to the University of South Dakota for the continuation and expansion of the Small Business Development Center. Beginning January 1, 1998, the staff, consisting of Regional Director Valerie Simpson, Business Consultant Duane Fladland, and Administrative Assistant Krista Tyler, are employees of Black Hills Special Services Cooperative. NHCD provides administrative services to the program.

West River Small Business Development Center operates as a partnership between the U.S. Small Business Administration (SBA) and the University of South Dakota.

The philosophy of the Small Business Development Center is to assist new or existing entrepreneurs in preparing complete business plans; educate them in the principles of small business management; and empower them with the skills and resources to make future management decisions.

SBDC delivers its services primarily through one-on-one consulting and small group training seminars. All services are free-of-charge and strictly confidential.

Telecommunications

Northern Hills Community Development, Inc. strategic planning has identified telecommunications capabilities to be critical to and revitalizing the economy and communities of the area. Our goal is to develop telecommunications resources that can support current and future economic opportunities and ensure continued access to quality health, education, and other needed services. NHCD has and will continue to sponsor and promote regional dialogue and feasibility studies relating to telecommunications.

NHCD has recently submitted a grant proposal to the U.S. Department of Commerce which if funded, 1) will connect our communities to one another and to global opportunities, and 2) develop a telecommunications infrastructure that will support the long-range demands for economic and community development.

Community Development

Northern Hills Community Development, Inc. responds to issues that affect the Northern Black Hills of South Dakota. When Homestake announced work force reductions and operational restructuring, NHCD responded by helping put a steering committee into action. The steering committee mobilized all organizations, resources, and individuals to focus on re-employment opportunities for displaced workers and to develop long-term strategies for economic diversity in the region.

Currently, NHCD is actively engaged with Community Action Resource Enterprise (CARE), which is the new name for the steering committee. Retired business executive Ed Yelick has volunteered to serve as the director. The group is currently in the process of developing a long-range plan for economic vitality and job creation in the Northern Black Hills.

In March, Northern Hills Community Development, Inc. organized a "Community Showcase" which involved a tour by eight staff from the Governor's Office of Economic Development (GOED). They visited each of the communities served by NHCD. The GOED representatives heard comments and concerns from each community and left with a better understanding of our region.

NHCD continually promotes the region to businesses that desire to expand or locate within the Black Hills. Northern Plains Premium Beef is an example of a project in which Northern Hills Community Development, Inc. was involved in site selection.

(Continued on page three)

Manufacturing System, Inc.	Belle Fourche
Jon Mattson	Deadwood
McGladrey & Pullen, LLP	Rapid City
Meade County Housing & Redevelopment Comm	Sturgis
Mountain Plains Health Consortium	Ft. Meade
Northern Hills Federal Credit Union	Sturgis
Northern Hills Insurance, LLC	Belle Fourche
Mettler's Jack and Jill	Newell
Midnight Star	Deadwood
Montana-Dakota Utilities Company	Spearfish
Lariat Motel	Belle Fourche
Newell Community Club	Newell
Northern Hills Homes	Whitewood
Norwest Bank of the Northern Black Hills	Deadwood
Bruce Oberlander	Deadwood
Ray Osloond	Central City
Jeff Parrett	Whitewood
Perkins	Spearfish
Phoenix Enterprises, Inc.	Lead
Pioneer Bank & Trust	Belle Fourche
Richard Pluimer, P.C.	Belle Fourche
Pope & Talbot, Inc.	Spearfish
Porta Storage	Sturgis
David Purmel & Associates, LLP	Belle Fourche
Rapid City Journal	Rapid City
Real Estate Center, Inc.	Spearfish
The Real Estate Center of Sturgis	Sturgis
Kim Richards	Newell
Rushmore Bank & Trust	Spearfish
Rushmore State Bank & Trust	Rapid City
Harlan Schmidt	Spearfish
South Dakota Cable, Inc.	Sturgis
Spearfish Bootery	Spearfish
Spearfish Electric & Heating	Spearfish
Spearfish Extinguisher Service	Spearfish
Sowers Sanitation, Inc.	Belle Fourche
Mark Straub	Central City
Sturgis Industrial Expansion Corporation	Sturgis
Town-N-Country Plumbing	Sturgis
Ellis & Mary Lou Tripp	Belle Fourche
Fran Turner	Newell
U.S. Bank	Rapid City
Neil and Linda Vollmer	Newell
Barney Wagner, Sr.	Spearfish
Watson Apothecary, Inc.	Sturgis
Tony Westberg	Whitewood
Western Dakota Insurors, Inc.	Sturgis
West River Foundation for Education Excellence	Rapid City
Ken Wetz	Newell
Wharf Resources	Lead
Wheeler Consolidated, Inc.	Whitewood
White House Inn	Lead
Kevin Whitelock	Belle Fourche
Rand Williams	Spearfish
Williams & Moncur, P.c.	Spearfish
Wolff's Plumbing & Heating, Inc.	Spearfish
Denny York	Lead
Ruth Ziolkowski	Crazy Horse
David Zwetzig	Newell

NHCD Progress Report 1997-1998

(Continued from page two)

West River Economic Development Coalition

In August of 1997, a steering committee formed a coalition named the West River Economic Development Coalition. Northern Hills Community Development, Inc., Black Hills Council of Local Governments, Rapid City Area Economic Development Partnership, Black Hills Special Services Cooperative, Sturgis Industrial Expansion Corporation, Black Hills Power & Light, and West River Electric Cooperative were initial members of the steering committee.

The purpose of the Coalition is to provide comprehensive economic development services to Western South Dakota. The Coalition also intends to reduce duplication of services and to coordinate information regarding available services. So far, the Coalition is sponsoring and/or supporting the following services:

1. West River Small Business Development Center (SBDC)
2. Service Corps of Retired Executives (SCORE)
3. Business Information Center (BIC)
4. Regional Revolving Loan Fund (RLF)
5. Governor's Office of Economic Development Outreach
6. Regional Marketing

The Coalition has expanded to include many other groups and individuals. Efforts are continuing to start a regional revolving loan fund and to establish a "one-stop shop" for economic development services.

Bob Knecht is currently coordinating the physical and program components of the "one-stop shop," which will be named the West River Business Service Center.

FINANCIAL STATEMENT IS FROM THE ANNUAL FINANCIAL REVIEW PREPARED BY McGLADRY & PULLEN, LLP, CPA

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 – 1997-1998

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 Johnson	Sturgis
Tony Westberg, Jeff Parrett	Whitewood

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

Staff
Jim Doolittle, Executive Director
Georgia Sandgren — EDFD
Vickie Harter — Administrative Assistant

Funding the Development Corporation
504 Loan Program — 60%
City/County — 11.5%
Membership Contributions — 11.5%
Other — 17%

1998 Membership
119

Membership Activities
1. Newsletters sent to all members.
2. Annual meeting and banquet held the first Friday in May.
3. NHCD executive director serves as ex-officio member of local development groups.
4. Endorse and support local efforts that encourage responsible community development.

Retention and Expansion Activities
1. SBA 504 Loan program available to local businesses for expansion purposes.
2. Liaison between business concerns and the Governor's Office of Economic Development.
3. Revolving loan fund available.
4. NHCD executive director serves as ex-officio member of local development groups.

New Business Attraction Activities
1. SBA 504 Loan program available as a component of prospects' financial incentives.
2. Facilitates discussions between business concerns and the Governor's Office of Economic Development.
3. Revolving loan fund available.
4. Participates in regional marketing efforts.
5. Brochure and video available.

NORTHERN HILLS COMMUNITY DEVELOPMENT, INC.

STATEMENTS OF FINANCIAL POSITION – September 30, 1997

ASSETS	1997
Current Assets	
Cash	$16,720
Certificate of deposit	35,000
Interest receivable	363
Current maturities of note receivable	3,273
Investments	46,298
Total current assets	101,654
Other Assets	
Note receivable	29,870
Total assets	$131,524
LIABILITIES AND NET ASSETS	
Current liabilities	
Accrued contract services expense	$11,448
Total current liabilities	11,448
Net assets, unrestricted	120,076
Total liabilities and net assets	$131,524

STATEMENTS OF ACTIVITIES – Year Ended September 30, 1997

	1997
Total unrestricted revenues, gains and other support	590,785
Total expenses	75,570
Increase in unrestricted net assets	15,215
Net assets, beginning of year	104,861
Net assets, end of year	$120,076

Northern Hills Community Development 1997-1998 Board of Directors

Back Row: Tony Westberg, Whitewood; John E. Johnson, Sturgis; Vern Bills, Belle Fourche; Dave Zwetzig, Newell; Neil Vollmer, Newell; Bruce Oberlander, Deadwood; Bev Hink, Lead. Front Row: Harlan Schmidt, Spearfish; Judy Larson, Spearfish; Harley Lux, Lead; Doreen Allison Creed, Sturgis. Not Pictured: Kevin Whitelock, Belle Fourche; Bob Kaul, Deadwood; Jeff Parrett, Whitewood; Mark Straub, Central City; Ray Osloond, Central City.

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. 1998-99 PROPOSED BOARD OF DIRECTORS

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

(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

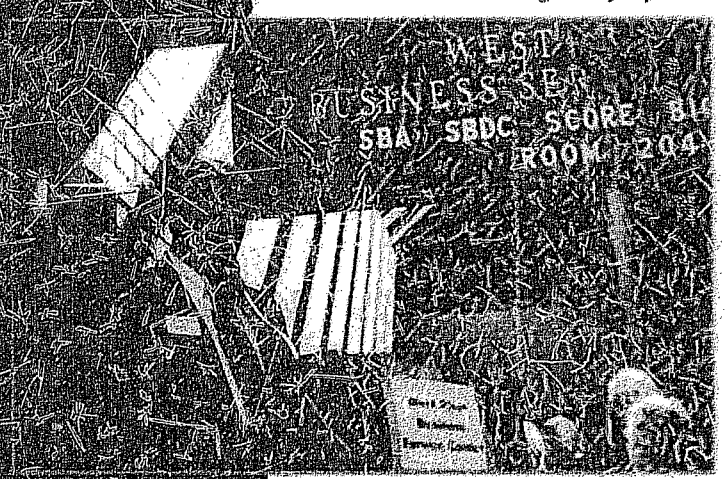
Low Equity Requirements
Competitive Interest Rates And Terms

Composed of leaders who understand western South Dakota's business climate firsthand, the West River Economic Development Coalition assists existing and new businesses across 21 counties. The Coalition works closely with state leadership through the Governor's Office of Economic Development, which is committed to effectively meeting the needs of business people by regionalizing efforts. Toward that goal, the Coalition launched three initiatives in 1998 that are making an immediate and positive impact in western South Dakota:

1. **Revolving Loan Fund** — Addressing the need for more development capital aimed at West River business and industry, the Coalition successfully applied for a $1 million United States Department of Agriculture Rural Development award. The fund makes possible low interest loans for land and building acquisition, equipment, training, and other costs for business expansion or start-up.

2. **West River Business Service Center** — This one-stop information and technical assistance facility opened in September, 1998, on the second floor of Rapid City's Rushmore Plaza Civic Center. Most services are free, thanks to funding by public and private sources, including the Small Business Administration which provides software and library materials for clients' use. Three organizations housed in the center fulfill separate functions:

- Business Information Center, with an extensive library that includes videos on business topics. Four computers may be used for Internet access or writing business plans. The Business Information Center manager is prepared to answer questions about Small Business Administration loans and services.



Governor's Office of Economic Developer Commissioner Don Wheeler spoke at the opening of the West River Business Service Center.

- Small Business Development Center has two full-time consultants who help clients determine the feasibility of a business idea or expansion plan, and who assist in preparing business plans. These consultants also share expertise in market research and available financing sources.

- Service Corps of Retired Executives (SCORE) puts its 100 volunteers to work counseling clients about business realities. Individuals wanting to start businesses meet with at least two members, and existing businesses can benefit through an ongoing mentoring program.

3. **Regional Marketing** — South Dakota business leaders know that the best strategy for recruiting business and industry—an intensely competitive process—is for local development groups to band together. The state provides an incentive for cooperative promotion, and the Coalition provides a means for creating that type of marketing.

CITY OF HILL CITY

"Heart of the Black Hills"

P.O. Box 395 Hill City, SD 57745 (605) 574-2300

August 23, 1998

Ms. Kristy Schmitz
Custer District Manager
Black Hills Power and Light Co.
447 Mt. Rushmore Road
Custer, South Dakota 57730

Dear Ms Schmitz,

On behalf of the Board Members of HCAMP, we would like to thank you and Black Hills Power and Light Company for the generous grant that you have bestowed on our organization. We are fortunate to have a community minded company in our playing field. HCAMP is a non profit organization of Volunteers working to improve the conditions of our ball diamond/playground area. The money that was awarded to us will be used to complete the lighting system in our softball diamond and upgrade the lights in the picnic shelter. We installed fluorescent lights in the shelter, which lasted about a week before they were knocked out. We will be able to upgrade and utilize the picnic shelter. Thank you very much for the very generous grant. We are building for the future of Hill City and I'm glad BHP is a part of that plan.

Sincerely,

Pete Stach
Park Board President (HCAMP)

Lead Area Chamber of Commerce
Winterfest Committee
640 W. Main, Suite A
Lead, SD 57754
605-584-1100 (phone) • 605-584-2209 (fax)
leadcc@mato.com (e-mail) • www.lead.sd.us (web)

Lead South Dakota

November 23, 1998

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

Jim Jeffrey
Black Hills Power & Light
425 Cliff Street
Deadwood, SD 57732

Dear Mutch and Jim,

The Lead Area Chamber of Commerce would like to take this time to thank Black Hills Power & Light for the $1,000 GOLD Community Grant the Chamber received from Black Hills Power & Light this past summer.

The Chamber's Lead 2000 Committee used the funds to paint several buildings on Main Street and to purchase historical street benches which were placed along Main Street. Because of these improvements, many other businesses began to fix up their storefronts as well. Thanks to Black Hills Power & Light, Lead's Main Street looks better than ever. The Lead 2000 Committee used the remainder of the grant to purchase over 90 additional strands of Christmas lights for the holiday season (think of all the electricity that will be used).

I am enclosing copies of our Chamber newsletters where we recognized Black Hills Power & Light for the GOLD Community Grant. Revitalizing Main Street has been a goal of the community of Lead for several years. This GOLD Community Grant has helped us begin this process.

Sincerely,

Karen Everett
Executive Director

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MITCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX (605) 342-3945

October 26, 1998

Black Hills State University
Dr. Thomas O. Flickema, President
1200 University Street
Spearfish, SD 57799-9500

Dear Dr. Flickema:

Thank you for selecting me to participate on the Advisory Board for the Entrepreneurial Studies Program. I am enthused and honored to assist Black Hills State University in this new venture. I feel this program will become a popular addition to your Bachelor of Science program.

As a member of several economic development boards and committees, I feel this program will be a great asset to new prospective businesses, as well as target individuals seeking business independence and a process to succeed as an entrepreneur.

I look forward to meeting my fellow board members and supporting the program with my expertise in marketing and economic development.

Sincerely,

Mitch Usera
Manager, Marketing Services

cc: Ev Hoyt, President
Black Hills Power & Light

COMMITTEE
AGRICULTURE
(202) 224-2321
TOLL FREE 1-800-424-9094
Email: Tom_Daschle@daschle.senate.gov
Internet: http://www.senate.gov/~daschle

United States Senate
WASHINGTON, DC 20510–4103

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TDD [redacted]

United States Department of Commerce, Economic Development Administration

ECONOMIC ADJUSTMENT PROGRAM

Program Goals

The Economic Adjustment Program helps States and local areas design and implement strategies for facilitating adjustment to changes in their economic situation that are causing or threaten to cause serious structural damage to the underlying economic base. Such changes may occur suddenly (Sudden & Severe Economic Dislocation) or over time (Long-Term Economic Deterioration), and result from industrial or corporate restructuring, new Federal laws or requirements, reductions in defense expenditures, depletion of natural resources or natural disasters.

Eligibility Criteria

An applicant may be a state, a city or other political subdivision of a state, or a consortium of such subdivisions, an Indian Tribe, a designated Redevelopment Area (RA), a community development corporation (CDC), or a nonprofit organization determined by EDA to be representative of a RA. The area(s) to be assisted must either (1) have experienced, or anticipate, a change in the economic situation resulting in the loss of a significant number of permanent jobs relative to the area's employed labor force and/or in other severe economic impacts, or (2) manifest at least one of three symptoms of economic deterioration: very high unemployment, low per capita income, or failure to keep pace with national economic growth trends over the last five years. EDA regional offices should be consulted regarding the eligibility of individual areas.

Project Types

Strategy grants provide the recipient with the resources to organize and carry out a planning process resulting in an adjustment strategy tailored to the particular economic problems and opportunities of the impacted area(s). Implementation grants may be used to support one or more activities identified in an adjustment strategy approved though not necessarily funded by EDA. Implementation activities may include, but are not limited to: the creation or expansion of strategically targeted business development and financing programs including grants for revolving loan funds, infrastructure improvements, organizational development, and market or industry research and analysis.

Selection Criteria

Key selection factors include the relative severity of the adjustment problem, the quality and potential effectiveness of the adjustment strategy (for implementation investments), and the extent to which the proposed activities will contribute to facilitating private sector investment in the types of enterprises and industry sectors that will strengthen the economic base of the area.

Application Process

Prospective applicants should contact the Economic Development Representative or regional official for the area to ascertain eligibility and guidance for preparing an investment proposal. Normally no deadline for the submission of proposals exists. Depending on the merits of a proposal, EDA may invite submission of a formal application.

PRINTED ON RECYCLED PAPER

Message from the president

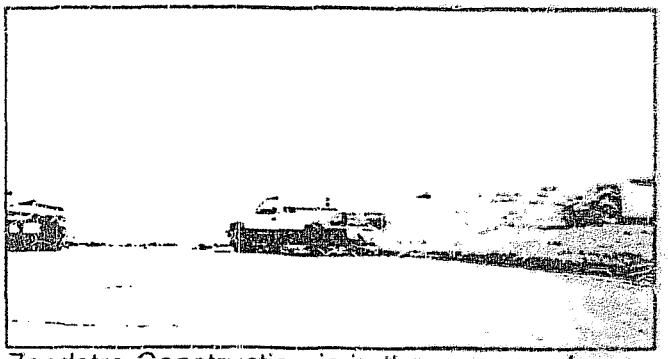
Rushmore Business Park update

By Bob DeMersseman, president
Economic Development Partnership

If you have the chance, you should take a look at the developments taking place at Rushmore Business Park. Zandstra Construction has nearly completed the grading, and it's easy to see that the expansion will be a great addition to Rapid City's economic development program.

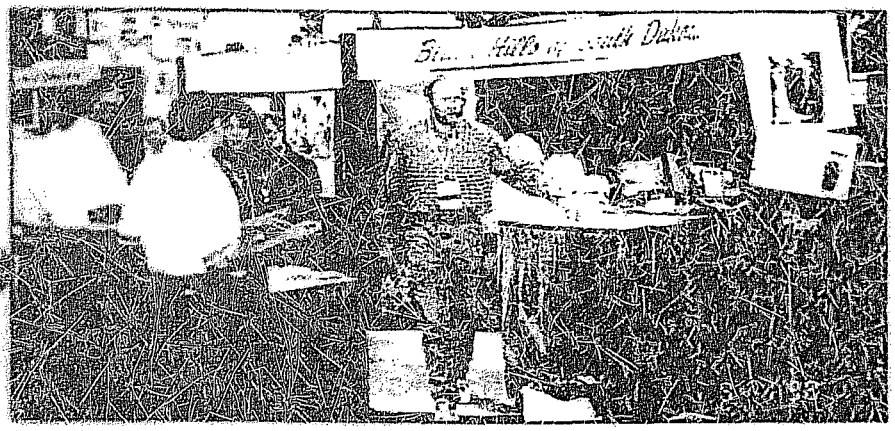
The terrain lends itself perfectly to the overall function and beauty of the park. The upper tier of lots has a panoramic view of the Black Hills and Mount Rushmore. The lower tier of lots is designated as light industrial and will lend itself to the current use in Rushmore Business Park.

We have shown the park to several prospects over the last month and judging from their response, the development will be well-received.



Zandstra Construction is in the process of completing the grading on the expansion of Rushmore Business Park.

World Conference on Incoming Call Center Management



Ron Rosenboom, chairman of the Black Hills Business Council Marketing Committee and executive director of the Sturgis Industrial Expansion Corp., reaches for gold foil wrapped chocolates stamped "Black Hills of South Dakota" on one side and "Mount Rushmore National Memorial" on the other. The gold chocolates proved an effective enticement tool. Also pictured are Mutch Usera, Black Hills Power & Light; Cindy Mayes, Custer County Chamber of Commerce; Jim Doolittle, Northern Hills Community Development Corp.; Brian Boyer, West River Electric Co-op.; and Bob DeMersseman, Rapid City Economic Development Partnership.

Bruce Lyon, Governor's Office of Economic Development; and Bob DeMersseman, Rapid City Economic Development Partnership, in the booth at the ICCM '98 conference. Pictured at far right is Deb Eiring, Hot Springs Chamber of Commerce.

Business council works to promote Black Hills

Members of the Black Hills Business Council recently worked to entice attendees at the 1998 World Conference on Incoming Call Center Management at their booth in Denver, Colo. The booth, beautifully backgrounded by Mount Rushmore, displayed the benefits of doing business in the Black Hills of South Dakota. The state's "no tax" business climate was also promoted at the entrance of the booth, in essence — the entrance to doing business in the Black Hills.

The Black Hills Business Council is an organization comprised of chambers, economic developers and convention and visitors bureaus from throughout the Black Hills. In addition to the council members, representatives from Black Hills Power & Light and West River Electric Cooperative attended the three-day event, which drew some 3,000 to 4,000 individuals from across the United States and abroad. Similar joint marketing efforts have been sponsored by the business council over the last three years, and the organization plans to continue its pooled efforts at a manufacturing trade show in Chicago, Ill., in March 1999. Involved in the joint effort are Northern Hills Community Development, Custer, Belle Fourche, Hot Springs, Sturgis, Spearfish, Rapid City, West River Electric Cooperative and Black Hills Power & Light.

Message from the president

Advisory committees play important role

By Bob DeMersseman
EDP president

The Economic Development Partnership was reorganized in 1991. The purpose was to create an economic development program that can make the best use of all the resources available in the community.

As part of the reorganization, it was recommended the partnership structure itself with three advisory committees.

The committees deal with areas of attracting new industry, the retention and expansion of our local industry and the support of start-ups and entrepreneurs in the Rapid City area.

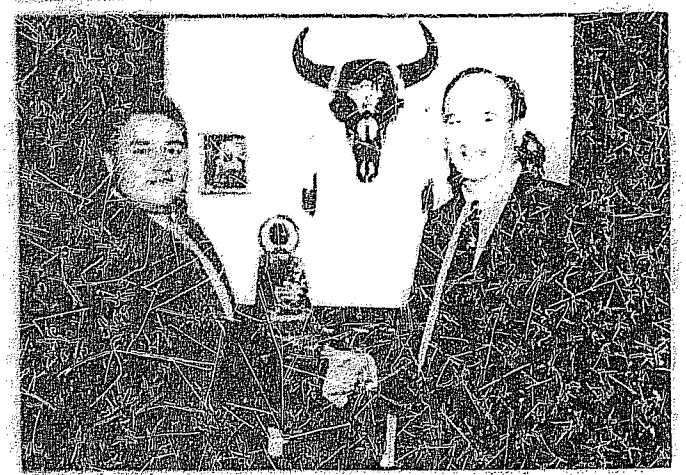
The partnership advisory committees have played a major role in broadening participation of people in the business community in our economic development effort. They act as the eyes and ears for the board of directors. They provide relevant input that deals with the needs and aspirations of our business community and our long-term goal which is quality jobs in Rapid City and the Black Hills area.

We have over 100 volunteers involved in the three advisory committees. These committees are structured with an open door policy that allows an individual to devote as much time and effort to the committee as they feel comfortable.

The advisory committees also play the important role of educating a significant number of people about economic development in Rapid City and Western South Dakota. A large percentage of the people now serving on the partnership's board of directors once served as active committee members on one of the three advisory committees. We feel this is one of most important aspects of the community and that it provides a great training ground for not only members of the partnership board of directors but also the Rapid Fund and the Economic Development Foundation boards.

The members of the committees sometimes take on specific projects that support the economic development effort. Their primary goal is to provide a flow of new ideas and suggestions to our various boards.

Blue Chip Award



Mass Mutual representative Erich Arnbrecht, left, presents the Blue Chip Award to Douglas Mastel from Mastel Precision.

Blue Chip Award goes to Mastel Precision

The Blue Chip Award, sponsored by the U.S. Chamber of Commerce and Mass Mutual, is awarded to companies that have encountered adversity and succeeded in getting the company turned around.

Douglas Mastel realized the domestic market was not as profitable as it had been and decided to direct the company to international sales. He established a very effective worldwide web site and began to work the international market. Within one year he nearly doubled international sales. This is the direction that the company will continue to pursue.

Mr. Erich Arnbrecht, the nearest Mass Mutual representative from Scottsbluff, Neb., came to Rapid City to make the presentation at a noon luncheon at the Landmark Restaurant. This was the only Blue Chip award made in South Dakota this year.

Hey, Small Business Owner!

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be matched up with
an experienced business owner
to be your own

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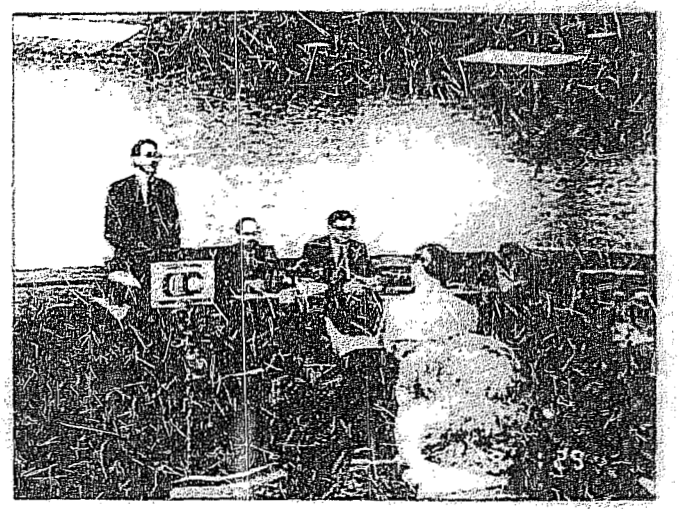
West River Business Service Center
U.S. Small Business Administration

FREE Tailgate Dinners will be served (with RSVP)

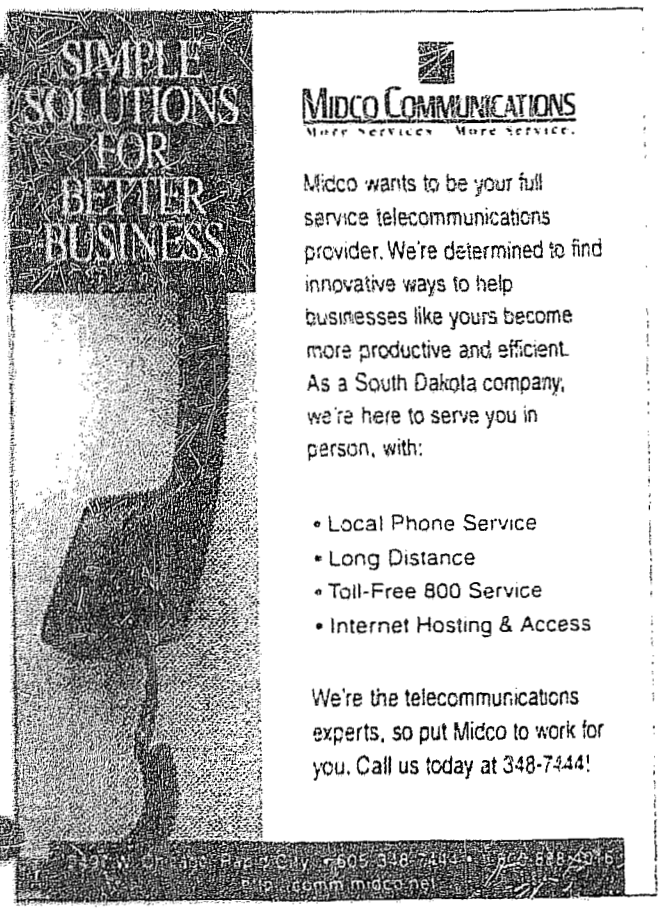
Call: (605) 394-1706 to RSVP or to get more information.

EDP ANNUAL MEETING

Lyda Busse, RE/MAX Realtors, and Phil Wolff, Raben Real Estate, representing the Black Hills Board of Realtors, present Randy Hamburg, chairman of the board, Rapid City Area Economic Development Partnership with a check representing their contribution to the marketing efforts of the Partnership for 1998. Also pictured are Partnership executive board members Pat Burchill and Sue Retzlaff.



Randy Hamburg, Norwest Bank, was elected chairman of the board of the Rapid City Area Economic Development Partnership for 1998 at the Partnership's annual meeting held on Jan. 28. Hamburg accepted the gavel from 1997 Chairman Pat Burchill, First Bank, pictured in the center. Seated next to Burchill is Bob DeMersseman, president of the Rapid City Area Economic Development Partnership.



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We're the telecommunications experts, so put Midco to work for you. Call us today at 348-7444!

[illegible] Rapid City • 605 348-7444 • [illegible]

A nice crowd was in attendance at the 1997 Annual Meeting of the Rapid City Area Economic Development Partnership held in the Rushmore Plaza Civic Center. Rapid City proudly boasts a successful year for 1997 and looks forward to continuing success in 1998. The Partnership would like to take this opportunity to thank the many volunteers who dedicate their time and talents towards continuing Rapid City's economic development efforts.

...eir employees ...ough attention, mean... trust, self and ma... practices Greg also discussed the power of enthusiasm, satisfiers and dissatisfiers, along with empowerment. Dave Simpson aimed to get the attendees to

...ical Competition For a Quality Workforce." The seminar will be held at 11:30 a.m. Thursday, April 9, in the chamber boardroom (No. 207 in the civic center). The cost is $5 for registration and lunch. You must RSVP to Jayne at 343-1880, ext. 18. Space is limited!

A group of 59 entrepreneurs and business people attended the March Learning Lunch.

Boyer to lead Economic Development Foundation

The Rapid City Economic Development Foundation is pleased and proud to announce that Brian Boyer, manager of Communications and Economic Development for West River Electric Association, Inc., has assumed the position of chairman, and will lead the organization through 1998, and the beginning of the Rushmore Business Park expansion. Ev Hoyt, Black Hills Corp., was elected vice president and Tom Zeller, RE/SPEC, will take over the treasurer's position.

The Rapid City Economic Development Foundation owns and operates Rushmore Business Park and South Creek Industrial Park for the purpose of maintaining an inventory of land available for economic development purposes. The foundation is part of a three-tiered economic development organization: the Rapid City Economic Development Partnership, administration and marketing; the Rapid Fund, financing opportunities; and the Foundation, real estate.

Boyer

The leadership of the foundation is comprised of major lenders to the foundation and others elected to the board by the membership. They include those officers named above and directors Bob Schurger, Pete Lien & Sons; Dan Brabec, Rushmore Bank and Trust; Pat Burchill, First Bank; Mayor Jim Shaw; Gale Holbrook, Pennington County Commission; and Bob DeMerssman, President of the Rapid City Economic Development Partnership.

The foundation recently purchased 112 acres north of the current Rushmore Business Park for an expansion of its light industrial land inventory. Ferber Construction has been contracted to do the engineering work and hopes to be in the ground in April, with land ready and available to sell this fall.

Q&A

How can we help you with a direct mail piece?

We work directly with the Post Office to keep your project within direct mail requirements. If you let us know when using any automated services we can help avoid costly mis-steps in design and printing. One of the most efficient services we offer is folding, but it must be planned into the piece. If you use direct mail regularly, we can help you save money by designing and printing in volume, barcode printing and permit numbers on envelopes.

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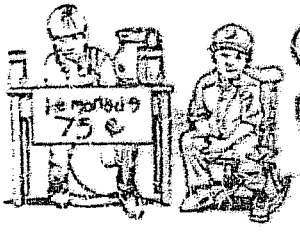


Call Us First

Western Staff Services

1107 Mt. Rushmore Rd., Suite 2 343-4775

Large crowd at March learning lunch

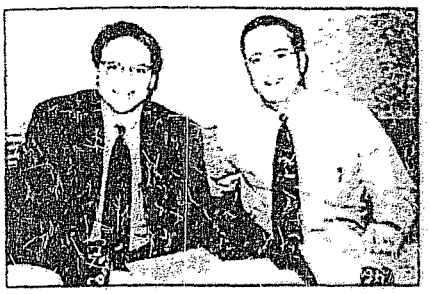
Hot topics among local entrepreneurs and business people were discussed at the March Learning Lunch seminar sponsored by the Rapid City Economic Development Partnership's Entrepreneurial Committee. Greg Ketel, production manager at Timberline Corporation and also an Entrepreneurial Committee member, spoke on employee motivation and Dave Simpson, president of Generations Care, LLC, covered resolving conflict among employees.

With a crowd of 59 people in attendance, plus two local television stations, Greg [illegible] touched on how [illegible]

decide their own employment situation; whether they were part of a privately held company, family business, government agency, nonprofit organization, etc., and what their power position was.

Dave touched on the common issues that lead to conflict, and whether or not people are willing to improve things by not externalizing problems, by avoiding conflict, becoming reationship oriented, and developing people skills by being a good listener and a good talker.

The next Learning Lunch is the last in a three-part series



Greg Ketel, Timberline Corp. left, and Dave Simpson, Generations Care, LLC, were speakers.

Small Business Week

Help for small businesses improves

By Val Simpson
West River Business Service Center

Small Business Week is May 31 through June 6. In recognition that 97.4 percent of South Dakota businesses fall in the category of a small business, it seems appropriate to highlight the free services available to those small businesses through two existing and one future organization, all of which are partially funded by the federal Small Business Administration (SBA).

Currently, western South Dakota is served by two regional Small Business Development Center (SBDC) offices and the West River Service Corps of Retired Executives (SCORE) Chapter. In July, these two organizations are consolidating under one roof in Room 204 of the civic center. An exciting new entity, the Business Information Center (BIC), will be joining SBDC and SCORE. The BIC will house all kinds of business information resources, including start-up guides, access to census data and other governmental information sources, as well as numerous references materials and videos on a variety of topics helpful to small business owners or aspiring entrepreneurs. The BIC will be managed by an SBA employee, the first to be located in western South Dakota in 15 years.

This one-stop center will be called the West River Business Service Center (WRBSC). It will be supported by the new West River Economic Development Coalition that was formed last fall to help support a vision by the Governor's Office of Economic Development to consolidate, eliminate duplication and to increase cooperation between the numerous economic development organizations that exist in western South Dakota.

What all this change means to a small business owner or someone interested in going into business is that you will now have one place to call, rather than many, when looking for assistance. It means the process that a start-up business goes through to utilize the free and confidential services of SCORE and SBDC will be more defined and efficient. It means access to hundreds of reference materials and information sources that before may have been difficult and time consuming to track down. All in all, change is good.

Please excuse our mess as SBDC and SCORE move our offices across the hall to room 204 of the Civic Center during June and July. Our services may be interrupted for a short period of time to allow for training and computer upgrades, but the future result will be worth the wait. Watch for our Open House/Grand Opening tentatively scheduled for July 27.

Committee hosts info booth

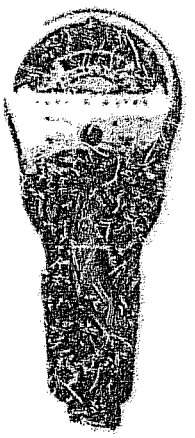
In an effort to help educate individuals on Rapid City's Economic Development Partnership, Foundation and Rapid Fund, the Retention and Expansion Committee hosted an information booth at the Business to Business Expo in April. The booth highlighted different headlines that actually appeared in newspapers throughout 1997 and 1998.

Ann Swan from Advanced Services Inc. won the door prize which was an authentic piece of Mitch Zephier jewelry.

If you were unable to stop by the booth and would like to know more about economic development, or would like to become involved with one of our committees, please call 343-1580 or stop by our office in the civic center.

Thank you to the volunteers who helped man the booth throughout the evening.

You're thinking that a benefits manager can buy you more time.



It's time-consuming to keep tabs on your healthcare plan. Why not have a professional benefits manager police it for you?

You're thinking Firs

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Committees

New Business Attraction Committee

Dan Brabec, 1998 chairman
Jeff Baillie, 1999 chairman
Penny Alderman
Lorre Buhler
Vince Braun
Bob Barbour
Brian Boyer
Raye Jeanne Blunden
Mel Dreyer
Duane Fladland
Arlene Ham
Rick Hanafin
David Holte
Jennifer Landguth
Tracy Settle
Val Simpson
Craig Steinman
Steve Schacht
Verne Thorstenson
Mutch Usera
Kyle White
Don Wrede
Nadene Zeller

Retention & Expansion Committee

Mark Benson, 1998 chairman
Jim Mattern, 1999 chairman
Julene Baillie
Brian Boyer
Dennis Coull
Claudia Dail
Gary Fish
Duane Fladland
Terri Haverly
Bruce Lail
Mike Lees
Sheryl Logan
Rick Messer
Julie Pearson
Diana Saathoff
Patsy Schmidt
Val Simpson
Mutch Usera
Bill Wold
Paul Wright

Entrepreneurial Committee

Duane Fladland, 1998 & 1999 chairman
Merle Bach
Bob Barbour
Dan Carda
Aaron Carr
Sally Farrar
David Hanna
Dean Heintz
Dean Henzlik
Greg Ketel
Sue Retzlaff

Report:

Continued from page 20

Rapid Fund

Since its inception, the Rapid Fund boasts assisting in the start-up of seven new companies, creating 1,014 full-time and 127 part-time primary jobs, with continued growth guaranteed. Because of Rapid Fund commitments to date, within three to five years the Rapid City area should see an additional 232 full- and part-time jobs, and strong potential for even more above and beyond that.

The Rapid Fund is a below market-rate loan program for business expansion, relocation or start-up, focusing on the development of primary jobs in the areas of manufacturing, processing and service exporting.

Economic Development Foundation

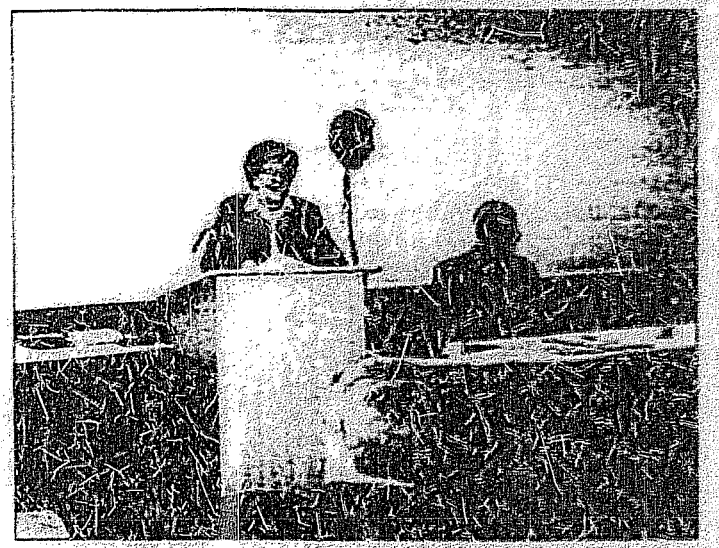
The Rapid City Economic Development Foundation is the real estate arm of the Rapid City economic development efforts. In 1998, the Foundation undertook a major expansion of Rushmore Business Park.

The grading portion of the expansion was completed in 1998 and the final development of the infrastructure will be completed in early summer of 1999. The expansion has added significantly to our inventory of industrial land, specifically light industrial property.

Looking to 1999

The City of Rapid City expanded its financial support for economic development. These additional funds will allow us to undertake a more aggressive marketing program in which we can focus on attracting companies that can provide for an expanded economic base and quality jobs for the people in the Black Hills area. The major components of our new marketing program are as follows:

- A new and expanded Web site
- A new digitally based video that will allow us to use portions of the video on our Web site



1999 Chairman of the Partnership Board, Sue Retzlaff, of Sturgis Wheel Company, Inc., presents the Partnership's goals for 1999. Also pictured is Randy Hamburg, past chair, and Bob DeMersseman, Partnership president.

- New printed promotional materials
- Regional trade shows
- Participation in investment missions utilizing the governor and our congressional offices
- Familiarization tours

State and regional cooperation is a must for Rapid City and the Black Hills to conduct an effective economic development program. Marketing funds are a scarce resource. We've found a strong willingness of all Black Hills communities to pool resources in an effort to send the message that the Black Hills is a great place to live and do business.

Network Partner

West River Business Service Center: For many years, it has been our goal to create a one-stop shop to provide technical and financial assistance to small businesses in the Black Hills and western South Dakota. Through the efforts of many, particularly Bob Knecht, the goal has become a reality. In 1998, the West River Business Service Center opened its doors. The center includes all the necessary agencies to support and augment the growth of small business. The components of the center include: Small Business Administration, SCORE, Governor's Office of Economic Development and Small Business Development Center.

In 1999, an additional capability will be added with the completion of the "Smart Center" Network. When the Smart Center is operational, it will allow SCORE volunteers and full-time employees of the center to actually conduct counseling and training sessions on a one-on-one basis with small business people throughout western South Dakota.

Boards

Rapid Fund Board

Ev Hoyt, president
Bob Kelley
Richard Wahlstrom
Steve McCarthy
Shirley Stec
Tom Zeller
Al Comella

Foundation Board

Brian Boyer, president
Ev Hoyt
Bob DeMersseman
Mayor Jim Shaw
Randy Hamburg
Pat Burchill
Tom Zeller
Dan Brabec
Bob Schunger
Pennington County Commission representative

Annual report

Economic Development reviews year

Boards

1998 Board

1998 Chair: Randy Hamburg, Norwest Bank

Vice Chair: Sue Retzlaff, Sturgis Wheel

Sec./Treasurer: Gary Fish, Black Hills Corp.

Mayor: Jim Shaw

School Board Chair: Carl Stonecipher

Chamber Chair: Dan Warren

County Commission Chair: Gale Hulbrook

SDSM&T President: Richard Gowen

Economic Development President: Bob DeMersseman

Past Chair: Pat Burchill

Non-Voting Member: Ken Gifford, WDTI

At Large Members:

Richard Krull, Merillat Industries

Walt Dennison

Owen Emme, Summit Construction

Robert Knecht

Dr. Tom Krafka, Radiology Associates

Rod Pappel, SDSM&T Foundation

Kathy Johnson, Johnson Environmental

Jim Pahl, West River Electric Assoc.

Harry Christianson, attorney

Proposed 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

Chamber Chair: Bill Barnhart

County Commission Liaison: Mark Kirkeby

SDSM&T President: Richard Gowen

Economic Development President: Bob DeMersseman

Past Chair: Randy Hamburg, Norwest Bank

Non-Voting Member: Ken Gifford, WDTI

At Large Members:

Jim Pahl, West River Electric Assoc.

Harry Christianson, attorney

Owen Emme, Summit Construction

Robert Knecht

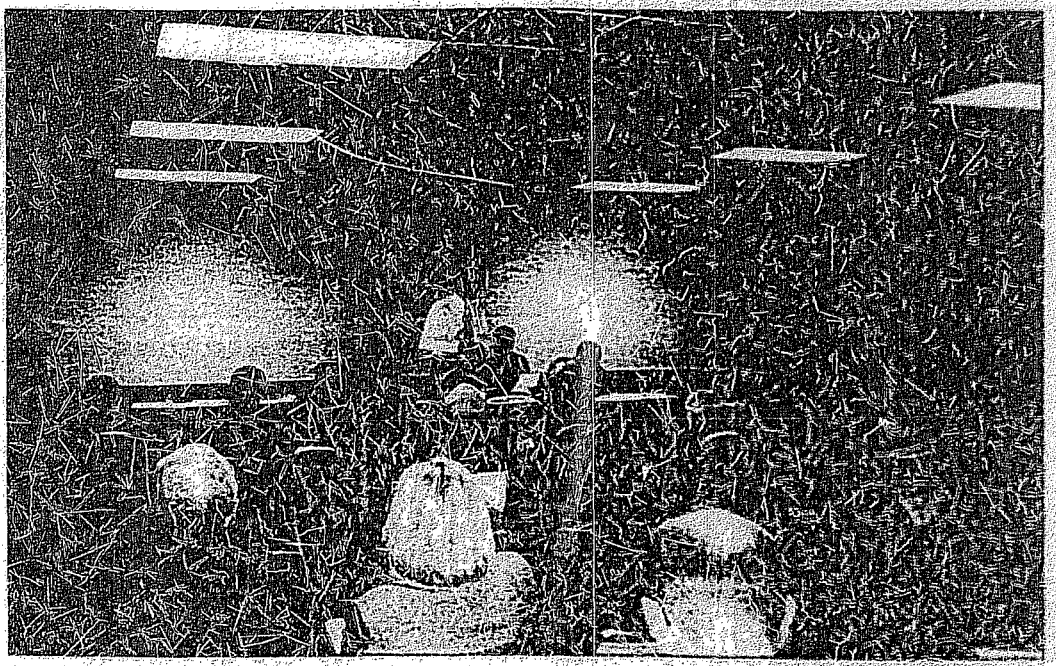
Kathy Johnson, Johnson Environmental

Rod Pappel, SDSM&T Foundation

Gloria Plummer, Career Learning Center

Sandy Diegel, Behavior Management Systems

Rick Herrlin, B.H. Regional Eye Institute



Randy Hamburg, vice president of Norwest Bank and 1998 chairman of the Rapid City Area Economic Development Partnership, addresses a crowd of approximately 60 people at the Partnership's annual meeting held on Jan. 27.

1998 in Review

At the request of the Partnership's Board of Directors, an economic impact study was undertaken to determine the impact of the EDP. The study was designed to determine what impact we had in the area of job and income growth and considered the number of jobs created over the past six years through the direct efforts of the Rapid City Economic Development Partnership, the Rapid City Economic Development Foundation and the Rapid Fund.

The findings were significant. The study showed the creation of 4,000 new jobs and $77 million in new wages annually to the city's economy.

It is important to note that the impact study was conducted using those companies that we dealt with directly and provided some type of incentive during their site location process. Harder to measure, yet just as important, were our efforts to assist local companies in their continued growth.

Economic Development Partnership

EDP staff and volunteers successfully hosted a number of industrial prospects. We were chosen as a finalist by a nationally known financial services company that is relocating and consolidating five of its call center operations.

We were not successful in the final analysis because of an incentive package of approximately $4 million offered by our competitor in North Dakota.

We remain confident that Rapid City is a great place to do business and will continue to be able to attract companies looking for more than up-front cash.

Advanced Services, Inc.: ASI-Rapid City, a wholly owned subsidiary of General Electric Appliances, became operational in early 1998 in a new 40,000 square foot call center in Rushmore Business Park, and will eventually employ 400 people.

Green Tree Financial: In October 1998, Green Tree announced a major expansion in Rapid City, including remodeling the former Magnum Diamond building to house the new division. It will employ an additional 130 in the new facility and will pay considerably above the prevailing wage.

Heartland America: Heartland America, a national merchandise catalog mail order company, chose Rapid City as the site for their first expansion outside of Minnesota.

It set up operations in the lower level of the US Bank Building, initially employing 30 people with plans to grow in the near future.

DB Western: Richard Krull took the lead in convincing one of their major suppliers to locate an operation in Rapid City. DB Western has located an adhesive production facility adjacent to the Merillat Plant to serve Merillat and other industrial clients.

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Mid-Year Report

Chamber committees report on progress

The Chamber Board of Directors welcomed members of the city council, county commission, school board, legislators, staff and chamber members to the mid-year reports presented by the chamber committee chairs. These reports recount the progress of each committee and the more than 800 volunteers who advance and promote the chamber's efforts to ensure our quality of life and enhance our economic well being. Highlights from the reports are presented below:

■ "FRONTIERS — FORGING OUR FUTURE"

Chamber Annual Business Plan versus Long-Range Strategy

Jim McKeon, chamber president, reviewed the chamber's mission and long-range plan and showed how they complement the visions listed in "Frontiers — Forging Our Future." Joe Dobbs, chairman of the Chamber's "Frontiers — Forging Our Future" Task Force, discussed the chamber's role. It's important to keep in mind that the Frontiers Vision and the strategies required to accomplish the vision are a long-term project. To keep each strategy in perspective, each committee should build strategy development and accomplishment into its plan and the annual business plan. Goals should be set on an annual basis keeping benchmarks in mind, on a short and long-term basis. Dobbs reported the chamber has adopted 77 strategies and the success of the Rapid City Area Chamber of Commerce's involvement in the Frontiers project is on the shoulders of our committee chairs and committee liaisons.

PUBLIC AFFAIRS — Division Chair: Haven Stuck

Governmental Affairs — Chairman Ed Yelick: The committee's purpose is to increase business involvement in political and legislative issues at the local, state and federal levels. Sub-committee chairs have been assigned to all projects in the program of work, and 50 percent of those projects have been completed including a pre-legislative briefing and governor's address, crackerbarrels, Business Day at the Legislature, the mayoral debate and the State of Local Governments. Tax issues continue to be a major item at committee meetings.

Military Affairs (MAC) — Chairman Mike Derby: The MAC is well into another successful year. The plan of work is on schedule and meetings are hosted at Ellsworth Air Force Base, South Dakota National Guard and the chamber. During the first half of the year, the committee provided a substantial monetary contribution to Ellsworth's annual recognition program and hosted a welcome home party from the recent Gulf Crisis for over 500 Ellsworth personnel and their family members in late January. In the coming month, it will be preparing for the annual Ellsworth Honor Guard Banquet and Summer Golf Tournament.

Cultural Diversity — Chairman Roger Campbell: The committee has had a number of successes as well as an inability to accomplish several projects on the program of work. It has promoted Native American Day activities at Crazy Horse Memorial and provided a speaker who gave a personal testimonial of life experiences to youth and profiled role models in the Investment Report. It is in the process of hosting a Cultural Diversity Workshop luncheon on April 6. Luke Yellow Robe will be the speaker. The committee is having limited success on recruitment of new members, researching and categorizing minority business, and support of the Lakota Nation Invitational. The committee will be researching new ways to promote these activities in the future.

Ellsworth Task Force — Chairman Bill Barnhart: The task force continued keeping its eye on the ball to not let the coming rounds of base closure suddenly come upon us. Its primary objectives are to assure the best community environment is available for Ellsworth and keep our community and its leaders aware of its value to our economic well being. Contact is continuous with our congressional and state officials, DOD leaders, and senior Air Force leaders. The task force was host to both Sen. Tom Daschle and Deputy Secretary of Defense John Hamre. Additionally, it is promoting the construction of a new interchange to make it safer for neighbors living near the runway. A member of the task force will meet with senior defense leaders and a small delegation will travel to Washinton soon to again recommit our communities' dedication to Ellsworth's personnel and its mission.

Transportation — Vice Chair Rob Saylor: The committee has been actively monitoring the following local and regional transportation projects: The Heartland Expressway, DM&E railroad expansion and upgrade, the Southwest Connector, and I-90 Haines Avenue to I-190 realignment and interchange modification, and exit 67. It will continue to promote the value of the Heartland Expressway, continue to work with the State of South Dakota Highway Commission, local legislators, congressional delegation, county commissioners, city councils, Black Hills Council of Local Governments, the governor, and in particular with our partners supporting the Eastern and Mid-Dakota expressways to advance and see to the completion of the Heartland Expressway.

Air Service Task Force — Mayor Jim Shaw: Some accomplishments of the Task Force are: personal visits to United Airlines in Chicago and Skywest (Delta Connection) in St. George, Utah, hosted several airline executives from Northwest and Air Wisconsin, aircraft upgrades, addressed the fare pricing issue, hired a consultant to monitor fares and airline profitability as well as advise on recruiting visits to other airlines. The task force will continue to work with the business community to seek lower fares for the business traveler and to work with the Convention and Visitor's Bureau, Black Hills Cen-Res and United Airlines to arrange for a bulk fare agreement. Efforts will continue to obtain funding for Task Force operations.

ORGANIZATIONAL DEV. DIVISION — Division Chair: Bruce Rampelberg

Budget & Finance — Chair Dennis Popp: Popp reported the chamber is in a positive financial position. The audit was excellent and preparations are already under way for next fiscal year. He reminded the committee chairs that its time for them to review their program of work and to develop their budget requests for submission to this committee.

Diplomats — Chair Bruce Rampelberg: The Diplomats continue to expand the membership while maintaining good relations with current members, new members, visiting dignitaries, and area communities. The committee continues to host at mixers and provide VIP recognition. An on-going project is to make collection calls on past due accounts and to sell new memberships. Some events yet to come are the lottery party and pig roast. The Diplomats are one of the primary fund-raising arms of the chamber.

RURAL COMMUNITY DEV. DIVISION — Division Chair: Monte Lucas

Agriculture/Nat. Resources — Chair Bob Martin: Discussions and activities have expanded beyond the projects listed for the committee due to the state of the farm economy and issues involving the natural resources of the Black Hills. Among these were: support for the removal of eleven western Nebraska counties from Federal Milk Order 65 which helped bring

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Businesses Go to CAMP

Industry benefits from Center for Advanced Manufacturing & Production high-tech resources

Kids usually go to camp in the summer, but businesses can go to CAMP at SDSM&T year round. CAMP, or the Center for Advanced Manufacturing and Production, is an exciting new program at SDSM&T that emphasizes interdisciplinary research and enterprise teams to help companies solve design and manufacturing problems. In addition, CAMP will provide SDSM&T students with a top-quality design and manufacturing education that is on the cutting edge of today's engineering curriculum.

"Industry wants this," says Dr. Dan Dolan, Professor of Mechanical Engineering and Director of Academic Programs of CAMP. "The National Science Foundation recognizes the necessity of training and education of this type, where students learn to integrate engineering with communication skills and business knowledge."

"CAMP has a meta-focus, not a focus on solving minor details of a problem," explains Dr. Dolan. "The emphasis is on developing more holistic engineering and product development." To reinforce his point, Dr. Dolan references a statement in a book entitled, *The Education of Mechanical Engineering in the 21st Century*, in which the engineer of the future is described as "the one who deals in multi-disciplinary teams."

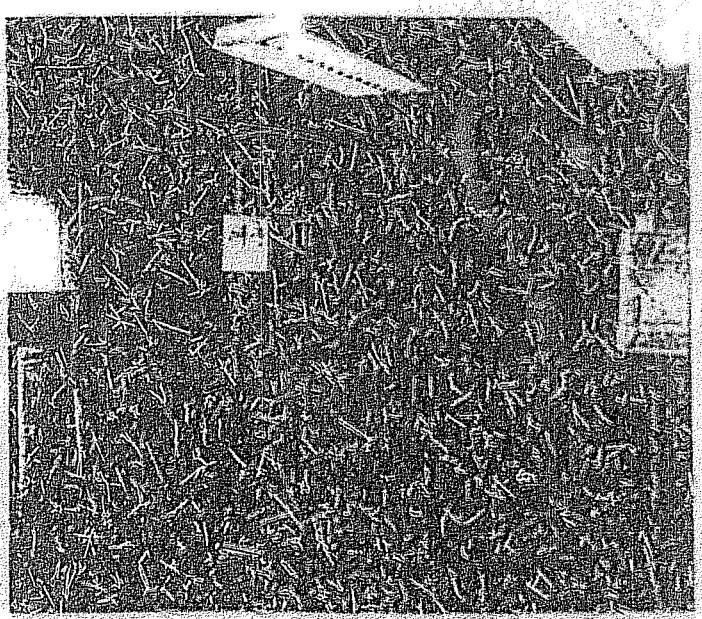
Integrating SDSM&T students and faculty with industry partners, CAMP is designed to develop a unique approach to manufacturing education that also addresses specific industry needs at the same time. Formally kicked off last fall during the South Dakota Board of Regents meeting on campus, the Center for Advanced Manufacturing and Production will create an electronic community using advanced telecommunications technology to facilitate interaction between higher education and industry. CAMP also will provide a focus for manufacturing technology assistance to private industry.

Some businesses wasted little time in taking advantage of the engineering development opportunities offered by CAMP's interdisciplinary team approach. The Center has already been working on three private industry projects and recently committed to undertaking a project with Ramvac Corporation in Spearfish involving the collection of particulate matter.

"For relatively little money, businesses can get a team to look at their problem," explains Dr. Dolan. "This is like going to the Mayo Clinic - where you don't see just one doctor but several doctors. This is a systemic approach."

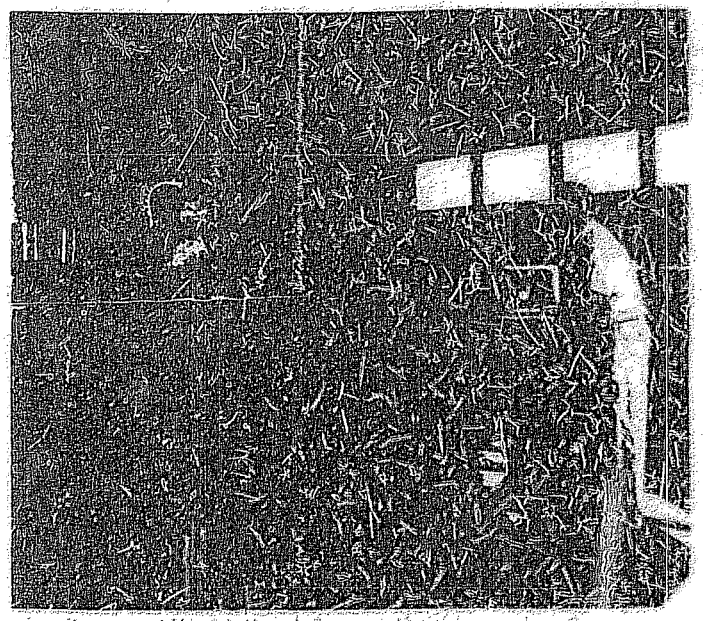
A current CAMP project has a humanitarian emphasis that puts some real-world meaning into how SDSM&T's design and manufacturing technologies can assist mankind and make a difference in an individual's life. A few years ago a spinal injury from a rodeo accident left high school student Randy Rounds of Buffalo a quadriplegic, paralyzed from the neck down. Last year the family contacted SDSM&T officials for assistance in developing a type of voice-activated system that would provide Randy with some voice control of his home environment.

Directed by Dr. Michael Batchelder, Professor of Electrical & Computer Engineering and Executive Director of CAMP, this project has been undertaken by two CAMP students, Mangal Bondada and Mahbubur Reza. They started working last January on developing and testing a voice-activated system for both wireless transmitters and infrared signals that would allow Randy to turn on and off the lights, television, and home appliances.



Photos by Darrell Seiffer

Photo by Mike Wolforth

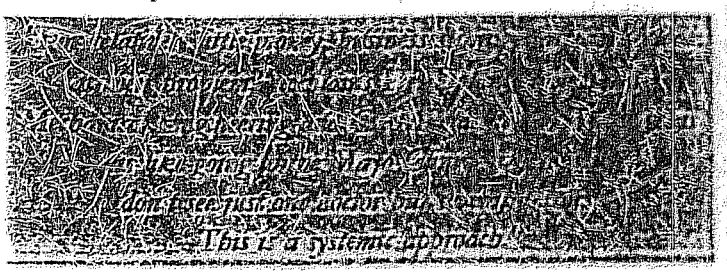


They also are working on modifying a program that will enable Randy to operate a keyboard for a personal computer, including Windows software, through voice commands. Once the system is fully developed, Vinaya Bondada states that Randy will even be able to operate his VCR through voice controls - an appealing concept to those of us who face the challenges of re-setting digital clocks and programming our VCRS!

The CAMP students hope to have the development of the voice-activated system completed in the near future and bring Randy into the CAMP lab to test it. This assistive technology aspect of CAMP provides a dramatic example of SDSM&T's willingness to reach out to the community in a service mode and help whenever possible.

The Center also provides important benefits to the SDSM&T vehicle teams, such as the solar car, Mini-Indy and Mini-Baja. For example, a current CAMP project involves developing a data acquisition model for SDSM&T's solar car for Sunrayce '99 that will incorporate Global Positioning System (GPS) and certain satellite data.

Twenty-one students to date have been accepted into the CAMP core courses. Upon completion of the CAMP program requirements, the students will receive a special designation on their transcript. To be selected for the program, students must be first semester juniors upon entering CAMP and must maintain a 3.0 grade point average. Jeremy Morrison, a mechanical engineering major from Mitchell, will be the first CAMP student to graduate this December.



"This program is fairly unique and is probably the only program that can be said to be an honors program for design and multi-disciplinary product development," says Dr. Dolan.

Developing leadership and teamwork skills is an important focus of the program for CAMP students. While serving as team leaders and working on teams, student members of CAMP learn to use a systemic approach in utilizing manufacturing technologies, develop their communication skills, and obtain experience in the budgeting and management of projects.

"CAMP offers many exciting opportunities for both South Dakota Tech and the state of South Dakota," said SDSM&T President Richard Gowen. "This Center will utilize and build on Tech's traditions of excellence to strengthen our educational programs, our industrial technical assistance, our research programs, and our many economic development activities."

SDSM&T recently hosted the Rapid City Area Economic Development Partnership's New Business Attraction Committee on campus. Following a presentation by Dr. Gowen on the High Priority Connection Network (HPCNet) capabilities, the New Business Attraction Committee toured the CAMP facilities and received a firsthand look at SDSM&T's Mini-Indy vehicle and the high-tech laboratory equipment used in CAMP projects.

South Dakota will benefit from CAMP specifically from 1) expanded industry collaborations to assist South Dakota manufacturers with being competitive in today's global marketplace; 2) an Executive Graduate Program that includes industry professionals through distance conferencing technology; and 3) cooperative university/industry projects that foster economic development through the enhancement of manufacturing and production capability.

Four of SDSM&T's laboratories - Electrical and Computer Engineering, Advanced Composites, Advanced Manufacturing, and Injection Molding – are active components of CAMP. Special, state-of-the-art equipment in these four labs includes the Compression Test Frame, MTS Dynamic Test Frame (10,000 lb. capacity), MTS Dynamic Test Frame (50,000 lb. capacity), Filament Winder, Computer Numerical Control Lathe, Coordinate Measurement Machine, Vertical Machining Center, Printed Circuit Prototyping Machine, Injection Molding Machine, and Sun Workstations Running Graphics Software. The latest acquisition is a Computer Fluid Dynamics (CFD) modeling program.

Higher education in South Dakota has a long history of working together with manufacturing industries in South Dakota to provide technical assistance. SDSM&T receives several requests for assistance with manufacturing and production problems each month. The CAMP center will enhance responsiveness to these demonstrated industry needs, will tap the resources of Tech's most talented students, and will enable rapid communication and information flow through the electronic community.

The establishment of CAMP is a direct outgrowth of Tech's implementation of Reengineering. Through efficiencies in the budget education budget process, in addition to Drs. Burkholder and Dolan mentioned previously, other faculty and staff members of CAMP include Dr. Stanislaw L. Ilnyt, Professor of Civil & Environmental Engineering; Lloyd Allen, Integrated Manufacturing Specialist; and Rita Sabo, Secretary. Additional information can be obtained by calling the CAMP Office at 605-394-2446, via email at CAMP@mailbox.sdsmt.edu, or by accessing the CAMP web site at www.sdsmt.edu/camp/camp.htm.

Local, state officials prepare for FiberCom

By SUZANNE DOBBS
Staff Writer

SPEARFISH — Thursday's FiberCom announcement by Governor Bill Janklow, Black Hills Corporation and, the Northern Hills Community Development organization of the implementation of a vastly improved telecommunications system for the region delivered shockwaves across the Northern Black Hills and beyond.

Private businessmen and public officials alike agreed that the creation of FiberCom, a subsidiary of Black Hills Corporation, is a step in the right direction.

However, response how the implementation of the state-of-the-art communications will affect them individually is varied.

Janklow Thursday celebrated the announcement as a prime example of what South Dakota must do to compete in the global marketplace. "As we move from what we call the Industrial Age ... into the information age, access to information will be king and queen — the authoritative base upon which economies are built," he told officials at a Thursday press conference in Sturgis.

The installation of the some 130 miles of fiber-optic backbone through the I-90 corridor leading from Rapid City west into the Northern Black Hills will be the means by which FiberCom and partner GLA International will use to propel the region into the 21st century.

In an unprecedented move, Governor Janklow granted Black Hills Corporation permission to use the interstate median to lay the biferoptic lines. The median will be used in order to protect the redundancy of the network.

What that new equipment brings to the table for the average consumer is impressive.

High-speed internet access, high-speed data with video, high-speed distance learn-

See FIBERCOM on PAGE 7A

FiberCom: Local, state officials prepare . . .

FIBERCOM from FRONT PAGE

ing, expanded cable service, and a variety of calling services will be available to the communities of the Northern Hills. Also, Rapid City, Black Hawk, Piedmont, Sturgis, Lead, Deadwood, Spearfish, Belle Fourche, St. Onge, and Whitewood will be connected with toll-free extended area service calling.

Large users will be charged a minimal fee after a set number of minutes while local users will be allowed a set number of minutes per month. Predicted costs have not been established yet. However they promise to be competitive with current rates and will operate much like cell phone rate systems.

And while all these improvements means competition for some, it is not unexpected.

"It's what the governor wanted and its why the Communications Act was put in place in 1996," said Steve Duffy of South Dakota Cable. "We've been serving the Northern Hills for 30 years. We know we have to offer enhanced services and consumers should be the benefactors of competition".

South Dakota Cable has a three-phase plan in place to serve the Northern Hills. Phase One is near completion. By the end of December, 85 percent of the Northern Hills Cable plants will be updated or completely rebuilt. Phase Two will consist of laying fiber backbone and Phase Three will connect all the Northern Hills together.

Duffy was expectant of a competitor coming into the Northern Hills since the Telecommunications Act was passed and sees the cable business as a long range competitive business.

Reactions from other was mixed. John Shafto, President of Altaire Enterprises in Deadwood, said the competition with US WEST will be beneficial, adding he doesn't feel Internet providers at his level will feel a negative impact.

"I think it would be good for our business because it will enhance the telecommunications in the area which is a great thing," he said. Shafto said the most significant factor for Internet providers is the issue of redundancy, a favorable portion of the proposed services.. Having both local and international redundancy is critical according to Shafto.

While FiberCom presents competition for some (i.e. South Dakota Cable and U.S. West), it is a major boon to others such as local schools, businesses, hospitals and local governments. It also should help attract larger corporations requiring state-of-the-art technologies.

"(It provides) the chance to bring in new business and a chance to play a new role in attracting new business," said Black Hills State University President Tom Flickema.

Dr. Ed Erickson, member of the Spearfish School Board's Technology Committee, concurred. "The announcement today was an exciting one for the Northern Black Hills. It will provide us with the capability of first class communications for our community, schools and universities," he said.

The potential for creating new jobs in the Northern Hills area is tremendous as well. "I am excited because it is going to get the attention of businesses that may have overlooked the Black Hills area in the past", commented Don Acre, manager of JobService. "There is a tremendous potential to diversify the job market. There are a number of jobs in the telecommunications area" Acre felt Fibercom's move will help Spearfish in becoming more competitive with other areas.

Thursday's announcement reflects the culmination of a three to four year effort to improve the telecommunications in the Northern Black Hills.

The effort began with the Northern Hills Development Committee consisting of area leaders and businessmen. Jim Doolittle, Executive Director of the NHCD Committee, credited the persistence of area leaders in keeping the issue at the forefront of the communities needs.

"Fortunately, the persistence has paid off." Doolittle stated. The NHCD identified two major goals early-on for the development of the Northern Hills; Extended area service and increased infrastructure. Once the goals were identified by the NHCD, they brought forth a proposal to US WEST officials and the Public Utilities Committee (P.U.C.). The P.U.C., receiving pressure from area residents fearful of an increase in costs, voted the proposal down.

The issue was revisited as a result of the actions of C.A.R.E. (Committee for Action Resource Enterprise) and in response to the downsizing at Homestake Mining Company.

Area leaders recognized the need to bring new businesses into the community due to the large number of layoffs at the mine. The Black Hills Corporation and Northern Hills Community Development, picked up the ball and stepped in to support the proposal leading to the announcement Thursday in Sturgis.

Thanks a Million

WEEKLY SYNDICATED COLUMN BY PERCY ROSS

Millionaire Percy Ross is known for his philanthropic work. He offers help and encouragement for those in need. He has earned a fortune and a wealth of knowledge during his lifetime and wants to share both. His motto: "He who gives while he lives, also knows where it goes."

You've Arrived At The Twilight Zone In Cyberspace

Dear Mr. Ross: My problem isn't that uncommon anymore. I'm married to an Internet freak. My husband is literally glued to our computer 24 hours a day. He's lost his job because of it and he's about to lose his family. He barely eats and for the last week, a shower has been out of the question. Most women worry about their husbands having an affair with another woman. Mine is having one with a computer.

I've thought about destroying the machine but my husband said he'd take his own life if I did. Your serving me a check won't solve my problem but it could make a difference. I figure if the bills aren't paid maybe he would realize that he's throwing his life away. I'm certain maybe all then I can get back straight. We need to leave these city lights behind, settle quietly and quite frankly, they are frightened by these latest advances. Anyway $1,000 seems like a lot, but that wouldn't last and certainly wouldn't be an opportunity that'd come my (her) way.

Hopeless Lover's . . . Harrisburg, Pennsylvania

Dear Hopeless Lover's: Your husband is not the only one who's been bitten by the Internet bug. Millions of people are hooked on the Internet and it's growing by leaps and bounds. Companies are spending billions of dollars to lure me for just weekends. I've been fly fishing for about 5 years using a friend's rod, or the cheap one I bought that broke after a couple months. Hey, Percy Ross, any help would be great.

Joe Carp . . . Patriot News, Harrisburg, PA

Dear Joe Carp: I only print a person's name if I think they will not suffer any loss of esteem. By turning you down (which I'm in the process of), shouldn't cause you any long-term ill effects. The problem is I'd secretly like to help you out, but I guess it just wouldn't be right because of all the needy people who have written before you.

We'll just call yours "the big one that got away."

Dear Percy: Are you serious? Percy! You were the only one who ever helped me. When I was laughed at, and ridiculed and made a fool of, you were the only one who stood by me. You were there when I needed you. You were there when I needed you. You were there when I needed you

Regional group awarded $1 million

■ Money to help towns, businesses outside Rapid City.

By Pat Dobbs
West River Editor

Job creation efforts in western South Dakota will receive a million-dollar boost from the Department of Agriculture's Intermediary Relending Program, according to Sen. Tom Daschle, D-S.D.

The West River Development Foundation requested the funds. From 25 to 30 economic development groups and chambers of commerce in the West River area make up the loose-knit organization, which is evolving into the West River Economic Development Coalition.

Fund application author Brian Boyer said he expected the money would be available for loans by September.

Daschle said the funds would help the Black Hills towns hurt by mass layoffs at the Homestake Gold Mine at Lead. He also announced that Northeastern South Dakota Economic Corp. in Sisseton would receive $1 million to assist businesses distressed by flooding in Day County.

Boyer said that would give South Dakota half of the $4 million available through the Agriculture Department program.

The Homestake layoffs added urgency to regional economic development, but Boyer said the fund application was in the works before the mine cut its operation by half earlier this year.

The money is in addition to $400,000 that Daschle secured for Northern Hills Community Development for revolving loans to help start new businesses. Other development groups are seeking $850,000 in federal aid to further combat effects of mining layoffs.

The $1 million is meant for a larger region. Here is how it will be distributed:

■ The regional receiving group will name a loan processing board. Each project it approves will be reviewed by the Agriculture Department before money is released. Loan payments will be charted annually, and all money must be disbursed within five years.

■ The Agriculture Department will charge the regional group 1 percent interest and give it 30 years to repay the loan. In turn, the regional group will charge its borrowers more but still at below-market rates. The proceeds will build a fund to help other loan projects.

■ Boyer said USDA rules limit use of the $1 million. Only local governments and businesses in communities of up to 25,000 people — Rapid City is ineligible — can apply. A project cannot receive more than $150,000 from the fund, and the loan amount cannot exceed half the total financing. Also, cities can use the money just for such public service projects as extending water and sewer lines or building a community hall or fire department.

Packing plant planned by rancher cooperative

By Pat Dobbs
West River Editor

Before a planned premium beef processing plant deals out its high steaks from Belle Fourche, a regional rancher cooperative needs more members, officials said Tuesday.

Northern Plains Premium Beef of Mandan, N.D., announced Tuesday that if it builds the custom-designed slaughterhouse, it will be in Belle Fourche.

"I think it's time for us to rejoice," said Belle Fourche Development Corp. chairman Vern Bills.

The project means more than $20 million in construction and a $3 million annual payroll for up to 200 workers, he said.

Given that Homestake Mine at Lead and other gold operations in nearby Lawrence County are cutting back, Bills said the beef plant "is a very timely announcement" of full-time jobs paying $8 to $10 an hour for people in the Belle Fourche and surrounding area.

The plant, planned on 160 acres north of Belle Fourche in an industrial area, could start up in early 1999. Project incentives include installation of electrical lines to the site, city water discounts on up to 300,000 gallons a day and an approximately $500,000 wastewater treatment plant expansion at the city's lagoon system. Grants and low-interest loans through state and federal agencies also will be pursued if the cooperative reaches funding goals by July 4, Bills said.

Cooperative officials said they need another 1,700 head of guaranteed yearly cattle to reach the break-even point in projections.

Co-op members will pay $300 in nonrefundable dues just to see the business plans, to be delivered in May. Then, producers must decide how much more they want to invest during the "equity drive" in June through July 4. If the plant is not built, the investment funds will be returned, said board President John Lee Njos. (For information, call 701-663-1116.)

The co-op wants to process 130,000 head a year. That is a third of the number planned a year ago, before officials dropped plans to build two processing plants estimated at $72.5 million to handle 475,000 cattle a year. Blizzards, floods and depressed prices killed those plans by ranchers in seven states and two Canadian provinces.

There are 1,100 members in the group, 309 that have paid recently increased membership dues to fund the development.

They're not selling hamburger. The rancher group expects to sell specialty beef under its own brand. The cooperative's new chief executive officer, Keith DeHaan, said a steady supply of premium quality steaks are sought by the Japanese, upscale domestic restaurants and hotels, and the emerging European Union.

The Belle Fourche plant would produce those cuts and is negotiating with other processors that will create other "value added" products from the carcasses.

To become EU certified and to meet certain customer demands, DeHaan said co-op members, who already have a reputation for quality beef, will be expected to produce at least some cattle free of drug and growth-enhancing hormone injections.

The operation would benefit cattlemen, truckers, mechanics, livestock feed providers and even area tourism efforts, officials said. The plant, designed by New Zealand and Washington state engineers, would be the only one of its kind in the U.S. likely to attract a small but steady group of "industrial tourists," Bills said.

The plant will be "community friendly," which is Northern Plains Premium Beef's way of saying it won't stink too bad. Board president John Lee Njos said the plant's corrals would hold about a one-day supply of cattle, and there are no plans for a rendering operation at this time.

Bills said the site on which the development group has obtained a purchase option for the cooperative has prevailing winds away from homes more than a mile away, and is in the industrial area that includes American Colloid's bentonite plant.

"The site is very environmentally friendly. It's not something you have to be embarrassed about," DeHaan told about 50 people at the Belle Fourche Area Community Center.

R.C. man listed for Pac-Man world record

A former Rapid City man is the holder of the third highest score ever recorded on Pac-

Chamber Update

BLACK HILLS CORPORATION TO BUILD FIBER OPTIC NETWORK;
Offer Telecommunications Services

The Board of Directors of Black Hills Corporation announced that the Company, through Black Hills FiberCom, will build a telecommunications fiber optic network to serve the growing needs of Rapid City and the Northern Black Hills. "This network will allow us to offer telecommunications services in the Black Hills which typically have been accessible only in more densely-populated areas," said Dan Landguth, President and CEO of Black Hills Corporation. "We're excited to be making what we think is the most significant investment in the infrastructure of the Black Hills area since the Interstate Highway system was built nearly 40 years ago. And we'll begin construction immediately."

Black Hills FiberCom will offer local and long distance telephone service, expanded cable television service, high-speed Internet access, data and video services. Extended local area telephone service with toll-free calling options among Northern Black Hills communities and Rapid City will be offered. "We're eager to provide communications services, and we expect to be serving our first customers in the spring of 1999," said Landguth.

South Dakota Governor William "Bill" Janklow said the project fits well with the State's economic development and educational efforts. "This project is a prime example of the kind of effort that I had in mind when I sponsored telecommunications legislation," said Governor Janklow.

Black Hills FiberCom will initially invest approximately $40 million in state-of-the-art technology, including fiber optic routes connecting Rapid City, Sturgis, Spearfish, Whitewood, Belle Fourche, Lead, and Deadwood. "They plan to offer services to schools, hospitals, cities, economic development groups, and business and residential customers which haven't been available with the current infrastructure," said Governor Janklow. "This is the type of investment the State is encouraging, and Black Hills FiberCom will do it without any state incentives. Besides providing 30 or more new jobs directly, Black Hills FiberCom will create many more jobs indirectly by linking Rapid City and the Northern Hills with a system significantly faster and with greater capability than anything currently available. Companies considering relocating to these communities will now discover that the Black Hills region has the capacity to support Information Age business needs."

Black Hills FiberCom is partnering with an international telecommunications firm, GLA International, Inc., of St. Louis, Missouri, to build a 500-mile hybrid fiber coaxial network to link customers in Rapid City and the Northern Black Hills communities. "As pioneers in fiber optic communications, the people at GLA International have the expertise to work with us on all phases of this project, " said Landguth. "GLA was the firm that developed the fiber networks for Brooks Fiber Properties which was recently purchased by WorldCom. They assisted Brooks Fiber in the build-out of over 20 major cities during the '90s, and will bring a wealth of experience and perspective to this project."

The fiber optic link will enable customers to receive telephone, cable television, high-speed Internet, and high-speed data and video services all through one cable coming into their businesses and homes. The network is designed to provide greater reliability because there will be redundancy built into the system. Compared with the present telecommunications network in the Black Hills, connections to home initially will have 4 to 700 times greater capacity. "We expect schools, hospitals, and other users to come up with uses we've not yet imagined," said Landguth. "With full motion video, a teacher in Japan could interact with a classroom in the Black Hills. A Rapid City physician could observe a patient in Spearfish or Deadwood."

"Black Hills Corporation has always had a strong commitment to the communities we serve through Black Hills Power & Light,"said Landguth.

Black Hills Corporation (http://www.blackhillscorp.com) is an energy and communications company that supplies electric utility service to a 9,300 square-mile area in western South Dakota, northeastern Wyoming, and southeastern Montana through Black Hills Power and Light Company; engages in mining and sale of coal from its mine located near Gillette, Wyoming through Wyodak Resources Development Corp.; produces, explores, and operates oil and gas interests located in the Rocky Mountain region, Texas, and California through Western Production Company; markets natural gas, electricity, and related services to customers in the Rocky Mountain region, Midwest, and East Coast markets through Black Hills Energy Resources; markets communications services through Black Hills FiberCom; and develops and markets internally-generated computer software through DAKSOFT.

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Opi

Light festival glows brightly

Flush with debut success, Festival of Lights organizers plan to make the event an annual celebration.

A waiter at JB's Restaurant on Saturday night said he couldn't remember when the off-downtown family eatery had been so busy.

It was after 8 p.m., and most of Rapid City's other downtown-area restaurants also were filling up fast, not with their usual clientele but with hungry folks from the just-ending Festival of Lights Parade.

The Journal's view

An estimated 15,000 to 20,000 people — triple the number organizers hoped for — lined the route of the first-ever parade, which began about 6:30 p.m. and made a loop along Third and Main streets, Mount Rushmore Road and St. Joe.

And parade-watchers needed scarcely more than light jackets for comfort, because the weather, with the temperature at 57 degrees, was so unseasonably clement. The evening warmed up even more later, when a gentle Chinook breeze wafted through the city.

In short, it was the perfect night for the debut of a perfectly beautiful, even dazzling, event.

Co-sponsors of the parade were the United Downtown Association, Black Hills Power & Light and the Rapid City Journal, and organizers were members of the Leadership Rapid City class of 1996. Planning began a year ago.

Sixty-seven floats, some literally as bright as day, were entered in the parade by area businesses, community groups and churches. Yet, despite the numerous entries, impressive crowd and spectacular displays, the event had a cozy, homey, small-town feel.

Many of the floats were populated with waving kids of all ages, and between the floats were still more kids — scouts and church-group members — lit up with lights as they walked along the parade route.

Employees and their families rode in floats entered by local businesses. Mayor Jim Shaw rode in a horse-drawn coach. Several Rapid City firemen walked in the parade alongside a mascot Dalmatian lit up like a Christmas tree. Electric horses in the parade included some easily as handsome and huge as Cleidesdales.

The floats themselves were a sight to behold. In one, chasing-lights on a cement truck gave the illusion of a psychedelic, rotating mixer. In another, the wheels of a blindingly white-lighted bulldozer appeared to be spinning. Several semi-trucks were lit up with so much kaleidoscopic candle-power that you could barely look directly at them for longer than a few seconds.

The Butler Machinery entry alone, which took 10 people 26 hours each to assemble, had 15,000 lights.

Who knew that the experimental event would be so avidly anticipated. People began arriving along the parade route an hour and a half before it began, and latecomers had to park as far away as National American University. Leaving the temporarily overpopulated downtown area by car after the event required a pace similar to a garden slug's.

But, parade-goers didn't need to leave right away, anyway. Downtown stores and restaurants remained well-lit and open after the parade lights dimmed.

In a word, the parade — envisioned as a way to promote the city's resurgent downtown — was successful. Or, perhaps, two words: wildly successful. So successful that organizers met after the parade Saturday and decided to do it every year.

What a bright idea.

Unwed

The latest twist in the battle between the sexes comes in the bizarre case of Peter Wallis and Kellie Smith, who met at work, fell in love, moved in together and accidentally co-parented a child. While the beginning of their story was storybook-perfect, the end is a classic contest of wills. It raises melodramatic questions about whose rights prevail in parenthood. It even makes us ponder whether women have a right to "use" sperm in ways in which men never intended it to be used and ...

Bonnie

...is Louis Huseby

...Wyo. – Travis Louis ..., died Friday, Nov. ... in Crook County Memorial ..., Sundance, after a gun acci-...

...was born Aug. 18, 1976, in ..., the son of Mark L. and ... (Hodgen) Huseby. He grew ... family ranch and attended ... school and high school in ... throughout his life, he wanted ... and lived hard with every-...

...school, he won numerous ... in football and wrestling, and ... playing basketball during his ... He started dating Micki ... in seventh grade and ... to be good friends ... high school.

...graduating from Hulett High ..., he attended Western Dakota Institute in Rapid City, ... got his welding certificate ... with top honors. He ... full time job while attending ... school. He worked summers ... Hulett, as a ... ...arious other jobs ...

... Micki attended the Univer... ...ming and on June 21, ... were united in marriage at ... family ranch.

... enjoyed be hunted coy... ...his uncles and his father for ... County Predator Board. ... loved being outdoors. He ... help on the ranch and ... family and friends.

... survived by his wife, Micki ... his parents, Mark and ... Hulett, and one ... Travis Huseby, Hulett.

... will be at 1 p.m. Tuesday, ... Civic Center. Burial ... Huseby Family Cemetery, ...

... Funeral Chapel, ... in charge of arrange-...

...J. Woodson

... Texas – Nancy J. ..., Arlington, died Friday, ... at Arlington.

... born April 10, 1960, at ... of William and ... She attended ...

First-ever Festival of Lights parade draws huge crowd

By Stephen Buchholz
Journal Staff Writer

It would be an understatement to say the first-ever Festival of Lights holiday parade was a success, according to its organizers.

Rapid City

Rapid City Police estimated from 15,000 to 20,000 people attended Saturday's downtown parade, triple the number hoped for.

"I would have been happy if 5,000 people showed up," said Carrie Cisle, chairperson of the United Downtown Association and owner of the Tip Top Motel in Rapid City. "But there were 5,000 people on one corner."

The parade featured 67 floats put together by Rapid city area businesses, community groups and churches. The event was sponsored by the United Downtown Association, Black Hills Power and Light and the Rapid City Journal. The parade was organized by the Leadership Rapid City Class of 1996. Cisle is a member of that class.

That group planned the parade for a year, enlisting groups to make floats and taking care of other details, Cisle said. The event worked out better than anyone thought, she said.

"We thought this was a wonderful way to get some community involvement and get people back downtown," Cisle said. "We have a downtown that is something to be proud of, and we want people to enjoy it."

The downtown street lights were turned off Saturday as the floats streamed by, covered in lights, wire reindeer, Nativity scenes and lots more religious and holiday designs. One float, from Butler Machinery, had more than 15,000 lights on it. Ten people worked 26 hours each to put the float together, Cisle said.

People began lining the parade route along Main and Saint Joseph streets 90 minutes before the 6:30 p.m. start of the parade. Those who arrived downtown just before the parade started were forced to park blocks away, some as far as National American University. On the parade route, people stood three and four deep to see.

After the parade, organizers met and decided that because the parade was such a success, it will be an annual event, Cisle said. Planning will start immediately.

"There are things we can improve on, like getting more businesses and organizations involved," she said. "But it was such a great event, we thought we should do it again."

Easy, 3-part memory check

A few years ago, just before I retired from the college teaching profession, I had read somewhere that people my age begin to lose memory functions.

Oh, oh, I thought, maybe it's time to start checking to see if I can remember things the way I used to.

The first thing I did was to try to dredge up from memory my old Army rifle number that was drilled into my head 50 years ago. (When I was issued my M-1 rifle at Camp Maxey, Texas, my platoon sergeant – Sgt. Seawagon, said: "Memorize this number and never forget it.").

I still remember it. It was 1978704. Surprisingly, I remember the name of my platoon sergeant, too. But then, Seawagon is a name not easily forgotten.

I tried some other memory tests. I remembered the name of my first-grade teacher, Sallie Smith. I remembered my high school graduation motto, "Aim High and Hold Your Aim." I tried to remember my first kiss, but this didn't register too well. I'm pretty sure, though, that it was from my wife when we were married more than 45 years ago.

Then I started to think. From observation of people older than I, it occurred to me that their memory problems are associated more with recent events than with events from long ago. In fact, old people who can't remember what they had for breakfast can sometimes surprise you with vivid recollections from their childhoods.

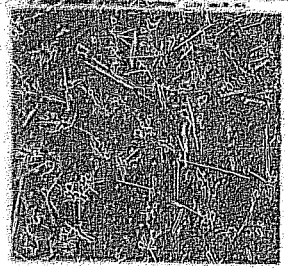
remembering things that other people tell me. Just like this past summer when I was vacationing in Iowa and stopped to get directions to the nearest corn field. Two minutes later, I didn't remember whether the farmers said turn right or turn left at the next silo.

So, after giving all this considerable thought, I have come up with a simple three-part method to tell if your memory is going bad on you. I am quite willing to share this insight with interested readers. Again, there are three ways to tell if your memory is getting faulty:

Walter Higbee

1. Are you having memory problems about common things? Do your car keys, which you always put on the dresser, somehow wind up in the bathroom medicine chest? Do you sometimes find yourself buttering the same piece of toast two or even three times? Here is a good one: Do you ever find yourself working or doing something in the kitchen, then having to go out to the garage to get something and, once you are there, forgetting what it was you went after?

2. Are you having memory problems associated with naming [illegible]



Lisa Langer

Leadership Spearfish: Making a Difference

To ensure the continued vitality of our community and region, Leadership Spearfish is recruiting its thirteenth class.

By providing training to current and future leaders in a format of communication, information and action, the community will continue to grow and face challenges and issues in a positive way. The program is a comprehensive workshop designed to analyze leadership characteristics, develop individual skills, and gather an awareness of trends throughout the region.

Leadership Spearfish seeks a diverse group of participants of varying interests and styles from the Northern Hills Region. Of the 163 alumni, graduates have served on the School Board of Education, Spearfish City and Lawrence County committees, and Chamber of Commerce and Economic Development Boards. Many have assumed leadership in civic and community groups and in the work place.

Students attend weekly sessions with guest speakers beginning January 8, 1999, and take an annual trip to Pierre to observe the Legislature in action. Some of the topics covered include problem solving, team building, time management and presentation skills.

The leadership program will consist of no more than 25 students. Participants must demonstrate a desire to better understand and improve their leadership skills. He or she must demonstrate an interest in future community and/or regional involvement and a willingness to commit approximately 50 hours to the program. Applicants must live or work in the Northern Hills area and must agree to attend all sessions.

A tuition fee of $225 covers all materials, refreshments and meals. Accepted applicants may solicit support from their employer, church, civic organization or other sources. Limited scholarships are available through the Mark Peterson Memorial Fund.

This is a great opportunity for local businesses to foster leadership skills in their employees while contributing to the overall good of the community. For applications and more information, contact the Chamber Office.

Tourism Department Notes

In-Room Directory

The In-Room Directory ad sales are wrapping up for the 1999 summer season. If your business has not yet been contacted and you are interested in advertising in all Spearfish motel rooms, then now is the time to let me know.

The Directory will be published by May 1 and is a beautiful, 4-color project. All pages are laminated for durability, with tabbed dividers for three sections: attractions & recreation, dining, and shopping. This is a great tool to market your business, both to the seasonal visitor market and to convention delegates.

NTA Annual Convention

I have just returned from the National Tour Association annual convention in St. Louis. I had the opportunity to meet with tour operators from around the country who are looking to do business in South Dakota. I will have leads for hospitality-related businesses to conduct follow-up. I also have leads generated from SD Tourism and Black Hills Badlands & Lakes. Bus tour business can be extremely beneficial to your business so let me know how we can help you.

Regional Marketing Efforts

Cooperation among Black Hills area communities is at an all time high as we look at ways to market and promote the region. Some of the efforts we are currently involved with include the Black Hills Central Reservations system. If you are not yet a member, I strongly encourage you to consider membership. Through Black Hills CEN RES we are pursuing marketing efforts targeted towards travel agents and the leisure market, as well as convention groups. By combining resources we will be able to produce useful materials aimed at educating travel agents.

Christine Watson

As travel agents book their clients' vacation needs through CEN RES, only the properties who have signed on will be able to benefit. These marketing efforts would not be possible without joining in a regional effort. We will also be participating in travel shows to the Denver market through cooperation with area Chambers. Our competition is not across the street or down the road, it is around the country and across the globe. By pulling together we can realize strength in numbers. Join us in joining regional marketing partners such as CEN RES and Black Hills Badlands & Lakes. We all need to work together.

RAPID CITY AREA ECONOMIC DEVELOPMENT PARTNERSHIP

February 18, 1998

Mr. Mutch Usera
Black Hills Corp.
PO Box 1400
Rapid City, SD 57709

Dear Mutch:

As you know the Rapid City Economic Development Partnership, Business Retention and Expansion Committee, recently completed its third survey of local area businesses. We would like to take this opportunity to thank you, again, for your time and assistance in helping administer the survey.

This year, over 400 businesses were contacted, with 198 companies responding to the survey. The business survey was conducted in collaboration with the Mayor's Office and with the assistance of 100 community volunteers. The primary purpose of the survey is to periodically assess overall business climate trends for businesses operating in the Black Hills area and targeted over 400 manufacturers, processors, wholesalers, distributors and service exporters which comprise an estimated 18-20% of all businesses in this area. It is used as an internal document to identify specific company issues which might negatively impact a company doing business in this area. It's also used to gather specific company data for inclusion in the Black Hills Area Directory of Manufacturers, Processors, Wholesalers, Distributors, and Service Exporters which is used to encourage "buying in the Black Hills area".

The Rapid City Economic Development Partnership is currently updating the directory data and expect the directory to be ready for release on the internet through the Partnership's web site in the near future. The web site address is http://www.rapiddevelopment.com. There will not be a hard copy of the directory published this year.

Overall, survey results indicate that 90% of the businesses who responded consider Rapid City a good place to do business. The Retention and Expansion Committee is reviewing the survey data for overall business climate trends and to identify specific areas which may require additional attention. Some of the specific items of concern identified during the business interview process were forwarded to the Mayor's Office or to the appropriate individual for their review and action. Responses to other items of concern and requests for additional information were forwarded to the specific companies.

The Rapid City Economic Development Partnership is a public and private partnership, funded by the City of Rapid City, Pennington County, and private memberships. The Partnership is charged with the responsibility of assisting companies in the development of new primary jobs and providing assistance to existing businesses as they expand in the Rapid City area.

Sincerely,

RAPID CITY AREA ECONOMIC DEVELOPMENT PARTNERSHIP

Robert P. DeMersseman
President

444 Mt Rushmore Road N., Box 747, Rapid City, SD 57709-0747 (605) 343-1744 (800) 956-0377 Fax (605) 343-1916
info@rapiddevelopment.com http://www.rapiddevelopment.com

You're Invited
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of the

NEW

West River Business Service Center

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Rushmore Plaza Civic Center, Room 204

1:30 p.m. Program & Rope Cutting
Tours Until 5 p.m.
Thursday, September 24

Home of:
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and the
U.S. Small Business Administration's
NEW
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Come check out this FREE one-stop entrepreneurial resource center serving western South Dakota.

Please RSVP to (605) 394-1708 by Sept. 21.

SBA

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SCORE.

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FAX. 870-226-3770
E-MAIL: mseymore@cei.net
WEB: www.warren.dina.org

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JON CHADWELL, EXECUTIVE DIR
141 JACKSON S.W.
P.O. BOX 99
CAMDEN, ARKANSAS 71711
PH: 870-836-6426
FAX: 870-836-6410
E-MAIL: cncc@ipa.net
WEB: http://camden.dina.org

SDCEDC Business Meeting

Cedar Shore Resort
Chamberlain
May 19, 1998
Agenda

12:20 pm Call to order -- Mary Anne Hoxeng, President

Approval of December minutes

Financial Report -- Paul Knecht, Treasurer
- Approval of 1998-1999 Budget
- Dues structure

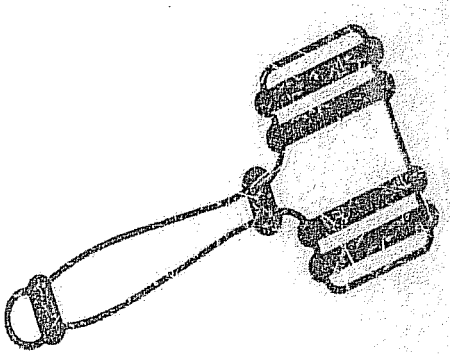
Scholarship Report -- Barry Wilfahrt

Election of Officers -- Jim Barringer, Past-President

ABEX Update -- Mary Anne Hoxeng

Other Business

Adjourn



ENTR 324
BUSINESS STRUCTURING AND DEVELOPMENT

This course reviews issues related to business start-ups and expansions. Topics include forms of business organization, family-owned business, managing growth, feasibility of new product development and expansion, financing sources, business valuation, negotiation, financial planning, and risk analysis.

ENTR 334
SMALL BUSINESS MANAGEMENT

Applying business policies and procedures to the small business environment, the course is designed for those students contemplating small business management or ownership and covers such topics as the nature of the entrepreneur, financing and ownership options, marketing, government regulations, taxation, inventory control, and other business functions applicable to the management and ownership of a small business.

ENTR 480
SEMINAR IN ENTREPRENEURSHIP

This is a highly focused course that explores contemporary issues in entrepreneurship and culminates in the submission of a business plan to a banker or qualified venture capitalist for review.

To obtain additional information about the Bachelor of Science Degree in Entrepreneurial Studies or to obtain an application for admission:

Write:
Black Hills State Enrollment Center
University Station Box 9502
Spearfish, SD 57799-9502

Call:
Black Hills State Enrollment Center
(605) 642-6343 or 1-800-255-2478

Visit our web site:
http://www.bhsu.edu

To speak to a faculty member within the major, call (605) 642-6212.

Black Hills State University
1200 University Street
Spearfish, SD 57799-9502

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Bachelor of Science
in

ENTREPRENEURIAL STUDIES

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25 adult Americans – 4% of
the population – say they are
in the process of starting a company.
This puts the number of incipient
entrepreneurs at more than 7 million.

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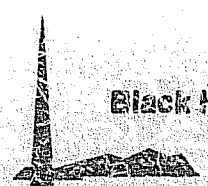

Black Hills State University
1200 University Street
Spearfish, SD 57799-9502

Rapid City Journal

WEDNESDAY May 27, 1998 57¢

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AP Photo

Foggy fishing: Fishing guide David Smith heads out into the early morning fog recently on the Chattahoochee River below the Buford Dam in Buford, Ga., to fish for trout.

Insi

■ Court affirms tribal immunity — Page A3

■ Golf champ Betsy Berry Athlete of the Week — Page D4

Rushmore Business Park burgeoning

By Dan Daly
Journal Staff Writer

It took 24 years, but Rushmore Business Park has outgrown the 100-acre tract it started with in 1974.

Rapid City

The former pasture is now a bustling campus of 17 companies. Every day, nearly 2,000 people report to work there — a number that rises monthly.

Available land has dwindled to a couple of one-acre lots, and late-afternoon traffic jams routinely sprout on Elk Vale Road, the rural two-lane highway that, 20 years ago, was mostly used as a shortcut to Ellsworth Air Force Base.

The Rapid City Economic Development Foundation broke ground Tuesday on a 112-acre expansion of Rushmore Business Park. The new section, just north of the existing park, will give the local business community the room it needs to grow, said Brian Boyer, president of the foundation.

In the past, the business park's inventory of developed land and vacant office space has helped persuade newcomers Green Tree Financial Corp., Casto Travel and General Electric/Advanced Services Inc. to open offices here, he said. "The (business) prospects will be there — if you build it, they will come," Boyer said.

"It won't take another 20 years to fill Phase 2," said Mayor Jim Shaw during Tuesday's brief groundbreaking ceremony at the north end of Concourse Drive.

Sen. Tom Daschle, D-S.D., was among the shovelers during Tuesday's ceremony. Local officials praised the Senate minority leader for his role in getting the $1.23 million Economic Development Administration grant to buy the land.

The same agency in 1973 helped fund the original business park, built in the wake of the 1972 Rapid City flood to replace low-lying commercial property that had been condemned.

"The federal role was evident in 1973 ... and it's evident today," Daschle said. "The people of the United States recognize the need for economic development in rural as well as urban areas."

Engineer Dan Ferber said bulldozers should start moving dirt next month, and new streets, sewer lines and water lines should be in place by the end of the construction season. Two streets in the new section will connect with Elk Vale Road, he said.

One of them, he said, will be named East Anamosa Street. Eventually, that street will extend west

See Park on page A2

Strong economic growth and a booming stock market have flooded government coffers with an unexpected tax windfall.

Clinton said Tuesday he would be willing to talk about tax cuts next year but only after Congress fixes the Social Security system. That put him in direct conflict with many Republi-

come. Or we can ... squander o surpluses the moment they sta coming in."

Last month, the trustees of the Soci Security trust funds projected it woul lapse into insolvency in 2032, thre years later than forecast last yea

See Surplus on page A2

Second rape suspect

Building boom

Surplus: Republican bill includes tax cuts

Continued from page A1

"Let me be clear: I will oppose any budget that fails to set aside the surpluses until we have strengthened Social Security," Clinton said.

But, he added, "That does not mean that in the future there could never be a tax cut."

The House Budget Committee last week approved a $1.72 trillion budget outline for 1999 that includes a $101 billion five-year tax cut earmarked for reducing the "marriage penalty," which results in some dual-income couples paying more than if they had remained single.

House Speaker Newt Gingrich, R-Ga., said the tax cuts may be expanded to reduce levies on capital gains, inherited property and research and development by corporations.

Noting that Clinton tapped the surplus to help extend the mission of U.S. troops in Bosnia, House Ways and Means Committee Chairman Bill Archer, R-Texas, said, "If using some of the surplus is good enough for the people of Bosnia, it ought to be good enough for the overtaxed workers of America."

The administration's latest surplus projection contrasts with an early February forecast of a $10 billion deficit for fiscal 1998, which ends Sept. 30, and actual deficits of $22 billion in fiscal 1997 and $290 billion — a record — in 1992 just before Clinton took office.

It would be the first annual surplus since the government finished $3.2 billion ahead in 1969. And, as a percentage of the economy, it would be the largest surplus since 1957.

Three weeks ago, the Congressional Budget Office forecast a 1998 surplus of $43 billion to $63 billion. And earlier this month, a group of 33 private economists assembled by the National Association for Business Economics projected $46 billion in black ink.

Republicans accused the administration of shaving its estimate to blunt congressional momentum toward a tax cut. It was issued as part of the administration's midsession review, not normally due until July.

Through April, the government has accumulated a $55 billion surplus in fiscal 1998. Normally, monthly surpluses also are recorded in June and September, when quarterly tax payments are due.

Jack Lew, acting director of the Office of Management and Budget, said the administration released the midsession review early because "there's been intense interest this year in the up-to-date numbers."

Ex-county worker sentenced

Rapid City — A former Pennington County employee was sentenced to five years' probation for stealing from the county Treasurer's Office to use for gambling.

Brenda Brown, who worked at the Treasurer's Office for 14 years, pleaded guilty last month to one count of felony grand theft in connection with $800 missing from the office.

The 34-year-old Brown was arrested in March on three counts of felony theft for embezzling a total of $2,100 during February, then replacing the money before the loss was detected.

Brown told investigators she would take the cash from office bank deposits, use the money for gambling

Park: Heavy afternoon traffic

Continued from page A1

past Menards and Wal-Mart to the existing Anamosa. That would move some of the traffic away from the busy Elk Vale Road intersection with St. Patrick Street, officials said.

Late-afternoon traffic sometimes backs up on the bridge over East Highway 44 as drivers wait for their chance to turn left onto St. Patrick.

The state Department of Transportation, meanwhile, is looking at short- and long-term ways to smooth out the flow of traffic near Rushmore Business Park.

Dan Staton, regional traffic engineer, said a traffic light could be installed at the corner of Elk Vale and St. Patrick. "We are researching that as we speak," he said Tuesday afternoon. "But that's not necessarily the magic answer."

Since the intersection is so close to the stoplight at St. Patrick and South Valley Drive, Staton said, a second stoplight could actually exacerbate the problems. Another solution, he said, might be to ask businesses in the park to stagger employee shifts to ease congestion.

In the long term, plans are on the drawing board for a southeast connector, he said. That road would link Elk Vale with the U.S. Highway 16 truck bypass. Part of the Heartland Expressway, the connector would create a high-speed loop around southeast Rapid City. Many of the workers in the business park could bypass the St. Patrick intersection altogether.

Cleared: Perjury charges

Continued from page A1

separate labs, Haivala said.

Now, an "outside agency" will review the testimony given by the three juveniles. Perjury charges are possible, prosecutors have said.

Although Utter's news release did to the Sturgis McDonald's restaurant with his landlord after he and Wisser had driven past the three alleged victims as they walked to school. Hieb then went to his optometrist's office and then to work until 3 p.m. Attorney Bruce Hubbard said he had several alibi witnesses lined up for with his parents in Sturgis and has been able to get a job since the criminal charges have been dropped.

"It's sad that he spent three months in jail. And, it's really sad how this got the town riled up and split up," Haivala said.

When Hieb and Wisser made their

P

Honorary degr
smiles and waves in
after commencement
The 80-year-old singe
standing ovation as s
Doctor of Humane Le
her achievements in
social activism.

Smashing Pu

CHICAGO (AP) — The city
concert by the hometown Sm
City officials said the show,
would attract 100,000 people
could hold safely.

"It's one of the biggest heat

FRONTIERS

"FORGING OUR FUTURE"

Vision Document

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Long Range Plan for the Black Hills Region

January 1999

FRONTIERS—FORGING OUR FUTURE

OUR VISION

By 2020 the Black Hills Region:

- will have a quality education system that improves quality of life, values and prepares our citizens to compete in the global marketplace.
- will be a region that requires that growth maintain or improve the quality of life.
- will be a model region of innovative long term infrastructure development for orderly planned growth while protecting our natural resources.
- will encourage economic development by utilizing our human, natural, and technological resources without compromising our quality of life.
- will have efficient government with consolidated services that encourages citizen involvement and positive community growth and development.
- will encourage and educate citizens of all cultures to play an active role in the leadership, growth and development of the region.

OUR CORE VALUES

Our citizens and the community will develop and use these core values as the guide posts as we pursue our interdependent VISION and strategies. Core Values are character traits that guide in daily decisions.

Responsibility
Integrity
Faith in God
Excellence
Ethics

STAKEHOLDERS SUMMIT

The participants in the Stakeholders Summit on September 13, 1997 selected their Top Ten Priority issues to be addressed in the VISION Process.

Priority Issues	Number of Points out of a possible 100	Addressed In
Education	90	Education
Economic Development	80	Economic Development
Quality of Life	75	Quality of Life
Government	46	Government
Infrastructure	42.5	Infrastructure
Planned Growth	28	Infrastructure
Environmental Development	17	Infrastructure
Race Relations	12	Quality of Life
Transportation	12	Infrastructure
Youth Development	11	Quality of Life
Health Care	11	Quality of Life
Tourism	9	Economic Development

The facilitator used this list during the VISION facilitation process in September 1997. These issues are addressed throughout the VISION and strategies for the six interdependent foundations required to provide competitive advantage for the Black Hills Region and specifically as noted above.

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 $20,725[1] 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] Jobs 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 tracked 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 reasonably 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 market place.

STRATEGIES
A. K-12 Education System

1. Expect[1] all students to graduate with the basic skills and academic excellence necessary to either go to a four-year college, a vocational 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.

---

[1] 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 connections 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 most 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.

VISION PARTNERS AS OF JANUARY 13, 1999

- A.S.A.P., Inc.
- A1 Cornelia Refrigeration Service, Inc.
- Alive Arts Fund Drive
- Always There Home Health Care, Inc.
- AMRP Health Advocacy Services
- AAUW
- AAUW - Gateway Chapter
- American State Bank
- Anderson 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 Kessler
- 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
- Grelind 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.
- Lamar 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

More Vision Partners, page 15

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.

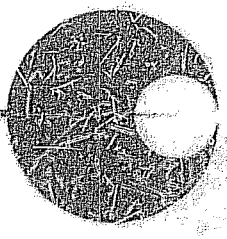
4. Balance the need for housing regulations with its associated impact of increasing housing costs.

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.

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 be 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 _____

VISION PARTNERS AS OF JANUARY 13, 1999

More Vision Partners, page 7

- Midcro 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 Rollinger - 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 Insurors, Inc.
- Western Dakota Technical Institute
- Western Providers, Inc.
- Westhills Village Retirement Community
- Wharf Resources
- Widowed Persons Service of Rapid Ci
- 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

VISION TASK FORCE MEMBERS

Chairman: Dan Warren

[illegible]
[illegible]
[illegible]

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 organizations 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.

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.*

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, WANRC, 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.

---

* 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

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.

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

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 jobs[4] 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 income 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 *Greater 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 maintenance 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 conventioneers, 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.

Chiesman Foundation For Democracy

701 St. Joseph Street, Ste. 204
P.O. Box 8283
Rapid City, SD 57709-8283

December 4, 1998

Mr. Julio Usera, Manager
Marketing Services
Black Hills Power & Light Company
PO Box 1400
Rapid City, SD 57709-1400

Dear Mutch:

Thank you for your interest in supporting the ***Institute for South Dakota Leadership & Participation's*** roundtable schedule for this fall. Please find enclosed an invoice for the second installment payment for the second meeting of the Governing South Dakota: Government Meeting Future Challenges Roundtable held on December 1 in Rapid City. I have enclosed a packet of materials that was distributed during this meeting for your information.

I am sorry that you were not able to attend this productive meeting. As you can see from the evaluation everyone was please with the session and outcomes of the Roundtable. Your presence would have been helpful in the areas of economic development and your relationship with local governments.

A complete report will be published in January. Twenty-five copies of the report will be sent to your office at no charge.

Meanwhile, I am interested in visiting with you concerning next year's roundtable series. Your continual support would be greatly appreciated by the Institute and the participants. I will make an appointment with you to submit and discuss the ***Institute for South Dakota Leadership & Participation's*** 1999 proposal.

Again, thank you for BHP&L and BHC support of this fall's roundtable. I look forward to your support of this exciting and important endeavor.

Sincerely,

Dr. John J. Usera.
President

Enclosures

Dedicated to the Preservation of Democracy

Voice: 605-341-4311 Fax: 605-341-3902 email: info@chiesman.org

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-0935

October 26, 1998

Chiesman Foundation
Dr. John Usera, President
P.O. Box 8288
Rapid City, SD 57709

Dear John:

Black Hills Power and Light (BHP) supports organizations that inform and educate our communities on economic development and leadership in order to become competitive in attracting new businesses to our area. Your Leadership Roundtables have created an opportunity for key leaders in businesses and government organizations to develop solutions and guidelines to meet challenges in their communities.

Enclosed is a check for $1,500 which is to be used toward sponsorship of the first Government "Meeting The Future" Roundtables, located in Chamberlain, South Dakota. We look forward to sponsoring your second roundtable which will be held at Spearfish in November, 1998.

We hope our sponsorship will allow your organization to continue to facilitate and coordinate leadership roundtables in the future. Congratulations on your first Government Roundtable session and best of luck with the next one in Spearfish, South Dakota.

Sincerely,

Mutch Usera
Manager, Marketing Services

Enclosure

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-0945

December 18, 1998

Chiesman Foundation
Dr. John Usera, President
P.O. Box 8288
Rapid City, SD 57709

Dear John:

Black Hills Power and Light (BHP) supports organizations that inform and educate our communities on economic development and leadership in order to become competitive in attracting new businesses to our area. Your Leadership Roundtables have created an opportunity for key leaders in businesses and government organizations to develop solutions and guidelines to meet challenges in their communities.

Enclosed is a check for $1,250 which is to be used toward sponsorship of the second Government "Meeting The Future" Roundtables, located in Rapid City, South Dakota.

We hope our sponsorship will allow your organization to continue to facilitate and coordinate leadership roundtables in the future. Congratulations on your second Government Roundtable session.

Sincerely,

Mutch Usera
Manager, Marketing Services

Enclosure

Chiesman Foundation For Democracy

701 St. Joseph Street, Ste. 204
P.O. Box 8288
Rapid City, SD 57709-8288

September 3, 1998

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

Dear Mutch:

Congratulations! You have been recommended by your peers to participate in the ***Governing South Dakota: Government Meeting Future Challenges Roundtable***, which will focus on identifying and discussing issues that will impact the future of local government in South Dakota. Commissioners, majors, superintendents, directors, and executives like you from all corners of the state have been identified as leaders who have an interest in South Dakota local government and governing boards. This invitation is based on your particular qualifications and we hope you will consider participating in this important deliberation. With your assistance this exciting endeavor will ultimately help other leaders, decision-makers, and policymakers in forging the future of South Dakota government.

The purpose of this roundtable is to think and to articulate on specific issues that require the attention of all South Dakotans. If South Dakota is to be adequately prepared for the future, then it must have strong leadership with a shared vision that is willing to identify and to discuss on-going and future challenges.

The initial roundtable meeting will be facilitated by Dr. Robert Burns of South Dakota State University on Tuesday, September 22 in Chamberlain. A second meeting is planned for November 10 in Rapid City. The two meetings will provide the forum and time for state leaders to discuss and deliberate on issues relevant to local government and boards.

If you accept this invitation, your responsibility will be to participate in the process and to share with us your vision of government for South Dakota. Though each person will bring a bias to the roundtable, everyone will be encouraged to provide input that is nonpartisan, nonregional and for the good of the whole state. Following the roundtable, the issues and recommendations will be drafted into a document to be distributed to all interested parties—legislators, business leaders, educators, and citizens.

Again, congratulations on being selected to participate and I thank you in advance for committing your time and expertise in this important process. Upon receiving your acceptance of this invitation, more information will be sent to help you prepare for the roundtable. Meanwhile, you can learn more about the Chiesman Foundation and the Institute for South Dakota Leadership & Participation at www.chiesman.org.

Sincerely,

John J. Useta, Ph.D.
President

Thanks for attending roundtable possible.

Dedicated to the Preservation of Democracy

Phone: 605-341-4311 Fax: 605-341-3902 email: info@chiesman.org

Chiesman Foundation For Democracy

701 St. Joseph Street, Ste. 204
P.O. Box 8288
Rapid City, SD 57709-8288

October 13, 1998

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

Dear ~~Mr. Usera~~ Mutch:

Please find enclosed a complimentary copy of the ***1998 South Dakota Youth Congress Conference Report.*** This report is the culmination of three days of meetings held at the University of South Dakota this summer with 34 high school student leaders from across the state. They came together to develop a vision statement and identify issues pertinent to their future in South Dakota. Additionally, the Congress participants made some specific recommendations for consideration by citizens, decision-makers, and leaders of the state.

I hope you will find the report informative. The report serves as an indicator of how our youth are interested and concerned about their future in South Dakota. They were sincere in their purpose and endeavor. All they ask is that adults listen to what they have to say and respect their ideas and opinions. The Congress participants joined together to form a youth's public voice expressing concerns and issues that should be addressed by decision and policymakers as South Dakota moves into the 21st century.

If you have any questions regarding the ***1998 South Dakota Youth Congress Conference Report***, please do not hesitate to contact me (605-341-4311) or Kristi Wagner (605-226-2955). Additional copies are available upon request from the Chiesman Foundation office.

Sincerely,

John J. Usera, Ph.D.
President

Enclosures

Institute for South Dakota Leadership & Participation

Governing South Dakota:
Government Meeting Future Challenges Roundtable

Dr. Robert Burns, Roundtable Facilitator & Keynote Speaker
Distinguished Professor & Head of Political Science Department, South Dakota State University

Mission Statement

Governing South Dakota: Government Meeting Future Challenges Roundtable will provide the people of South Dakota a democratic and nonpartisan forum and an opportunity to discuss and to deliberate on issues and roles of how towns, cities, counties, and the state will serve their citizens.

Goals for this roundtable are:

- To determine the role of government in a citizen's life;
- To provide some recommendations for accountability through more citizen participation;
- To discuss and evaluate the sharing of resources among the various state governmental agencies;
- To examine the number and size of municipalities and counties;
- To address taxation options and how best to support all levels of government;
- To discuss how to balance citizens' needs with governmental obligations;
- To discuss and reflect on the requirements for an efficient and visionary government;
- To provide a meaningful and objective document for the citizenry and State policymakers to support the roundtable's public policy recommendations for local, county, and state government improvement.

RSVP by September 10
Roundtable is limited to the first 35 responses.
Chiesman Foundation For Democracy
Phone: 605-341-4311 Fax: 605-341-3902 E-mail: info@chiesman.org

You may complete the other side of this section and mail in the enclosed envelope or fax the form.

Room reservations may be made by calling the Cedar Shore Resort at 1-605-734-6376.

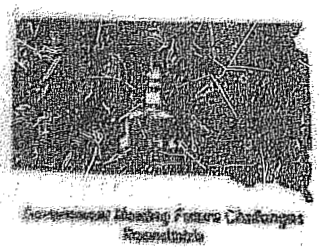
Sponsored by:

Chiesman Foundation

Northwestern Public Service

Black Hills Power & Light
Energy for a Reason

Institute for South Dakota Leadership & Participation



Governing South Dakota: Government Meeting Future Challenges Roundtable

Holiday Inn Plaza Conference Center
Rapid City, South Dakota

AGENDA

Tuesday, December 1, 1998

8:30 a.m.	Registration and Check In
9:00 a.m.	**Opening Session**
	Welcome and Review of Think-Tank Process.....Dr. John J. Usera
9:30 a.m.	**Session A: Prioritization of Government Issues**..... Dr. Bob Burns
	Introduction of Participants
	Developing a Consensus on Issues
11:00 a.m.	**Session B: Recommendations for Addressing Issues**.....Dr. Burns
	Focus (Small) Groups
12:00 p.m.	Lunch
12:45 p.m.	**Session C: Recommendations for Addressing Issues** (Continued)
	Focus Group Reports & Large Group Discussion
1:45 p.m.	**Session D: Developing An Action Plan**.....Dr. Burns
2:30 p.m.	**Session E: Wrap-up and Next Step**.....Dr. Usera
3:00 p.m.	Conclusion

Thank you for participating in this Roundtable Meeting.

Northwestern Public Service

CHIESMAN FOUNDATION

Sponsors

Chiesman Foundation

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701 St. Joseph Street, Suite 204
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Huron, SD 57350

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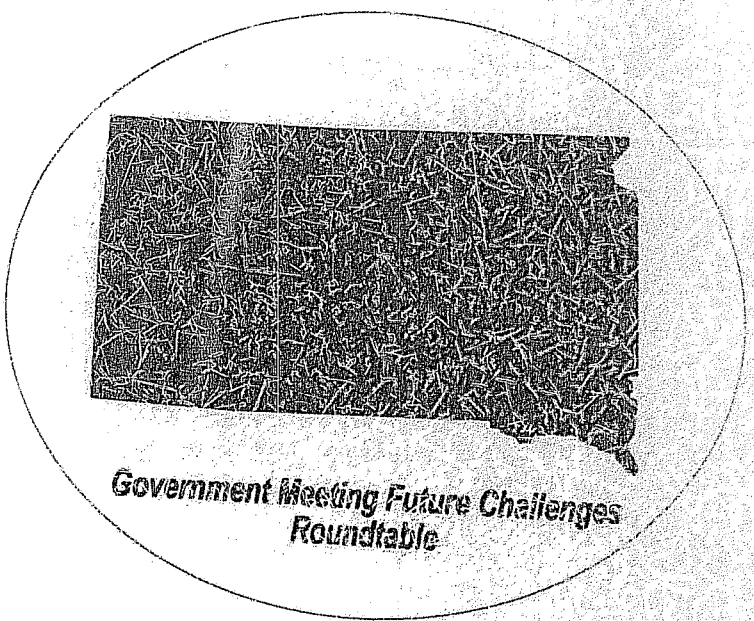
Institute for South Dakota Leadership and Participation



Conference Report

John J. Usera, Ph.D.

1999

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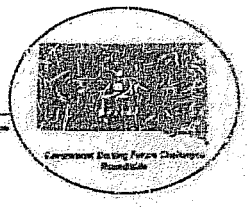
Ordering Information

Copies of this report are available from the Chiesman Foundation For Democracy, Box 8288, Rapid City, SD 57709-8288. The suggested donation per copy is $5.00 plus $2.00 for postage and handling. A free copy of the report is available per individual request.



The Institute for South Dakota Leadership & Participation and its activities are primarily funded by the Chiesman Foundation For Democracy, corporate, and individual sponsors. The Institute was created because of strong concern for serious deliberation of public policy and issues relevant to South Dakota's future. The Foundation has as its mission the promotion and preservation of democracy and democratic ideals which is consistent with the Institute's mission. The Institute seeks to foster and encourage citizens to participate in the democratic process using dialogue, discussion, and deliberation based on consensus building and research to arrive at creative and innovative ideas for public accountability and recommendations.

The ***Governing South Dakota: Government Meeting Future Challenges Roundtable*** could not have happened without the help and support of many dedicated individuals and corporations. The major sponsors of the roundtable were Northwestern Public Service, Black Hills Power & Light Company, and the Chiesman Foundation For Democracy. The opinions and conclusions expressed in this report do not necessarily reflect the policies or opinions of the sponsors. The major sponsors were responsible for funding the roundtable so those citizens interested in the future of local government could gather in a nonpartisan and amicable environment without any restrictions or barriers to an open and productive discussion of common concerns and issues.

The Institute thanks Dr. Robert Burns for facilitating the two roundtable conferences. His enthusiasm and knowledge of state and national government were helpful in leading the participants to identify issues, opportunities, concerns, and recommendations for the future of local governance in South Dakota.

The Institute thanks Kristi Wagner, Vice President of the Chiesman Foundation and Coordinator for the ***Governing South Dakota: Government Meeting Future Challenges Roundtable***. She assisted in identifying the participants for the roundtable and making sure that preliminary physical arrangements for each roundtable meeting were in order.

The Institute thanks Jeanmarie Heriba, Administrative Assistant at the Chiesman Foundation. She assisted in the organization of the materials and provided participants with the latest information about the roundtable. When the second meeting of the Roundtable was cancelled due to weather, she contacted all participants and kept them apprised of the new meeting date and time. She assisted Dr. Burns and Ms. Wagner at each meeting assuring that everything ran smoothly and efficiently.

The Institute thanks Michelle Russell, Office Manager and Publications Editor at the Chiesman Foundation. Her creative skills were used in the design and development of this report and other supportive materials for the Institute. She assisted the Institute staff in many ways and worked behind the scene to make the ***Governing South Dakota: Government Meeting Future Challenges Roundtable*** a success.

The Institute thanks all the participants listed on pages *xi* through *xiv* for their participation in the ***Governing South Dakota: Government Meeting Future Challenges Roundtable***. This roundtable would not have been a reality without them. The participants are to be commended for sharing their valuable time, expertise, and resources in the identification of local governance issues and making recommendations for improving local government for the people of South Dakota. The leadership that made up the composition of the roundtable is to be commended for their dedication and commitment to their constituents.

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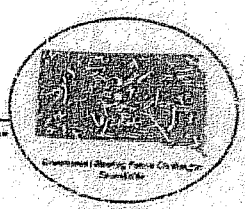
---Photo courtesy of Ivan Loesch

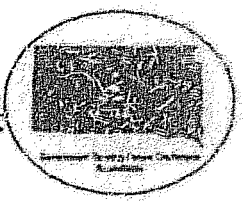
The Roundtable Banner



Acknowledgements

One never notices what has been done; one can only see what remains to be done. . . .

—Marie Curie
(Polish Chemist, 1867-1934)
Letter to brother, March 18, 1894



Sponsors

The following three organizations and corporations provided the financial support to make the ***Governing South Dakota: Government Meeting Future Challenges Roundtable*** a successful reality. With their support and leadership in this venture, the roundtable was very successful in meeting its mission and goals. The sponsors did not have any agenda except to bring together local government elected officials, professional agency officials, association executives, and interested citizens to address the future policy requirements and expectations to help citizens receive the benefits and services of local government at a reasonable cost to the taxpayer.

We give special acknowledgment to:

Northwestern Public Service headquartered in Huron, South Dakota.

Black Hills Power & Light Company headquartered in Rapid City, South Dakota.

Chiesman Foundation For Democracy headquartered in Rapid City, South Dakota.

Personal Appreciation

During the planning stage of the roundtable, the following individuals were very helpful and generous in providing suggestions and ideas for the roundtable agenda and participant invitations. These men and women exemplify some of the finest leadership within South Dakota and the Institute is grateful for their individual support and advice.

Merle Lewis
President
Northwestern Public Service
Huron, SD

Christy Johnson
Executive Director
School Administrators of South Dakota
Pierre, SD

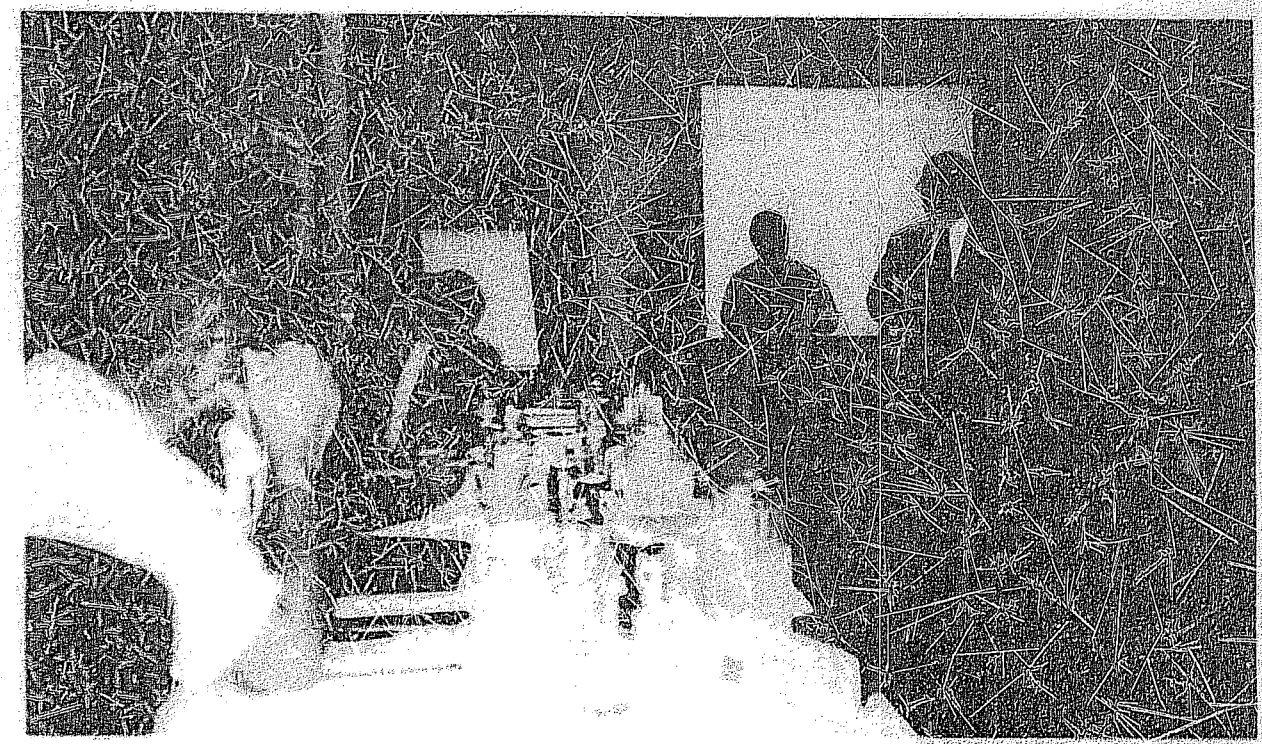
Richard Heward
Executive Director
Association of County Commissioners
Pierre, SD

Mutch Usera
Marketing Manager
Black Hills Power & Light
Rapid City, SD

Gail Brock
Executive Director
SD Association of Towns and Townships
Pierre, SD

Rich Sattgast
Executive Director
South Dakota Association of County Officials
Pierre, SD

Gene Enck
Executive Director
Associated School Boards of South Dakota
Pierre, SD



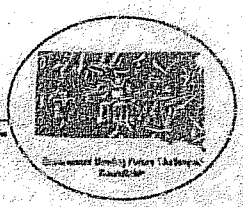
—Photo courtesy of Ivan Loesch

From Left:

Gene Mann, Julie Pearson, Dr. William Richardson, Kristi Wagner, Dr. John Usera, Dr. Robert Burns.

Participants

The participants took part in the *Governing South Dakota Roundtable* as individual concerned citizens, and therefore the ideas and recommendations expressed in this document do not reflect the opinions of the participants' organizations, associations, or local governments. The input provided by the participants does not represent the policies or consensus of any organization, association, or local governmental agency.



Mr. Terry O. Albers
CEO, Shannon County School District
PO Box 109
Batesland, SD 57716
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Fax: 605-288-1814
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Mr. Ray J. Aldrich
Chiesman Foundation For Democracy
PO Box 8288
Rapid City, SD 57709-8288

Ms. Brenda L. Anderson
Treasurer, Aurora County
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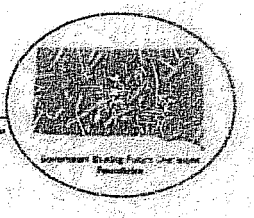

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Introduction

Our government springs from and was made for the people—not the people for the Government. To them it owes allegiance, from them it must derive its courage, strength, and wisdom.

—Andrew Johnson
First annual message to Congress
December 4, 1865

When the average South Dakotan thinks of government, there is a tendency to group all levels of government into one group. This group is not interested in the individual, but in collecting data, taxes, and forms. People in government are always counting something or trying to enforce some new or old laws. The word government, like politics, begins to take on a negative connotation. But after some thoughtful reflection, most will agree that government is an important cornerstone to any community or organization.

An organization, no matter the size or mission, requires a set of rules, a means to comply with the rules, and the leadership to accomplish the purpose of the organization. Without this infrastructure the organization is doomed to failure and a quick demise. The same is true of any community, large or small, rural or urban, a set of rules must be established by which all citizens must abide and there must be someone or some governing body to ensure that the needs of the community are met. In addition to the organizational and governance structure for any organization or community, there are the requirements of financial and majority support. How this is done and what is being done becomes the spark for many debates.

The ***Governing South Dakota: Government Meeting Future Challenges Roundtable*** is an attempt for South Dakota leaders to come together to discuss how government can serve its citizens better. There is a history of local government that requires extensive study, but the Roundtable meetings were held to discuss current trends and future solutions as much as to identify how government was working and if there were some strategic or tactical initiatives that could be employed to make local government more effective and responsive to the people of a community, town, county, or region.

During the fall of 1998 a two-day roundtable series was planned to bring together a cross-section of state leaders interested in improving local government. The purpose of the roundtable was not to debate, but to deliberate on what issues all state leaders, policymakers, and decision makers must address in the next two or three years if the state is to enter the next century with confidence and with strategies to keep South Dakotans active in all aspects of government. The participants were asked to enter the deliberative process with an open mind and to bring to the table their stories of success, failure, and frustration. From this pool of experience and knowledge a list of issues and recommendations would be developed that required some immediate attention if local government is to meet the challenges of the future.

The roundtable was hosted by the Institute for South Dakota Leadership & Participation, which is an independent think tank for South Dakota. Its purpose is to bring together experts, leaders, and concerned citizens to discuss, to dialogue, to deliberate, to suggest, and to answer questions about public and private policies. The participants are able to do this in a nonpartisan democratic atmosphere, without regard for a specific political or regional agenda. The roundtable centered on the

future of government and governance at the local level within South Dakota and those factors that contribute to making it more effective and efficient.

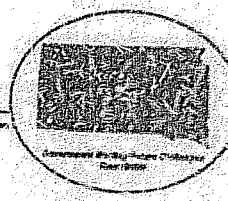
There were many leaders invited to the roundtable meetings who were not able to attend because of prior commitments and scheduling conflicts. Those individuals who were able to participate tried to be inclusive and purposeful in discussing specific concerns relevant to local government. There was no attempt to limit the list of issues. But there was a concerted effort to identify those issues with the highest priorities.

Five major areas were identified during the meetings. Within each area was a list of relevant issues, recommendations, and actions. The five major areas were:

1. **Leadership and citizen participation**
2. **Revenue systems**
3. **Public relations and communications**
4. **Government services**
5. **Intergovernmental relations (cooperation) and state mandates**

This document explores each area carefully and reports what the participants agreed upon to be shared with policymakers and citizens.

If you agree with the participants' analyses and suggestions for the future, then you contribute to the validation of their efforts. You should take the opportunity to share your view with other citizens and leaders of the state. If you do not agree, then you should make your point of view heard through the democratic process and encourage or participate in forums that dialogue on your concerns. The importance of ***Governing South Dakota: Government Meeting Future Challenges Roundtable*** is that leaders from a diverse interest, government, and business background were able to agree on a set of meaningful issues and recommendations that will impact the future of local government and community life. The implementation of the recommendations rests on state leaders and citizens to continue with the dialogue and to develop a set of wise solutions and responses to reinventing and to improving government.

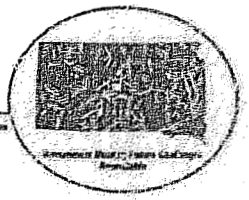


Mission Statements

What is public deliberation?

- **Deliberation is dialogue for weighing, not a debate for winning.**
- **Deliberation is about what is most valuable to us, not just facts.**
- **Deliberation requires working through limitations.**
- **Deliberation is building common ground for action.**

—David Mathews
Politics For People
First Edition, 1994; Second Edition, 1999



Institute for South Dakota Leadership & Participation

(An independent think-tank for South Dakota)

The mission of the ***Institute for South Dakota Leadership & Participation*** is to provide the people of South Dakota with a nonpartisan, nonsectarian forum for the thoughtful discussion of existing and emerging public policy issues and to encourage leadership in the search for strategies, solutions, and recommendations in addressing specific issues or topics pertinent to South Dakota.

This is accomplished by:

- Providing an environment that is independent of geography, political persuasion, ethnicity, and personal beliefs;
- Defining and analyzing the scope and nature of public policy issues and to broadly define and evaluate alternative policies in addressing these issues;
- Bringing together, on a regular basis, the leadership and representatives of the citizenry of the State to discuss public policy issues;
- Assisting in the advancement of economic, social, educational, and quality of life interests of the State;
- Providing meaningful and objective research opportunities for State leaders to use in making decisions for the benefit of the citizenry; and
- Developing leadership potential and participatory opportunities in a democratic climate of roundtables, summits, and conferences.

Governing South Dakota: Government Meeting Future Challenges Roundtable

First Meeting—September 22, 1998—Chamberlain
Second Meeting—December 1, 1998—Rapid City

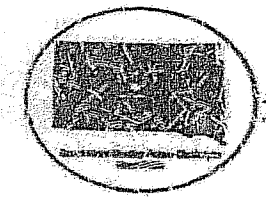
Mission

Governing South Dakota: Government Meeting Future Challenges Roundtable will provide the people of South Dakota a democratic and nonpartisan forum and an opportunity to discuss and to deliberate on issues and roles of how towns, cities, counties, and the state will serve their citizens.

Goals for this roundtable are:

- To determine the role of government in a citizen's life;
- To provide some recommendations for accountability through more citizen participation;
- To discuss and evaluate the sharing of resources among the various state governmental agencies;
- To examine the number and size of municipalities and counties;
- To address taxation options and how best to support all levels of government;
- To discuss how to balance citizens' needs with governmental obligations;
- To discuss and reflect on the requirements for an efficient and visionary government;
- To provide a meaningful and objective document for the citizenry and state policymakers to support the roundtable's public policy recommendations for local, county, and state government improvement.

Leadership & Citizen Participation



The first function of a political leader is advocacy. It is he [or she] who must make articulate the wants, the frustrations, and the aspirations of the masses.

—Aneurin Bevan
In Place of Fear
1952

Efficient and effective local governments, including boards, commissions, and all public agencies, depend upon skilled leadership and management, a committed and knowledgeable citizenry, and an active participatory constituency.

Overview

All citizens are aware of the importance of having some form of local government to assure a safe, healthy, and equitable society. The local school board is an example of how citizens elect some of their own to monitor the application of policies for the education of their children. The board is careful to hire an educational leader and manager to administer the legal and political policies developed by the local school board and state mandates. The public in turn requires some level of accountability through communication and results manifested by the level of education acquired by each child. If the public is not satisfied with the results, then board members and their appointees are replaced through the electoral process.

The city and county commissioners, mayors, and other elected officials mimic the local school board in responsibility and accountability. An active participatory citizenry will elect community representatives to make sure that the needs of the community are met in a reasonable and effective manner. If this is not done, then other citizen leaders will step forward to assure the public that their wishes will be accomplished through change at appropriate levels.

This is a desirable democratic process for the operation of any local governmental unit. Unfortunately, it is dependent upon some major factors:

(1) Citizens must be participatory and active.

(2) Citizens must be informed and knowledgeable about the issues.

(3) Rational and concerned leaders must step forward to seek the various elected positions.

(4) Managers must be skilled and supported by their governing bodies. Success in the public sector depends on skillful executives and support staff. Skillful management makes the difference between success and failure.

(5) There must be political incentives (appropriate recognition of accomplishments) for managers and elected officials to be aggressive and creative in policy implementation.

(6) Elected officials and managers must be encouraged by the citizenry to be more risk-takers than caretakers.

(7) Failure at the implementation of a policy or local initiative should be viewed by all as an attempt to solve a problem rather than an indicator of an individual or group's incompetence or at least an opportunity to investigate the cause of failure so as to pursue corrective measures. (Focus on the issue, concern, problem or solution rather than on the individual or group trying to resolve a situation.)

The roundtable participants found the leadership and participatory citizenship topic to

be important because it involved recruitment of potential community leaders and minimizing citizens' apathy about government's role in their lives. The participants developed the following list of concerns about this issue.

- Although strong and positive leadership exists at the local level, there is a need for more citizens to take an active leadership role within their community and local government.
- There is a need to get more citizens involved. Government does not make a community survive, the owners of government must do it.
- More professional leadership and management are required at the local level.
- There is a need for more state technical assistance for the operation and management of local entities.
- Individuals in leadership roles must be competent, rational, and visionary.
- There must be more accountability for executives, managers, commissioners, boards, etc. Elected and hired governmental officials require a set of measurable performance standards.
- Local leaders and managers need clear statutory/regulatory guidelines.
- There must be a concerted effort for citizen mobilization through the spirit of volunteerism for the improvement and life of a community.
- Local government agencies must sponsor and encourage their elected, managerial, and executive officials to participate in leadership seminars and skilled training workshops. Officials should take advantage of the existing certification programs available through a variety of associations and organizations.
- The state mandates act as a barrier to local government meeting the needs of its citizens. The state is not permitting local governments to do comprehensive and relevant planning.
- There is a resistance to change. There is a movement for local government and agencies to be caretakers rather than agents for promoting growth and improvement within a community.
- Overregulation creates a drag on action and the free exercise of executive and leadership talent; underregulation can lead to waste, fraud, or the subversion of legitimate organizational goals.
- The primary motivator of elected public officials and their staffs is to take actions that will support a reelection bid. It is important to do what is popular and not necessarily what is right. Political pressures influence both managers and elected officials.

Recommendations

In order to address the leadership and participatory citizenship topic, the participants made some recommendations for consideration by policymakers and other supportive organizations. Some of the recommendations involve direct involvement by the state while other recommendations can be realized through the direct involvement of citizens and associations.

There must be a campaign to improve and enhance citizen participation in the political process. This can be accomplished by:

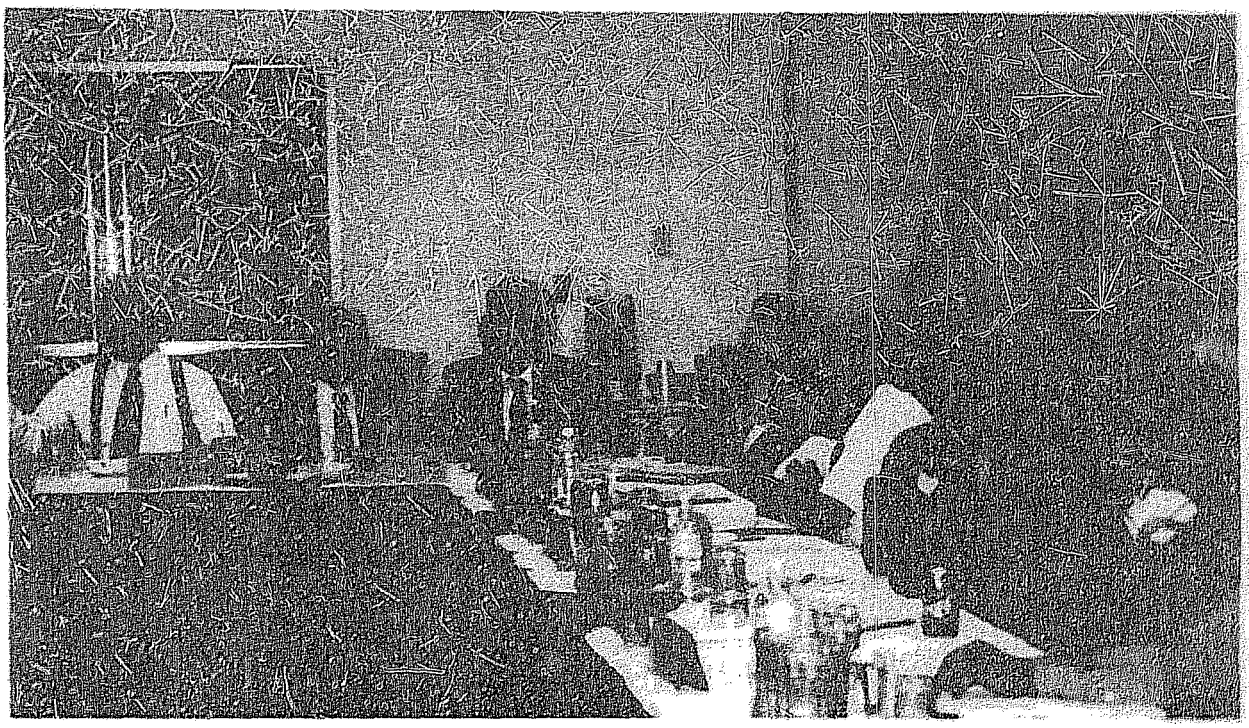
- Holding public community wide meetings that invite more public input;
- Using the media for public dialogue;
- Holding public forums on specific local and state issues (e.g., South Dakota Issues Forums);
- Inviting individuals to participate in the political process as a committee member, elected official, or in some advisory capacity;
- Asking for opinions and ideas about particular community issues and assuring individuals that their input is important.

There must be a requirement for elected officials, managers, and executives to have current leadership skills and training. This can be accomplished by:

- Requiring elected officials to attend training sessions on their specific roles and responsibilities;
- Requiring managers and elected officials to learn about deliberative and facilitation techniques (e.g., South Dakota Public Policy Institute, Institute for South Dakota Leadership & Participation, USD W.O. Farber Center for Civic Leadership, etc.);
- Developing an accountability and certification process for school board members, commissioners, and other public-governing agents;
- Delivering training at the local level and through a collaborative network system;
- Requiring managers and executives to complete a predetermined number of skill and leadership training seminars, workshops, or courses per annum;
- Improving and enhancing K-16 curriculum to emphasize local government and citizen participation (e.g., Kids Voting South Dakota, Project Citizen, Law Related Education, and We The People);
- Offering courses on community leadership and citizen participation at the local K-12 schools, technical institutes, colleges and universities.

Action Plan

Institutions and organizations that have as their primary goal the preparation of civic leaders for South Dakota should consider the recommendations made by the roundtable participants. Institutions and institutes such as the University of South Dakota's W.O. Farber Center for Civic Leadership, South Dakota Public Policy Institute, and the Institute for South Dakota Leadership and Participation are among the primary entities that have the ability and expertise to assist local leaders and managers acquire skills in deliberation, leadership development, and communication. Organizations such as the Associated School Boards of South Dakota, Association of County Commissioners, South Dakota Association of Towns and Townships, and South Dakota Association of County Officials are among the professional organizations that should continue to pursue performance standards and workshops on current requirements for skilled managers, executives, and elected officials.



—Photo courtesy of Ivan Loesch

From Left:

Morris Hallock, Ray Aldrich, Ivan Loesch, Brenda Anderson, Jim Borszich (standing), Gene Mann, Terry Albers, Dale McDonnell, Casey Murschel

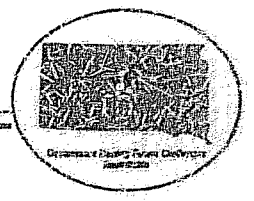
Revenue Systems

In other words, a democratic government is the only one in which those who vote for a tax can escape the obligation to pay it.

—Alexis de Tocqueville
Democracy in America
1835

Tax reform means "Don't tax you, don't tax me, tax that fellow behind the tree."

—Russell B. Long
The New York Times
December 31, 1976



As the costs for maintaining a requested level of governmental services and for operations increases, sources of revenue have to be identified that are equitable and fair to the public.

Overview

If there is one issue that will stir up debate and discussion in any community or public forum, it would be the topic of taxation. There is an unanimous agreement that there must be a revenue system to support government, but there are many versions on how this system should look. No matter the configuration of the revenue system it is important that the individual contribute the lowest amount possible to the fund and that a dollar's worth of services be provided by the governmental agency for each dollar invested.

"Local government has an obligation to the citizenry to get serious now about implementing measures to economize cost of operation."[1] Taxpayers are always concerned about how taxes are being spent locally, in the state, and in the nation, but they appear to have better accountability and control at the local level. Although a majority of the governmental leaders and taxpayers embrace a philosophy of fiscal conservatism, there still exists a skepticism of whether the governing boards and agencies are spending the dollar correctly. Tied to this skepticism is the amount of available funds to provide adequate services for the public. The federal and state governments through a variety of taxation methods collect a large percentage of the tax revenue. Local governments are limited to only a few revenue sources and generally have to share these sources with the state government.

Therefore, when governing boards (for example, local school boards and commissioners) come together to address the impending agenda, revenue and expenditures are generally a discussion item. There are the scripted list of questions that are asked when a planned expenditure or need is requested. How much will it cost? Do we really need it? Could we get it at a lower price? And, how are we going to pay for it? It appears that a major accountability standard for any elected official or executive is not how a person is meeting the mission and goals of an organization, but how fiscally responsible the person is to the citizens' expectation of restraint and reduced costs. This fiscal responsibility can be manifested in a variety of ways. In addition to reducing overhead costs, increasing governmental efficiency and being entrepreneurial in providing public services can be a measure of a successful elected official or manager.

The roundtable participants found this an awkward and difficult criterion for any local government. That is, provide us, the citizens, with high quality governmental services by highly skilled employees at the lowest cost to the taxpayer. And if you have to make a choice,

[1] Shared Services Committee (September 1997). Efficient County Government Report. Pierre, SD: South Dakota Association of County Commissioners.

Taxes Levied By Local Units of Government 1997

Government Unit	Amount Taxed	Percent
Schools	$ 341,703,332	61.84%
Counties	$ 132,306,002	23.94%
Municipalities	$ 63,030,246	11.41%
Townships	$ 8,935,430	1.62%
Special Assessment	$ 6,597,665	1.19%
Total	**$ 552,572,675**	**100%**

Source: South Dakota Counties, 1998

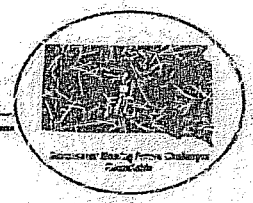
choose cost savings over other criteria. Yet this ambiguity is a rightful expectation of any taxpayer—to expect good governmental services for the dollars invested through taxes paid.

Among the concerns outlined by the roundtable participants were:

- Finding a linkage between the community economic base and the tax revenue sources;
- Establishing a fair method for transferring revenue sources between state and local governments;
- Reviewing current state mandates for generating local revenue;
- Revoking state-ordered reduction of local government to reduce government to reduce government costs;
- Learning how to balance scarce resources (i.e., population, industry, farm production, etc.) with the reality of citizen expectations for government services.
- Acquiring clarification of current state mandates on the collection and distribution of sales and property taxes;
- Providing opportunities for local government to identify other ways to provide necessary public services through contracting, tax incentives, franchising, public-private partnerships, privatization, and other entrepreneurial endeavors, and
- Helping citizens understand better the cost of government. The quality and quantity of governmental services are directly proportional to the amount of community investment either through taxation or philanthropy.

Recommendations

Developing and implementing revenue sources to support government activities is a difficult process. The participants were aware that funding local government is a priority but it must be balanced between economic reality and providing adequate quality services. Some of the recommendations made by the participants were:



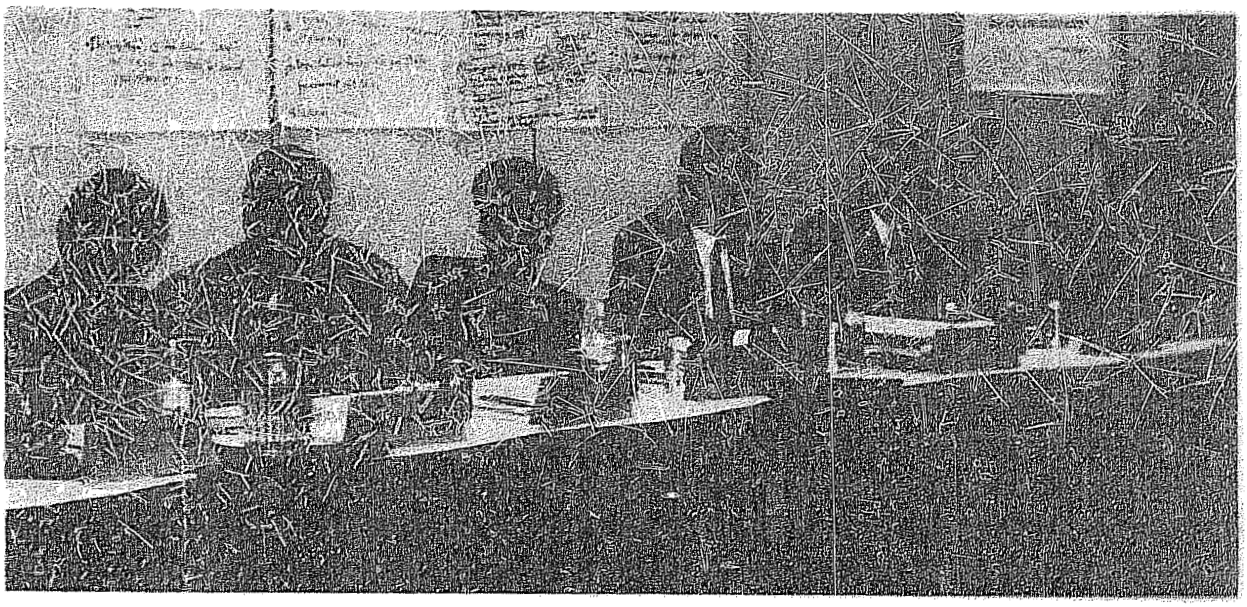
- Expanding the uses of city sales tax;
- Utilizing user fees for enterprise funds and discretionary services;
- Reinstating the replacement of the personal property tax revenue (PPTR) to the counties;
- Developing local revolving economic development loan funds as modeled by the Governor's Office of Economic Development and implementing a second penny sales tax to support this fund;
- Enabling local governments to exceed the taxation cap for special measures such as consolidation initiatives without creating special districts;
- Encouraging more forums and discussions on taxation topics using nonpartisan organizations such as the South Dakota Issues Forums and the Institute for South Dakota Leadership and Participation;
- Increasing the distribution of highway funds (federal and state) for local government projects;
- Establishing a limitation of indigent legal costs paid by local governments through the use of a state public defender's office;
- Encouraging more public-private partnerships to provide public services;
- Developing more intergovernmental agreements for public services; and
- Increasing license fees, gasoline taxes, and motor vehicle excise taxes.

Action Plan

The state legislature is encouraged to develop and to implement strategies for generating revenue to support local government. Many ideas and suggestions for creating additional revenue sources and for assisting citizens to understand the need for additional revenue sources can be discussed and deliberated using nonpartisan forums and media. Organizations such as the Associated School Boards of South Dakota, Association of County Commissioners, South Dakota Association of Towns and Townships, South Dakota Association of County Officials, South Dakota Issues Forums, and the Institute for South Dakota Leadership & Participation can take an active role in developing forums and roundtables for further discussions.

Local Government Per Capita Costs By Population Grouping 1993-1995

Population Group	Number of Counties	Per Capita 1995
2,500 and under	9	$574
2,501 to 5,000	16	$445
5,001 to 10,000	20	$320
10,001 to 15,000	3	$251
15,001 to 20,000	4	$224
20,001 to 25,000	4	$262
25,001 and over	2	$191
Average		**$324**



—Photo courtesy of Ivan Loesch

From Left:

Casey Murschel, John LaFave, Julie Pearson, Dr. William Richardson, Richard Sattgast, Dr. John Usera

—Photo courtesy of Ivan Loesch

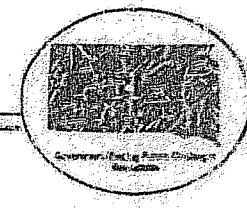
From Left:

Brenda Anderson, Morris Hallock, Faye Kann, Gene Mann

Public Relations & Communications

Government includes the art of formulating a policy, and using the political techniques to attain so much of that policy as will receive general support; persuading, leading, sacrificing, teaching always, because the greatest duty of any statesman is to educate.

—Franklin D. Roosevelt
Speech in San Francisco, California
September 23, 1932



If government is to reflect the will of the people, it must be open to two-way communication. First, elected and appointed officials must listen to what the public requires, and then the government must inform its citizens what it has done to meet its requests. The people of South Dakota want to know how their government is performing and responding to meet the needs of the community and state.

Overview

There has been no time in history when a nation or state has had available the technology to communicate to its citizens government happenings as quickly and completely as today. Yet with all of these tools and resources, average citizens claim that they do not know for sure what is happening within their government. Some think that this may be due to the complexity and multi-level aspects of government, and others believe that this may be due to some conspiracy to keep secrets from the public. Whatever the cause of this skepticism, there is no doubt that elected and appointed officials cannot escape the scrutiny of the public if it habitually withholds information about specific issues, concerns, problems, and solutions that will eventually impact individual citizens.

Local governments have had the reputation of being informative and open to their constituents. This openness is directly related to the propensity for using communication media and public relations appropriately. Local newspapers, radio, and television are usually good about summarization of public meetings and events. Details are made available when there is a controversy or an issue that impacts a particular vocal group. Otherwise, the daily, weekly, or monthly meetings go underreported as routine and "business as usual." The difficulty in reporting local government and board meetings is not the availability of information, but the dissemination of the information in a readable and consumable manner for citizens to be aware of what is happening. Unless the topic is controversial, the public will tend to be apathetic and nonparticipatory in the actions undertaken by their local elected officials.

When a controversial topic or item surfaces, then local officials are held accountable by citizens for the accuracy of information provided to the public. Mixed with this information are the outside sources, pro or con, that provide their own version or interpretation of the information about a specific issue. This situation is normally enhanced by the absence of deliberation and the focus on debate. This win/lose environment develops into a political process in which a solution is not truly beneficial to the community or a group of people, but rather a compromise to satisfy both sides of an issue.

How does local government help its citizens keep informed? Good public relations demand good communication. Every unit of government, every agency, employee, and elected official, must be willing to provide accurate and current information to the public. The media must be part of the public relations strategies. Public forums on specific issues must be held on a regular basis to

Average	1,730	1,755	1,805

Source: U.S. Census Data, 1996

discuss pressing topics. Meeting schedules, dates and times, must be published regularly to remind citizens to attend and to participate in this democratic process. Publications must be made available to all citizens to explain the roles of elected officials and services provided by various governmental agencies.

The roundtable participants were aware that many governmental agencies were lacking in the application of good public relations. There was agreement that those individuals who were interested would attend public meetings and forums. More effort must be made to recruit and encourage the average citizen to attend at least one meeting of the school board, commissioners, etc., to participate and hear about some of the major issues or concerns being considered by the elected officials and managers. Without the involvement of the public, trying to generate any support of a proposed initiative be construed as self-serving rather than for the good of the public.

Some of the concerns identified by the participants included:

- There is a need for the improvement of public relations for local governments and school districts.
- Local governments should take more advantage of current technology to communicate about board and commission meetings and provide information about governmental services and other relevant matters.
- Technology can be used to improve and to enhance intergovernment and intragovernmental communications.
- As government increases in size, communication seems to decrease. Government agencies communicate less with the public and become more impersonal.
- Media should be used to promote and build the community by reporting on positive achievements and advertising public meetings and forums.
- Strategies should be developed by schools and other local governments to improve basic communication between government agencies and the public.

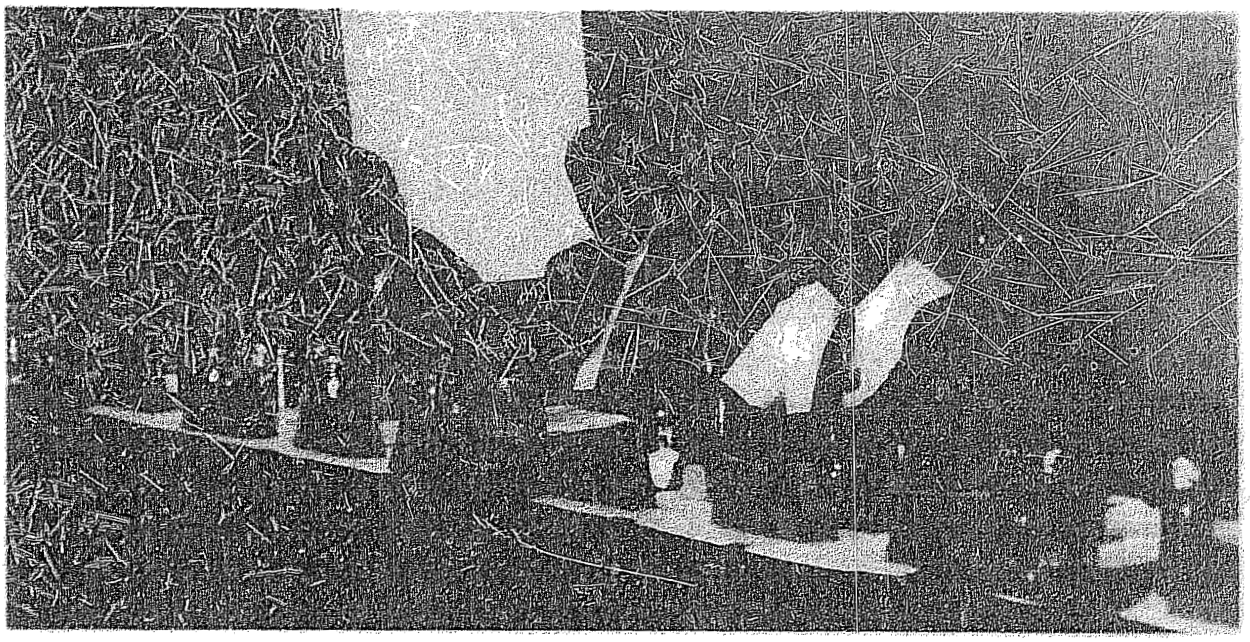
Recommendations

The roundtable participants believed that interaction with the public is very important if it is to be successful in developing and implementing improved government efficiencies. A combination of strategies was recommended by the participants since no one strategy could be successful without others. The suggested recommendations included:

- Increasing public awareness of public events and activities through:
  - training of elected officials and managers on how to use communication skills effectively;
  - establishing good relationships with the newspaper, radio and television media;
  - helping the media rethink their role as public journalists;
  - encouraging people to take advantage of the availability of public proceedings and information;
  - making public meeting minutes available on the internet or other public medium.
- Improving public education on the role of citizens in a participatory government through:
  - offering adult courses or seminars on civic responsibilities and deliberative democracy;
  - establishing regular forums on specific issues relevant to the community;
  - using community and school cable TV and Public Radio/TV to broadcast school board, city commission, and neighborhood meetings and forums;
  - designing curriculum which teaches students to become more active in the political and governmental processes within their community.
- Establishing and implementing civil rules of order for local government through:
  - encouraging elected officials and managers to learn more about the deliberative process of facilitating meetings and forums;
  - providing citizens a more active role in meetings by establishing ground rules and procedures of order.

Action Plan

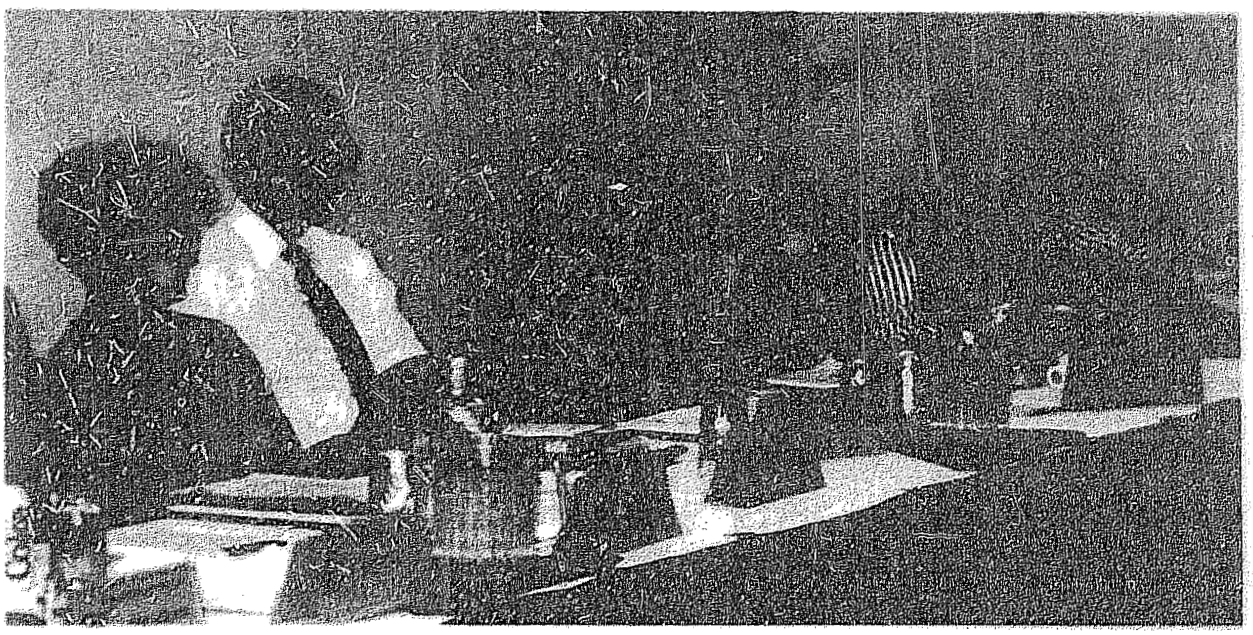
There are many institutions and organizations within South Dakota that have as their mission development of public relations and communications skills for local governments and school districts. The participants believe that the following organizations should consider offering assistance to local agencies in the development of training and planning strategies to be effective in their public relations. The following institutions, institutes, and organizations are leaders in this endeavor: University of South Dakota W.O. Farber Center for Civic Leadership and the School of Journalism, South Dakota Public Policy Institute, the Institute for South Dakota Leadership and Participation, Associated School Boards of South Dakota, Association of County Commissioners, South Dakota Association of Towns and Townships, and South Dakota Association of County Officials.

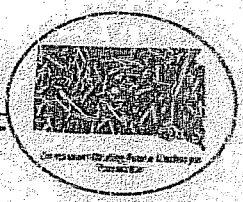


—Photo courtesy of Ivan Loesch

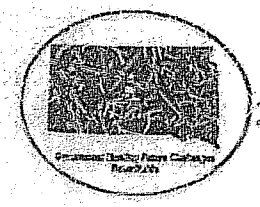
From Left:

Deene Dayton, Bill Peterson, Dean Nielsen, Ruth Yellowhawk, Linus Storms, Brenda Barger



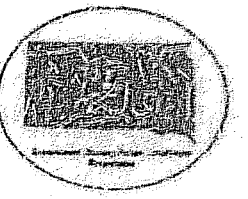


Government Services



The legitimate object of government, is to do for a community of people, whatever they need to have done, but can not do, at all, or can not, so well do, for themselves—in their separate, and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere.

—Abraham Lincoln
July 1, 1854



A major function of government is to provide citizens services that will assure a safe, healthy and democratic environment so that an individual can pursue liberty and prosperity as guaranteed by the South Dakota Constitution, U.S. Constitution, and Bill of Rights.

Overview

As society grows and becomes more complex, the demand for more protection and regulation increases proportionally. To provide this additional protection and to assist citizens comply with the regulations, a variety of support services have to be made available. The dilemma arises from balancing the public demand for help with the costs for delivering these services with no additional governmental interference. If the government does not provide these services through some means, citizens respond with criticism, legal repercussions, and elections.

A recent survey (see Appendix) showed South Dakota municipal and county governments provide over seventy-two different services. They include functions for governmental support, general community development, education, health and human services, parks and recreation, public works and transportation, and public safety. How these services are delivered to the public varied from local government employees to private organizations to volunteers. The survey shows that most communities are attempting to meet community demands using both public and private providers. The demand is for the delivery of quality goods and services, more responsiveness to citizens' needs, squeezing more out of every dollar, and less bureaucratic red tape.

Current local government managers and elected officials struggle with the best methods for meeting the demands of the public at the lowest cost. Many people believe government should simply be "run like a business." But government and business are fundamentally different. Business leaders are driven by the profit motive, while government leaders are driven by the election process or another political motive. Business derives its money from customers, while government derives its funding from taxpayers. Business is usually driven by competition, while government tends to be a monopoly and has no competition. Government is democratic and open, while business can be secretive and autocratic. The fundamental purpose of government is to do good and not to make money, although government is asked to save money for the taxpayer through efficiencies. This does not preclude the ability of government to be entrepreneurial or permit for-profit and nonprofit organizations to perform some of the public services required by a community.

The roundtable participants struggled with how to provide effective and efficient services without unintentionally subsidizing activities and functions that could be undertaken by other organizations and volunteers. For example, is the recreation department using tax dollars to support softball teams when local businesses or nonprofits can be sponsoring these activities? While the participants viewed many of the required government services as nontransferable functions, they questioned whether some of these services could be consolidated or relocated.

County Expenditures – 1997

Government Service	Amount Taxed	Percent
Roads & Bridges	$ 74,254,698	33.49%
Law Enforcement	$ 50,613,851	22.83%
Health & Welfare	$ 22,007,663	9.92%
Officials	$ 31,958,651	14.41%
*Miscellaneous	$ 30,653,368	13.82%
Building & Grounds	$ 12,254,940	5.53%
Total	**$221,743,191**	**100.00%**

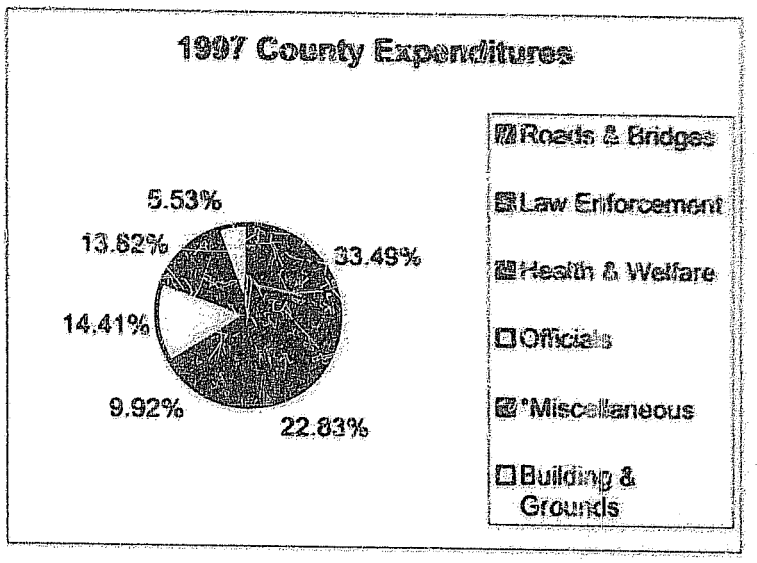
Source: South Dakota Counties, 1998
**Miscellaneous:* Civil Defense, Emergency Services, Recreation, Economic Development, Public Works, Debt Service, Other Administration, Conservation

Some of the concerns identified by the participants included:

- The inability of local government to provide specific services due to inadequate funding and infrastructure.
- There is a demand for more services under the conditions of less government.
- There are too many levels of government involved in providing services and support.
- Local government, schools, and related agencies provide jobs and stabilize population of small communities. This results in a conflict between governmental efficiency and economic stability.
- Some government services are not customer or user friendly. A message is being sent to taxpayers that government employees or agencies are doing the people a favor rather than proving a service.
- Some governmental agencies, such as schools, are expected to expand their mission to perform traditional family roles.
- More mandates require local governments to perform more day-to-day operations with limited resources and personnel.
- There is a need for one-stop government centers.
- Government entities require more planning to meet local service needs.
- Technology can be used more effectively for governmental functions and services. Processing of forms, requests, and other services can be performed using computer technology effectively.
- More support for shared governmental services and resources should be encouraged by all citizens.

Recommendations

The roundtable participants developed some recommendations for improving and expanding governmental services using available and new resources. The recommendations made to



policymakers and decision makers require careful study and support by both state and local constituencies.

The state legislature must initiate and encourage governmental reorganization at all levels through:

- the stabilization of funding for all units and subdivisions of government;
- the development of a one-stop service center for citizens, elected officials, and managers;
- a study that determines whether governmental units and services are being duplicated or are necessary;
- the evaluation of the need for each elected and nonelected position;
- a survey to determine the actual needs of services required by citizens at all levels.

Local governments and agencies must develop a better method for informing citizens of available services, costs, and responsibilities through:

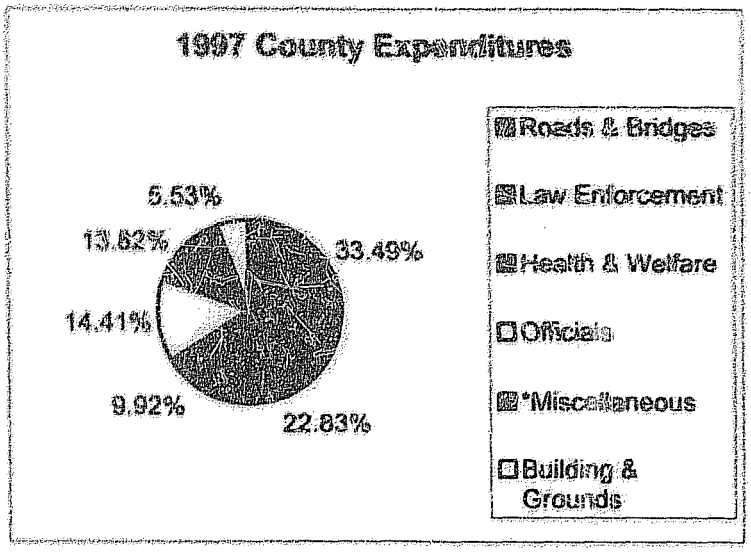
- the use of computer technology and other media sources (radio, television, newspapers, etc.);
- the investigation and use of the home rule options;
- the explanation and encouragement of citizens to participate in the political process, in school board meetings, commission meetings, town meetings, etc., as part of their responsibility as citizens and residents of the community;
- the understanding that it is not the mission of government to provide civil service jobs, but to make available resources for the development of new jobs within a community through a variety of economic development initiatives.

Action Plan

State and local elected officials have the responsibility of providing governmental services such as education, healthy environments, safety, community development, etc., for its citizens. If the elected officials are to fulfill their charge, then it is important that every effort be made to provide adequate and quality services at a reasonable cost to the taxpayers. This is not an easy task and there

are no easy answers. But the participants believe that the state must take the time and provide the resources to make local government efficient and effective through a series of mandates—either by removing barriers or by providing revenue streams that will balance local need with available resources.

The recommendations listed above are only the first steps in defining the services that can be provided by local agencies. Both local and state government must work together to investigate mutual solutions to a difficult and growing problem within South Dakota—more regulations and services with fewer revenue sources. The first steps begin with local government determining its limitations and identifying possible requirements for an adequate solution. The second step is for the state legislature to listen and to address local governments' request for assistance and guidance as they move into the next millennium.



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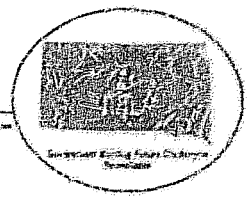
Intergovernmental Relations

A democracy is more than a form of government, it is primarily a mode of associated living, of conjoint communicated experiences.

—John Dewey
Democracy and Education
1916



For local government to be efficient and effective it must be able to perform its mission with a minimum number of barriers and be provided with the opportunities to work in a cooperative manner with other local governments and state agencies.

Overview

As resources become scarce, individuals and organizations learn how to become more collaborative and cooperative in achieving mutually beneficial goals. Competition between entities is changed from hoarding information to sharing ideas that can benefit each partner. If organizations are to be competitive, it is for the purpose of promoting team work that will result in the survival and meeting of specific performance expectations. The way an agency wins or gains is if all work together to improve the means of delivery of services with limited revenue and resources. The incentive for this action is survival and assuring the public that cooperating organizations, and not competing organizations, is most beneficial for all.

If cooperation is not achieved in providing services within the fiscal reality of the community, then the options of consolidation or elimination must be considered by the public. Complete elimination of services is an extreme reaction to the lack of funding or other contributing factors. Consolidation is forced cooperation or unification of entities to provide services that might have come from two or more sources. The pressure for consolidation comes when local taxpayers are unable to afford the costs of services required, a requirement for cost efficiency, effectiveness, and economy of scale, and when there is a lack of population to justify the existence of an entity.[1] The discussion between consolidation, elimination, and cooperation is related to the ability of the local citizenry to reconcile taxation levels with citizens' control of government services and programs. If the citizens are willing to pay for the services, then the community can retain the programs. But if the taxation burden is too great, then the above options must be evaluated based on community needs.

Reduced federal and state revenues are placing fiscal burdens on counties, towns, governmental agencies, and school districts. "In South Dakota, where sixty percent of the counties lost population between 1980 and 1994, there is an urgent need to find more cost effective ways of delivering government services. This need will move from urgent to critical as county populations continue to age and the number of people on fixed retirement incomes increases. By some estimates,

[1] Government Research Bureau (1997). White paper report: County Consolidation in South Dakota. Vermillion: University of South Dakota.

Average County Population for Contiguous States

Rank	State	Population
1	Minnesota	50,288
2	Iowa	28,048
3	Wyoming	19,721
4	Nebraska	16,972
5	Montana	14,269
6	North Dakota	12,619
7	South Dakota	10,546
	Average	**21,780**

Number & Percent of Counties with Populations under 5,000 for Contiguous States

No.	State	Percent
1	Iowa	1%
3	Minnesota	3%
3	Wyoming	13%
34	Nebraska	37%
21	Montana	38%
30	South Dakota	45%
25	North Dakota	47%
13	**Average**	**26.3%**

Source: 1990 Census Data

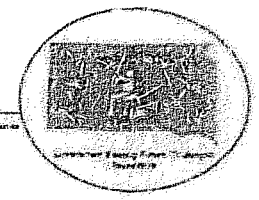
South Dakota will see an increase of 35.2 percent in the population 65 and over between 1995 and 2020."[2]

There are many examples where counties, towns, and school districts have worked to secure savings through partnership agreements and sharing of resources. Agreements have included the sharing of facilities, law enforcement services, juvenile services, and educational endeavors. As restrictions are eliminated and state mandates make it more feasible for cooperative agreements, then elected officials and managers will be encouraged to seek creative and mutually beneficial agreements to provide public services.

The roundtable participants discussed the different territorial and lack of control issues associated with cooperative and consolidation endeavors. Difficulties arose when cooperation meant merging of services or government entities into one facility managed and controlled by another agency or board. Relocation of services from a town to another location generated further discussions. Were local taxpayers paying for fewer services or was the quality of services improving? Some of the other concerns identified by the participants included:

- Mandates are difficult to enforce when there are no adequate funds or when there is an associated taxation limitation to pay for the new service.
- Tax freezes and state formula limits the incentive for intergovernmental cooperation.
- The State should provide technical assistance in the areas of legal advice, environment regulations, etc.
- More efforts should be undertaken to consolidate governmental agencies and services wherever it is possible.
- The State might have to mandate consolidation in certain areas.
- Potential difficulties with intergovernmental

[2] Ibid., p. 3.



cooperation are the tensions between expected quality of services and no additional revenue; legal implications of memoranda of understanding (MOU); state authorization;, leadership; and regulations for facilitating cooperation between local governments; and giving planning districts great political power that could overwhelm small units.

- Elimination of turf battles.
- Consolidation for improved services and cost savings might be a myth and not a reality for many communities.
- There is a perception by many communities that the state is usurping the role of local government.
- There are too many resources being spent on communities that will gradually fade or disappear regardless of government interference.

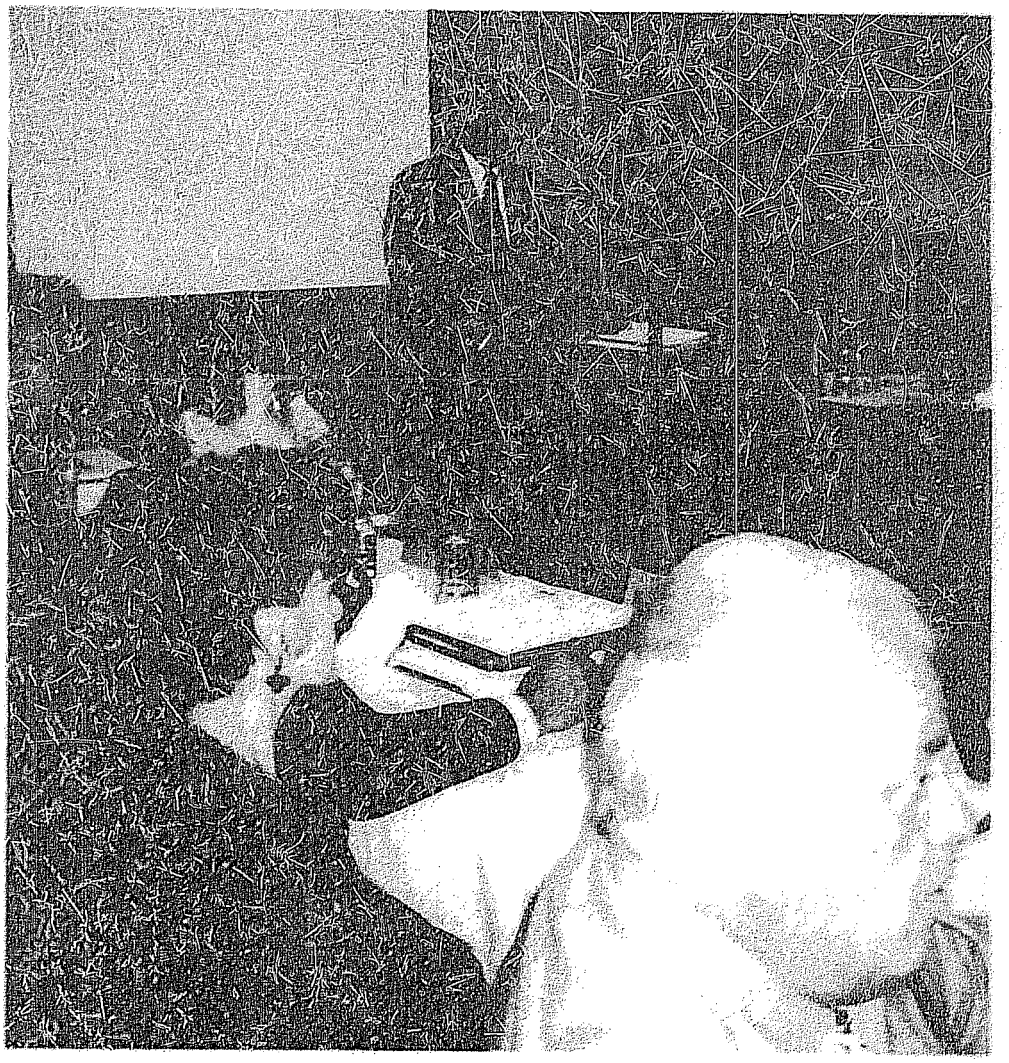
Recommendations

The roundtable participants supported the importance of developing intergovernmental relationships for the delivery of quality services to their constituents. There is an important role for state government to support the development of rural communities and to encourage intergovernmental partnerships through cooperation and consolidation wherever it is possible. Recommendations made by the participants included:

- Reviewing and redefining the roles of the various governmental entities from the state to the local levels. This would assist in the identification of duplicated services and provide for some direction in establishing cooperative and collaborative agreements among the various governmental agencies.
- Encouraging state government to work with local and regional governments so as to make the best policy decisions for the area. A practice or policy that might work for one county or town may or may not work for another county or town.
- The state should review the joint powers agreements.
- The state should remove restrictions on organizational structure and allocation of tax funds for local governments.
- Legislation should be more directive and suggestive rather than mandatory.
- Legislation should be more proactive rather than reactive.
- Making public meeting minutes available on the Internet or other public medium.

Action Plan

Intergovernmental partnerships and cooperation tend to be a local decision. In many cases, the decisions have been hindered by state mandates or by protectionism. Further discussion and deliberation of the real and perceived barrier to developing and providing efficient and effective governmental services are required by all the stakeholders. Some of the institutions, institutes, and organizations which are leaders in this endeavor include the University of South Dakota W.O. Farber Center for Civic Leadership, the Institute for South Dakota Leadership and Participation, Associated School Boards of South Dakota, Association of County Commissioners, South Dakota Association of Towns and Townships, and South Dakota Association of County Officials.



—Photo courtesy of Ivan Loesch

From Left:

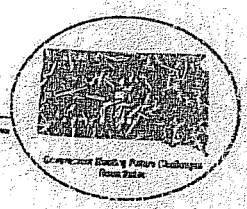
Richard Sattgast, Dr. William Richardson, Julie Pearson, John LaFave

Center:

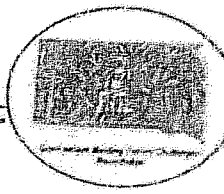
Dr. Robert Burns

Right:

Deene Dayton



Appendix



Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery

Table A: Government Support Functions

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Building/Grounds Maintenance	92	1	6	0	1
Building Security	99	*	1	0	0
Fleet Management/ Vehicle Maintenance	97	0	3	*	*
Data Processing	99	*	1	0	0
Legal Services	92	*	8	0	0
Payroll	99	*	1	0	0
Tax Bill Processing	89	11	0	0	0
Tax Assessing	76	24	0	0	0
Delinquent Tax Collection	88	12	*	0	0
Secretarial Services	100	0	*	0	0
Personnel Services	100	0	*	0	0
Labor Relations	99	*	0	1	0
Public Relations/ Information	99	*	*	0	1
Voter Registration	82	16	1	0	1
Election Administration	89	10	1	0	0

Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery

Table 8: General Development

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Housing	99	*	*	1	*
Industrial Development	90	1	1	5	3
Irrigation/Flood Control	99	1	0	0	0
Mapping	97	*	2	*	1
Planning	91	3	1	3	2
Soil Conservation	93	5	0	1	1
Urban Renewal	100	*	0	0	*
Zoning and Subdivision Control	96	2	0	*	2

Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery

Table C: Health and Human Services

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Sanitary Code Inspection	96	2	2	0	0
Insect/Rodent Control	92	2	6	0	0
Animal Control	94	3	1	1	1
Animal Shelter Operation	96	1	2	1	*
Day Care Facility Operation	100	0	0	0	0
Child Welfare Programs	99	1	0	*	0
Programs for Elderly	91	4	0	4	1
Operation/ Management of Public/Elderly Housing	100	0	0	0	0
Operation/ Management of Hospitals	99	1	*	0	0
Public Health Programs	99	1	*	*	0
Drug/Alcohol Treatment Programs	90	3	1	6	0
Operation of Mental Health/Retardation Programs/Facilities	94	2	*	3	1

Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery

Table D: Parks and Recreation

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Recreation Services	90	4	*	3	3
Operation/ Maintenance of Recreation Facilities	84	11	2	2	1
Parks Landscaping/ Maintenance	94	1	2	1	2
Operation of Convention Center/ Auditoriums	96	3	1	0	*
Operation of Cultural/Arts Programs	99	0	0	1	*
Operation of Libraries	90	7	*	1	2
Operation of Museums	96	1	0	1	2

Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery

Table E: Public Works and Transportation

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Residential Solid Waste Collection	72	1	25	1	1
Commercial Solid Waste Collection	80	1	18	*	1
Solid Waste Disposal	83	7	8	1	1
Street or Road Repair	68	8	22	1	1
Street/Parking Lot Cleaning	97	0	1	0	2
Snow Plowing/Sanding	79	6	18	2	3
Traffic Signal Installation/ Maintenance	100	*	0	0	0
Meter Maintenance/ Collection	100	0	*	0	0
Tree Trimming/Planting	97	0	1	0	2
Cemetery Administration/ Maintenance	93	1	2	1	3
Parking Lot/Garage Operation	100	0	0	0	0
Bus System Operation/ Maintenance	99	*	1	*	0
Taxi System Operation/ Maintenance	100	0	0	0	0
Airport Operation	97	1	2	0	0
Utility Meter Reading	99	0	1	*	0
Utility billing	99	*	1	*	*
Street Light Operation	90	1	8	1	0
Liquor Store Operation	97	0	8	0	0
Telephone Operation	99	0	1	0	0
Electricity Supply Operation	99	0	1	*	*

Percent of South Dakota Municipal and County Governments Providing Services by Service Delivery Arrangement

Table F: Public Safety

	Own Employees	Intergovernmental Agreement	Contract—For Profit Organization	Contract—Non-Profit Organization	Volunteer
Crime Prevention/ Patrol	80	19	0	1	*
Police/Fire Communication	81	15	1	*	3
Fire Prevention/ Suppression	43	17	*	1	39
Emergency Medical Service	91	1	1	*	7
Ambulance Service	67	13	3	2	15
Traffic Control/ Parking Enforcement	99	1	0	0	0
Vehicle Towing and Storage	97	0	3	0	*
Civil Defense	82	14	0	*	4
Safety Code Inspection	0	0	*	0	0
Jails/Detention Center Operation	77	21	0	2	0

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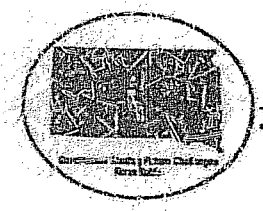

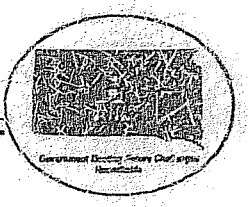

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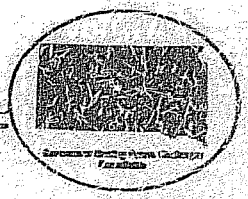

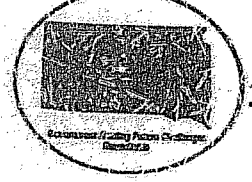

EL 99-00

BLACK HILLS POWER AND LIGHT COMPANY

P.O. BOX 1400 409 DEADWOOD AVENUE
RAPID CITY, SOUTH DAKOTA 57709

MUTCH USERA
MANAGER, MARKETING SERVICES

TELEPHONE
(605) 342-3200
FAX: (605) 342-4991

May 5, 1999

RECEIVED
MAY 06 1999
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

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

SUBJECT: 1999 ECONOMIC DEVELOPMENT PLAN

Dear Mr. Bullard:

In accordance with SDPUC Docket EL95-003, enclosed is a copy of Black Hills Power and Light Company's 1999 Economic Development Plan. Please share this report with the Public Utilities Commission.

We have developed new programs for 1999 which will create opportunities for communities and businesses to request support in order for them to achieve their goals and objectives.

Some of the programs supported by BHP include:

* Financial Assistance
* Business Development Service Program
* Business Enhancement Program
* Small Business Kick Start Grants
* Site and Speculative Building for Area Industrial Parks
* Cooperative Advertising and Regional Marketing
* South Dakota GOLD Community Grants
* GOLD Community Achievement Award Sponsorship
* South Dakota Future Fair Sponsorship
* Black Hills Autumn Expedition
* West River Economic Development Coalition
* BHP's Internet Homepage: Business/Industrial Park Site Page
* West River Revolving Loan Programs

It is also very important to note the employee volunteer and company support, through utilization of the many talents for Community Economic Development Board of Directors, Tourism Committees, and other task forces and committees. Our employees are a great asset in support of their communities. Black Hills Power and Light is proud to have them as part of our Economic Development Plan.

If you have any questions, please contact me at (605) 342-3200.

Sincerely,

Mutch Usera,
Manager, Energy & Marketing Services

Enclosure
cc: Kyle White
Vice President, Marketing & Regulatory Affairs

BLACK HILLS POWER AND LIGHT COMPANY

1999 Economic Development Plan

"To promote the economic growth of our states and communities by establishing and maintaining partnerships with economic development groups in order to achieve locally established and supported goals that will enhance the profitable growth of BHP and the communities we serve."

BLACK HILLS POWER AND LIGHT COMPANY

1999 Economic Development Plan

INTRODUCTION

Black Hills Power and Light Company (BHP) is an investor-owned utility company serving approximately 57,000 customers throughout a 9,200 square mile area in Western South Dakota, Eastern Wyoming, and Southeastern Montana.

The economic prosperity of our service territory is vitally important to us and the customers and communities we serve. BHP has developed programs and services to assist both existing businesses and potential customers in our service territory. Since each community is unique, our intent is to offer a flexible package of economic development programs that benefit the community, our customers, and BHP. Our support will be through:

- Economic Development Objectives
- Financial Assistance
- Business Development Service Program
- Business Enhancement Program
- Small Business Kick-Start Grants
- Site and Spec Building Development
- Regional & Local Marketing Support
- Cooperative Marketing & Programs
- Community Involvement & Sponsorships

ECONOMIC DEVELOPMENT OBJECTIVES

To promote the economic growth of our states and communities by establishing and maintaining partnerships with economic development groups in order to achieve locally established and supported goals that will enhance the profitable growth of BHP and the communities we serve.

BHP's Economic Development Support Requirements:

BHP encourages the development of all businesses, including minority-owned businesses. To qualify for financial or joint venture assistance from BHP, BHP's Business Development Service program, or BHP's energy efficiency grants and incentives, there are several requirements that must be met and reviewed for approval by BHP's Economic Development Committee:

1. The business, manufacturer or development project must be located within BHP's service territory.

2. The project or manufacturer must be able to stimulate the economy through new, good paying jobs created by the development activity.

3. The local support must be evident through such vehicles as Revolving Loan Fund, Site Assistance Programs, Community Redi-Funds, Tax Credits, and the efforts of local financial and utility companies.

4. The new company or proposed development must be able to present a business profile or plan, which shows potential employment and economic growth for the community it plans to reside in.

5. The manufacturer or development's electric usage, as well as load factor/peak coincidence can be projected.

Economic Development Committee:

BHP's Economic Development Committee will review requests made by communities and development organizations requesting financial assistance. The Area Manager will participate on the committee when the request or presentation for request is from the specific area of interest. The Area District Manager will also screen applicants from their area before presenting or recommending that the committee review the request. The Manager of Marketing Services, who will also be a full-time member of the Committee, will represent Rapid City.

Each request will be reviewed as unique opportunities and presented based on the economic growth and activity of the proposal.

The Committee members are:

Dan Landguth, BHC Chairman, President, & CEO
Ev Hoyt, BHP President & COO
Jim Mattern, BHP Vice President, Corporate Administration
Kyle White, BHP Vice President, Marketing & Regulatory Affairs
Mutch Usera, BHP Manager, Energy & Marketing Services

Industry Resource Team:

BHP's Resource Team will be available to work with new and existing industrial and commercial businesses that are in our service territory. The Resource Team will focus on various areas of interest such as electric rates, system demand, power line relocation, new power line planning, site development, and national trade information.

The Resource Team will consist of experts from the various departments of BHP (District Operations, Distribution Services, Energy & Marketing, Finance Department, etc.) depending on the needs of the prospective customer. Coordinated by the Manager of Energy & Marketing Services, the Resource Team will be activated in response to a request by the customer or an economic development organization to assist in gathering information and/or research for the customer interested in locating a business in BHP's service territory.

FINANCIAL ASSISTANCE

BHP supports economic development loan funds available in BHP communities. These loans are established by the economic development corporations and have received contributions in communities served by BHP. Our goal is to encourage growth through leveraged financial packaging. Realizing that each community is unique, our assistance must stay flexible to meet the various needs of the community.

Community Revolving Loan Programs:

We will participate in a new West River Loan program through the United States Department of Agriculture (USDA) Rural Development Intermediary Relending Program. The West River Foundation submitted an application on behalf of the West River Economic Development Coalition for a $1 million loan to be used for relending purposes. A 25% cash match is required for each loan made. West River Electric Association officially agreed to participate in the program by making its revolving loan fund available as part of the application. The amount of $230,000 ($80,000 from WREA and $150,000 from federal agency) was factored into the IRP application as a pledge from WREA. Likewise, Northern Hills Community Development, Inc. pledged $20,000 from its funds to be used as a match.

However, due to advanced commitments for WREA funds from the $230,000 pledge, there are not enough funds to assist future loan applicants. BHP will assist in the fund through a $30,000 pledge to be used by the IRP Selection Committee for businesses within BHP's service territory. The commitment will be based on a short term loan to be repaid within a 5-year period. This fund will be used as a short-term solution until loan funds are recaptured by businesses making payments on their loan commitment.

Rapid City Air Quality Support For Area Industries:

The construction of any facility or the expansion or upgrade of an existing facility, either of which results in increased annual NOx emissions of 40 tons or more, requires emission modeling analysis to insure the quality of the background (ambient) air is not being impaired. If no background air quality data is available, the source becomes responsible for establishing one year's data to establish the baseline. This typically takes 18 months from start to finish. This includes review and selection of contractor, mobilization and set-up of equipment, data compilation and final report. The facility is fully responsible for all costs and faces a minimum of an 18-month project delay.

The information from the reports is very important to manufacturers and industrial companies throughout the Black Hills region. This information will be utilized to meet compliance in NOx emissions as well as help create a better understanding of air quality within the Black Hills and State of South Dakota.

The state has provided pricing information that indicated approximately $33,700 to procure the necessary hardware. The state agrees to be responsible for all maintenance, annual operating costs, and labor. The state would also own the site and compile the data on an ongoing basis so that NOx data will always be available and current, for use by any company that may need it.

The Rapid City Area Economic Development Partnership Group (RCAEDP) has agreed to purchase the equipment and collect the funds needed for the project. They will solicit funds from manufacturing and industrial companies in our region. Presently, there are several companies interested in supporting this project and have pledged funds for RCAEDP.

Black Hills Power will commit $20,000 to Rapid City Area Economic Development for community support in this the project. The funds will be presented at the request by the RCAEDP in the Spring of 1999.

BUSINESS DEVELOPMENT SERVICE PROGRAM

The goal is to continue support and assistance for existing and new businesses through loan programs and other activities which are available through the Economic Development Corporation's and BHP's Business Development Service Program.

BHP's Economic Development rate structures, incentives or adjustments for new manufacturers and developments must meet the Business Development Service requirements. The Business Development Service was approved by the South Dakota Public Utility Commission on August 1, 1995. Tariff eligibility requirements include:

Available:

At points on the Company's existing transmission or distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

Applicable:

To customers requiring an appropriate response to non-standard, unique or specialized electric services and/or to meet competitive forces in the energy services markets in a manner that satisfies the needs of participating customers while balancing the interests of the participating customers, the non-participating customers, and the Company.

Character of Service:

Alternating current, 60 hertz, at the voltage and phase of the Company's established transmission or distribution system most available to the location of the customer.

Eligibility:

Customers requesting Business Development Service (BDS) will be considered upon written application to the Company if one or more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new or existing load;

2. The customer has unique requirements for new load;

3. The customer intends to acquire its electric service for new or existing load from a source other than the Company absent service under this rate by showing:

    a. The customer demonstrates a competitive alternative, energy source or business location, to the Company's standard tariff rates;

    b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariff rates are material;

    c. The alternative is demonstrated to be technologically feasible and legally permissible;

    d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time.

Upon receipt of the customer's written application, and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If a mutually acceptable agreement is reached, the agreement and full support for it shall be forwarded to the Commission for their file of contracts with deviations as authorized by this rate schedule.

Contract Provisions:

All mutually acceptable service agreements will meet these minimum standards:

1. The initial service term shall not be less than three years;

2. No service term shall exceed 7 years without the inclusion of language providing for renegotiations by the Company;

3. The minimum written notice of cancellation by either party shall be nine months;

4. The customer shall not be eligible for any discounts or service conditions except as provided for in the service agreement;

5. The compensation to be received under the service agreement during its term shall exceed the marginal cost to the Company of performance under the contact;

6. The rate for metered service will be designed to encourage the customer to improve load factor, and will be calculated using the customer's on-peak kVA;

7. Minimum contract demand is 250 kVA;

8. The terms and conditions of service shall be those contained in the service agreement between the Company and the customer;

9. Identification of the rate schedule that customer would have received service under in lieu of BDS.

Rate:

All charges for service under this rate shall be the charges contained in the contract between the Company and the customer.

Confidentiality:

Upon request of the Company or the customer, upon good cause shown by affidavit, all terms and conditions of any service agreement under this rate schedule and any supporting information shall be protected from disclosure as confidential in accordance with the Commission's Administrative Rules provided for in Section 20:10:01:41 and 20:10:01:42.

BUSINESS ENHANCEMENT PROGRAM

The purpose of BHP's Business Enhancement Program is to help our Commercial and Industrial electric customers gain a competitive edge in their area of business through the use of Electro-technologies. In return for our support, BHP expects the customers to sign a 3 to 5 year contract with BHP for their future electrical needs.

Economic development incentives through the implementation of new "Electro-technologies" will help BHP implement its long term contracting strategies. The new Electro-technologies will aid our customers in reducing their electrical costs as well as upgrading their older electrical equipment.

Through the use of energy efficient electro-technologies and power quality support, Commercial and Industrial customers will improve productivity in their operations and lower their cost in energy usage. This allows a long-term investment in equipment that helps reduce peak demand for BHP while reducing operational costs for the Commercial and Industrial customer.

Program Benefits:

BHP benefits from the Business Enhancement Program in many ways:

* Customer loyalty
* Brand Identity
* Attraction of new businesses
* Securing of long term contracts

* Development of a working relationship with our trade allies
* Customer comfort and satisfaction (may use additional energy as a result)

1999 Budget Plan for Business Enhancement Program:

Lighting

$500 maximum rebate per account per year. Customers are eligible for additional rebates up to a maximum of $5,000 per account when they sign a three-year GS Large contract extension or, for smaller customers, when they sign a three-year all requirements electric power service contract.

In 1998, 60 lighting rebates were issued. 52 of the rebates were less than $500 and totaled $7,940.76, while the other 8 rebates were over $500 and totaled $21,262.88.

Once the $50,000 budget is reached, lighting incentives cease for the year. A customer may spread their work out over several years (RC School District, City of RC, etc.). BHP will continue to provide customer assistance in evaluating the energy savings with lighting retrofit projects.

Power Factor Improvement

Reduced demand charges are the primary incentive for power factor improvement. Customer savings amounted to $7,600.00 in 1998, as a result of Power Factor correction projects.

Most of the first year cost savings and a significant portion of the cost savings each year thereafter is a result of BHP lowering the Customer's contract capacity and treating the 11 month ratchet as if the PF improvement had always been in place. In 1997, BHP required the customer to sign a three-year Electric Power Service contract extension in order to lower their contract capacity.

In 1997, there were 13 power factor correction projects completed. In 1998 there were four (4) power factor improvements. BHP financed one (1) of the projects at zero percent interest. BHP waived the interest it would have charged ($227.80 @ 8 1/2%) on the loan ($2,505.00) and counted the waived interest as a Business Enhancement incentive.

Custom Packages

There are other electro-technologies in addition to those stated above that may qualify for an economic development incentive including water loop heat pumps, geothermal loop fields, heating or air conditioning systems, water heating systems, power quality equipment and energy management systems. Financing, project design assistance or an economic development rate may also be options to consider. Business attraction and innovative solutions to a customer's electrical needs will be the focus of the custom packages.

These economic development incentives would be negotiated on a case-by-case basis and BHP would expect the customer to sign at least a three-year contract extension or, if a smaller customer, sign a three-year all requirements contract for electric service. Economic development rates would require a negotiated contract for up to seven years.

SMALL BUSINESS DEVELOPMENT KICK-START GRANT PROGRAM:

The program is designed for qualified small businesses located in BHP's small communities with populations of fewer than 10,000. The Kick-Start amount may range up to $1,000 per customer applicant.

Qualifications for the cash grant:

* Applicant's business facilities must be a customer of BHP electric services.
* Applicant must have good credit standing with all local loan agencies.
* Grant is available to new or existing small businesses less than 2 years old. Small business is defined as a business with fewer than 15 employees.
* Business must meet all qualified licensing for the operation of their establishment.

BHP's Kick-Start Grant is available for new small businesses needing assistance in starting their businesses through a small grant for support in employee training, electric business equipment, or facility enhancements for energy efficiency improvements. Grants will not be used for business debt or employee compensation.

Process:

* All applications will be available at the Small Business Development Center's Rapid City Office in Room 204 of the Rushmore Plaza Civic Center, 444 Mt. Rushmore Road. Applicants can also call SBDC at (605) 394-5311.
* Completed applications will be faxed to the Manager of Energy & Marketing Services at Black Hills Power and Light at (605) 342-0945.
* The applicant's request will be reviewed by the District Manager, Manager of Energy & Marketing Services, and Vice President of Marketing & Regulatory Affairs. The Small Business Development Center, Western South Dakota Region, will also be available for reference and consultation of the approval review.
* SBDC will mention the grant program to clients that have a good possibility of economic viability, as defined by:
    1. Having future profit potential and cash flow sufficient enough to support the liabilities and the operating cycle of the business.

2. A well-defined, substantial, and accessible market for their products or services.

3. Management with skills and capabilities in the industry they serve as well as a sufficient level of business skills.

When approved, the BHP District Manager will present a check in the amount of the funding request to the applicant or supplier. A press release will be developed and mailed to the local media for grant recognition. A financial request application form is included in this plan.

SITE AND SPECULATIVE BUILDING DEVELOPMENT

BHP supports and encourages the development of commercial and residential sites and speculative buildings that can produce a positive economic climate, as well as meet the development standards and support of the city, county, and state.

BHP will participate in a speculative building project located in the Sturgis Industrial Park. The speculative building will be coordinated by the Sturgis Industrial Development Corporation and will include funding support from local and regional organizations. BHP will participate with a 0% interest loan of $20,000 to be recovered at the sale of the 20,000-sq. ft. speculative building.

BHP will also participate in a speculative building located in the Spearfish Industrial Park. The 15,000-20,000 sq. ft. facility is under design and will include participants from the Spearfish Economic Development Corporation and local businesses. BHP will participate with a 0% interest loan of up to $20,000 to be paid in full when the facility is sold.

BHP Internet Home Page Upgrade:

BHP will develop a new section in the BHP Homepage (www.blackhillspower.com) that will feature industrial and commercial properties available throughout its service area.

The page will highlight industrial parks, existing facilities as well as spec-buildings. This will allow us to promote properties to companies interested in locating in the Black Hills area. Completion of this homepage addition will be September 1, 1999.

COOPERATIVE MARKETING SUPPORT

Several Black Hills communities will be working with the Governor's Office of Economic Development to target potential manufacturers interested in relocation of their businesses in order to reside in the Black Hills.

BHP will actively participate and support the Rapid City Area Economic Development Partnership Group, Black Hills Business Council, and West River Economic Development Coalition in this effort through sponsorship of new business hostings, the Black Hills Buffalo Roundup, and through several business recruitment missions

scheduled in 1999. These efforts are scheduled throughout the year based on a strategic marketing plan from the Governor's Office of Economic Development, Black Hills Business Council, and West River Economic Development Coalition.

Business Recruitment Missions include:

- Manufacturers Plant & Engineering Conference, Chicago, IL – March
- International Call Center Management Conference, Chicago, IL - August
- Medical Manufacturers Trade Show & Conference, Minneapolis, MN - October

Promotional Support:

BHP will support the promotional and marketing efforts designed by the local communities through cooperative sponsorship of the various mediums used to promote their communities.

Cooperative support will include:

The Rapid City Area Economic Development Partnership Internet Upgrade
Lead Business Community Promotional Booklet
Black Hills Business Council – Legislative Open & Business Day in Pierre

To ensure the success of new businesses in the Black Hills communities, BHP will support and encourage new businesses to enroll in available business workshops, seminars, and training that will aid in the success of the business. BHP will participate as a co-sponsor of these workshops, and other training programs coordinated by the community. This support can include BHP staff support and financial contributions. The request for sponsorship support will be assessed by the District Manager and Manager of Marketing Services with approval by the President of BHP.

BHP's Home Page:

BHP's Home Page was primarily developed for promoting our products, services, electricity pricing, electric generation, and economic development programs. Also included are unique features such as "The Doorway To The Black Hills." This feature allows users to access information about tourism, business, education, and other Black Hills organizations of interest to users. It was developed as a Directory of "Who's-Who" on the Internet in the Black Hills. It is intended to make it easy for individuals to "evaluate" the Black Hills from their computer.

During 1998, we advertised the "Doorway to the Black Hills" through the local Chamber of Commerce offices. Businesses in Custer, Belle Fourche, Hot Springs, and Rapid City have contacted us to be linked to the page. We will continue promoting this feature in the small communities.

The Economic Development page features BHP's programs and services available to our commercial and industrial customers. It is also available to prospective companies interested in knowing more about BHP's service area and programs. The page also lists all of BHP's commercial and industrial rate tariffs.

BHP will also include a new section to the Economic Development portion. This section will feature industrial and business development properties and parks located in the BHP service area. Industrial Parks that will be listed in this section include:

Fountain Springs Business Park, Rapid City
South Creek Industrial Park, Rapid City
Pete Lien's Business Park, Rapid City
Spearfish Industrial Park, Spearfish
Sturgis Industrial Park, Sturgis

COMMUNITY INVOLVEMENT

Community involvement is the key to BHP's economic development strategies and goals. There are 19 communities in which BHP is presently an active member, including payment of annual membership dues. Some communities have combined their efforts to achieve success in meeting their economic development goals. For specific information regarding the economic development organizations that are represented in each community, refer to the Economic Development Organizational Profile section of the plan.

The goal for community involvement is to strengthen the communities by supporting strategically planned projects that are located within BHP's service territory. Although financial contributions are often requested, a personal commitment by key employees can often have as great or greater impact.

Part of our support for the economic development organizations in each community will be that key BHP employees will participate on boards, committees, and task forces on a regular basis. This will ensure continued communication of the economic development activities in each district as well as focus on key projects and goals that can impact BHP's load forecast and customer growth.

A BHP district manager or an assigned employee will represent BHP as part of the economic development organization in their district. This will develop support for the organization from BHP and maintain an active communication link for participating in the activities related to economic development. BHP employees are also encouraged to support and attend local and area activities that promote economic development through workshops, conferences, tradeshows, and seminars.

Employees participating in an economic development organization within their community include:

Rapid City Revolving Loan Foundation – Board	Ev Hoyt
West River Economic Development Coalition Advisory Board	Ev Hoyt
West River Economic Development Coalition – Steering Committee	Mutch Usera
Rapid City Area Economic Development Partnership - Board	Gary Fish
RC Economic Development Advisory Committee	Jim Mattern
	Stuart Wevik
	Kyle White
	Mutch Usera
West River IRP Loan Review Committee	Mutch Usera
Black Hills Business Council	Mutch Usera
Custer Chamber/Economic Development Committee	Kristy Schmitz
Community Action Resource Enterprise	Mutch Usera
Twin City Development Corporation – Board	Jim Jeffery

Economic development activities will be included in the district monthly and quarterly reports. Energy & Marketing Services will monitor the activities and assist the District Managers as a support staff for their community.

COMMUNITY SUPPORT AND PROGRAMS

BHP will participate in cooperative sponsorship activities that promote and inform companies of the positive lifestyle and economic growth within BHP's service territory within South Dakota and Wyoming. Activities include support and sponsorship of area economic development videos, brochures, and trade shows.

The cooperative advertising request will be presented to the Manager of Energy & Marketing Services and the area District Manager for review and approval based on the following guidelines:

* The advertisement or event promotes BHP's service territory.
* Includes involvement of other businesses and utilities.
* BHP receives the list of company contacts from the Cooperative Program.
* BHP is recognized as a participating sponsor.
* BHP's cost does not exceed 1/4 of the total cost of the promotional campaign.

BHP's GOLD Community Grant Program:

The South Dakota GOLD Program is designed to encourage all South Dakota communities, regardless of size, to plan, initiate and carry out a program for complete community and economic development. Through this program it is possible for all activities to be carried out by members of the community at the local level.

Members of each local community determine the success of the GOLD Program. Through their own initiative, community members can improve the economic development potential of their community. Each community will develop a program tailored to the needs of that community. Particular facets of the community's local program, along with the community's goals and objectives, will be based on the needs within that community.

The program assists communities by taking them through a series of phases:

* Identify a development organization.
* Research and gather information about the community.
* Identify opportunities and establish goals.
* Create a working plan for the first twelve months.
* Evaluate first 12 months of progress, and establish a plan for the second 12 months.

GOLD community members located within BHP's service territory include:

* Belle Fourche
* Deadwood
* Hill City
* Keystone
* Spearfish
* Sturgis
* Custer
* Edgemont
* Hot Springs
* Newell
* Lead

Black Hills Power and Light will offer the Black Hills Gold communities a grant program designed to assist communities in need of financial assistance in order to complete their community project or goal. The grant request must be submitted no later than April 15, 1999.

Benefits:

* BHP will demonstrate a presence and support in community projects that encourage or create economic development and beautification of the community.

* BHP may receive media coverage which will display a positive perception for BHP.

* BHP will have development plans for review regarding communities within their service territories. This will allow BHP to develop action plans to meet the individual community's projects.

The community may apply for only one grant within their GOLD community membership. BHP will send out information about the Grant Program in early March, 1999. To qualify for BHP Grant support, a community must be a member of the GOLD program. They must complete a BHP GOLD Community Grant Program application, which is available at the community's local BHP district office or they may contact BHP's Energy & Marketing Services Department.

Process:

* Applications must be submitted by April 15, 1999. Community action plan must be included.

* Maximum Grant amount awarded to a qualified community is $2,000.

* BHP's GOLD Grant Committee will review each application to determine the level of the grant to be awarded to the community.

* Only one GOLD Grant will be presented to each community.

Grant Committee members include:

- Rapid City District Manager
- Northern Hills Manager
- Southern Hills Manager
- Manager, Energy & Marketing Services
- Vice President, Marketing & Regulatory Affairs

The District Manager and Manager of Marketing Services will present the GOLD Grant to the community during a scheduled meeting presentation. Media coverage will also be requested for the presentation.

The GOLD Community Achievement Award Program:

The South Dakota GOLD Community Achievement Award Program is a new program designed by the Governor's Office of Economic Development to recognize the unique and progressive community projects being implemented in GOLD communities across the State of South Dakota.

The program is similar to the GOED's Community of the Year program; however, this award program focuses on individual projects. The program is solely sponsored by utility companies from across the State. Each utility company contributes $500 to the program. The money is then allocated based on one Excellence Award and two Merit Awards. During 1997, seven utility companies contributed to the award program. They were Black Hills Power and Light, Northern States Power, Northwestern Public Service, South Dakota Rural Electric Association, Mid American Energy Company, Otter Tail Power Company, Montana Dakota Utilities and West River Electric Association.

Black Hills Power and Light will continue to sponsor the program with a $1,500 sponsorship gift based on equal sponsorship by other utilities. The awards are presented to communities during the GOED's Annual Conference and Awards Banquet.

Black Hills Autumn Expedition:

Black Hills Autumn Expedition is a newly formed group of Economic Development, Chamber of Commerce, and tourism executives promoting local and regional events

through the fall season of October. Communities represented at this event include: Deadwood, Custer, Custer State Park, Hot Springs, Keystone, Spearfish, and Rapid City.

These communities recognize the numerous events held during the fall months and have developed a strategy to unite the events under one banner in order to communicate the events as a Feature for the Black Hills. Using this collaborated promotional approach will increase visitors from outside of the Black Hills area. Each event has a unique audience, yet when consolidated into a package promotional campaign, there are cross-interests where visitors may decide to stay in the Hills longer than if they are only aware of a specific event. This is beneficial to every community since this is the time of year when tourism is at its minimum.

Events that are being targeted as a potential draw for visitors include:

Black Hills Pow Wow
Black Hills Buffalo Round Up
Rushmore International Marathon
Native American Day at Crazy Horse Memorial
Black Hills Art Galleries and Studio Tour
Spearfish Canyon Scenic Route
Custer's Buffalo Wallow Chili Cook-Off
Custer's State Park Arts Festival
The Journey Museum Featured Art Exhibits

Black Hills Power and Light, along with Black Hills Corporation and Black Hills FiberCom will sponsor the promotional program that will include marketing and promotional materials. The promotional aspect of the program will include a Press Conference and press coverage throughout the state along with the new brochure used to promote the two-week event.

West River Economic Development Coalition:

Black Hills Power and Light supports and recognizes organizations that work to enhance and assist businesses in need of business development. The West River Business Service Center (formerly the Small Business Development Center) is an organization that has a proven track record of doing just that.

The West River Business Service Center (WRBSC) was created to coordinate the three organizations: Business Information Center (BIC), Small Business Development Center (SBDC) and SCORE. The consolidation of the three organizations has created efficiency and productivity in preparation of business plans, educating new and existing businesses in business management, and developing skills and resources to make management decisions.

Small Business Development Center (SBDC):

Since 1994, the Rapid City SBDC area office helped clients obtain more than $10 million in financing and created 427 new jobs in Western South Dakota. The group utilizes two professional consultants who both have practical experiences and business degrees. Their function is to help entrepreneurs who are thinking about going into

business to develop a comprehensive business plan that will allow them to go to the banks and to work with them to set up their SBA loan applications or other types of financing. They work with existing businesses to help them with all types of business problems and arrive at solutions that will keep them viable. SBDC works with the West River SCORE Chapter to furnish business expertise in order to provide as much assistance as possible to help these business owners. During 1998, the loans made by SBA/Banks in Western South Dakota totaled $8,060,300.

West River SCORE Chapter (SCORE):

SCORE means Service Corps of Retired Executives. The SBDC refers clients with little or no business experience to SCORE who in turn work them through the "How to start your own business" program. The SCORE chapter uses dual counseling (two or more SCORE members) whenever possible to provide the best service possible to clients. Another valuable service of SCORE is the Business Consulting and coaching programs. The personnel of SCORE include over 100 volunteer past business owners, who consult by appointment with anyone thinking about going into business or those existing businesses who ask for assistance.

Business Information Center (BIC):

This is a new Small Business Administration sponsored organization that places a full time SBA representative in western South Dakota. The function of this office is to provide business information to anyone, to travel throughout the West River area to assist bankers and others involved in SBA lending, and to coordinate the marketing of the West River Business Center so that the FREE, confidential, and professional services of all members of the WRBSC are effective.

The addition of the Business Information Center has been a great support in the form of Internet access and a voluminous library along with computer business software and videotapes pertaining to all phases of business.

Sponsorship Funding Support:

The 1998 budget to operate the program is $180,000 of which $90,000 is federal money from the Small Business Administration. The remaining $90,000 must be raised locally. ($45,000 can be in-kind and $45,000 must be cash.)

An advisory board was also developed in 1998, in order to coordinate and direct the activities under the West River Economic Development Coalition. Members include Business leaders throughout western South Dakota.

In the past, SBDC has collected its needed funding through businesses from across the state. BHP contributed $5,000 to the SBDC and $1,500 to SCORE during 1998. We will contribute $7,500 as a combination support sponsorship for the 1999 program year.

South Dakota Future Fair:

South Dakota Future Fair provides an opportunity for progressive companies to showcase their cutting-edge products and services to area residents excited by the latest technological advances in a variety of areas. Exhibits will be explained and demonstrated so average citizens can understand them.

Nationally known speakers are also planned for this event. Speakers present topics of national and regional interest in areas of technology and education. Proceeds of Future Fair will go to four $1,000 scholarships to be used for any college, university or technical institute across the state. The event is scheduled for January 14 & 15, 2000 at the Rushmore Plaza Civic Center.

BHP will continue to be a major sponsor of Future Fair, along with other businesses (Rapid City Journal, US West, Rapid City Regional Hospital, SDSM&T, Norwest Bank, Black Hills State University, and KOTA Broadcast Company). Major sponsorship consists of a $5,000 investment per event and active participation in the coordination and planning of the event.

Major sponsors receive headline recognition as a major sponsor along with 2 booths to display their technology and services to the public. The event will be managed by the Rapid City Area Economic Development Partnership. This will ensure administrative support for the event, as well as develop a direct tie to an organization that involves community support and awareness towards economic development and education.

ECONOMIC DEVELOPMENT

ORGANIZATIONAL

PROFILES

BELLE FOURCHE DEVELOPMENT CORPORATION

510 ½ National Street
Belle Fourche, SD 57717

BUTTE COUNTY: 605-892-2494
FAX: 605-892-4633
E-MAIL: belchmbr@DTG.com

Ellis Tripp, Chairman

Type of Organization: Development Corporation
Service Area: Belle Fourche Area
Main Activities: Enhance economic well being of community and promote industrial development
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Financial Management Assistance
Business Financing
Import or Export Assistance
Site Selection
Procurement Assistance
Grant Application Assistance
Marketing Assistance
Community Economic Development Training

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	75%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms	100%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	$80,000
Average Interest Rate	13.5%
Average Term	7 Years

BHP Representative: Tony Hay

BELLE FOURCHE, CITY OF

606 6th Avenue
Belle Fourche, SD 57717

BUTTE COUNTY: 605-892-2494
FAX: 605-892-2784

Gloria Landphere, Treasurer

Type of Organization: City
Service Area: Belle Fourche Area
Main Activities: City government and pass-through funding agent for local Development corporations
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Business Planning Assistance	Business Financing
Procurement Assistance	Site Selection
Marketing Assistance	Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	75%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms 100%

FINANCIAL ASSISTANCE PROGRAMS:

Grants:

The purpose of the loan program is: CDBG programs

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	NONE
Average Interest Rate	8%
Average Term	5 Years

Percentage of Loans Made For: Fixed Assets 100%

BHP Representative: Tony Hay

CAMPBELL COUNTY ECONOMIC DEVELOPMENT CORPORATION
NORTHEAST WYOMING ECONOMIC DEVELOPMENT
P. O. Box 3948
Gillette, WY 82717

CAMPBELL COUNTY: 307-686-2603
FAX: 307-686-7268
E-MAIL: CCEDC@VCN.com

Susan Bigelow, Executive Director

Type of Organization:	Development Partnership
Service Area:	Campbell, Weston, and Converse Counties
Main Activities:	Local business development, economic research/publications, industrial recruitment and marketing
Target Constituencies:	Assistance is provided to anyone requesting it and typically consists of business counseling and providing information and financial packaging. Target marketing for industrial recruitment primarily in manufacturing, with specific emphasis on precision machining, tools and dies, plastics and ceramics.

SERVICES DIRECTLY PROVIDED:

Business Planning Assistance
Publications
Grant Writing Assistance
Economic Research
Project Development Assistance
Economic Impact Analysis
Business Counseling
Information Clearing House
Involvement in State and Regional Economic Development Planning

SERVICE FOCUS:

Industrial Recruitment	30%
Local Business Development	30%
Research and Publications	20%
BHPL Questionnaire Responses	10%
General	10%

TYPE OF BUSINESS CLIENTS:

Client base varies from large multi-national corporations to micro-business enterprise, energy companies, manufacturing concerns, service companies and even retail operations on occasion. CCEDC is widely recognized as an excellent source of information and everyone including private and public entities utilizes this service and our publications.

BHP Representative: Dick Bratton

CUSTER CHAMBER OF COMMERCE
ECONOMIC DEVELOPMENT COMMITTEE

447 Crook Street
Custer, SD 57730

CUSTER COUNTY: 605-673-2244
FAX: 605-673-3726
E-MAIL: custerchamber@GWTC.net

Cindy Mayers, Executive Director

Type of Organization: Chamber of Commerce
Service Area: Custer County
Main Activities: Attract light industry and retiree community, retention of current businesses and upgrade or add to infrastructure.
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

General Management Assistance
Business Financing
Business Planning Assistance
Site Selection
Procurement Assistance
Grant Application Assistance
Marketing Assistance
Community Economic Development Training
Employee Training

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	25%
Retirement Recruitment	25%
Business Retention	25%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Tourism-related businesses (existing and proposed)
Retiree Re-location
Call Centers

BHP Representative: Kristy Schmitz

DEADWOOD ECONOMIC DEVELOPMENT CORPORATION

P. O. Box 532
Deadwood, SD 57732

LAWRENCE COUNTY: 605-578-2082
FAX: 605-578-2084
E-MAIL: econdev@deadwood.net

Chuck Turbiville, Executive Director

Type of Organization: Development Corporation
Service Area: Deadwood Area
Main Activities: Creating new jobs and diversifying job markets
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Business Planning Assistance
Business Financing
Procurement Assistance
Site Selection
Marketing Assistance
Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	25%
Business Retention	25%
Other Infrastructure	25%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms	50%
Service Firms	50%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	$50,000
Average Interest Rate	5%
Average Term	10 Years

BHP Representative: Jim Jeffery

EDGEMONT, CITY OF

P. O. Box A
Edgemont, SD 57735

FALL RIVER COUNTY 605-662-7422
FAX: 605-662-7922

Gayle Hinesley, Executive Director

Type of Organization: City
Service Area: Edgemont
Main Activities: Retain the vitality of the ranching industry, improve solid waste treatment, retirement services and tourism.
Target Constituencies: Ranchers

SERVICES DIRECTLY PROVIDED:

Business Financing
Grant Application Assistance
Site Selection

SERVICE FOCUS:

Water or Sewer Systems	60%	Business Retention	5%
Affordable Housing	10%	Business Expansion	5%
Business Recruitment	5%	Other Infrastructure	5%
Business Start-Ups	5%	Other Purposes	5%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Service Firms	50%
Industrial or Manufacturing Firms	50%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend	$50,000
Average Interest Rate	5%

Percentage of Loans Made For:

Fixed Assets	100%

BHP Representative: Robert Foster

HOT SPRINGS CHAMBER OF COMMERCE
ECONOMIC DEVELOPMENT COMMITTEE

c/o Mueller Civic Center
801 S. 6th Street
Hot Springs, SD 57747

FALL RIVER COUNTY: 605-745-4140
FAX: 605-745-5849
E-MAIL: florence@GWTC.net

Deb Irene, Director

Type of Organization: Chamber of Commerce
Service Area: Hot Springs Area
Main Activities: Business district revitalization, improvement and beautification
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Procurement Assistance
Business Financing
Site Selection
Employee Training
Community Economic Development Training

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	25%
Business Retention	25%
Micro Enterprises	15%
Affordable Housing	5%
Other Infrastructure	5%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Service Firms	35%
Retail Firms	30%
Industrial Firms	10%
Other Firms	20%

BHP Representative: Robert Foster

(LEAD) TWIN CITY AREA DEVELOPMENT CORPORATION

P. O. Box 735
Lead, SD 57754

LAWRENCE COUNTY: 605-584-3546
FAX: 605-584-2209

Laurie Elde, Executive Director

Type of Organization:	Development Corporation
Service Area:	Lead, Deadwood, and Central City
Main Activities:	Lead Lot Sale Program and promote and encourage new industry and business
Target Constituencies:	No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Business Planning Assistance
Procurement Assistance
Grant Application Assistance
Site Selection

SERVICE FOCUS:

Business Recruitment	25%
Business Start-Ups	25%
Business Retention	50%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Retail Firms	100%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Business or commercial development

Loan Fund Parameters:

Amount Available to Lend $50,000

BHP Representative: Jim Jeffery

NEWCASTLE AREA CHAMBER OF COMMERCE

P. O. Box 68
Newcastle, WY 82701

CHAMBER OFFICE: 307-746-2739
FAX: 800-835-0157
E-MAIL: nacoc@trib.com

Nancy Rumney, Secretary

Type of Organization: Development and Retention Partnership
Service Area: Newcastle
Main Activities: Local business retention and local business, economic, industrial and tourism development.
Target Constituencies: Assistance is provided to anyone requesting it and typically consists of business counseling.

SERVICES DIRECTLY PROVIDED:

Area Promotion
Literature Distribution
Information Resource
Networking resources to related regional and state agencies

BHP Representative: Jim Bunch

NORTHERN HILLS COMMUNITY DEVELOPMENT

P. O. Box 216
Sturgis, SD 57785

MEADE COUNTY: 605-347-5837
FAX: 605-347-5223
E-MAIL: vharter@BHSSC.TIE.net

Jim Doolittle, Executive Director

Type of Organization: Development Corporation
Service Area: Butte, Lawrence, Meade, and Pennington Counties
Main Activities: Coordinate and facilitate development efforts of communities in Northern Black Hills Region.
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

- Financial Management Assistance
- Business Planning Assistance
- General Management Assistance
- Community Economic Development Training
- Business Financing
- Site Selection
- Grant Application Assistance

SERVICE FOCUS:

Business Recruitment	40%	Business Start-Ups	20%
Business Expansion	15%	Business Retention	10%
Water or Sewer Systems	5%	Other Infrastructure	10%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms	70%
Retail Firms	15%
Service Firms	15%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Start-up & Expansion

Loan Fund Parameters:

Amount Available to Lend	NONE
Average Interest Rate	8%

Percentage of Loans made for: Fixed Assets 100%

Other Programs: Loan Guarantees

BHP Representative: Tony Hay

RAPID CITY AREA ECONOMIC DEVELOPMENT PARTNERSHIP

444 Mount Rushmore Road
Rushmore Plaza Civic Center
Rapid City, SD 57709

PENNINGTON COUNTY: 605-343-1880
FAX: 605-343-1916
E-MAIL: info@RAPIDDEVELOPMENT.com

Bob DeMersseman, President
Julie Gregg, Vice-President

Type of Organization: Development Partnership
Service Area: Pennington County
Main Activities: Improve quality of life and increase personal income levels by fostering a vital business climate which provides quality new jobs, attracts new business, help existing businesses and promotes entrepreneurship.
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Financial Management Assistance	Import or Export Assistance
Business Planning Assistance	Business Financing
Marketing Assistance	Site Selection

SERVICE FOCUS:

Business Recruitment	25%	Business Start-Ups	25%
Business Expansion	15%	Business Retention	10%
Administrative, Etc.	25%		

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms	70%
Service Firms	15%

FINANCIAL ASSISTANCE PROGRAMS:

Pennington County Economic Development Fund and Revolving Loan Fund

Committees:

Rapid City Foundation	Ev Hoyt
Rapid Fund	Ev Hoyt
Business Retention/Expansion	Jim Mattern and Mutch Usera
New Business Attraction	Kyle White and Mutch Usera

BHP Representative: Gary Fish

SPEARFISH CHAMBER OF COMMERCE
P. O. Box 550
Spearfish, SD 57783

LAWRENCE COUNTY: 605-642-2626
FAX: 605-642-7310
E-MAIL: spfcoc@spearfish.sd.us

Lisa Langer, Executive Director

Type of Organization: Chamber of Commerce
Service Area: Black Hills Area
Main Activities: Provide leadership and economic growth, promote small businesses and monitor legislation.
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Marketing Assistance
Business Financing
Business Planning Assistance
Site Selection
General Management Assistance
Training Workshops
Community Economic Development Training

SERVICE FOCUS:

Business Retention	50%
Business Recruitment	15%
Business Start-Ups	10%
Business Expansion	10%
Affordable Housing	5%
Other Infrastructure	10%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Retail Firms	25%
Service Firms	25%
Industrial or Manufacturing Firms	25%
Other Firm Types	25%

FINANCIAL ASSISTANCE PROGRAMS:

No locally administered funding assistance

BHP Representative: Mike Shultz

SPEARFISH ECONOMIC DEVELOPMENT CORPORATION

P. O. Box 550
Spearfish, SD 57783

LAWRENCE COUNTY: 605-642-3832
E-MAIL SEDC@spearfish.sd.us

Bryan Walker, Executive Director

Type of Organization: Development Corporation
Service Area: Spearfish Area
Main Activities: Recruit businesses that employ primary jobs
Target Constituencies: No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Marketing Assistance
Business Financing
Business Planning Assistance
Site Selection
General Management Assistance
Business Expansion

SERVICE FOCUS:

Business Recruitment	50%	Business Retention	30%
Business Start-Ups	10%	Community Development	10%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Industrial or Manufacturing Firms	40%
Service Firms	30%
Retail Firms	20%
Other Firm Types	10%

FINANCIAL ASSISTANCE PROGRAMS:

Revolving Loan Fund:

The purpose of the loan program is: Assist businesses in creating primary jobs

Loan Fund Parameters:

Amount Available to Lend	$112,000
Average Interest Rate	5%

Percentage of Loans made for:

Fixed Assets	95%
Working Capital	5%

BHP Representative: Mike Shultz

WESTON COUNTY ECONOMIC DEVELOPMENT BOARD

P. O. Box 319
Upton, WY 82730

WESTON COUNTY: 307-468-9338

Dan Epperson, Executive Director
Steve Hampton, Chairman

Type of Organization:	Development Corporation
Service Area:	Weston County
Main Activities:	Enhance economic well being of community and promote industrial development and tourism.
Target Constituencies:	No specific socio-economic focus

SERVICES DIRECTLY PROVIDED:

Grant Writing Assistance
Real Estate Locating
Marketing Assistance

SERVICE FOCUS:

Tourism Promotion	40%
Business Recruitment	30%
Business Start-Ups	30%

TYPE OF BUSINESS CLIENTS:

The organization's business clients are generally distributed as follows:

Service Firms	50%
Industrial or Manufacturing Firms	50%

FINANCIAL ASSISTANCE PROGRAMS:

No locally administered funding assistance

BHP Representative: Jim Bunch

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of April 29, 1999 through May 5, 1999

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

CONSUMER COMPLAINT

CT99-004 **In the Matter of the Complaint filed by James Frankenstein, Redfield, South Dakota, against U S WEST Communications, Inc. Regarding Poor Service and Request to have Lines Updated.**

The Complainant states that they have had poor service for several years. The Complainant requests that U S WEST fix the service and upgrade their system so that they may connect to the Internet and use Caller ID. The Complainant states: "We feel we should have access to these services like everyone else."

Staff Analyst: Leni Healy
Staff Attorney: Camron Hoseck
Date Filed: 04/22/99
Intervention Deadline: N/A

ELECTRIC

EL99-006 **In the Matter of the Application of Black Hills Corporation for an Order Authorizing the Issuance of Stock Options under Black Hills Corporation 1999 Stock Option Plan.**

On May 5, 1999, the Commission received an application from Black Hills Corporation, which operates its electric utility under the assumed name of Black Hills Power and Light Company, requesting the approval of Black Hills Corporation's 1999 Stock Option Plan providing for the granting of options to acquire up to 700,000 shares of the Company's authorized but unissued Common Stock.

Staff Analyst: Bob Knadle
Staff Attorney: Karen Cremer
Date Filed: 05/05/99
Intervention Deadline: 05/21/99

EL99-007 **In the Matter of the Filing by Black Hills Power and Light Company for Approval of its 1998 Economic Development Plan Annual Report and 1999 Economic Development Plan.**

On May 5, 1999, the Commission received a filing from Black Hills Power and Light Company of: (1) a report of its 1998 economic development activity as required by SD Public Utilities Commission docket EL95-003; and (2) setting forth its 1999 economic development plan in accordance with the same docket.

Staff analyst: Michele Farris
Staff Attorney: Camron Hoseck
Date filed: 05/05/99
Intervention Deadline: 05/21/99

TELECOMMUNICATIONS

TC99-050 In the Matter of the Establishment of Switched Access Revenue Requirement for Vivian Telephone Company d.b.a Golden West Communications, Inc.

Vivian Telephone Company filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Harlan Best/Keith Senger
Staff Attorney: Karen Cremer
Date Filed: 04/29/99
Intervention Deadline: 05/21/99

TC99-051 In the Matter of the Application of NET-tel Corporation d/b/a NET-tel Communications Corporation (FL) for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Application by NET-tel Corporation d/b/a NET-tel Communications Corporation for a Certificate of Authority to provide interexchange, intrastate, inbound, outbound and travel card services in South Dakota.

Staff Analyst: Dave Jacobson
Staff Attorney: Camron Hoseck
Date Filed: 04/30/99
Intervention Deadline: 05/21/99

TC99-052 In the Matter of the Application of Columbia Telecommunications, Inc. d.b.a. aXessa for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

On April 30, 1999, the Commission received an application by Columbia Telecommunications, Inc. d.b.a. aXessa for a Certificate of Authority to provide resold interexchange telecommunications services in the state of South Dakota. Proposed services include both inbound and outbound intraLata toll services.

Staff Analyst: Bob Knadle
Staff Attorney: Karen Cremer
Date Filed: 04/30/99
Intervention Deadline: 05/21/99

TC99-053 **In the Matter of the Filing by U S WEST Communications, Inc. for Approval of Tariff Pages for its Access Service Tariff Implementing its IntraLATA Toll Dialing Parity Plan.**

U S WEST Communications has filed for Commission approval Access Service Tariff pages implementing U S WEST's IntraLATA Toll Dialing Parity Plan. U S WEST has filed an Equal Access and Network Reconfiguration Recovery Charge and rates, terms and conditions for Presubscription.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Filed: 05/03/99
Intervention Deadline: 05/21/99

TC99-054 **In the Matter of the Filing by Fort Randall Telephone Company and Mount Rushmore Telephone Company to Establish Switched Access Rates.**

Mt. Rushmore Telephone Company and Fort Randall Telephone Company filed a combined switched access cost study similar to an interstate filing with a combined study area. The switched access rates will be used by both companies. Mt. Rushmore was granted a waiver from filing switched access cost studies in TC93-034.

Staff Analyst: Harlan Best/Keith Senger
Staff Attorney: Karen Cremer
Date Filed: 05/03/99
Intervention Deadline: 05/21/99

You may receive this listing and other PUC publications via our website or via internet e-mail. You may subscribe or unsubscribe to the PUC mailing lists at http://www.state.sd.us/puc/

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY BLACK HILLS POWER AND LIGHT COMPANY FOR APPROVAL OF ITS 1998 ECONOMIC DEVELOPMENT ANNUAL REPORT AND 1999 ECONOMIC DEVELOPMENT PLAN	)	ORDER APPROVING 1998 ECONOMIC DEVELOPMENT ANNUAL REPORT AND 1999 ECONOMIC DEVELOPMENT PLAN EL99-007

On May 5, 1999, the Public Utilities Commission (Commission) received Black Hills Power and Light Company's (BHPL) 1998 Economic Development Annual Report. On May 6, 1999, the Commission received BHPL's proposed Economic Development Plan for 1999. The report and proposed plan were 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.

For 1999, BHPL's proposed economic development investment budget is $127,200. The actual expenditures for the 1998 economic development plan were $83,463.

On July 29, 1999, at a duly noticed meeting, the Commission reviewed BHPL's Economic Development Annual Report for 1998 and Economic Development Plan 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 and plan, the Commission found that they are just and reasonable and voted to approve them. It is therefore

ORDERED, that BHPL's 1998 Economic Development Annual Report and Economic Development Plan for 1999 are approved as revised.

Dated at Pierre, South Dakota, this 6th day of August, 1999.

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 Delaine Kolbo

Date 8/6/99

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner