

County Perspectives

The newsletter of economic development in Lincoln and Minnehaha Counties

Electric utilities are strong partners in economic development

One of the first questions asked by company executives considering our region for new or expanding facilities involves the electric power infrastructure.

What is the capacity? Where are the substations? Is there room for growth?

Because the local electric energy providers are well-established partners for progress with the area economic development team, the answers to those questions are overwhelmingly positive—and often help executives make the right decision to bring jobs and tax dollars to our communities.

“Our company believes that being involved and investing in economic development activities and services such as those provided by the Lincoln County Economic Development Association is essential to helping our members, our service area and economy continue to grow and prosper, which helps the communities we serve reach their full economic potential,” said Brad Schardin, General Manager of



Electric utility executives working with economic development in our counties include, from left: Jim Clark and Mary Thoen representing Xcel Energy, Southeastern Electric Cooperative's Todd Nelson, and Carol Ackerman from Sioux Valley Energy.

Southeastern Electric Cooperative, Inc. “Our return comes over a long-term period of time when these companies become successful, grow and potentially add new employees and new facilities.”

Don Marker, General Manager at Sioux Valley Energy, agrees that economic development is a vital part of his company’s view of the future—and essential for the people who live in our area.

“We are a member-owned electric cooperative,” Marker said. “The success of our cooperative relies heavily on the well-being and economic condition of the members we serve. We believe economic development is the cornerstone of sustainability in any region and is necessary for expanding the tax base which pays for many vital services that are essential for our members. It’s also crucial that we have the ability to create jobs in an area offering our children and grandchildren career opportunities close to home. In addition to financial and career resources, economic development encompasses a broad spectrum of

issues including adult and child development, health, and education.”

That attitude of partnership requires electric utility providers to make significant investments in our

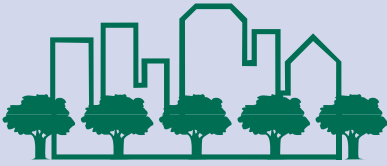
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A Sioux Valley Energy lineman works in the cold at the top of a pole.



Providing continuous service to residential and rural customers is a priority for Xcel Energy and other electric providers.



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fast-growing region. Southeastern Electric, based in Marion, has plans for a new service center at I-29 at the Lennox exit. In Minnehaha County, Colman-based Sioux Valley Energy is already expanding their Brandon service center to add more people and give East River Electric, their power supplier, space to grow here. And Xcel Energy is investing in a new transmission line to bring additional capacity to the two-county metro area from Minnesota.



One of the most vital expansion efforts for Southeastern Electric and other local providers is the addition of customer service professionals to manage regional growth.

“The dollars our electric utilities are investing in the growth of our region encompass all aspects of business and community development,” said Jeff Eckhoff, executive director of the Lincoln and Minnehaha County Economic Development Associations. “Not only do these companies invest in hardware, such as substations—an enormous investment—and transmission lines, but also in full time employees and new buildings to bring excellent service closer to the homes and businesses they serve.”

But power companies are not just about electricity, according to Jim Clark, South Dakota Principal Manager for Xcel Energy.

“Our commitment to the communities we serve goes far beyond providing safe and reliable energy,” Clark said. “We are committed to using our considerable economic development resources and skills to help meet our customers’ social and economic needs, and make our communities better places to live, work and raise families.”

In fact, the local electric companies, far from being just good partners for economic development, support school activities and community functions, sponsoring everything from public art to Habitat for Humanity. Eckhoff said that electric companies are vital partners in community thinking and planning ahead, which are key elements.

“Nobody understands the team approach to growth as well as the electric utilities. We rely on their knowledge of the power needs of growing communities and their determination to be there when it’s time to switch on the electricity.”

“It is important to remember that community development and economic growth do not happen overnight,” he said. “In fact, ensuring that a reliable and robust utility infrastructure that supports expansion is in place for tomorrow requires years of planning that begins today. Our electric power providers stay ahead of the development curve—allowing us to be ready for growth when it happens.”

According to Clark, that advance planning requires a considerable amount of coordination.

“Xcel Energy’s economic development efforts help nurture a vibrant economy,” Clark said. “We support new economic initiatives and project expansions and make every effort to build and maintain successful relationships with community organizations by participating in state, regional and local economic development efforts.”

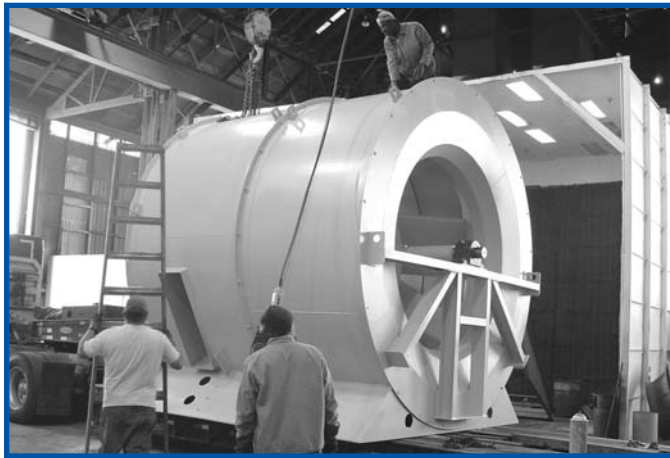
That multi-layered approach to cooperation matches the work done by the Governor’s Office of State Development, MCEDA and LCEDA and local development volunteers.

“Nobody understands the team approach to growth as well as the electric utilities,” Eckhoff said. “We rely on their knowledge of the power needs of growing communities and their determination to be there when it’s time to switch on the electricity. Their support of our organizations—and their partnership in helping our towns move forward—is a key element in our success.”

Twin City Fan expands manufacturing operation

Twin City Fan (TCF) was recently approved for a \$233,197 APEX (Agricultural Processing and Export) loan to expand its operations to Sioux Falls. The Minneapolis-based company has expanded into four South Dakota communities since 1984: Brookings, Mitchell, Aberdeen, and Elkton. The new plant in Sioux Falls is expected to bring 35 full-time jobs to the Sioux Falls area.

"This is a tremendous South Dakota success story," said Governor Mike Rounds. "The fact that Twin City Fan



TCF makes ventilation devices for a wide range of industrial applications.

Bergquist begins construction in Corson Development Park

The Bergquist Company has begun construction on a new manufacturing plant in the Corson Development Park.

Headquartered in Chanhassen, MN, the Bergquist Company has five additional domestic manufacturing plants located in Big Fork, MN; Cannon Falls, MN; Prescott, WI; Torrington, CT, and Wareham, MA. Additionally, Bergquist has manufacturing, sales and marketing support throughout the world, with over 900 employees in 30 locations worldwide.

A leading manufacturer of engineered materials and components for the electronics industry, Bergquist ranks as the largest supplier of thermal interface materials in the world. The firm is the sixth largest privately held electronics company in Minnesota and the fiftieth largest privately held electronics company in North America.

Numerous locations were reviewed prior to selecting Brandon, according to Bergquist company officials. MCEDA executive director Jeff Eckhoff, who worked extensively with company officials in facilitating the expansion, said that several factors were evaluated by Bergquist, including proximity to headquarters, ground and air transportation accessibility and energy suitability.

The new plant is slated to open in 2008.

continues to expand in South Dakota speaks highly of our workforce and our business environment.

"We know that by hiring South Dakotans we are getting quality, dependable and well-trained employees," said Jeff Talley, Vice President of Employee Relations for Twin City Fan. He went on to say that "Twin City Fan is committed to growing in South Dakota and to providing new jobs and partnering with the state to enhance business relations."

Jeff Eckhoff, executive director for the Minnehaha and Lincoln County Economic Development Associations, said several factors convinced Twin City Fan to locate in Sioux Falls.

"The company first began looking at the communities in our area because of our rapidly expanding workforce," Eckhoff said. "The fact that a building that met their needs was immediately available, affordable and ready for operation was a further incentive. This a great company, and a great addition to this region."

Twin City Fan is a group of fan companies that manufacture and sell a complete range of centrifugal and axial propeller fans, power roof ventilators, and related equipment. TCF's emphasis on customer flexibility and superior service before and after the sale makes them an industry leader in customer relations. These fundamental principles have allowed TCF to continue to grow and provide fans throughout the world.

The APEX loan will assist Twin City Fan in the purchase of welding equipment, a crane and forklift, and a plasma cutter that will be used to perform welding support work for all of its South Dakota operations.



Residential growth makes Lincoln County the third largest



The US Census Bureau estimates that Lincoln County, with 35,239 residents, is South Dakota's third largest county, moving it ahead of Brown County, home to Aberdeen, with 34,645. The state had earlier predicted that Lincoln County would pass the 35,000 mark about 2020, but the steady growth of Sioux Falls has pushed the population of the county's northern tier past expectations.

"With a percentage change of 45.9, Lincoln County is the twelfth fastest growing county in the nation," said Jeff Eckhoff, LCEDA executive director. "While most of the attention on population increase has focused on the smaller towns around Sioux Falls, including Tea and Harrisburg, business and residential growth has been very strong throughout the county."

Developing our workforce is a vital part of the effort



Growing our communities requires a wide variety of steps and an equally large number of amenities which contribute to economic development. Companies looking at our area are always favorably impressed by our quality of life, the friendliness of the people who live here and the pro-business attitude shared by state, county and local governments. But there is one other critical component which can affect the decision of a company to expand or locate to our area. That element is the ability to find enough well-trained, motivated workers to employ.

With growing residential construction, our counties' communities have seen an influx of people, many of whom are looking for jobs in the towns they live in. However, with a strong economy driving the need for employees in Sioux Falls and throughout our two-county area, having a sufficient number of available workers is a constant question—and should be a constant concern.

That means that in addition to maintaining an inventory of land and buildings, keeping the infrastructure of our communities up-to-date and ready for expansion and having a positive attitude at all times, we must think about **workforce development**. It is a buzzword throughout the nation right now, as employers

scour the countryside for the best workers available. Some of our local companies, experiencing growing pains, have had to work hard to get enough employees—and the need continues to grow.

But what can the average citizen, who already has a job, do to help encourage workforce development? One thing we can do is to provide opportunities that encourage our young people to train for and consider a career in our state. Our local technical schools and colleges provide quality education and employment options in an increasingly diverse economy, enabling young people to acquire valuable job experience while completing their education. We can also invite friends and relatives who are longing to return to their home state to become a part of South Dakota's growth.

We need all the good people we can get—so let everyone you know in on the secret. This is the best place in America to live and work!



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