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FORWARD MADISON UPDATE

On behalf of the Lake Area Improvement Corporation Board of Directors, thank you to all of the investors and partners of the Forward Madison Initiative. Your continued commitment has made a major difference in growth within Madison and Lake County. The following is an overview of the program.

The four components of the initiative are as follows:

1. Business Retention and Workforce Development – Retain and expand existing businesses and strengthen the workforce. The following are a few of the projects associated with this component.

- Laser Cut
- Round Lakes
- Health Economic Impact Study
- DSU Economic Impact Study
- Event Center Feasibility Report
- Provided Funds to ICAP, United Way and Food Pantry to assist the displaced workers
- Welding Lab
- GEHL
- I-29 Corridor - Work Force
- Heirigs Apartment Project
- Dept. of Labor Grant
- Transportation Grant
- Silver Creek Homes
- Business Plans/Cash Flows
- First Time Home Buyers Down Payment Assistance Program in Partnership with SDHA
- Citi Bank Grant

2. Entrepreneurs and Economic Gardening – The focus will be on growing local businesses by providing an enriched environment for entrepreneurs. The following are a few of the projects associated with this component.

- Bulldog Media
- CAHIT
- On Line Inc.
- DSU Partnership
- Data Sync
- I-29 Corridor – Research
- SD Business Incubator Association
- Info Tech Solutions
- Secure Banking Solutions (SBS)
- WIMAX
- 2010 Research Center
- Logic Lizard
- CT@DSU
- Rural Business Enterprise Grant
- Bleil Laboratories

3. New Business Development – Attract new companies and expand current ones by creating an opportunity fund of private sector investor-driven resources. The following are a few of the projects associated with this component.

- SD Associations of Rural Water Systems
- Arbor Care
- Dan's Tree Service
- West Central
- Hyland's Machine
- Madison Vinyl
- Lakeview Industrial Park
- Highway 34 Study
- Madison Comprehensive Plan
- Medical Device Manufacturing Show
- Wind Energy Show
- Firearms Show
- Governor's Task Force on Certified Ready Sites Program
- AG Center
- Qwick Lube
- Dakota Vinyl
- Dollar General
- IRP Loan (Intermediary Relending Program)
- REDLG Funding (Rural Economic Development Loan & Grant Programs)

4. Marketing and Investor Relations – Advertise the strengths of the community to prospective and existing community members. The following are a few of the projects associated with this component.

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- Heartland Consumers Power District (HCPD)
- Inter-Lakes Community Action Partnership (ICAP)

HEARTLAND CELEBRATES LEED PLATINUM HEADQUARTERS WITH GRAND OPENING, TOURS AND RIBBON CUTTING

HCPD, Madison, SD - Heartland celebrated the grand opening of their new headquarters facility in Madison with special events taking place July 6, 7 and 8. On Friday, July 9, Heartland officials received word from the U.S. Green Building Council that theirs is the first newly constructed building in the state of South Dakota to earn LEED Platinum Certification, the highest honor in green building design.

"As an energy company, we felt it was important to build a facility that demonstrated our commitment to energy efficiency and environmental preservation," said Heartland General Manager Mike McDowell. "Once the decision was made to build a new headquarters, aiming for LEED Platinum made the most sense and our investment has already paid dividends."

United States Senator Tim Johnson toured the building July 6 and engaged in a roundtable discussion on green building design and energy legislation with McDowell, Board Chairman Dan O'Connor and other Heartland officials.

"Heartland embraced energy efficiency and is setting an example in South Dakota," Johnson said. "Improving the energy efficiency of our buildings and homes is not only good for our environment, it will bring jobs to South Dakota that cannot be outsourced."

Heartland held a private reception and dinner for customers Wednesday, July 7, with S.D. Lieutenant Governor Dennis Daugaard providing the keynote address. Customers had the opportunity to tour the facility and learn more about the LEED building process.

"What was once an open field is now really a great example of energy efficiency, and what better organization to be a showcase for energy efficiency than an energy company," Daugaard said.

Daugaard commended Heartland for giving "great attention to conservation as well as efficiency" by surpassing South Dakota's voluntary renewable energy standard of 10% by 2015. "It's noteworthy that Heartland's customers today are getting 16% of their energy from wind energy," he said. "South Dakota established a voluntary goal in 2008 and Heartland jumped at the challenge and exceeded it."

Heartland hosted a public open house and ribbon cutting ceremony Thursday, July 8. Tours were given throughout the day and South Dakota State University (SDSU) President Dr. David L. Chicoine spoke during a short program at noon. In his address, Dr. Chicoine recognized the accomplished partnership between SDSU and

Heartland, especially in regards to engineering and renewable energy. He acknowledged Heartland as a leader in the application and adoption of new technologies to solve complex problems in areas such as sustainable energy and environmental stewardship.

"I believe innovation is the key to effectively meeting the challenges of long-term, sustainable economic growth," Dr. Chicoine said. "It calls for robust partnerships and creative collaborations. Heartland has demonstrated, since its founding, its commitment to creativity and innovation. It has demonstrated a commitment to partnerships and collaborations to meet the demand of its customers and most importantly to foster economic growth and development in our region. This building is a symbol of how we in South Dakota are well-

positioned not just to compete but to lead in the global economic recovery before us."

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Heartland General Manager Mike McDowell presents a commemorative plaque to SDSU President Dr. David Chicoine after he provided the keynote address for Heartland's Open House Thursday, July 8. The plaque is made of the same bleacher board material used for ceiling panels in the headquarters building.

Heartland's facility was designed to be 46% more energy efficient than a building using standard construction and use a third less water. Features such as a geothermal heating and cooling system, extra thick insulation, high efficiency windows and motion sensors



Mike McDowell and Chairman of the Board Dan O'Connor (center, front row) outside our new headquarters for a ribbon cutting and grand opening celebration July 8.

Lake County Unemployment Percentage				
2009	Labor Force	Employment	Unemployment	Rate
MAR	6,760	6,405	355	5.3%
APR	6,975	6,535	440	6.3%
MAY	7,000	6,520	480	6.9%
JUN	6,910	6,380	530	7.6%
JUL	6,780	6,365	415	6.1%
AUG	6,775	6,350	425	6.3%
SEP	6,765	6,375	390	5.8%
OCT	6,940	6,460	480	6.9%
NOV	6,770	6,370	400	5.9%
DEC	6,630	6,265	365	5.5%
2010				
JAN	6,440	6,055	385	6.0%
FEB	6,560	6,185	375	5.7%
MAR	6,625	6,250	375	5.7%
APR	6,680	6,370	310	4.6%
MAY	6,665	6,350	315	4.8%

Source: Department of Labor website <http://dol.sd.gov/>

Statewide Unemployment Numbers				
2009	Labor Force	Employment	Unemployment	Rate
MAR	443,450	419,480	23,970	5.4%
APR	445,315	424,010	21,305	4.8%
MAY	448,315	424,010	21,305	4.9%
JUN	455,780	433,480	22,300	4.9%
JUL	457,660	436,415	21,245	4.6%
AUG	453,295	432,115	21,180	4.7%
SEP	445,590	425,950	19,640	4.4%
OCT	447,315	427,075	20,240	4.5%
NOV	444,275	423,175	21,100	4.7%
DEC	439,025	417,915	21,110	4.8%
2010				
JAN	435,375	411,745	23,630	5.4%
FEB	436,790	413,445	23,345	5.3%
MAR	440,030	416,635	23,395	5.3%
APR	443,800	423,965	19,835	4.5%
MAY	445,785	425,830	19,955	4.5%

Source: SD Dept. of Labor at <http://dol.sd.gov/>

City of Madison Building Permits	
Month	Total cost
2010	
JAN	\$251,800
FEB	\$71,351
MAR	\$1,311,982
APR	\$1,754,278
MAY	\$4,786,700
JUNE	\$473,754

Source: City of Madison

Lake County Building Permits	
Month	Total cost
2010	
JAN	\$40,000.00
FEB	\$527,760.00
MAR	\$1,266,600.00
APR	\$844,322.00
MAY	\$1,753,503.00
JUNE	\$1,010,100.00

Source: Lake County Drainage

South Dakota Taxable Sales		
Year	Madison	Lake County
2006	\$118,599,046.72	\$143,640,842.55
2007	\$125,750,734.98	\$144,080,056.05
2008	\$148,626,228.84	\$159,181,770.17
2009	\$138,138,456.35	\$147,741,384.89
2010		
JAN	\$10,977,191.29	\$11,859,229.15
FEB	\$ 9,921,941.86	\$10,369,430.61
MAR	\$ 8,548,163.21	\$ 9,302,118.19
APR	\$ 9,010,415.58	\$10,025,779.13
MAY	\$10,025,779.13	\$10,819,999.63

Source: <http://www.state.sd.us/drr2/>

FORWARD MADISON UPDATE (CONTINUED)

- Website Development
- TV Commercials
- Radio Commercials
- GOED Radio Partnership
- Madison Arts Council
- Habitat for Humanity
- Newsletters
- Banners
- Site Selection Marketing
- News Articles on Web Site
- Event Center
- Swimming Pool
- Downtown Planters
- Annual Investors Meeting
- Annual LAIC Meeting
- Annual Business Meeting
- Madison Entrance Sign
- Community of the Year
- Dakota State University Marketing
- Motongator Joe
- I-29 Billboards
- Newspapers
- News Releases
- Community Center

These four components of Forward Madison have provided a wide variety of organizations growth opportunities. The LAIC continues to work with start-up companies, new business development opportunities and our existing manufacturing businesses.

This was all made possible through your support as an investor. You are the folks that believe in your community. Your commitment and dedication have provided growth opportunities to new and existing businesses. Thank you!

contribute to the savings. Recycled and reused materials were used in construction, including ceiling panels made of reused bleacher seats from a gymnasium in Nebraska. At least 70% of the building's energy is from renewable sources including roof-mounted solar panels and wind energy from the Wessington Springs Wind Energy Center.

LEED is administered by the U.S. Green Building Council and is the nationally accepted benchmark for the design, construction and operation of high performance green buildings. LEED recognizes performance in five key areas including sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality. A series of credits are available within the five areas and certification is obtained at Certified, Silver, Gold or Platinum. The Heartland building earned 54 credits. Fifty-two are required for Platinum certification.

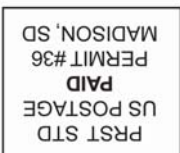
Approximately 45 regional companies were involved in the construction of their green facility, designed by Koch Hazard Architects of Sioux Falls. Henry Carlson Company, also of Sioux Falls, served as construction manager and Jason Crain of Construction Management Professionals was hired as project manager to assist Heartland staff manage the project from design to completion.

"Heartland has been a great partner in creating this green building," said Stacey McMahan, AIA, LEED AP, of Koch Hazard. "They came to us wanting to 'go green,' so we began the conversation about sustainability strategies, cost, process and carrying their goals through design and construction. Heartland has been dedicated and creative in their response to LEED requirements. The only way to create a great building is to work with a great client."

Mike McDowell believes it was largely the vision of the Heartland Board of Directors that led to the collaboration and construction of the green headquarters.

"Our board chose to look beyond the next quarter's bottom line, and spent more now to save more later," McDowell said. "A great staff and construction manager kept the project on course and under budget, and we did it without government subsidies. We are proud of our investment in Madison and happy to continue to call this community home."

For more details and images from all of the week's events, visit Heartland's blog at www.hcpd.com/blog.



Return Service Requested

