



**BUILDING UPGRADES PROVIDE EFFICIENCY
 AND ACCOMMODATES AN
 INCREASING WORKFORCE**

By Alan Van Ormer

East River Electric Power Cooperative continues to upgrade its buildings to accommodate an increasing workforce and provide more efficient service to its members.

Construction is expected to start in February on a two-story addition on the south side of the headquarters building on southeast First Street in Madison. The 16,800 square foot project is expected to be completed later this year. In addition, the current headquarters will be renovated in 2011.

Jim Edwards, Assistant General Manager of Operations said East River is content on maintaining its downtown location. “We need additional office space and a training facility to accommodate our employee safety meetings,” he said. “It will improve the layout and the functionality of the building.”

The multi-purpose training room is expected to accommodate up to 150 people. In addition, the facility will be more energy efficient and will be LEED certified.

Scott Parsley, Assistant General Manager of Member Services, said East River is a vital part of the community. “We consider ourselves a valuable component to the Madison area, not only in the number of people we employ, but also by the investments we make in our local businesses.” In 1998, East River had 92 employees. Today, that number is 117.

The current building replacement and life extension project planning began in 2007. In 2008, a new Madison Service Center was constructed on Highway 34, on the west side of the city, to provide more adequate space for equipment and personnel. This also improved safety by eliminating large trucks from entering and exiting the downtown area.

The construction of the new Service Center opened the downtown facility across from the Headquarters offices and allowed East River to move its Telecommunications and Meter Relay Department to that spot. Also, the Engineering Services Department continued to expand to meet member needs, making it necessary to find a more feasible location for the

employees. Those employees will be housed in the Headquarters building expansion.

The Information Technology Department is

Left: Drawing of proposed East River Electric Power Cooperative building



The Lake Area Improvement Corporation is focusing on job growth in the service industry, medical and information technology areas heading into the future.

Dustin Williams, president of the LAIC Board of Directors, told those attending the LAIC Annual Meeting on Jan. 28 at the Dakota Prairie Playhouse in Madison, S. D., this will mean utilizing Dakota State University and our supply of technology graduates to get the job done.

Slater Barr, the president of the Sioux Falls Development Foundation, discussed three different trends that will impact economic development even after the recession is over.

First, communities will continue to lose manufacturing jobs. Second, there will be a rural to urban migration that is occurring worldwide. Finally, the roles of economic development are changing because of technology.

Last year in Lake County, despite the economic downturn and the impact it had on manufacturing companies in the area, there was good news in that Bulldog Media, a technology company, was able to add 25 employees. Bulldog Media received the LAIC's Growth and Achievement Award.

In addition, the LAIC with assistance from others was able to implement a workforce development fund for the unemployed.

Also, in 2009, two research centers moved into the Heartland Technology Building creating 15 jobs and there are discussions on moving a new software company to the community.

The LAIC Board of Directors thanked the more than 150 partners that have helped make the economic development group a success during the past year.

HEARTLAND HEADQUARTERS IS FIRST LEED PLATINUM BUILDING IN STATE

By Alan Van Ormer

Heartland Consumers Power District's state-of-the-art LEED Platinum headquarters building is now open along Highway 34 in southeast Madison.

"This is one of the highest efficient buildings in the region," said Heartland General Manager and CEO Mike McDowell. "It will be the first LEED Platinum building in South Dakota."

LEED stands for Leadership in Energy Efficient Development. LEED Platinum is the highest and most difficult to achieve construction standard.

Heartland's headquarters will also be mentioned along side other buildings developed by Koch Hazard Architects in Sioux Falls, a well-known architectural firm that specializes in Green facilities.

Heartland asks its customers to invest in energy efficient technologies and to examine their operations to see where they could use energy more efficiently, McDowell said.

"We felt that Heartland must set an example by making these investments of money and time ourselves," he said.

Heartland plans to add three new professional positions in the next two to three years. The building in downtown Madison will be occupied by the South Dakota Association of Rural Water Systems, with 14 new professional jobs moving into the building, McDowell said.

Almost 30 months ago, Heartland started planning for a new building after it was evident that the municipal electric company was outgrowing the building in downtown Madison.

"We had outgrown this building," McDowell said. "Our load is growing. Our activities are growing."

The \$3.2 million, 9,300 square foot building is located on 4.5 acres. The property has a prairie pothole that will be filled by water runoff from the building's roof and parking lot that will be used to provide irrigation for the native South Dakota landscaping.

<u>South Dakota Taxable Sales</u>		
<u>Year</u>	<u>Madison</u>	<u>Lake County</u>
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		
1st Qtr	\$34,425,615.15	\$36,430,387.86
2nd Qtr	\$37,141,870.92	\$38,918,390.00
3rd Qtr	\$32,619,444.30	\$35,954,612.99
4th Qtr	\$9,822,284.89	\$10,553,022.87
YTD	\$138,138,456.35	\$147,741,384.89

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

<u>2009 Lake County Building Permits</u>		
<u>Month</u>	<u>Total cost</u>	<u>Permit cost</u>
January	\$19,000.00	\$165.00
February	\$36,800.00	\$185.00
March	\$284,500.00	\$920.00
April	\$1,215,228.00	\$2,435.00
May	\$937,652.00	\$2,194.00
June	\$592,030.19	\$1,850.00
July	\$1,058,485.00	\$2,318.00
Aug	\$1,744,800.00	\$2,855.00
Sept	\$3,334,876.52	\$4,791.00
Oct	\$1,551,100.00	\$2,516.00
Nov	\$464,852.00	\$1,134.00
Dec	\$37,700.00	\$134.00

Source: Lake County Drainage and Zoning Department

<u>Lake County Unemployment Percentage</u>				
	<u>Labor Force</u>	<u>Employment</u>	<u>Unem- ployment</u>	<u>Rate</u>
2009				
JAN	6,740	6,260	480	7.1%
FEB	6,760	6,390	370	5.5%
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%

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

<u>2009 Statewide Unemployment Numbers</u>				
<u>Month</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Rate</u>
JAN	435,660	413,630	22,030	5.1%
FEB	439,795	417,275	22,520	5.1%
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%

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

The economic indicators on this page attempt to give a picture as to the status of the local and state-wide economy and have been gathered from their stated sources.

HEARTLAND HEADQUARTERS (CONTINUED)

A portion of energy will be provided by a solar photovoltaic array on the roof, as well as a block of green power slated to be purchased from the city of Madison from production of the Wessington Springs Wind Project.

“The lobby of our new headquarters will be used to deploy interactive activities for the public to learn more about energy efficiency, renewable resources and sustainable use of existing resources,” McDowell said. “There will also be a public LCD board showing the real time performance of all of our generation resources. Our energy efficiency staff will also be available to offer tours and explanations for these and other features of the building.”

McDowell said the building will set an example of what can be done now with existing technology to use energy more efficiently, lower carbon emissions and build these savings in the economy permanently.

“Heartland has staked out a position of leadership in going down this path,” he said. “Madison will be known as the base for leadership in this area.”

Heartland Consumers Power District provides supplemental power and energy to municipal electrical systems in South Dakota, Minnesota and Iowa, as well as several South Dakota state institutions.

BUILDING UPGRADES (CONTINUED)

also providing more services to members in the East River service area, prompting officials to move them to the current Member Services facility once the new construction is completed. The Member Services employees will then move to the renovated section of the headquarters building once everything is complete.

East River Electric Power Cooperative is a wholesale electric power supply cooperative serving 24 rural electric cooperatives and one municipally-owned electric system, which in turn serve more than 92,000 homes and businesses and about 250,000 consumers. The company’s 40,000 square mile service area covers the rural areas of 41 counties in eastern South Dakota and 22 counties in western Minnesota.

ECONOMIC INDICATORS (CONTINUED)

2009 City of Madison

Building Permits

January	\$62,000
February	\$13,600
March	\$40,000
April	\$125,895
May	\$4,958,680
June	\$337,913
July	\$162,789
August	\$479,332
Sept	\$304,695
Oct	\$386,100
Nov	\$158,220
Dec	\$12,820

Source: City of Madison



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