

**Department of Transportation**  
**Division of Planning & Engineering**  
**Administration Program**  
**700 East Broadway Avenue**  
**Pierre, South Dakota 57501-2586**  
**OFFICE: 605/773-8149**  
**FAX: 605/773-4870**

June 16, 2017

**MEMORANDUM**

**TO:** Michael Behm, Director  
Division of Planning and Engineering

**FROM:** Laurie Schultz, Program Manager  
Administration Program

A handwritten signature in black ink that reads "Laurie Schultz". The signature is written in a cursive style and is positioned to the right of the typed name "Laurie Schultz, Program Manager".

**SUBJECT: Consideration of Industrial Park Grant application**

The Department of Transportation has received an Industrial Park Grant request from the City of Elk Point for consideration by the Transportation Commission at their June 29 meeting. The city is requesting \$300,000 in grant funds for the construction of Moss Street in their Industrial Park. This will serve the expanding BalCon Enterprises. The capital investment for the facility is \$1.8 million. The company will employ 20 full time employees.

The Governor's Office of Economic Development has reviewed the grant application and recommends award.



April 12, 2017

Ms. Paula Huizenga  
DOT Division of Finance & Management  
Office of Local Transportation Programs  
700 East Broadway Avenue  
Pierre, SD 57501

RE: Agri-Business Access Grant Application

Dear Ms. Huizenga,

Enclosed is an Industrial Park Access Grant Application packet for the City of Elk Point's Industrial Park Project. The City of Elk Point will be signing the Resolution at their next Council meeting, and I will send it to you as soon as I receive it.

Thank you for your consideration. Please contact me at 605-367-5390 or [melissa@secog.org](mailto:melissa@secog.org) with any questions or comments.

Sincerely,

Melissa Gibson  
Planner

Enclosures

Cc: The City of Elk Point

# APPLICATION FOR INDUSTRIAL PARK, AGRI-BUSINESS ACCESS, OR COMMUNITY ACCESS GRANT FUNDS

APPLICATION FOR:

INDUSTRIAL PARK/ AGRI-BUSINESS

COMMUNITY ACCESS

(Check one)

**APPLICANT AND ADDRESS:**

(Include unit of government)

City of Elk Point, South Dakota

Isabel Trobaugh, Mayor

106 W. Pleasant Street

Elk Point, South Dakota 57025

Government Type: Home Rule

**PROJECT LOCATION:**

Southwest Quarter of the Northeast Quarter of Section 24, Township 91 North, Range 50, West of the 5<sup>th</sup> P.M., City of Elk Point, less, Lot H-1 and less that part lying West of Interstate Highway I-29, Union County, South Dakota, and Donnelly Tract 5 in the Northeast Quarter of the Northeast Quarter of Section 24, Township 91 North, Range 50, West of the 5<sup>th</sup> P.M., City of Elk Point, Union County, South Dakota.

**PROJECT DESCRIPTION:**

In 2011, the City of Elk Point purchased 26 acres of agricultural land, for \$210,000. The City used this land to create a new industrial park. The City also paid \$196,000 for a new crushed concrete road leading to the industrial park, along with necessary drainage and a retention pond. The industrial park has been split into seven lots. BalCon Enterprises wants to expand its business, and it is interested in building in the new Elk Point Industrial Park. The City of Elk Point needs to build an access road through the industrial park, to accommodate the incoming businesses. This access road will be 1,875 feet long, with an 80 foot right-of-way, and will be constructed of eight inches of PCC pavement, over six inches of base course, over 10 inches of recompacted existing subgrade.

**THE APPLICANT CERTIFIES THAT:**

To the best of my knowledge and belief, the information in this application is true and correct. The document has been duly authorized by the governing body of the applicant and the applicant will comply with all appropriate requirements if approved.

Isabel Trobaugh, Mayor (605) 356-2336  
Name and Title (typed) Phone

*Isabel Trobaugh* 4-11-17  
Signature Date

**APPLICATION PREPARED BY:**

Melissa Gibson, Planner I (605) 367-5390  
Name and Title (typed) Phone

SECOG 4/15/2017  
Representing Date

Kim McLaury, Engineer      (605) 665-8092  
Name of Consultant (typed)      Phone

McLaury Engineering      4/15/2017  
Representing      Date

## INDUSTRIAL PARK AND AGRI-BUSINESS ACCESS GRANTS

### 1. BUSINESSES TO BE SERVED AND PROPOSED EXPANSION PLAN:

BalCon Enterprises, headquartered in Elk Point, South Dakota, has been in business since 2003, and has warehousing/processing locations near Pittsburgh, Pennsylvania; Dallas, Texas; Chicago, Illinois; and Burbank, South Dakota. BalCon is an industrial packaging company that specializes in selling Gaylord boxes and FIBC bulk bags. Through recycling processes, BalCon is able to refurbish several thousands of tons of Gaylord boxes each year and recirculate them to companies throughout the United States and Canada. BalCon also recycles corrugated material used to make paperboard and FIBC bulk bags used to make many plastic parts in the United States.

BalCon will construct a new 20,000 square-foot warehousing/processing center in the City of Elk Point's Industrial Park in the spring of 2017. The current leased facility in Burbank, South Dakota, will be maintained. The expansion is estimated to cost \$880,000 (\$690,000 for the building, \$130,000 for the equipment, and \$60,000 for the land). BalCon estimates that up to 20 additional full-time employees will be needed for this facility over the next three years.

### 2. COSTS OF INFRASTRUCTURE

NON PARTICIPATING ITEMS		PARTICIPATING ITEMS	
LAND	0	CONSTRUCTION	\$582,141
UTILITIES	\$238,689	CONTINGENCIES	\$20,000
ENGINEERING	\$37,900		
OTHER	\$85,000		
<b>TOTAL</b>	<b>\$361,589</b>	<b>TOTAL</b>	<b>\$602,141</b>

### 3. FUNDING OF PROJECT

LOCAL (EDA)	\$463,730 (Pending)
OTHER (GOED LIIP)	\$200,000 (Pending)
DOT (60 or 80% as per project type)	\$300,000 (Pending)

### 4. TOTAL NUMBER OF NEW FULL TIME EQUIVALENT JOBS TO BE CREATED: (MINIMUM OF 5)

FULL TIME 20 PART TIME 3

### 5. TOTAL EMPLOYMENT FOR ALL FACILITIES OR DEVELOPMENT: (MINIMUM OF 50 FOR INDUSTRIAL PARKS)

FULL TIME 50 PART TIME 6

6. TOTAL NEW CAPITAL INVESTMENT FOR THE FACILITY: \$800,000

7. PROJECT LENGTH 1,875 feet

8. ROW: Is the Right-of-Way dedicated to public use? yes X no \_\_\_\_\_

9. MAINTENANCE: Who will assume maintenance of the road upon project completion? The City of Elk Point agrees to maintain the street.

***Attach additional documentation, letters of commitment from industries involved in creating new, expanded, or existing employment, maps, cross sections, engineering reports, etc. which will enhance the application.***

**City of Elk Point Economic Development Corporation  
Moss Street Project - TBD - Engineers Probable Cost**

NO.	ITEM	UNIT	QUANTITY	UNIT COST	COST
1	Mobilization	LS	1	\$60,000.00	\$60,000.00
2	Incidental Work Utilities	LS	1	\$1,000.00	\$1,000.00
3	Incidental Work Grading	LS	1	\$10,000.00	\$10,000.00
4	Unclassified Excavation	CuYd	11,100	\$6.00	\$66,600.00
5	48" Manhole	Each	6	\$4,275.00	\$25,650.00
6	Neenah R-1733 w/ Solid Gasketed Lid	Each	6	\$650.00	\$3,900.00
7	2" Adjusting Ring for Manhole	Each	12	\$250.00	\$3,000.00
8	8" PVC Sewer Pipe	FT	1,471	\$32.00	\$47,072.00
9	Sewer Pipe Bedding	FT	1,826	\$3.00	\$5,478.00
10	8" Sewer Pipe Cap	Each	1	\$100.00	\$100.00
11	6" PVC Sewer Service Pipe	FT	355	\$28.00	\$9,940.00
12	6" Sanitary Service Cap	Each	9	\$85.00	\$765.00
13	8"x6" Sanitary Sewer Wye	Each	9	\$300.00	\$2,700.00
14	Sanitary Sewer Video Inspection	FT	1,471	\$2.50	\$3,677.50
15	6" PVC Water Pipe	FT	45	\$35.00	\$1,575.00
16	8" PVC Water Pipe	FT	1,632	\$40.00	\$65,280.00
17	Water Pipe Bedding	FT	1,677	\$3.00	\$5,031.00
18	Standard Fire Hydrant	Each	5	\$3,500.00	\$17,500.00
19	10" MJ Gate Valve	Each	1	\$2,200.00	\$2,200.00
20	8" MJ Gate Valve	Each	4	\$1,600.00	\$6,400.00
21	6" MJ Gate Valve	Each	5	\$1,300.00	\$6,500.00
22	10"x8" MJ Tee	Each	1	\$400.00	\$400.00
23	8"x6" MJ Tee	Each	5	\$380.00	\$1,900.00
24	8" Water Main Cap	Each	1	175.00	\$175.00
25	Connect To Existing Water Main Pipe	Each	1	\$1,800.00	\$1,800.00
26	1" Corporation Stop with Tapping Saddle	Each	9	\$315.00	\$2,835.00
27	1" Curb Stop with Box	Each	9	\$340.00	\$3,060.00
28	1" HDPE Service Line	FT	175	\$25.00	\$4,375.00
29	12 Gauge Tracer Wire	FT	2,100	\$0.75	\$1,575.00
30	24" RC Pipe	FT	160	\$75.00	\$12,000.00
31	24" RCP Flared End	Each	2	\$1,900.00	\$3,800.00
32	6" Gravel Base Course	SqYd	7,325	\$8.00	\$58,600.00
33	8" PCC Pavement	SqYd	7,626	\$39.00	\$297,414.00
34	6" PCC Bike Path	SqYd	10	\$45.00	\$450.00
35	6" PCC Slab	SqYd	6	\$45.00	\$270.00
36	8" PCC Valley Gutter	SqYd	100	\$45.00	\$4,500.00
37	Dowel Bars	FT	3,405	\$9.50	\$32,347.50
38	30" Concrete Curb and Gutter	FT	2,785	\$15.50	\$43,167.50
39	Detactable Warning	SF	32	\$56.00	\$1,792.00
40	Erosion Control	LS	1	\$6,000.00	\$6,000.00
41	Contingency	LS	1	\$20,000.00	\$20,000.00
Total:					\$840,829.50
Engineering: (\$36,210 Paid to Date)					\$37,900.00
Construction Services:					\$75,000.00
Legal:					\$10,000.00
Total Cost					\$963,729.50





EXIT 18

I-29 BUSINESS LOOP

CORYDON DRIVE

FRANCISCAN BLVD

1.62 Acres

0.82 Acres

10.0 Acres

CITY LIMITS

MOSS ST

2.84 Acres

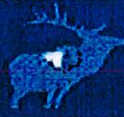
2.57 Acres

4.21 Acres  
Borrow Area  
Future Detention Pond

2.23 Acres

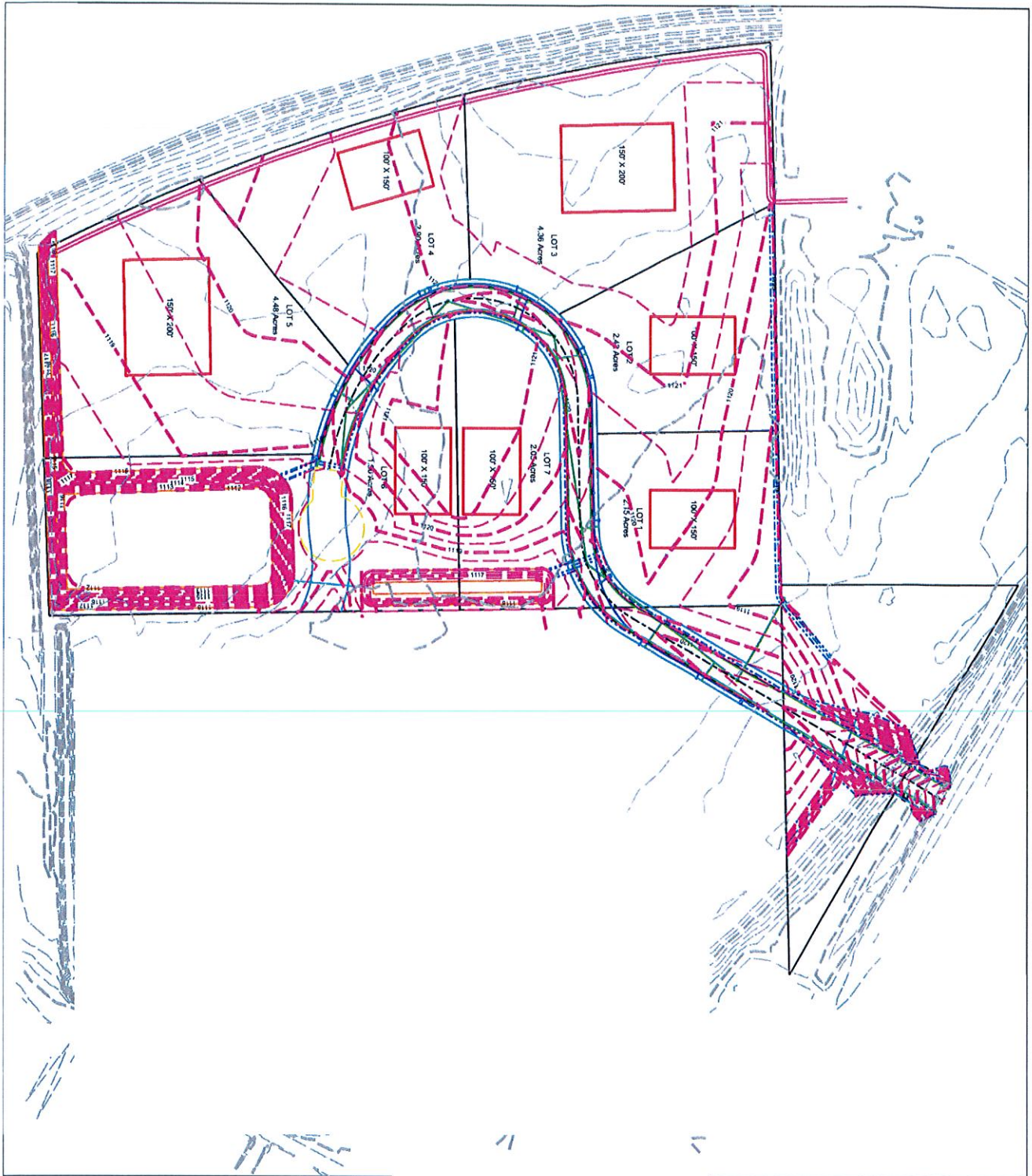
LOT A

ELK POINT



South Dakota









PO Box 799  
Elk Point, SD 57025  
Telephone: (605) 356-2232  
Fax: (605) 356-2122

4/3/17

Dennis Nelson, City Administrator City of Elk Point

It is our intent to build a distribution and process center in the new industrial park in Elk Point as soon as our financing is finalized and the parks roads and facilities are ready for business. Balcon is looking forward to working with the City of Elk Point, the EDC and the state to help us secure any specialized financing or grants available to us.

Regards,

A handwritten signature in cursive script that reads 'Kevin T. Connelly'.

4/3/17

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Date