



MEMORANDUM

Date: January 10, 2013

To: Pennington Board of County Commissioners, City of Rapid City, City of Box Elder

From: Rapid City Economic Development Partnership

RE: Creation of a Regional Rail Authority in Pennington County

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Since my initial briefings to your respective boards late last year, officials from the jurisdictions of Pennington County, Rapid City and Box Elder have held two additional informational meetings, which our organization hosted, regarding creation of a Regional Rail Authority, which would be used to access the State Rail Trust Fund in issuing low-interest loans for rail-oriented infrastructure projects in Pennington County, Rapid City and Box Elder.

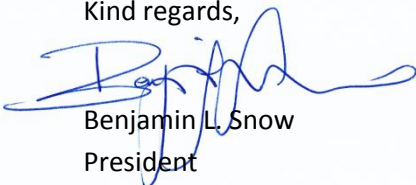
With our recently launched Regional Jobs Program (where we partnered with Black Hills Vision), we are better positioned to grow targeted industry sectors which pay higher than average wages in Pennington County and the Black Hills on a year-round basis. Our employment retention and recruitment efforts will be focused on those industries where we enjoy a competitive advantage, where we have the greatest promise for growth and where we can also improve local wages. You may recall that our six (6) targeted industries are:

- Energy – Extractive and Supporting Industries
- Healthcare and Life Sciences
- Finance and Insurance
- Business, Professional, Technical Services
- Manufacturing – Metalwork-Engineering
- Manufacturing – Food and Beverage

We believe that the manufacturing and energy sectors would both benefit by having a tool to develop our rail infrastructure and that the creation of a Regional Rail Authority is a step in the right direction.

Given the consensus obtained to date to continue working on this, I am hereby requesting the entities addressed herein to authorize your respective legal departments to move forward with drafting some founding documents relative to this proposed Authority.

Kind regards,



Benjamin L. Snow
President