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**ECONOMIC EVALUATION & ASSESSMENT
PHYSICAL EVALUATION AND ASSESSMENT
SOUTH CHEYENNE AREA
CHEYENNE, WYOMING**

Prepared for:

**LARAMIE COUNTY COMMISSIONERS
through the:
SOUTH CHEYENNE IMPROVEMENT COMMITTEE
CHEYENNE-LARAMIE COUNTY REGIONAL PLANNING OFFICE**

Prepared by:

**THE FANTUS COMPANY
Prudential Plaza
Chicago, IL 60601**

October 1985

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INTRODUCTION

Purpose

The Fantus Company has been retained by the Cheyenne-Laramie County Regional Planning Office to assist them in evaluating the feasibility of an industrial development plan for the South Cheyenne area, an unincorporated area within Laramie County just south of the City of Cheyenne. The report, funded by a grant from the Economic Development Administration, provides an objective appraisal of South Cheyenne's assets and liabilities in terms of attracting and retaining corporate investment. The report also evaluates South Cheyenne on the basis of key locational factors commonly considered by corporate executives and consultants in arriving at the ultimate facility location decisions. The program consists of four phases:

- I. Economic Evaluation and Assessment
- II. Physical Evaluation and Assessment
- III. Implementation Strategies, which includes the evaluation of financing and organizational strategies, job training, and physical elements considerations.

This report addresses the following questions:

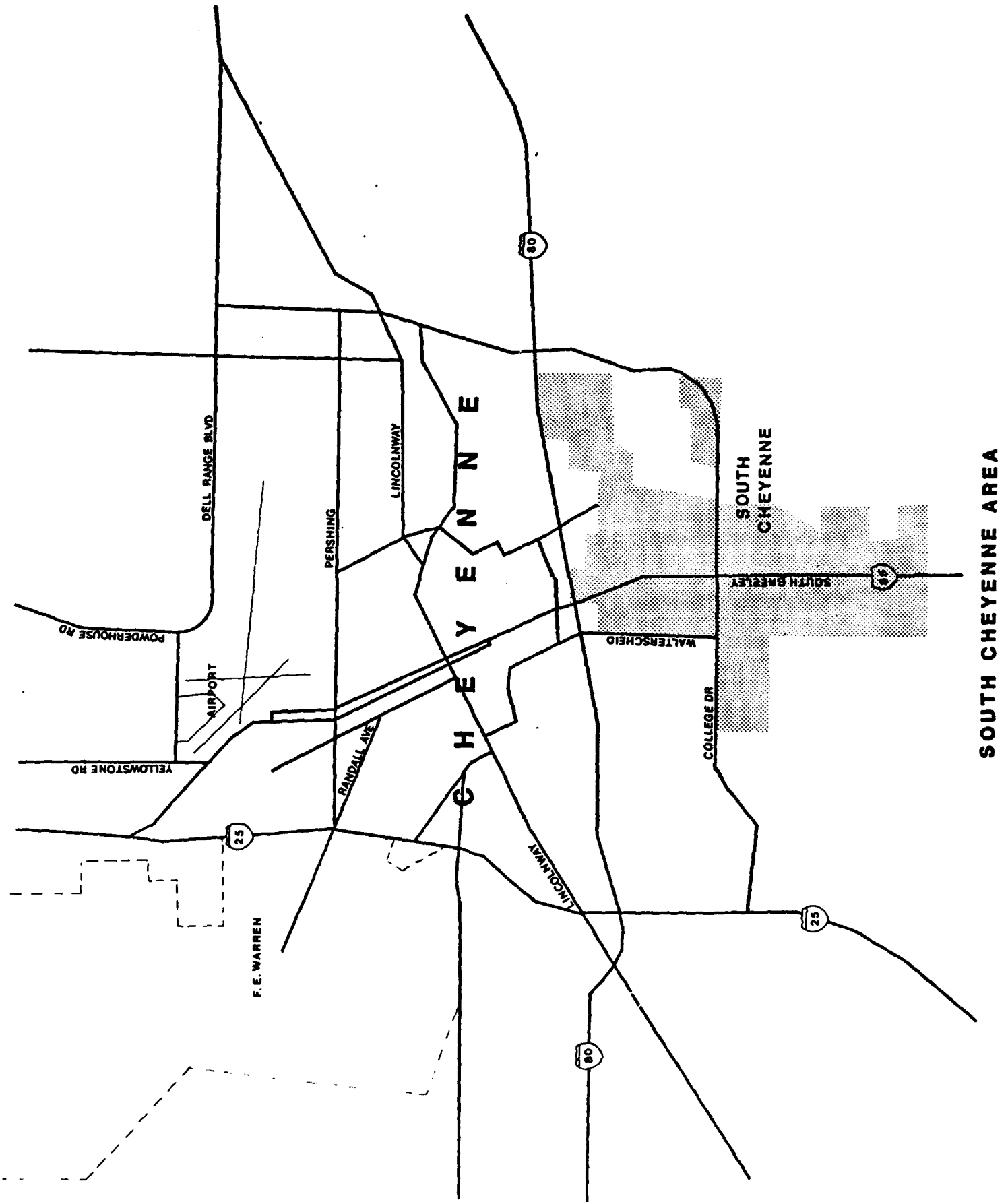
- o What impression does South Cheyenne make on representatives of a company considering the area as a place to locate a new operation?
- o What locational advantages does South Cheyenne possess that would encourage new firms to locate in the area, or encourage existing firms to possibly expand?

- o What forces exist that might discourage firms from making capital investments in South Cheyenne?
- o What potential for commercial and industrial development, or redevelopment opportunities, are present in the South Cheyenne area?

This report provides an objective, independent assessment of the economic growth potential of the South Cheyenne area from the perspective of a potential investor considering the area for a new manufacturing, warehouse, or office facility. The facility - location advantages and disadvantages of South Cheyenne, relative to other areas within the Rocky Mountain region, are evaluated. The purpose of this assessment is to provide local economic development organizations and officials with an inventory of South Cheyenne's most marketable attributes that can be immediately communicated to corporate investors.

Simultaneously, the study furnishes an honest appraisal of the area's most significant obstacles to future growth that need to be either immediately resolved or ameliorated, so that they may ultimately be transformed into marketable attributes. This appraisal will also served as an important input to identifying specific target industries with higher-than-average potential for locating in the South Cheyenne area. Upon this base, appropriate marketing strategies will be developed to highlight the South Cheyenne area to key audiences within these industries.

Although this report is concerned specifically with the South Cheyenne area, it is practically impossible to evaluate South



Cheyenne separately from the balance of the City of Cheyenne and Laramie County on most economic factors. For example, South Cheyenne purchases water from Cheyenne, will soon be discharging its sewerage to Cheyenne treatment facilities, is served by the same electric and gas utility company as Cheyenne, and is part of the same school district as Cheyenne. Therefore, it is impractical to analyze the economic development potential of South Cheyenne area in isolation from that of the City of Cheyenne. Where appropriate, however, Fantus has provided separate evaluations of factors for both South Cheyenne and the City of Cheyenne. The physical evaluation phase of this study, however, does limit itself to analyzing the development and redevelopment potential of South Cheyenne and immediately adjacent areas. The accompanying exhibit identifies the South Cheyenne area in relationship to the City of Cheyenne, Wyoming.

Basis of Assessment

The Fantus Company is highly qualified to assess the economic growth potential of the South Cheyenne area. Since 1919, we have conducted over 6,000 manufacturing, office, and warehouse location assignments in virtually all sectors of the U.S. economy. This broad experience has given us valuable insight into those specific factors that most frequently influence corporate facility location decisions, and the actual trade offs and reasonings that lead corporations to select one community over another. In addition, we are sensitive to the opportunities and obstacles

faced by economic development organizations, particularly those factors beyond the control of local officials. Since 1951, Fantus has completed over 400 economic development studies at the city, county, state, and federal level.

In the process of performing its study of the South Cheyenne area, Fantus worked closely with the Cheyenne - Laramie County Regional Planning Office. A comprehensive series of interviews with a wide cross - section of business, civic, public agency, and academic leaders was conducted. Several interviews were held with manufacturing/clerical employers pertaining to their day-to-day experience in the operation of their business in the greater Cheyenne area, while the balance of our interviews were conducted with local public and private organizations and decision makers pertinent to the facility location process. Those interviewed included utility representatives, realtors, educators, bankers, state and local officials, and other interested citizens. Investigation of available industrial sites, both in Cheyenne and South Cheyenne, was also undertaken during the course of this study, and is an important part of the physical evaluation section to this study found at the end of this report. This evaluation of South Cheyenne's physical attributes, and its potential for development or redevelopment, has been undertaken by two Cheyenne-based consulting firms working on a subcontractual basis with The Fantus Company: David Ohde and Associates, and The Planning Studio.

The following report dealing with the economic and physical evaluation of South Cheyenne reviews the local area on the basis of key facility location factors considered by corporate executives and consultants in arriving at the ultimate facility location decisions. These factors are grouped into three primary categories of concern to corporate site seekers: operating cost factors, operating condition factors, and quality of life factors. Comparisons are made between the South Cheyenne - Cheyenne area and regional or national averages, or nearby competitive communities. Wherever possible, these comparisons are made using statistical data. However, for certain factors, the evaluations and observations must be subjective in so far as they are based on the opinions of Fantus investigators. However, these are the same kinds of subjective opinions a company executive would develop while looking at the area as a possible location for a plant, warehouse, or office investment.

In all, Fantus personnel spent in excess of one week doing field work in the South Cheyenne area, gathering first-hand information pertinent to the business location decision-making process. This primary data gathering process was then complimented by Fantus' collection and review of existing secondary data available from local, state, federal, and other sources. In particular, considerable reliance was placed on the recent federal environmental impact statement reports prepared by the U.S. government and response to the anticipated impact of the MX (or "Peacekeeper") missile build-up program on and near the F.E. Warren Air Force

Base, located west and north of the City of Cheyenne, Wyoming. In addition, The Fantus Company's own proprietary resources have also been utilized in our research and evaluation process.

SUMMARY OF FINDINGS AND CONCLUSIONS

The Fantus Company has assessed the economic growth potential of the South Cheyenne area in terms of key factors deemed most important to companies considering investing in a community -- whether it would be a new manufacturing, warehouse, or office facility. Each of the factors is reviewed in appropriate detail, and a Fantus rating of "Asset", "Average" or "Liability" is assigned. Whenever appropriate, separate ratings are provided for both the South Cheyenne and Cheyenne areas. The ultimate rating assigned depends upon the degree of local satisfaction of that criterion. Factors rated as an "Asset" are clear advantages to the area that should be emphasized and promoted in any industrial marketing effort. Efforts must also be directed at nurturing and protecting these advantages, since they make the area a logical choice over its competitor location.

Where possible, rankings are cast in the framework of nearby competitive locations with which the area frequently is compared by industrial prospects. Factors rated as "Asset" are clearly positive when related to the locational requirements of most firms. An "Average" rating suggests the South Cheyenne area can meet most companies' requirements, but does not contain any definite advantage when compared to other areas throughout the Rocky Mountain region. Factors rated as a "Liability" are potential obstacles to economic growth which could serve to eliminate the South Cheyenne or Cheyenne area from consideration for many

firms, while simultaneously discouraging existing firms from expanding locally. Every effort should be made to improve all factors given either a rating of "Average" or "Liability".

All economic factors have been grouped into three major categories: operating costs, operating conditions, and living conditions. Additionally, the immediate South Cheyenne area has been evaluated from a physical perspective concerning its growth potential for commercial and industrial development, and for its redevelopment opportunities. Operating cost factors involve those items that a firm can literally put a dollar value on, such as wages, fringe benefit levels, tax rates, and utility rates. Operating condition and living condition factors are by nature less readily measured in dollar value terms, but they obviously will have an influence on a firm's ultimate cost and profitability. Included in operating condition and living condition factors are such items as the availability of utility services, air transportation services, the quality of local schools, the cost of living, the cost and availability of housing, medical services availability, etc.

Because readily - measurable operating cost factors at a given location are typically the first to be examined by outside investors, they are discussed first in this report, followed then by operating conditions, and then finally by living condition factors. In Fantus' experience, unless the economics of a community or area are attractive upfront for a particular project, the other factors will typically never be evaluated.

Facility location or new investment analysis is most often accomplished through a process of elimination. The investor or site seeker is looking for a single reason, or a number of reasons, to reject towns or to reduce the universe of contenders to a manageable few. Therefore, even a single deficiency could eliminate the South Cheyenne area for any given project. For this reason, the emphasis of the Fantus recommendations contained in subsequent reports will be placed upon programs to improve those factors rated as less than assets, but without ignoring the South Cheyenne area's existing strengths.

Ratings were determined by Fantus for a total of 44 factors. For those factors where there was no logical distinction between the South Cheyenne and Cheyenne areas (such as electric power costs, primary and secondary education, labor-management relations, university education, etc.), a single rating was given. However, several factors warranted separate evaluations for the South Cheyenne and Cheyenne areas, and were thus reviewed in this perspective.

In comparison to regional standards and competitor communities, the South Cheyenne/Cheyenne area rates "Asset" or "Average" on 16 of 18 cost or business climate factors considered by Fantus. It is these cost advantages that will be of particular interest to firms considering the greater Cheyenne area. Of the cost factors evaluated, electric power costs, personal property taxes, corporate income taxes, workers' compensation costs, and personal

income tax costs were particular assets. In addition, the availability of IRB financing at the local level was also evaluated as an asset. By far the most significant operating cost liabilities are water costs, and the shortage of financing available from local conventional and venture capital sources.

Among the fifteen operating condition factors evaluated on an area-wide basis, all but four were rated as either "Asset" or "Average", and are thus competitive. Among key operating condition advantages are unskilled and semi-skilled worker availability; natural gas availability and reliability; highway accessibility; railroad freight service; commercial motor carrier service; vocational/technical training; and office building space availability. Against these assets must be weighed the following liabilities: proximity to consumer/industrial markets; quality of air service; water availability and reliability; and sewage treatment availability. Although water availability and reliability, and sewage treatment availability were analyzed separately for both South Cheyenne and Cheyenne, both areas were given liability ratings for these two factors.

Of the five living condition factors evaluated on an area-wide basis, all were rated as either "Asset" or "Average". Assets include hotel/motel accommodations, and college/university educational opportunities. A total of three living condition factors were evaluated separately for both South Cheyenne and Cheyenne. Each of these three factors (recreational and cultural facili-

ties, local shopping facilities, and medical facilities), was rated as a liability in South Cheyenne. By contrast, for these same three living condition factors, Cheyenne itself received two "Average" and one "Asset" ratings. The factor concerning community appearance, however, was evaluated only for the South Cheyenne area, and Fantus rated this factor as a clear liability.

The physical evaluation section of this report does not assign "Asset", "Average", or "Liability" ratings to various factors considered. Rather, a brief synopsis of salient physical features is provided, and potential development or redevelopment areas are identified. Specific recommendations for each of the five development areas are made.

In summary, the factors for which South Cheyenne was rated "Asset" are:

- Electric power costs
- Property tax costs
- Corporate income tax levies
- Personal income levies
- IRB financing availability
- Workers' compensation insurance costs
- Unskilled and semi-skilled worker availability
- Natural gas availability and reliability
- Highway accessibility
- Railroad freight service
- Commercial motor carrier service
- Vocational/technical training
- Office building space availability
- Hotel/motel accommodations
- College/university education

Factors rated as "Average" for South Cheyenne are:

- Blue collar wage rates
- Clerical wage rates
- Fringe benefit levels
- Sewage treatment costs
- Electric power availability and reliability
- Fuel costs
- Building costs
- Realty costs: developed industrial land
- Realty costs: office sites
- Skilled production worker availability
- Office/clerical labor availability
- Professional/technical/managerial availability
- Labor-management relations
- Unemployment insurance costs
- Other assistance programs
- Industrial building space availability
- Cost of living
- Housing cost and availability
- Elementary and secondary public education

Factors rated as "Liability" for South Cheyenne are:

- Water costs
- Water availability and reliability
- Financing from local conventional and venture capital sources
- Sewage treatment availability
- Proximity to consumer/industrial markets
- Quality of air service
- Recreational and cultural facilities
- Local shopping facilities
- Medical facilities
- Community appearance

As stated previously, there are three living condition factors that were rated separately for Cheyenne and South Cheyenne. Of those three living condition factors, for which South Cheyenne each time received a "Liability" rating, Cheyenne received an "Average" or "Asset" rating. Specifically, local shopping facilities are an asset in Cheyenne proper, while recreational and cultural facilities and medical facilities are rated as average

for Cheyenne itself. These same three factors were all evaluated as liabilities in the immediate South Cheyenne area.

In conclusion, one should not prejudge the ultimate success or failure of South Cheyenne for any particular project based solely upon the rating contained in this report. The relative importance of any factor will vary not only from industry to industry, but also from company to company in the same industry and even from individual to individual within the same company. Therefore, these ratings should be viewed as a benchmark to evaluate South Cheyenne's and Cheyenne's overall competitive position relative to other locations in the Rocky Mountain region. Most importantly, these ratings should serve as the basis for ultimate community self-improvement and refined economic marketing activities.

ECONOMIC EVALUATION & ASSESSMENT

1. Blue Collar Wage Rates

Fantus Rating: Average

During the course of its field work conducted in Spring 1985, Fantus interviewed six manufacturing and transportation companies in the greater Cheyenne area. Although this study specifically concerns the South Cheyenne area, it is not practical to analyze this small area separately from that of Cheyenne, because South Cheyenne is part of the city of Cheyenne-Laramie County labor market. The firms interviewed for this study represent a majority of the manufacturing and transportation-sector employees in Laramie County. However, since there are fewer than 1,000 manufacturing workers (both blue and white collar) in Laramie County, the companies interviewed by Fantus represent only a very small portion of the total area work force. Nonetheless, these companies are many of the same ones a manufacturing prospect considering South Cheyenne would interview in order to determine comparative wage information.

The weighted average straight time hourly earnings among employers interviewed by Fantus was \$12.23 per hour. This figure is misleading, however, for two reasons:

- (1) It is based on only a handful of employers, typically in industries paying higher-than-average wages;
- (2) It omits the many smaller manufacturers in Cheyenne who generally pay significantly lower wages;

Indeed, there is a rather clearly defined two-tier manufacturing wage pattern in the Cheyenne area. According to a representative

of the local Job Service office, smaller nonunion manufacturers tend to have plantwide averages in the range of \$5 to \$7 per hour, while larger manufacturers (either unionized or operating nonunion in a heavily unionized industry) pay a plantwide average in excess of \$10 per hour.

A better indicator of prevailing wage rates in Laramie County is found in secondary source data, such as that provided by the Wyoming Employment Security Commission. Such data is gathered on a regular basis, and is more inclusive because information is obtained from many of the smaller employers omitted during Fantus' fieldwork.

Shown in the accompanying tabular and graphic exhibits are comparative blue collar production worker wage rates for Cheyenne and competing areas for the first quarter 1984. Three employment sectors with heavy concentrations of production workers are shown: construction, manufacturing, and mining. Although mining employment represents only 1 percent of the total local work force, data is nonetheless provided to show relative wage comparisons in this sector across communities, many with sizeable numbers of mining workers.

Manufacturing production worker wages in the Cheyenne area are approximately 6 percent higher than national averages, but are about average compared to other nearby areas. Wages paid in the construction industry in the Cheyenne area tend to be higher when compared to nearby areas, but are nonetheless 10 percent below the national average for the construction industry.

Another method of assessment in determining area wage levels is provided by the Bureau of Labor Statistics in their annual Area Wage Surveys. This report compares wage rates in selected clerical, professional, technical and production occupations across sampled communities or states. The BLS does not sample any other communities in Wyoming, however, so the basis of comparison changes. Instead, occupational wage rates for Cheyenne are compared to other BLS survey communities in the region: Denver/Boulder, Salt Lake City/Ogden, Billings, Colorado Springs, Pueblo, and Grand Island/Hastings, Nebraska.

The accompanying exhibit summarizes this BLS data. In general, Cheyenne area skilled maintenance workers are paid "average" wages, although local machinery maintenance workers receive wages more than \$2 an hour higher than the average paid in selected communities or states. Semi-skilled workers in the Cheyenne area also appear to be paid wages approximating the average of nearby areas. Unskilled workers in the Cheyenne area are paid lower-than-average wages, but caution in interpretation is required since only one unskilled-level occupation (janitors, porters, and cleaners) is sampled.

In summary, it is Fantus' opinion that manufacturing and construction worker wage rates in South Cheyenne and the Cheyenne area are average. Furthermore, a clear two-tier wage structure is operative in the labor market which offsets the higher-than-average wages paid to local workers in typically high wage

industries, such as oil refining and chemical processing. A prospective manufacturer considering locating in South Cheyenne should be made cognizant of this factor and should further recognize that they should be able to attract workers successfully at wage rates below the published average manufacturing wages for the Cheyenne area.

COMPARATIVE BLUE COLLAR WAGE RATES
Weekly Average Wage
(First Quarter 1984)

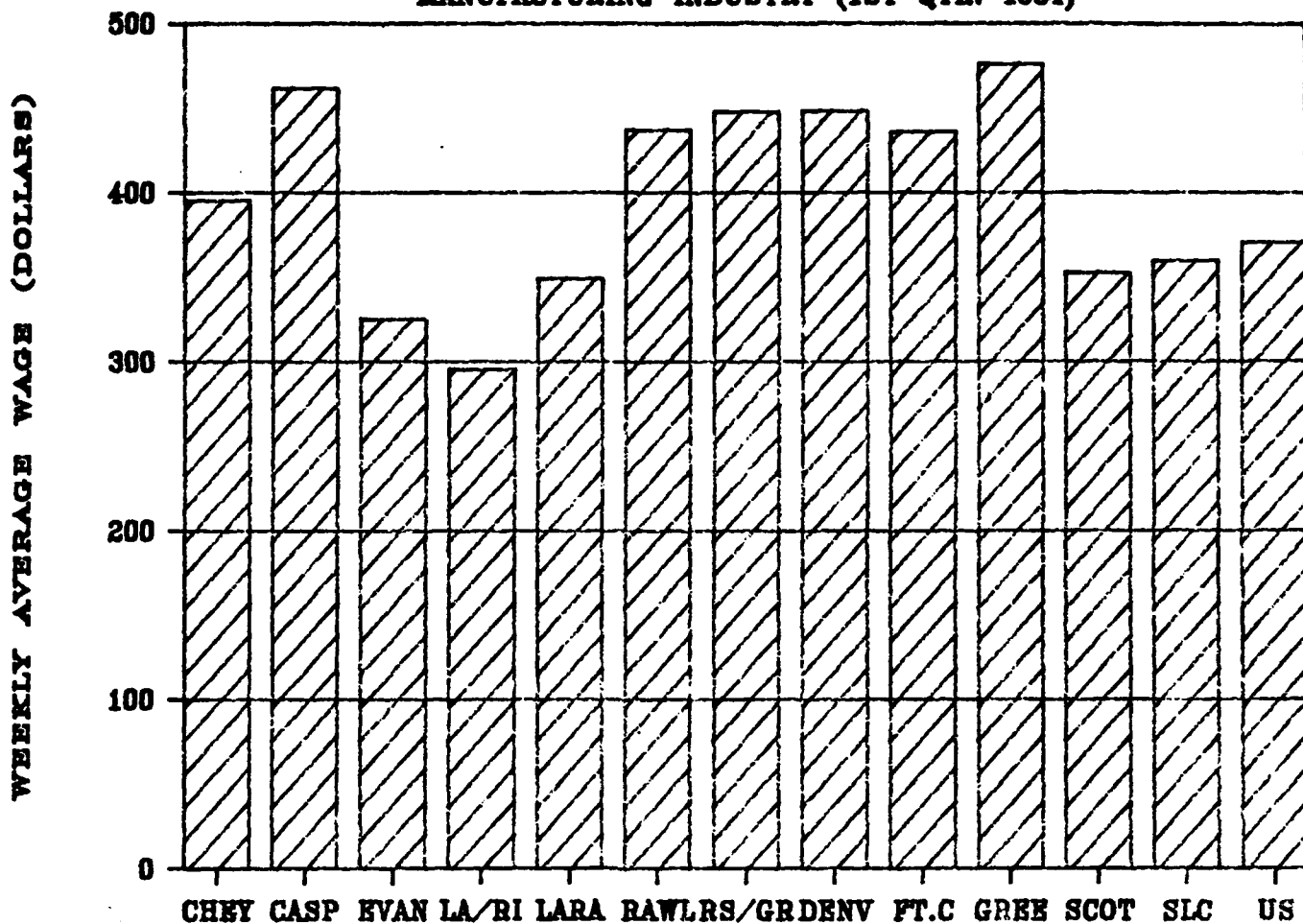
	Mining		Construction		Manufacturing	
	\$	Index to Cheyenne	\$	Index to Cheyenne	\$	Index to Cheyenne
Cheyenne, WY (Laramie County)	\$427.63	-	\$400.84	-	\$395.61	-
Casper, WY (Natrona County)	523.70	125	381.23	95	461.85	117
Evanston, WY (Uinta County)	519.76	122	401.16	100	325.23	82
Lander/Riverton, WY (Fremont County)	489.62	115	357.31	89	295.74	75
Laramie, WY (Albany County)	393.35	92	330.41	82	349.33	88
Rawlins, WY (Carbon County)	651.72	152	370.58	92	437.28	111
Rock Springs/Green River, WY (Sweetwater County)	677.78	158	399.37	100	448.13	113
Denver-Boulder, CO (SMSA)	686.29	161	413.54	103	448.71	113
Fort Collins, CO (Larimer County)	422.95	99	338.41	84	436.14	110
Greeley, CO (Weld County)	422.73	99	352.05	88	476.14	120
Scottsbluff, NE (Scotts Bluff County)	449.01	105	268.25	67	352.85	89
Salt Lake City, UT (SMSA)	541.77	127	ND	-	359.92	91
United States	\$497.76	116	\$439.30	110	\$370.78	94

Index: Cheyenne = 100

ND = no Data

Source: Local data from various Employment Security Commissions. National data from Employment & Earnings (May 1984), U.S. Department of Labor, Bureau of Labor Statistics. Data shown nationally is for the month of March 1984. Average weekly wages include overtime, if any.

COMPARATIVE WAGE RATES MANUFACTURING INDUSTRY (1ST QTR. 1984)

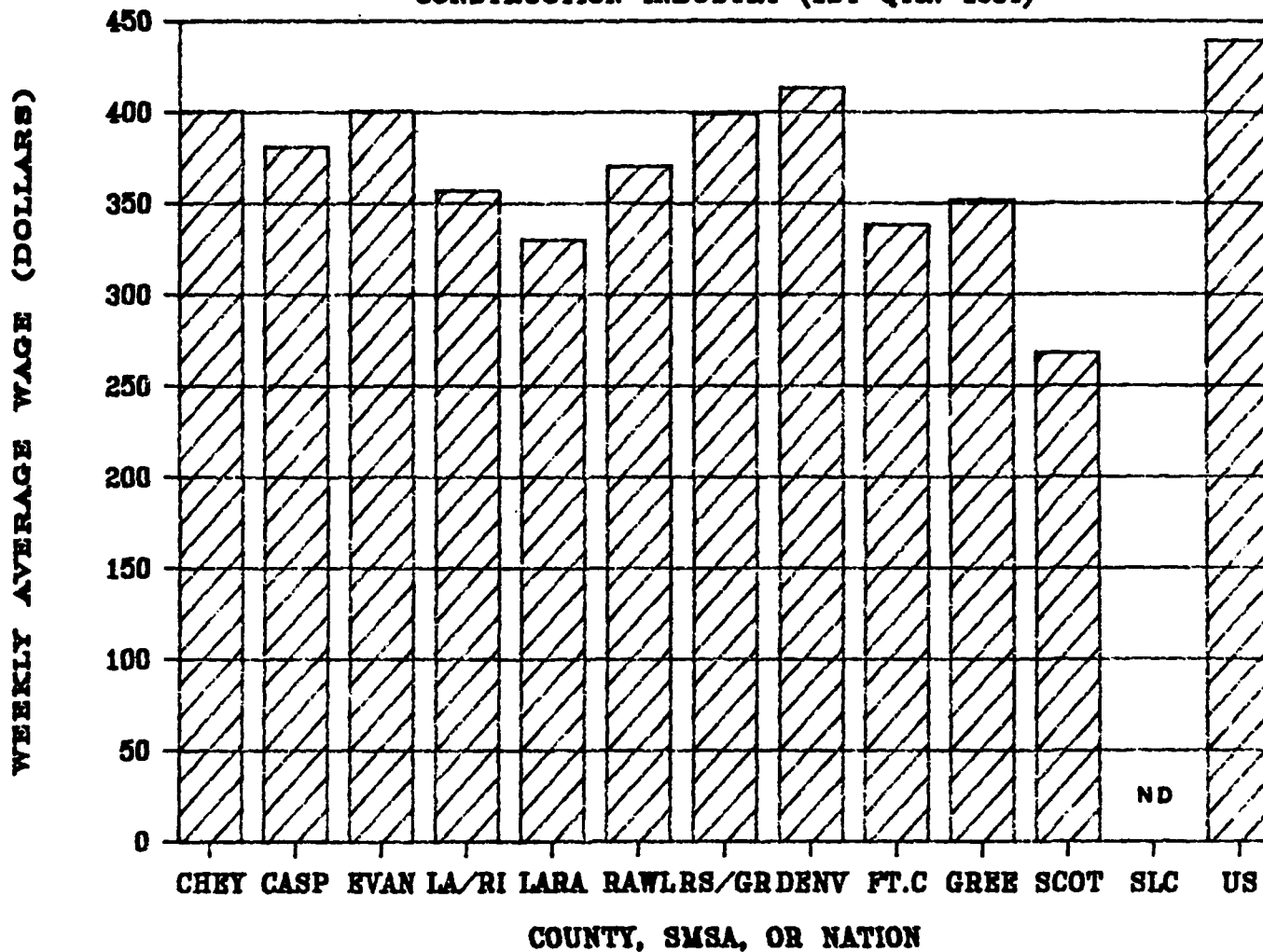


COUNTY, SMSA, OR NATION

LEGEND

- CHEY = Cheyenne
- CASP = Casper
- EVAN = Evanston
- LA/RI = Lander/Riverton
- LARA = Laramie
- RAWL = Rawlins
- RS/GR = Rock Springs/Green River
- DENV = Denver
- FT. C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City
- US = U.S. Average

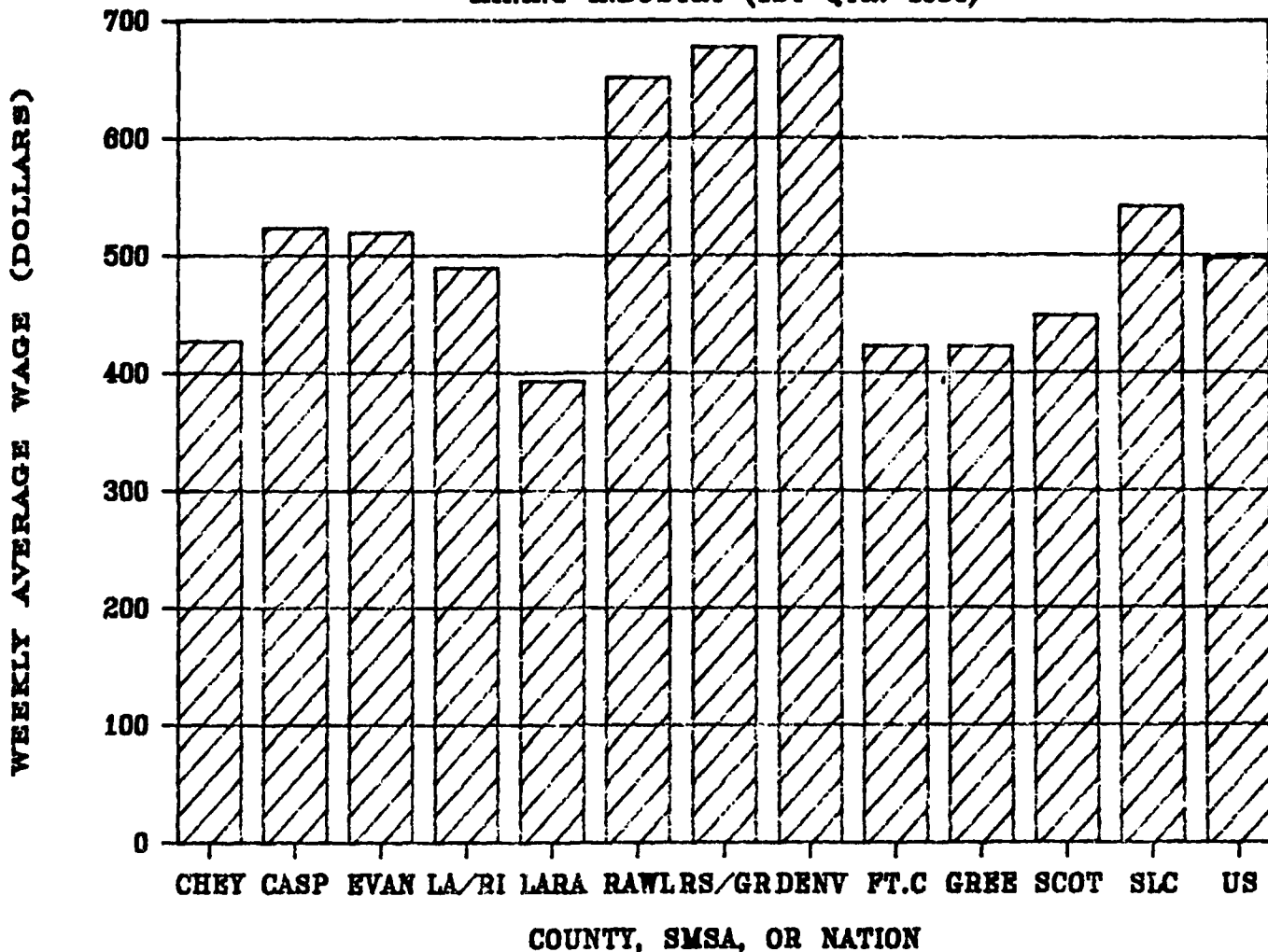
COMPARATIVE WAGE RATES CONSTRUCTION INDUSTRY (1ST QTR. 1984)



- ND = No Data
- CHEY = Cheyenne
- CASP = Casper
- EVAN = Evanston
- LA/RI = Lander/Riverton
- LARA = Laramie
- RAWL = Rawlins
- RS/GR = Rock Springs/Green River
- DENV = Denver
- FT. C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City
- US = U.S. Average

COMPARATIVE WAGE RATES

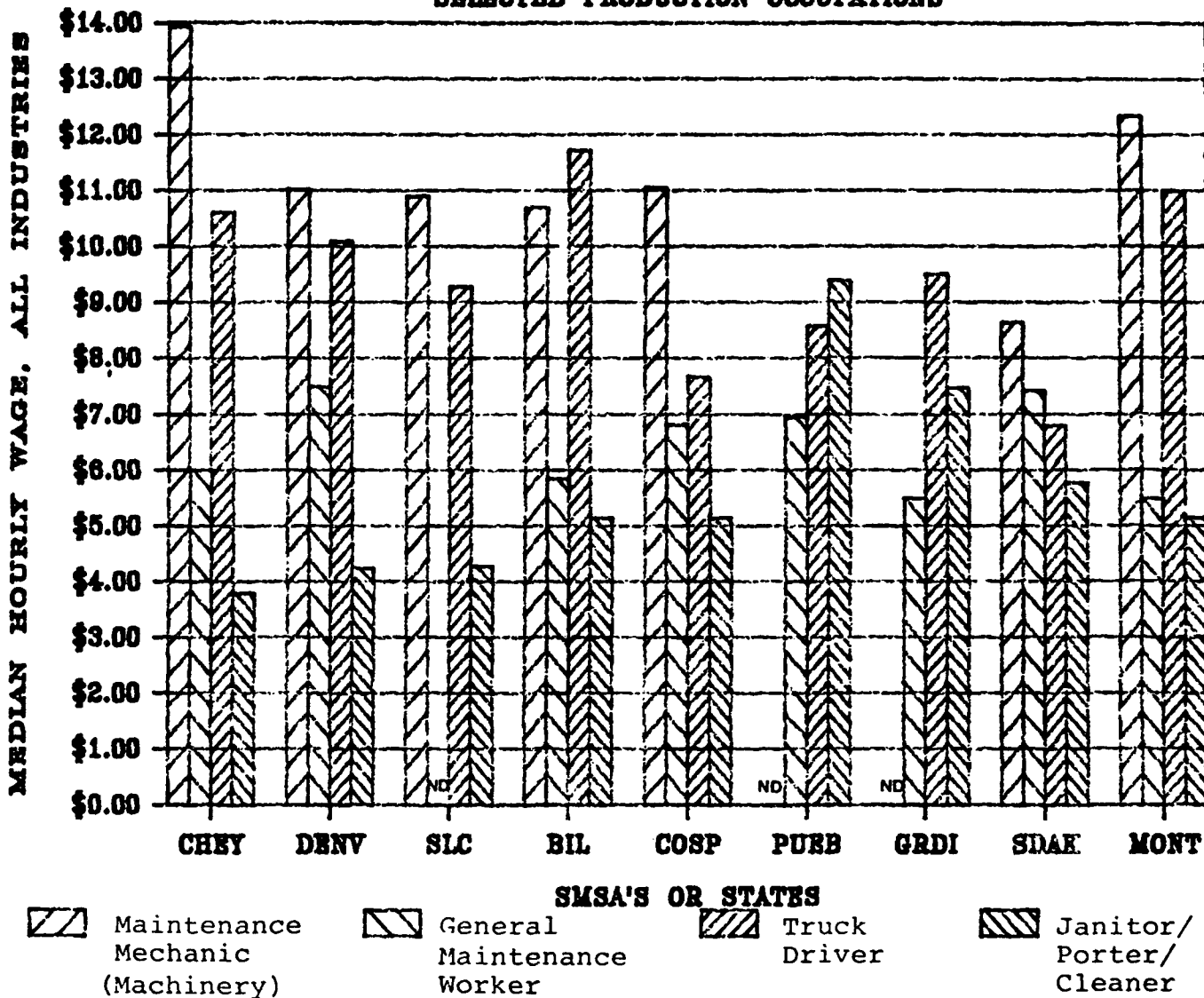
MINING INDUSTRY (1ST QTR. 1984)



LEGEND

- CHEY = Cheyenne
- CASP = Casper
- EVAN = Evanston
- LA/RI = Lander/Riverton
- LARA = Laramie
- RAWL = Rawlins
- RS/GR = Rock Springs/Green River
- DENV = Denver
- FT. C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City
- US = U.S. Average

COMPARATIVE WAGE RATES SELECTED PRODUCTION OCCUPATIONS



ND = No Data
 CHEY = Cheyenne
 DENV = Denver
 SLC = Salt Lake City
 BIL = Billings
 COSP = Colorado Springs
 PUEB = Pueblo
 GRDI = Grand Island/Hastings
 SDAK = South Dakota (State)
 MONT = Montana (State)

**COMPARATIVE WAGE RATES
SELECTED CLERICAL, PROFESSIONAL, TECHNICAL AND
PRODUCTION OCCUPATIONS
MEDIAN HOURLY COMPENSATION, ALL INDUSTRIES**

Occupation	Cheyenne Wyoming	Denver/Boulder Colorado	Salt Lake/ Ogden Utah	Billings Montana	Colorado Springs Colorado	Pueblo Colorado	Grand Island/ Hastings Nebraska		State of South Dakota		State of Montana		Sample Average*
Secretaries	\$ 7.23	\$ 8.76	\$ 7.84	\$ 7.30	\$ 7.27	\$ 7.82	\$ 7.37	\$ 6.12	\$ 7.91	\$ 7.91	\$ 7.91	\$ 8.33	
Stenographers	12.38	9.03	8.15	8.40	6.91	10.01	-	-	6.92	6.92	6.92	8.35	
File Clerks	4.62	5.22	5.44	4.04	4.03	-	-	4.40	4.19	4.19	4.19	5.00	
Switchboard Operators	4.01	5.19	5.53	5.57	4.90	7.03	-	4.26	5.15	5.15	5.15	5.20	
Key Entry Operators	5.48	6.50	6.23	6.00	6.23	6.48	5.10	5.53	5.93	5.93	5.93	6.38	
Computer Operators	6.24	8.76	9.60	6.75	8.02	-	7.12	6.83	6.95	6.95	6.95	8.63	
Maintenance Carpenters	12.14	12.14	12.36	-	-	12.24	-	-	12.84	12.84	12.84	12.43	
Maintenance Painters	12.00	12.23	11.38	-	-	-	-	-	13.79	13.79	13.79	12.30	
Maintenance Mechanics (Machinery)	13.93	11.03	10.91	10.70	11.07	-	-	8.64	12.36	12.36	12.36	11.02	
General Maintenance Workers	6.00	7.50	-	5.86	6.83	6.96	5.50	7.43	5.50	5.50	5.50	7.10	
Stationary Engineers	9.90	13.09	11.16	11.84	-	-	-	-	13.28	13.28	13.28	12.84	
Truck Drivers	10.62	10.10	9.29	11.73	7.68	8.59	9.52	6.80	11.00	11.00	11.00	9.90	
Janitors, Porters, Cleaners	3.80	4.25	4.29	5.15	3.65	9.40	7.49	5.78	5.15	5.15	5.15	4.31	

*weighted on the basis of the number of workers surveyed in each occupation in each metropolitan area or state.

Source: Area Wage Surveys, U.S. Department of Labor, Bureau of Labor Statistics. The various dates of each BLS Survey are as follows: Cheyenne - June 1984; Denver/Boulder - December 1983; Salt Lake/Ogden - November 1983; Billings - July 1984; Colorado Springs - December 1984; Pueblo - September 1984; Grand Island/Hastings - September 1984; South Dakota - June 1984; Montana - July 1984.

2. Clerical Wage Rates

Fantus Rating: Average

The Fantus Company interviewed several organizations employing large numbers of clerical personnel in Cheyenne, including the State of Wyoming, F. E. Warren Air Force Base, the telephone company, insurance companies, and traditional manufacturers with a sizeable clerical work force. These are many of the same employers an office prospect evaluating Laramie County would likely interview to determine the clerical wage patterns in the community.

The interviews indicated a two-tier clerical wage pattern exists in Cheyenne similar to that found in the manufacturing sector, but it is less pronounced. According to a spokesman for the local Job Service office, private sector nonunion entry level clerical wages approximate \$700 per month, while public sector clerical wage rates (e.g., the State of Wyoming) have entry level clerical wage rates averaging \$800 to \$850 per month. This same tendency was uncovered by Fantus in its interviews of both public and private sector employers. For example, file clerks, mail clerks, and general clerks in the nonunion private sector are typically hired at hourly rates of \$4.30 to \$4.80 (mid-point) per hour, while equivalent positions with the State of Wyoming had a salary range of \$5.00 to \$5.64 (mid-point) per hour. For key entry operators, the range narrows, but remains nonetheless: \$4.83 to \$5.68 (midpoint) in the nonunion private sector, versus \$5.11 to \$5.82 (midpoint) in the public sector. Not

surprisingly, unionized private-sector clerical wage rates are generally higher.

Several alternate measures of clerical wage rates are available to document the fact they are "average" overall. In the exhibit shown in the preceding chapter, and summarized in graphic form at the end of this chapter, average wage rates for selected clerical occupations are shown for Cheyenne and nearby communities surveyed by the BLS. With the exception of stenographers, clerical wage rates in those surveyed occupations are generally lower in Cheyenne than in other regions of the Mountain States. This same information is shown on a national comparison basis below:

CLERICAL WAGE RATE INDEX
CHEYENNE (Laramie County), WY-1984

<u>Position*</u>	<u>Index (U.S. = 100)</u>
Secretary	89
Stenographer	126
File Clerk	108
Switchboard Operator	76
Key Entry Operator	90
Key Entry Operator I	121
 Total, all surveyed clerical occupations	 96

* Respective survey sample sizes are as follows:

Secretary = 43; Stenographer = 12;
File Clerk = 9; Switchboard Operator = 14;
Key Entry Operator = 19; Key Entry Operator I = 12;
All clerical occupations = 97.

Source: Langer & Associates, 1985 - Inter-City Wage & Salary Differentials, 1985. Based on BLS Area Wage Survey data (survey conducted June 1984 in Cheyenne).

The local Job Service office reports the average wage for all clerical job openings listed and filled by them averaged \$4.40 per hour in Cheyenne for the first six months of fiscal 1985 (July - December 1984). This average wage is identical to statewide averages for the same time period.

Finally, the Wyoming Employment Security Commission provides data for various Wyoming counties for comparative wages paid in the finance/insurance/real estate (F-I-RE) industry. As shown in the accompanying tabular and graphic exhibits, local wage rates in this industry are average when compared to nearby competing communities, although they are 15 percent higher locally than they are nationally. This data is rather narrow, however, so its applicability for clerical wage patterns outside the F-I-RE industry may not be valid.

In summary, Fantus judges local clerical wages rates to be "average" in the greater Cheyenne area. There is also a rather clearly defined two-tier clerical wage pattern in the county between the private and public sectors, but it is not as pronounced as it is for blue collar manufacturing occupations.

**COMPARATIVE WAGE RATE IN THE FINANCE,
INSURANCE, AND REAL ESTATE INDUSTRY**
Weekly Average Wage
(First Quarter 1984)

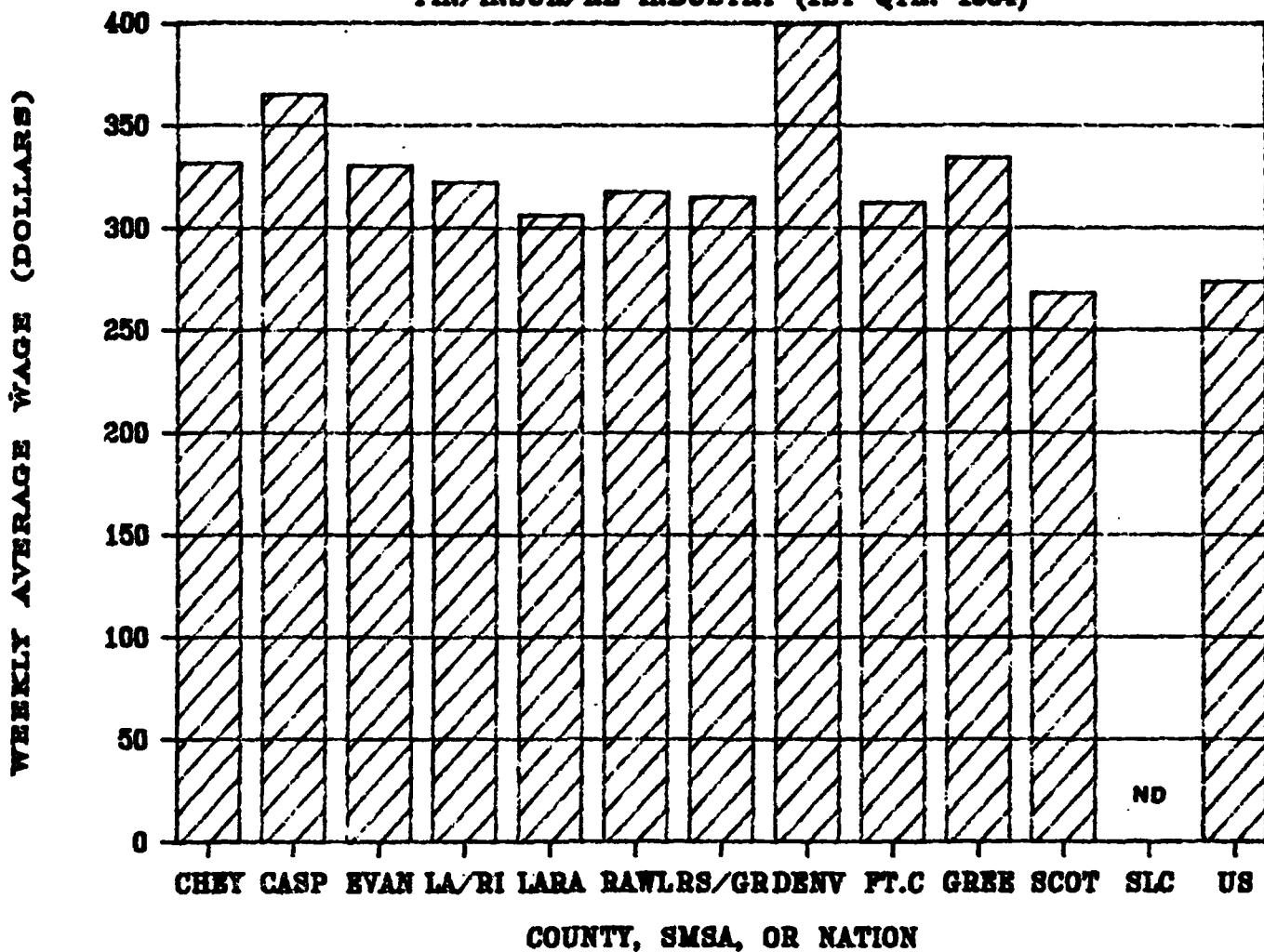
	<u>\$</u>	<u>Index to Cheyenne</u>
Cheyenne, WY (Laramie County)	\$331.69	-
Casper, WY (Natrona County)	365.12	110
Evanston, WY (Uinta County)	330.41	100
Lander/Riverton, WY (Fremont County)	322.16	97
Laramie, WY (Albany County)	306.20	92
Rawlins, WY (Carbon County)	317.67	96
Rock Springs/Green River, WY (Sweetwater County)	314.97	95
Denver - Boulder, CO (SMSA)	399.46	120
Fort Collins, CO (Larimer County)	312.27	94
Greeley, CO (Weld County)	334.32	101
Scottsbluff, NE (Scotts Bluff County)	268.03	81
Salt Lake City, UT (SMSA)	ND	-
United States	\$273.70	83

Index: Cheyenne = 100 ND = No data

Source: Local data from various Employment Security Commissions. National data from Employment & Earnings (May 1984), U.S. Department of Labor, Bureau of Labor Statistics. Data shown nationally is for the month of March 1984. Average weekly wages include overtime, if any.

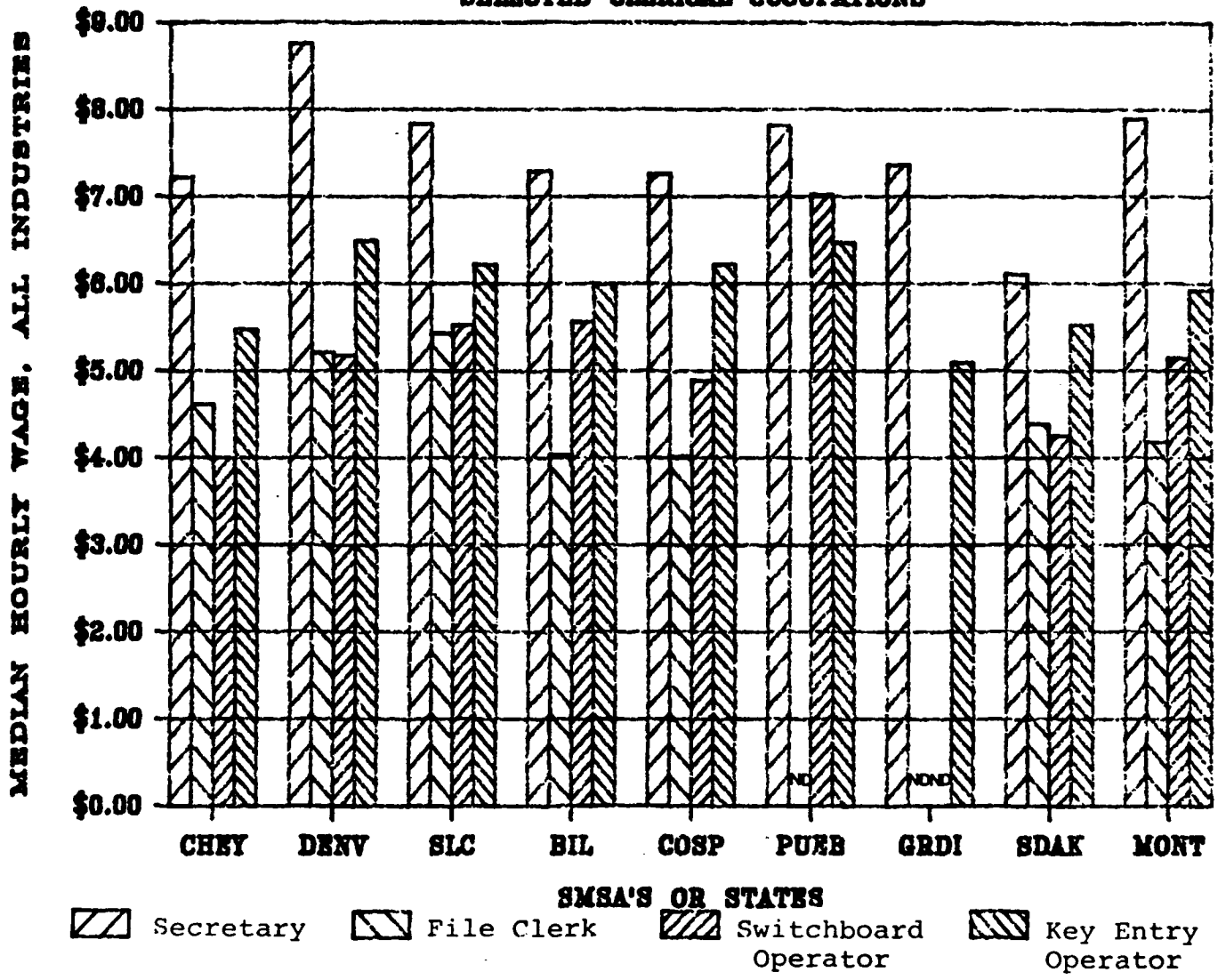
COMPARATIVE WAGE RATES

FIN/INSUR/RE INDUSTRY (1ST QTR. 1984)



- ND = No Data
- CHEY = Cheyenne
- CASP = Casper
- EVAN = Evanston
- LA/RI = Lander/Riverton
- LARA = Laramie
- RAWL = Rawlins
- RS/GR = Rock Springs/Green River
- DENV = Denver
- FT. C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City
- US = U.S. Average

COMPARATIVE WAGE RATES SELECTED CLERICAL OCCUPATIONS



ND = No Data
 CHEY = Cheyenne
 DENV = Denver
 SLC = Salt Lake City
 BIL = Billings
 COSP = Colorado Springs
 PUEB = Pueblo
 GRDI = Grand Island/Hastings
 SDAK = South Dakota (State)
 MONT = Montana (State)

3. Fringe Benefit Levels

Fantus Rating: Average

Fantus interviews with Cheyenne area employers indicate fringe benefit packages -- including government entitlement programs (FICA taxes, workers' compensation, unemployment compensation, etc.) -- range from 30 percent to 59 percent, with the average fringe benefits package approximating 43 percent of wages. The 59 percent figure is for one industry and is a true exception to rule, however. The median fringe benefit percentage level for those companies interview by Fantus in greater Cheyenne is 39.5 percent.

The computed local average fringe benefit level crosses many different industries, so meaningful comparisons to national standards are elusive. Nonetheless, the Cheyenne area's fringe benefit percentage level compares to national industry-specific norms as follows:

<u>Industry</u>	<u>FRINGE BENEFIT COMPARISONS</u> <u>Benefit Payments as a Percent</u> <u>of Wages and Salaries: 1983</u>
Manufacturing	37.4%
Services	26.0
Trade (Wholesale & Retail)	29.5
Finance, Insurance, & Real Estate	39.4
Construction	28.5
Transportation	39.0
Utilities & Communications	43.5
Mining	41.5
Government (federal, state, local)	34.2
Total, All Industries	33.2

Source: U.S. Chamber of Commerce Employee Benefits, 1983.

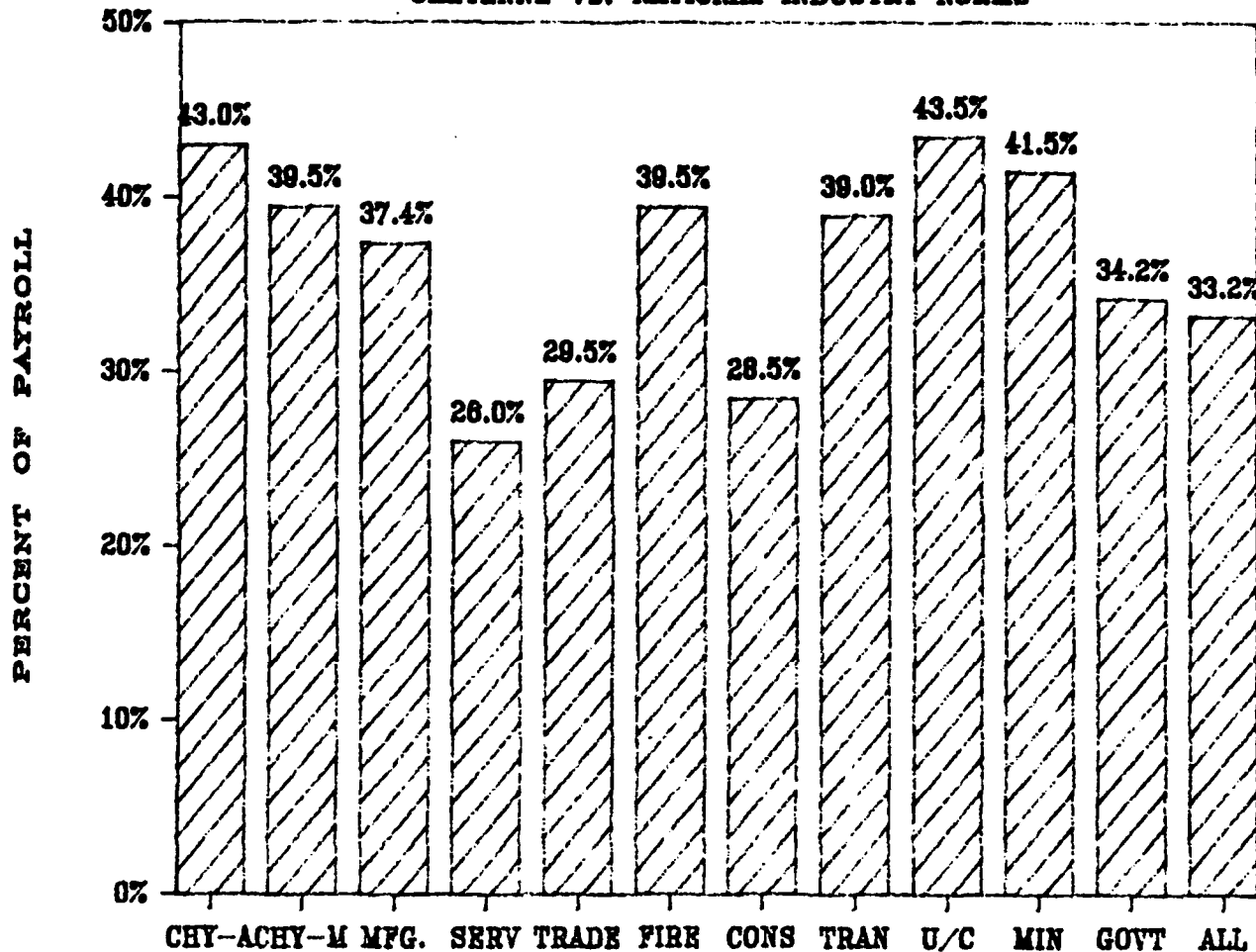
A typical fringe benefit package in the greater Cheyenne area includes:

- o Seven to ten paid holidays
- o Two weeks of paid vacation after one year of service, three weeks after five to ten years of service, and four weeks of paid vacation after ten to fifteen years of service.
- o Largely or fully paid hospitalization and major medical coverage.

The graphic exhibit on the following page summarizes local fringe benefit levels compared to national industry-specific norms.

COMPARATIVE FRINGE BENEFIT LEVELS

CHEYENNE VS. NATIONAL INDUSTRY NORMS



CHEYENNE AVG., MEDIAN; U.S. AVERAGES

- Chy-A = Cheyenne Average
- Chy-M = Cheyenne Median
- MFG = Manufacturing Industry
- SERV = Service Industry
- TRADE = Wholesale and Retail Trade Industry
- FIRE = Finance, Insurance and Real Estate Industry
- CONS = Construction Industry
- TRANS = Transportation Industry
- U/C = Utilities/Communications Industry
- MIN = Mining Industry
- GOVT = Government Workers
- ALL = All Public and Private Workers

4. Water Costs

Fantus Rating: Liability

Water is supplied to the general South Cheyenne area either by the city of Cheyenne, or the South Cheyenne Water and Sewer District, depending on location. The cost of water obtained from the city of Cheyenne is a liability, in Fantus' judgment. Water obtained from the South Cheyenne Water and Sewer District (SCWSD) costs even more, as this utility buys water from the city of Cheyenne at its prevailing rate for subsequent resale with an additional surcharge in the South Cheyenne Water and Sewer District.

The table below shows comparative monthly water costs for an industrial customer using 750,000 gallons of municipally-provided water per month. This same information is provided graphically on an accompanying exhibit.

MUNICIPALLY-SUPPLIED WATER COST
 Basis: 750,000 Gallons/Month; 4-Inch Meter

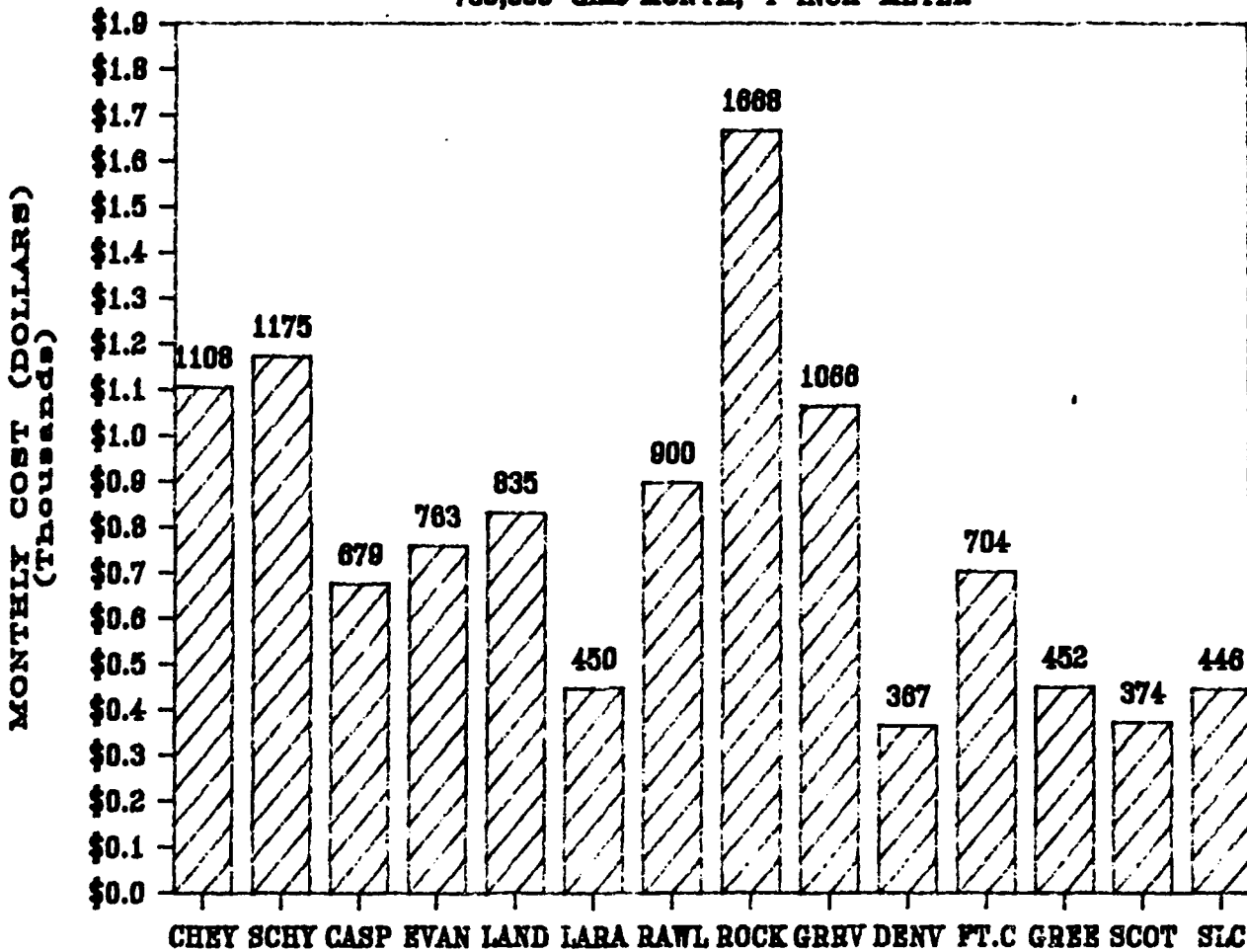
<u>Area</u>	<u>Monthly Bill</u>
Cheyenne (effective July 1985)	\$1,107.50
South Cheyenne (effective July 1985)	1,175.00 *
Casper	678.60
Denver	367.10
Evanston	762.50
Fort Collins	704.00
Green River	1,065.93
Greeley	451.80
Lander	834.60
Laramie	449.85
Ogden, Utah	553.92
Rawlins	900.20
Rock Springs	1,668.12
Salt Lake City	446.40
Scottsbluff, Nebraska	373.95
Non-Cheyenne - Area average:	\$712.07
Non-Cheyenne - Area average, excluding Rock Springs:	\$632.40

* Assumes \$50 monthly base minimum charge, in addition to flow charge.

Not shown in the exhibits are one-time planning and engineering, and tap-on fees for new industrial water users. The city of Cheyenne ordinarily assesses a planning and engineering fee of \$30,000, and a tap fee of approximately \$1,500, for any new industry requiring 750,000 gallons per month and a four-inch meter. However, as of August 26, 1985, this fee has been waived in the City of Cheyenne for any new industry or business employing over 100 people in a new capital facility exceeding \$5 million in cost, if the required water tap is larger than two inches in diameter. The South Cheyenne Water and Sewer District does not have a fixed fee schedule for four-inch meters, but presently assesses a one-time tap fee of \$1,800, and a facility fee of \$700 for any user requiring a two-inch water meter.

COMPARATIVE WATER COSTS

750,000 GAL/MONTH, 4 INCH METER



CITY OR AREA

- CHEY = Cheyenne
- SCHY = South Cheyenne
- CASP = Casper
- EVAN = Evanston
- LAND = Lander
- LARA = Laramie
- RAWL = Rawlins
- ROCK = Rock Springs
- GRRV = Green River
- DENV = Denver
- FT.C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City

5. Sewage Treatment Costs

Fantus Rating: Average

Sewage treatment for the general South Cheyenne area is provided either by the city of Cheyenne or the South Cheyenne Water and Sewer District, depending on location. Sewage treatment costs in both Cheyenne and South Cheyenne are both judged to be "average" by Fantus.

An industry discharging 750,000 gallons of water per month would incur a monthly charge of \$422 in Cheyenne, and approximately \$450 per month in South Cheyenne. Costs cited for South Cheyenne are estimates, because the SCWSD presently has only flat rates for sewage discharge. Actual costs for South Cheyenne will only be known after the SCWSD shuts down its present system (operating at capacity) and completes construction of a pipeline to connect to City of Cheyenne sewage treatment plants.

The table on the following page shows comparative monthly sewage treatment costs for an industrial customer discharging 750,000 gallons per month of domestic strength sewage (i.e., not having biologic oxygen demand, suspended solids or other surcharges). This same information is provided graphically in an accompanying exhibit.

SEWAGE TREATMENT COST
Basis: 750,000 Gallons of Discharge
Per Month; 4-Inch Meter;
Normal (Domestic Strength)
Sanitary Flow Sewage Concentration

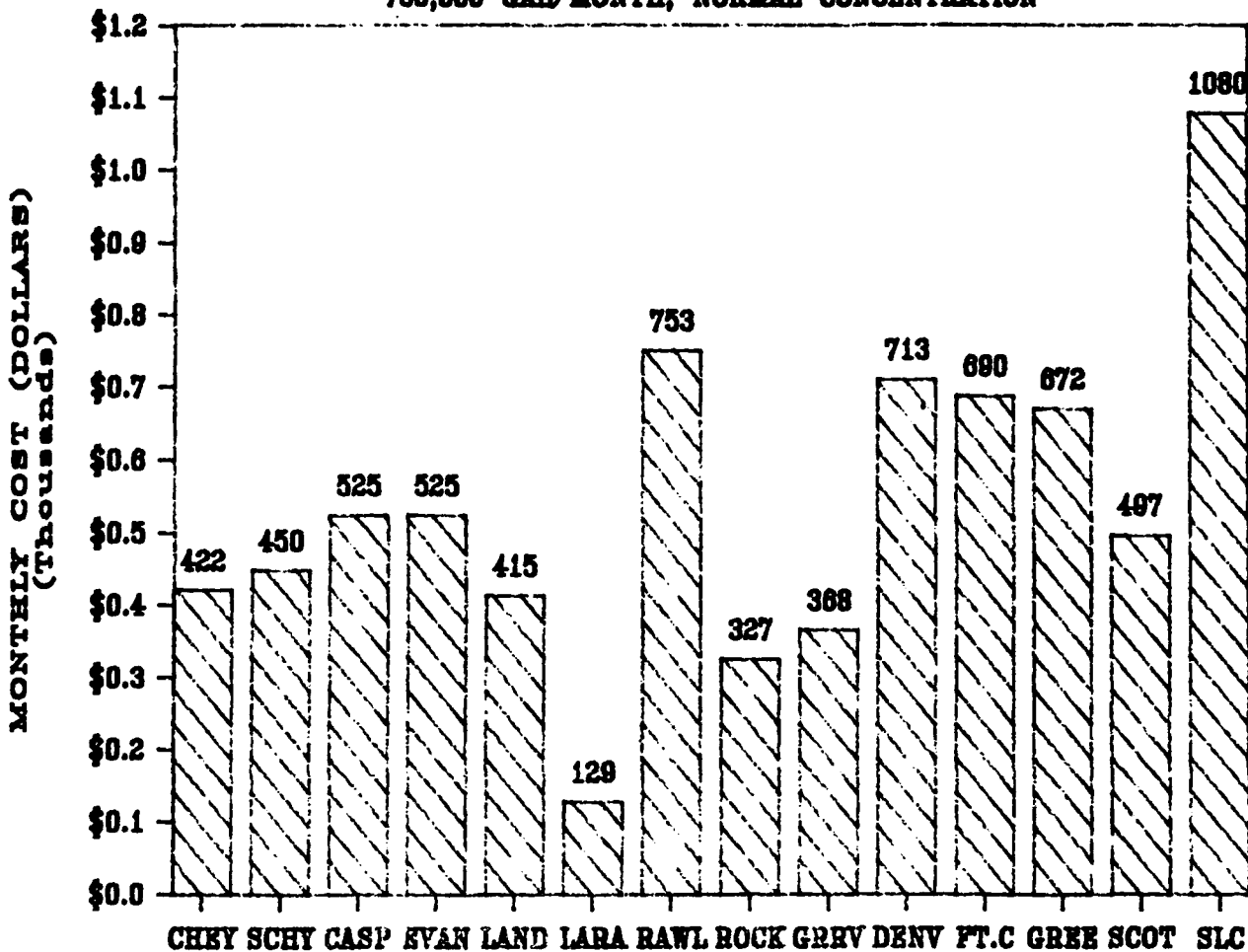
<u>Area</u>	<u>Monthly Bill</u>
Cheyenne (effective July 1985)	\$422.00
South Cheyenne	450.00 *
Casper	525.00
Denver	712.50
Evanston	525.00
Fort Collins	690.00
Green River	367.50
Greeley	671.60
Lander	414.97
Laramie	129.37
Ogden, Utah	154.13
Rawlins	752.50
Rock Springs	327.00
Salt Lake City	1,080.00
Scottsbluff, Nebraska	496.80
Non-Cheyenne - Area average:	\$526.64
Non-Cheyenne - Area average, excluding Salt Lake City:	\$480.52

* Assumes a charge of \$.60/1,000 gallons. At present, monthly rates are a flat fee, but will likely be changed when connection to the City of Cheyenne system occurs. The City of Cheyenne is expected to charge \$.55/1,000 gallons per month by July, 1985.

In addition to the monthly charges shown above, a one-time planning and engineering/tap fee of \$3,000 is also assessed new industrial users.

COMPARATIVE SEWER COSTS

750,000 GAL/MONTH, NORMAL CONCENTRATION



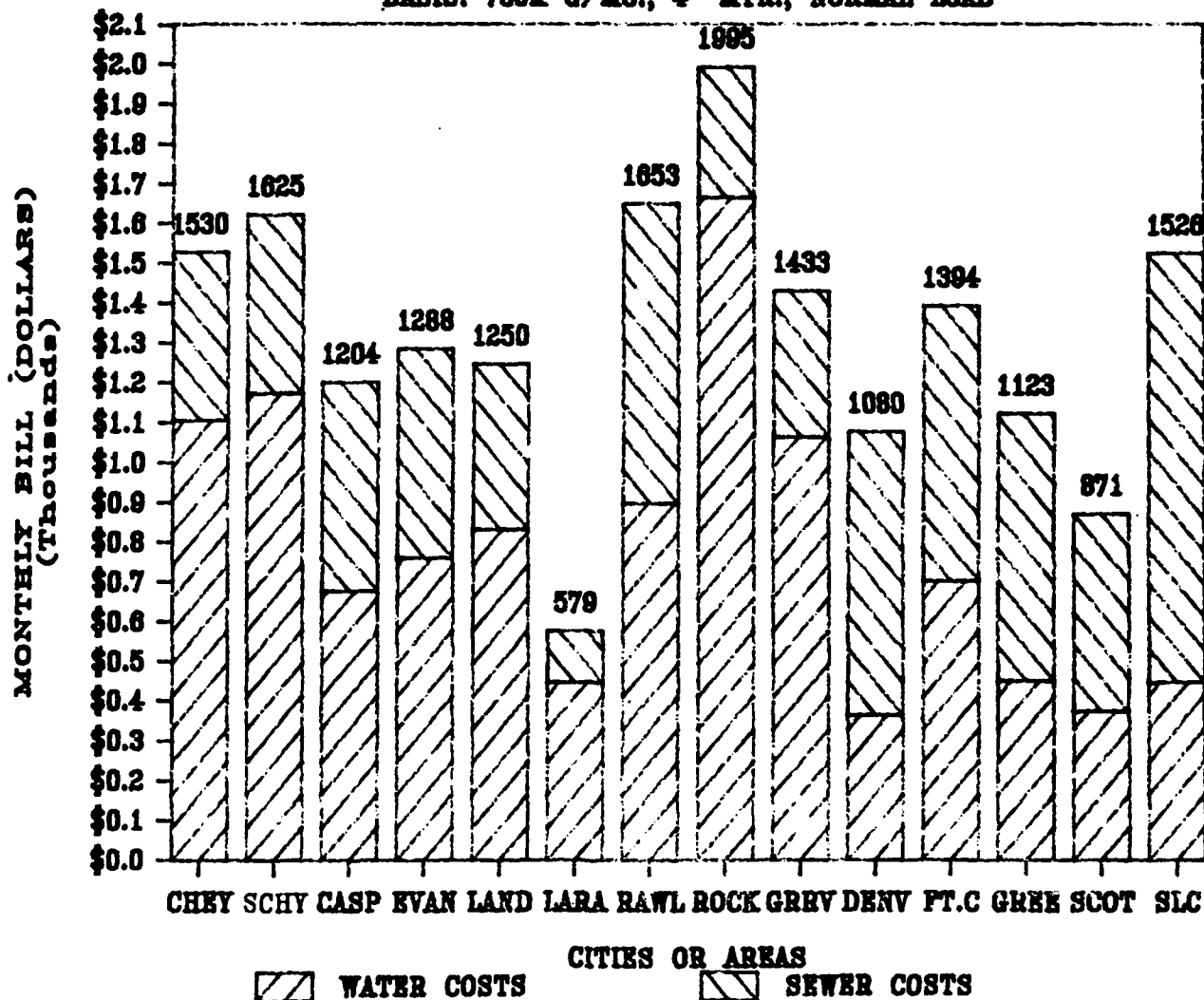
CHEY SCHY CASP EVAN LAND LARA RAWL ROCK GRV DENV FT.C GREE SCOT SLC

CITY OR AREA

- CHEY = Cheyenne
- SCHY = South Cheyenne
- CASP = Casper
- EVAN = Evanston
- LAND = Lander
- LARA = Laramie
- RAWL = Rawlins
- ROCK = Rock Springs
- GRV = Green River
- DENV = Denver
- FT.C = Fort Collins
- GREE = Greeley
- SCOT = Scottsbluff
- SLC = Salt Lake City

TOTAL INDUS. WATER & SEWER COSTS

BASIS: 750K G/MO., 4" MTR., NORMAL LOAD



CITIES OR AREAS
 [diagonal lines] WATER COSTS [cross-hatched] SEWER COSTS

CHEY = Cheyenne
 SCHY = South Cheyenne
 CASP = Casper
 EVAN = Evanston
 LAND = Lander
 LARA = Laramie
 RAWL = Rawlins

ROCK = Rock Springs
 GRRV = Green River
 DENV = Denver
 FT.C = Fort Collins
 GREE = Greeley
 SCOT = Scottsbluff
 SLC = Salt Lake City

6. Fuel Cost

Fantus Rating: Average

Natural gas service in South Cheyenne and the greater Cheyenne area is provided by Cheyenne Light, Fuel and Power (CLF&P), a subsidiary of Public Service of Colorado. As of January 1, 1984, the average industrial rate for firm industrial service was \$4.27 per decatherm (one million BTUs) and \$4.06 per decatherm for interruptible large industrial users. For 1983, the average industrial cost per decatherm of natural gas from CLF&P was 6 percent higher than the average of all eight western states, but was 4 percent lower than the national average. Comparable data for 1984 from the American Gas Association was unavailable at the time of report preparation.

Recent industrial price comparisons for natural gas costs are presented in the tabular and graphic exhibits on the following pages.

At the present time, an industry served by Cheyenne Light, Fuel & Power requiring 6,000 mcf of firm natural gas per month would pay a monthly gas cost (including state sales tax) of \$22,480. At 20,000 mcf interruptible service, the monthly charge would be \$67,069. However, since local BTU delivery is 858 BTUs per cubic foot (rather than the standard 1,000 BTUs), real costs would be \$26,200 and \$78,170, respectively, for equivalent energy requirements.

**COST COMPARISON
1983 AVERAGE INDUSTRIAL RATES
PER DECATHERM NATURAL GAS**

<u>State or Utility</u>	<u>Average Rate</u>
Wyoming	\$3.46
Cheyenne Light, Fuel & Power (Cheyenne)	\$4.25
Mountain Fuel Supply (Rock Springs)	2.91
Montana-Dakota Utilities (Sheridan)	4.43
Northern Utilities (Casper)	4.55
Utah	3.16
Mountain Fuel Supply - Utah	3.12
Colorado	4.45
Idaho	4.80
Montana	5.61
Nevada	4.77
New Mexico	3.66
Arizona	3.89
Mountain States*	4.00
United States	4.41

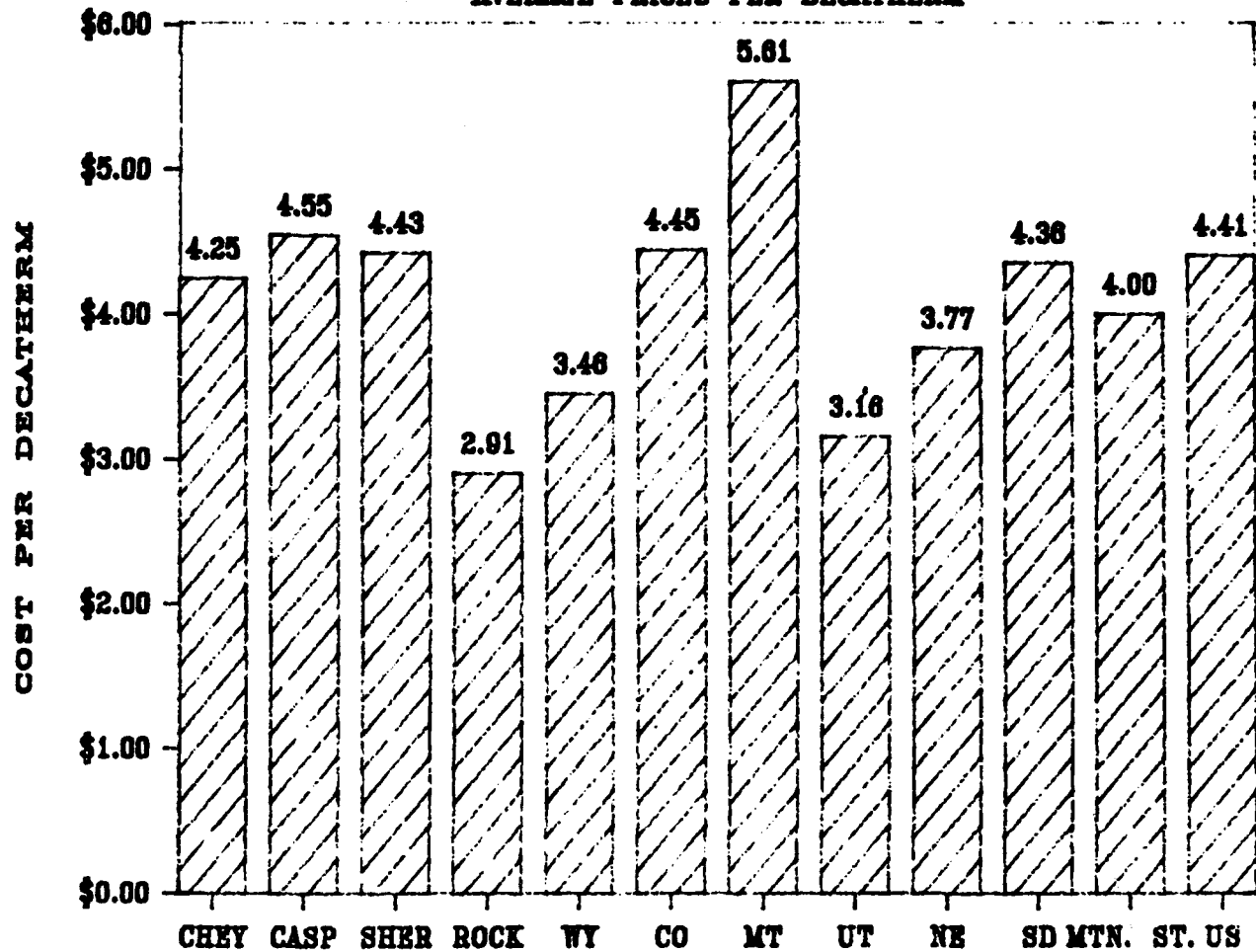
* Defined as Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming

Note: Data for 1984 not available at time of report preparation.

Source: American Gas Association, Cheyenne Light, Fuel & Power, Mountain Fuel Supply, Montana-Dakota Utilities, and Northern Utilities.

INDUSTRIAL GAS RATES -- 1983

AVERAGE PRICES PER DECATHERM



LOCAL, STATE, REGION, OR US AVERAGE

SOURCE: AMERICAN GAS ASSOC.
AND LOCAL UTILITIES

CHEY = Cheyenne
CASP = Casper
SHER = Sheridan
ROCK = Rock Springs
MTN.ST= Mountain States

7. Electric Power Costs

Fantus Rating: Asset

Electric power service to South Cheyenne and the greater Cheyenne area is provided by Cheyenne Light, Fuel & Power (CLF&P). Based on recent data from the Edison Electric Institute, CLF&P's rates are approximately 33 percent below the average for all investor-owned utilities in the United States, for all industrial usage levels. For the period June through August 1984, the average monthly residential electric bill for customers of CLF&P was \$27.74, the thirteenth lowest in the nation according to the National Association for Regulatory Utility Commissioners.

As indicated by the tabular and graphic exhibits on the following pages, the only other nearby regional utilities with costs competitive with CLF&P are Pacific Power and Light (Wyoming), Idaho Power, Montana Power, Utah Power and Light (Wyoming), and Montana - Dakota Power (Wyoming). Industrial power costs are significantly higher in Greeley, Fort Collins, Scottsbluff, and Denver.

For large power users, the presence of Cheyenne Light, Fuel & Power is a major asset, in Fantus' judgment.

COOPERATIVE INDUSTRIAL ELECTRIC POWER COSTS

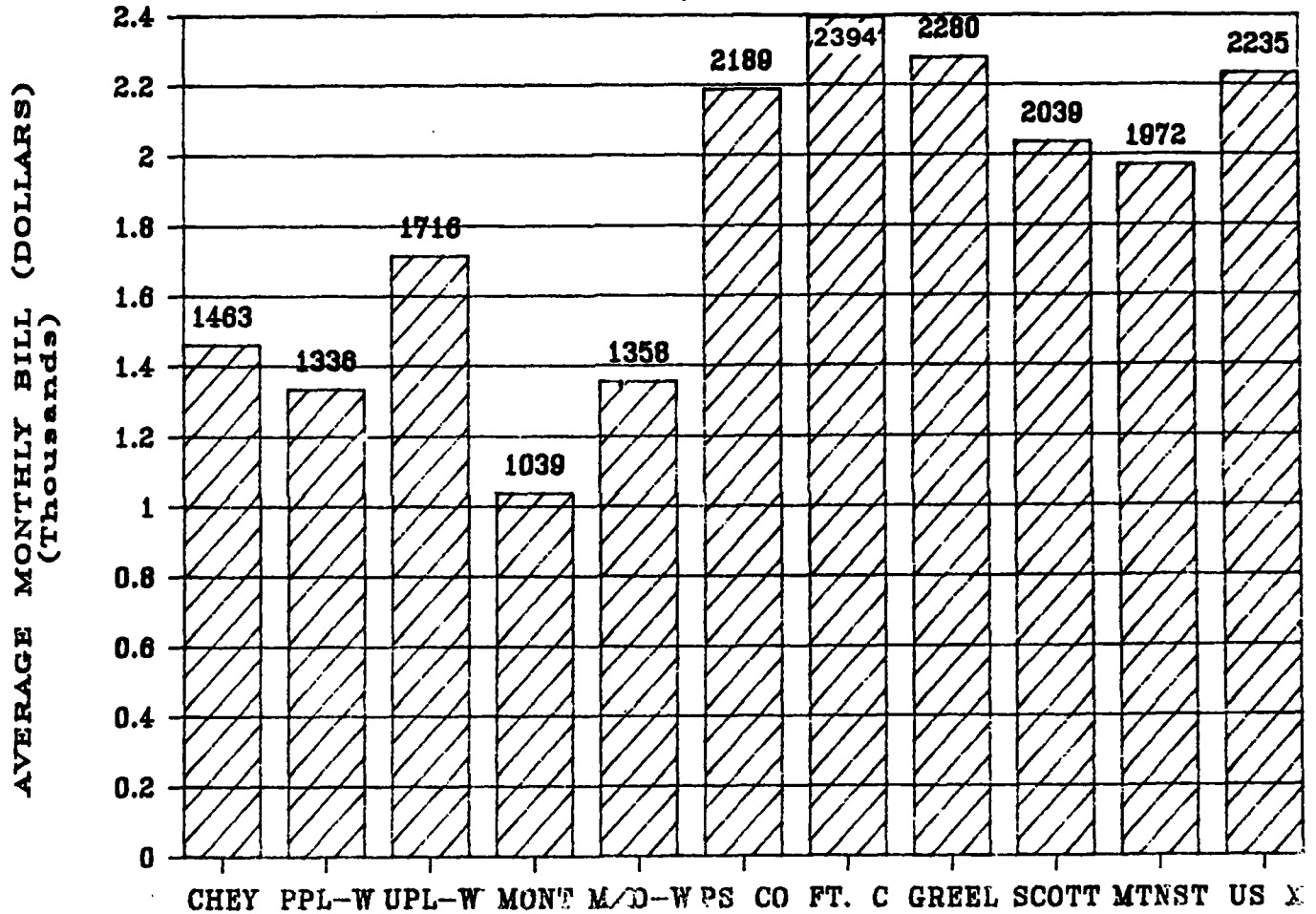
Utility	Billing Demand (Kilowatts)/Consumption (Megawatt Hours) Level									
	150 KW	300 KW	500 KW	1,000 KW	200 MAH	400 MAH	1,500 MAH	5,000 KW	1,500 MAH	2,500 MAH
Cheyenne Light, Fuel & Power	\$1,463	\$2,072	\$2,861	\$4,078	\$4,724	\$6,753	\$9,383	\$13,441	\$56,800	\$77,090
Pacific Power & Light (Wyoming)	1,336	2,087	2,560	3,998	4,108	6,505	7,404	11,545	46,998	67,703
Utah Power & Light										
Wyoming	1,716	2,298	3,191	4,354	5,156	7,095	10,070	13,949	64,701	78,666
Utah	2,495	3,669	4,950	7,338	8,317	12,231	16,274	24,102	74,398	104,022
Idaho	2,261	3,273	4,306	6,630	7,032	10,405	13,830	20,594	76,006	106,991
Idaho Power (Idaho)	ND	ND	ND	ND	ND	ND	6,558	10,366	42,309	61,349
Montana Power (Montana)	1,039	1,579	1,893	2,870	3,033	4,590	5,880	8,891	36,033	50,563
Montana - Dakota Power (Wyoming)	1,358	2,062	2,696	4,104	4,479	6,827	8,938	13,633	56,346	79,820
Public Service Company of Colorado	2,189	2,847	4,324	5,639	7,170	9,363	14,286	18,671	85,251	106,887
Fort Collins Light & Power (Ft. Collins)	2,394	2,869	4,769	5,720	7,546	9,132	15,043	18,214	82,947	98,802
Home Light & Power (Greeley)	2,280	2,734	4,520	5,427	7,507	9,019	14,974	17,998	82,270	97,390
Nebraska Public Power District (Scottsbluff)	2,039	2,848	3,995	5,286	6,386	8,537	12,362	16,663	80,212	94,620
Mountain States Region	1,972	3,071	3,841	5,970	6,313	9,795	11,955	18,603	72,953	102,836
U.S. Average	\$2,235	\$3,499	\$4,344	\$6,804	\$7,133	\$11,166	\$13,890	\$21,585	\$85,980	\$121,355

ND = No data available

Sources: Edison Electric Institute. Typical Residential, Commercial and Industrial Bills, Winter 1984 (all data except Ft. Collins and Scottsbluff)
 Energy Information Administration, Department of Energy, Typical Electric Bills - 1983 (Fort Collins Data)
 Nebraska Public Power District (Scottsbluff data), rates effective as of March 1984

INDUSTRIAL POWER COSTS

150 KILOWATTS; 30 MEGAWATT HOURS

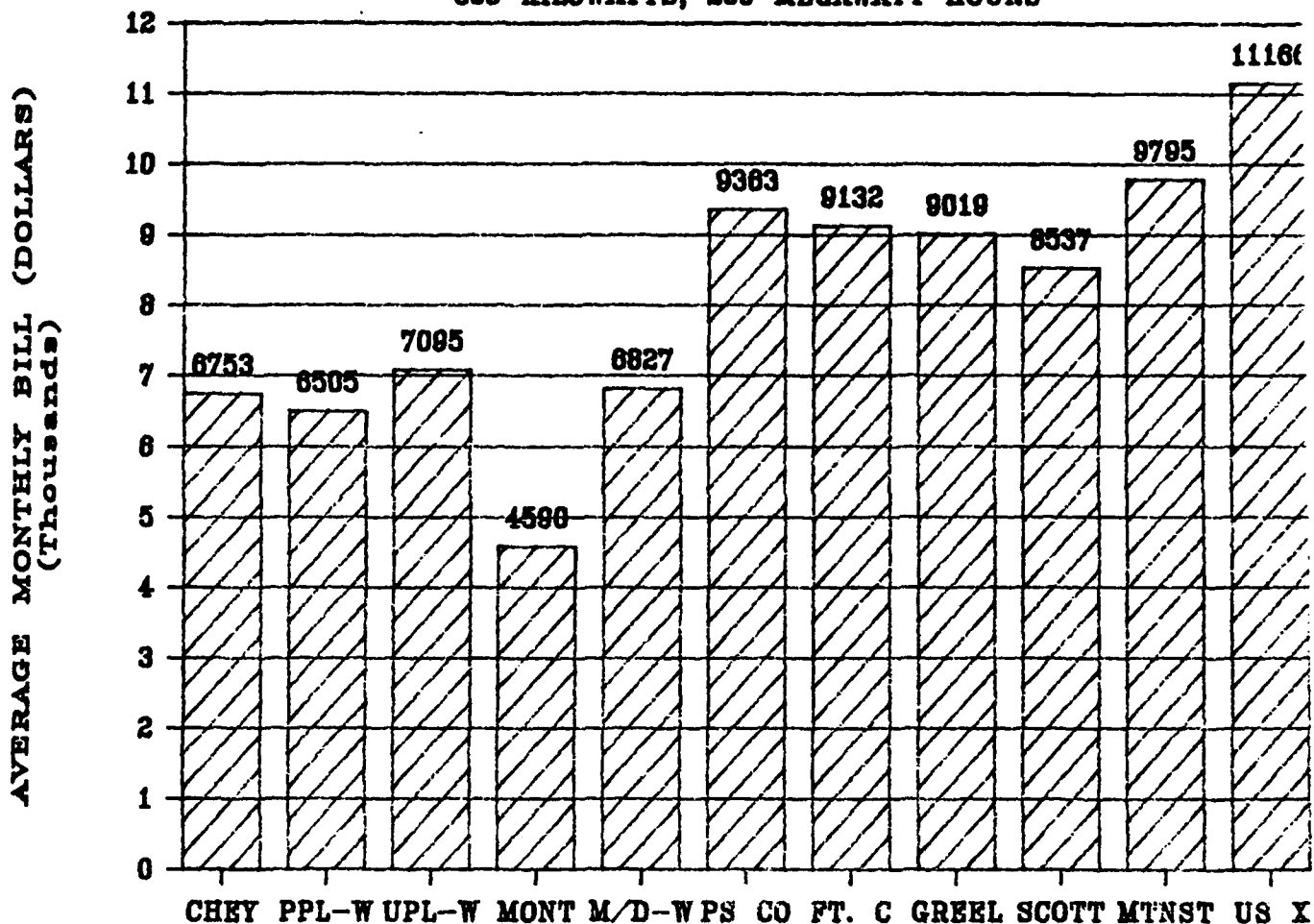


LEGEND

- CHEY = Cheyenne Light, Fuel & Power
- PPL-W = Pacific Power & Light (Wyoming)
- UPL-W = Utah Power & Light (Wyoming)
- MONT = Montana Power (Montana)
- M/D-W = Montana/Dakota Power (Wyoming)
- PS CO = Public Service of Colorado
- FT. C = Fort Collins Light & Power
- GREEL = Home Light & Power (Greeley)
- SCOTT = Nebraska Public Power (Scottsbluff)
- MTNST = Mountain State Average
- US X = United States Average

INDUSTRIAL POWER COSTS

500 KILOWATTS; 200 MEGAWATT HOURS

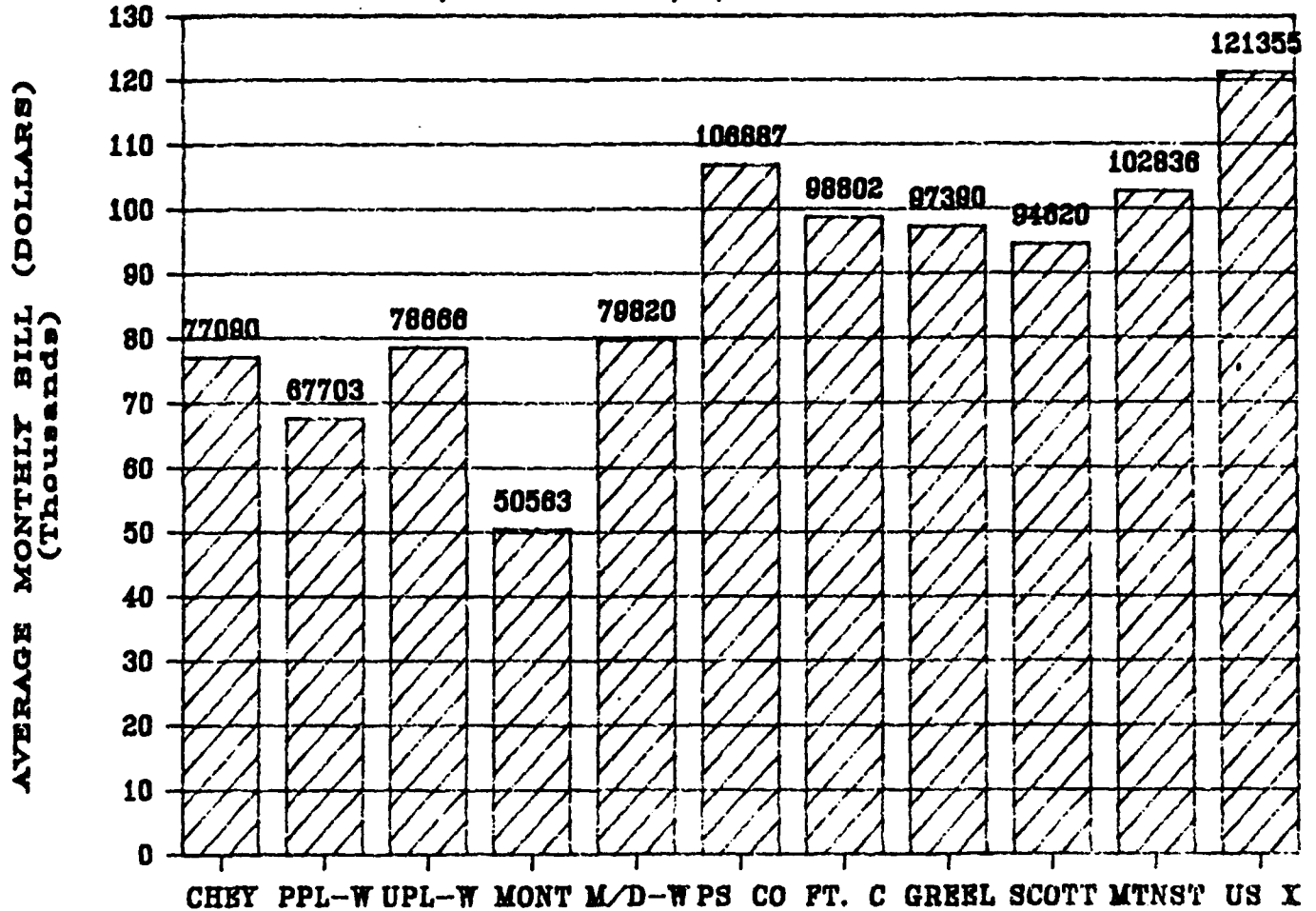


LEGEND

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- GREEL = Home Light & Power (Greeley)
- SCOTT = Nebraska Public Power (Scottsbluff)
- MTNST = Mountain State Average
- US X = United States Average

INDUSTRIAL POWER COSTS

5,000 KILOWATTS; 2,500 MEGAWATT HOURS



LEGEND

- CHEY = Cheyenne Light, Fuel & Power
- PPL-W = Pacific Power & Light (Wyoming)
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- MTNST = Mountain State Average
- US X = United States Average

8. Building Costs

Fantus Rating: Average

Building costs may be evaluated on the basis of lease costs for available industrial space, office rental rates, and new construction costs. All of these costs reflect general regional supply and demand factors, and prices within the general real estate market. Accordingly, industrial and office space rental costs and construction costs in South Cheyenne must reflect and be competitive with costs elsewhere in the Cheyenne area.

In the Cheyenne area, there are three available industrial/warehouse buildings with space greater than 10,000 square feet. Lease costs range from \$1.00 per square foot for a newer but "rough" former manufacturing facility, to \$1.50 per square foot for a larger warehouse, to approximately \$3.00 per square foot for smaller and newer warehouse space. If these three buildings were to be purchase outright, the likely sales price per square foot would range from \$12 to \$33 per square foot.

Given a sample base of only three buildings, rigorous comparisons of Cheyenne area costs for existing buildings (both for purchase and lease) are difficult, as each quoted price has unique characteristics (e.g., one building has a short-term vacation clause, another has an assumable mortgage at a favorable rate, etc.). However, in Fantus' judgment, building costs in the Cheyenne area for existing structures are at the very least "average," and are possibly "above average." For example, typical lease prices in

the Denver suburbs for prime industrial buildings range from \$3 to \$4 per square foot for buildings between 5,000 to 20,000 square feet, and \$2.00 to \$2.75 per square foot for suburban industrial buildings 60,000 square feet and larger. Although the local sample base is limited, Cheyenne's lease costs are fully competitive with Denver in the smaller size category, and are in fact better than Denver's for existing larger buildings.

The cost of leasing Class A office space in the Cheyenne area generally ranges from \$8 to \$9 per square foot now, down from a range of \$9 to \$11 per square foot only a few months ago. This lease rate is highly attractive, and is below the typical lease rate associated with new construction. It also compares favorably with quoted rental space for Class A offices in existing buildings in Denver, where the average asking rate for suburban office space ranges from \$16 to \$21 per square foot. However, the overall vacancy rate is nearly 22 percent at the present time in Denver, which results in the granting of many concessions to obtain leases on this space. With the concessions factored in, effective lease rates for Class A office space in new buildings in Denver ranges from \$11 to \$15 per square foot presently.

New construction costs in the Cheyenne area are near the national average. According to the Marshall Valuation Service, new construction costs for Class A industrial, warehouse and office buildings are one percent above national averages. Local costs

are higher than they are in Utah and Nebraska, but are slightly lower than new construction costs in Ft. Collins, Greeley and Denver, and some Wyoming communities. The accompanying exhibit details new building construction costs per square foot in the Cheyenne area and several nearby competing areas.

COMPARATIVE CONSTRUCTION COSTS
JANUARY, 1985

Location	Local Cost Multiplier	Industrial Construction		Distribution/ Warehouse Construction		Office Building Construction	
		Cost/Sq. Ft. at Location (Base=\$32.59)	Savings/Sq. Ft. Compared to Cheyenne	Cost/Sq. Ft. at Location (Base=\$33.36)	Savings/Sq. Ft. Compared to Cheyenne	Cost/Sq. Ft. at Location (Base=\$61.93)	Savings/Sq. Ft. Compared to Cheyenne
Cheyenne, WY	1.01	\$32.92	NM	\$33.69	NM	\$62.55	NM
Casper, WY	1.02	33.24	\$(-.32)	34.03	\$(-.34)	63.17	\$(-.62)
Laramie, WY	1.02	33.24	(.32)	34.03	(.34)	63.17	(.62)
Rock Springs, WY	1.03	33.57	(.65)	34.36	(.67)	63.79	(1.24)
Sheridan, WY	1.00	32.59	.33	33.36	.33	61.93	.62
Boulder-Longmont, CO	1.04	33.81	(.97)	34.69	(1.00)	64.41	(1.86)
Denver, CO	1.05	34.22	(1.30)	35.03	(1.34)	65.03	(2.48)
Ft. Collins-Loveland, CO	1.02	33.24	(.32)	34.03	(.34)	63.17	(.62)
Greeley, CO	1.03	33.57	(.65)	34.36	(.67)	63.79	(1.24)
Salt Lake City, UT	.97	31.61	1.31	32.36	1.33	60.07	2.48
Ogden, UT	.98	31.94	.98	32.69	1.00	60.69	1.86
Scottsbluff, NE*	.92	29.98	2.94	30.69	3.00	56.98	5.57

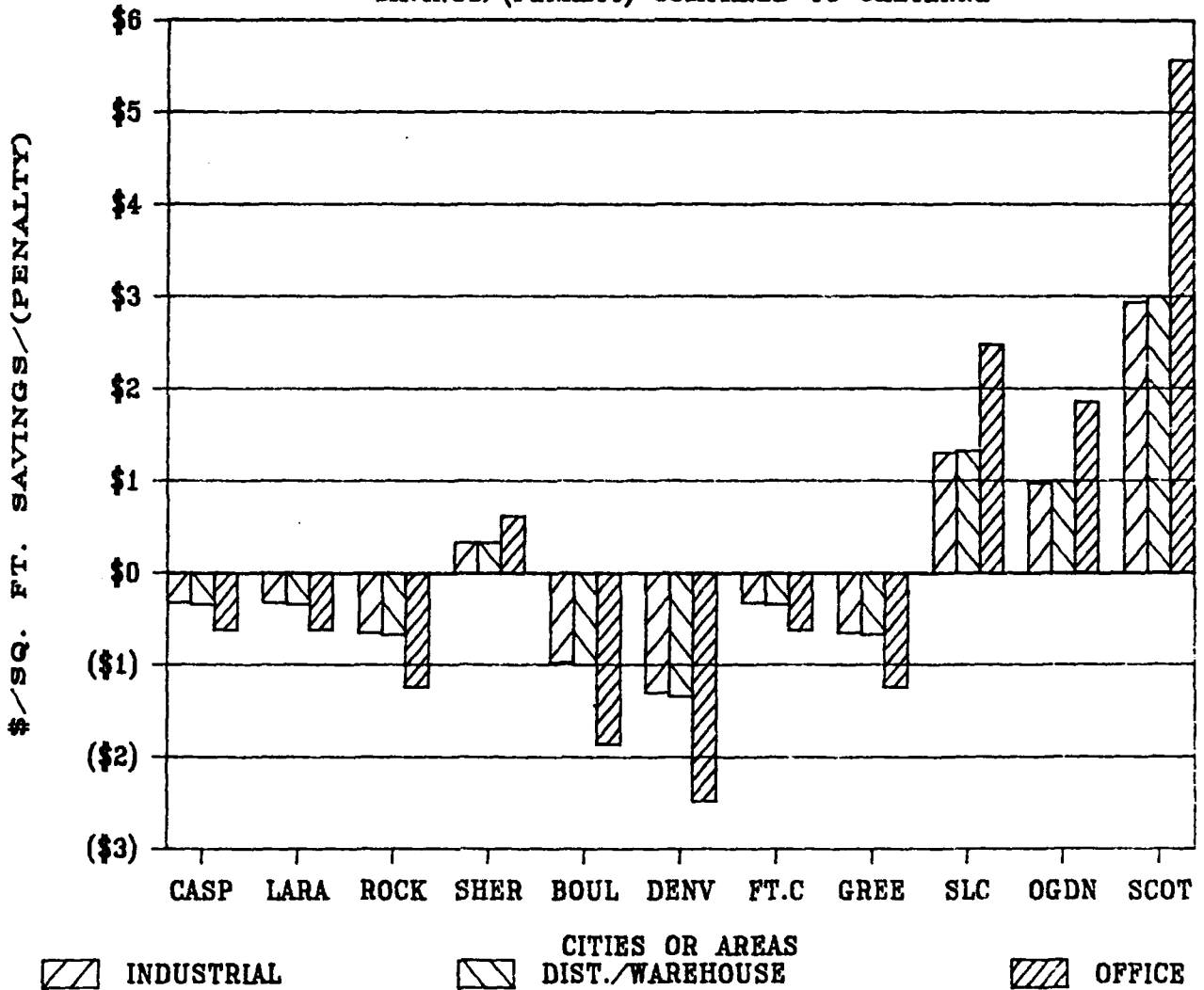
NM = Not meaningful

* Detail not available for Scottsbluff. Figures shown are statewide averages for Nebraska.
Note: Base costs per square foot assume Class A (highest quality) construction.

Source: Marshall Valuation Service, Marshall & Swift Publications, January 1985.

BLDG. CONSTR. COST COMPARISON: 1984

SAVINGS/(PENALTY) COMPARED TO CHEYENNE



- CITIES OR AREAS
- CASP = Casper
 - LARA = Laramie
 - ROCK = Rock Springs
 - SHER = Sheridan
 - BOUL = Boulder
 - DENV = Denver
 - FT.C = Fort Collins
 - GREE = Greeley
 - SLC = Salt Lake City
 - OGDN = Ogden
 - SCOT = Scottsbluff

9. Realty Costs: Developed
Industrial Land

Fantus Rating: Average

In Fantus' experience, the clear majority of major industrial prospects strongly prefer purchasing a fully developed site with appropriate zoning and sufficient acreage for set backs, parking, future possible expansion, and other typical amenities, such as restrictive covenants outdoor storage, fencing etc. Land costs in South Cheyenne as building costs (Section 8), reflect area-wide supply, demand and competitive pricing policies, and must be analyzed in the context of the Cheyenne area.

Based on asking prices quoted to Fantus, the cost of fully developed industrial land in the greater Cheyenne area appears to be competitive with other nearby communities. A 10 to 20 acre light industrial site in the Cheyenne area with acceptable zoning, highway access, and all utilities in place (electric power, natural gas, water and sewer) can be obtained for approximately \$30,000 per acre, based on a survey of qualifying properties for which prices were quoted. Prices for comparable sites in other nearby competing communities are typically quoted at a range of \$5,000 to over \$100,000 per acre. Rawlins, Lander/Riverton, Scottsbluff and Greeley tend to have lower developed industrial land costs.

Representative quoted site costs in Cheyenne and those other competing communities are presented in the tabular and graphic exhibits which appear on the following pages.

DEVELOPED INDUSTRIAL LAND COSTS
(Basis: 20 Acre Site Zoned Light
Industrial, With All Utilities
In Place and Good Highway Access)

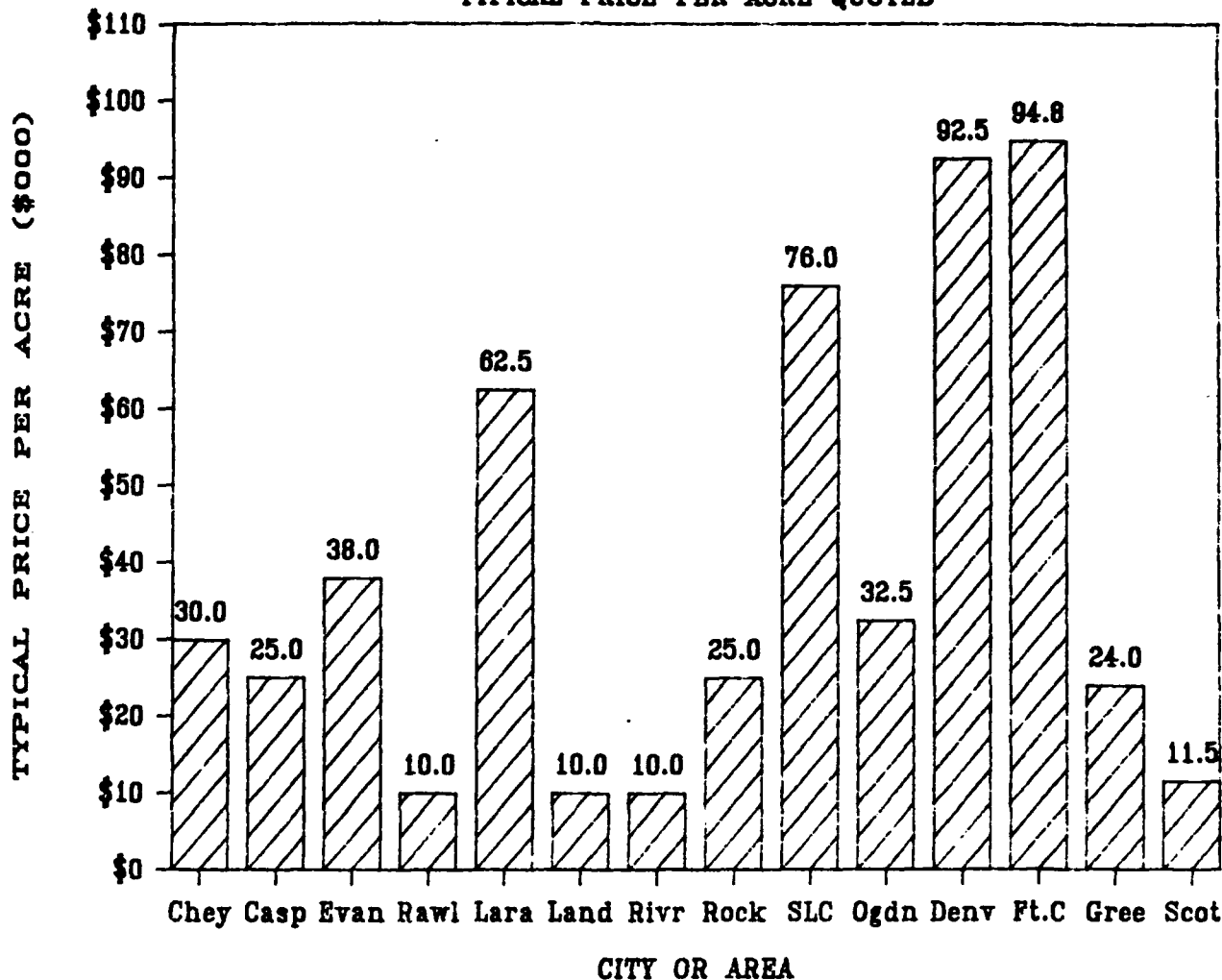
<u>Location</u>	<u>Typical Asking Price/Acre</u>
Cheyenne	\$25,000 to \$35,000
Casper	\$25,000
Evanston	\$36,000 to \$40,000
Rawlins	\$10,000
Laramie	\$60,000 to \$65,000
Lander/Riverton	\$10,000
Rock Springs	\$25,000
Salt Lake City	\$76,000
Ogden, UT	\$25,000 to \$40,000
Denver	\$76,000 to \$109,000
Fort Collins	\$58,800 to \$130,700
Greeley	\$21,800 to \$26,100
Scottsbluff, NE	\$5,000 to \$18,000

Note: Asking prices are usually higher than actual sale prices, but are good representations of comparative land costs among communities.

Sources: Society of Industrial Realtors, various chambers of commerce, local realtors, and recent Fantus experience on behalf of corporate clients in some communities.

DEVELOPED INDUSTRIAL LAND COSTS: 1985

TYPICAL PRICE PER ACRE QUOTED



Chey = Cheyenne
Casp = Casper
Evan = Evanston
Rawl = Rawlings
Lara = Laramie
Land = Lander
Rivr = Riverton

Rock = Rock Springs
SLC = Salt Lake City
Ogdn = Ogden
Denv = Denver
Ft.C = Fort Collins
Gree = Greeley
Scot = Scottsbluff

10. Realty Costs: Office Sites

Fantus Rating: Average

The cost of fully developed land in the Greater Cheyenne area that would be suitable for newer suburban-type office development ranges in price from approximately \$87,000 per acre to approximately \$175,000 for a 10 acre tract. Thus, office realty costs for office sites generally range from \$2 to \$4 per square foot, with the per foot cost decreasing as the size of the parcel increases. Such land would be devoted to a multi-story office development or low rise developments with a campus-like setting, but would not encroach on commercial space. For purposes of this analysis, Fantus has quoted local land prices in the vicinity of the Frontier Mall, in the newer parts of town. Land prices for office sites would generally be lower in other parts of town, with the possible exception of the central business district.

This local land cost range is acceptably competitive within the context of nearby communities, with only Greeley and Scottbluff having demonstrably lower comparable land costs for office sites.

Shown in the accompanying exhibits are typical asking prices for suitable 10 acre suburban-type office sites in communities competing with Cheyenne. In some smaller communities, only one site is available for this purpose. In these instances, the price shown may or may not be typical of actual office land costs in a community.

DEVELOPED OFFICE LAND COSTS
(Basis: 10 Acre Site With
All Utilities In Place and
Appropriate Access/Setting/Zoning)

<u>Location</u>	<u>Typical Asking Price/Acre</u>
Cheyenne	\$87,000 to \$174,000
Casper	\$174,000
Evanston	\$109,000
Rawlins	ND
Laramie	ND
Lander/Riverton	\$131,000 to \$218,000
Rock Springs/Green River	\$125,000 to \$150,000
Salt Lake City	\$110,000 to \$150,000
Ogden, UT	\$131,000 to \$218,000
Denver	\$218,000 to \$523,000
Fort Collins	\$130,700 to \$217,800
Greeley	\$30,500 to \$54,500
Scottsbluff, NE	\$15,000 to \$60,000

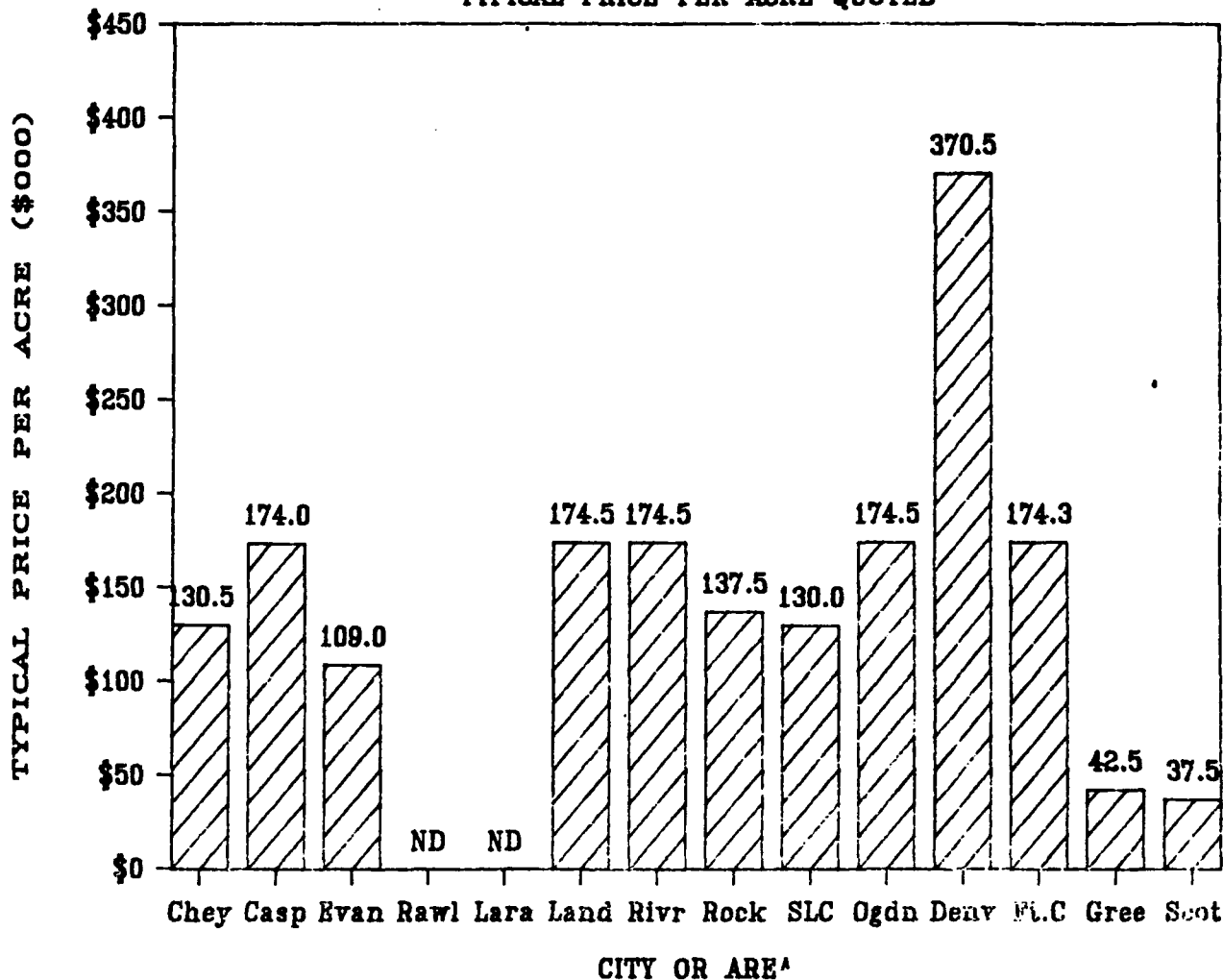
ND - No data available

Note: Asking prices are usually higher than actual sale prices, but are good representations of comparative land costs among communities.

Sources: Various Chambers of Commerce and local realtors.

DEVELOPED OFFICE LAND COSTS: 1985

TYPICAL PRICE PER ACRE QUOTED



Chey = Cheyenne
Casp = Casper
Evan = Evanston
Rawl = Rawlings
Lara = Laramie
Land = Lander
Rivr = Riverton

Rock = Rock Springs
SLC = Salt Lake City
Ogdn = Ogden
Denv = Denver
Ft.C = Fort Collins
Gree = Greeley
Scot = Scottsbluff

11. Property Tax Costs

Fantus Rating: Asset

Fantus evaluates ad valorem taxes by comparing actual tax rates for land, buildings, and equipment to determine the relative level of real and personal property taxation for manufacturers operating in different locations. This method of evaluation is preferable to other commonly-used statistics, such as statewide property taxes per capita, because it eliminates the confounding influence of very large, capital-intensive extractive industries operating in a sparsely populated state such as Wyoming.

In Laramie County and throughout Wyoming, nonextractive industries are subject to ad valorem taxes on both real and personal property other than inventory. Land is assessed at eight percent of current value, buildings at 25 percent of their 1967 market value, and machinery and equipment at 15 percent of cost. This yields an effective tax rate per \$100 true market value in Cheyenne amounting to approximately 62 cents on land, 59 cents on buildings, and \$1.16 on machinery and equipment. In South Cheyenne, the respective numbers are 63 cents on land, 60 cents on buildings, and \$1.19 on machinery and equipment.

South Cheyenne's ad valorem taxes are fully competitive with other Wyoming locations. They are significantly below the tax levels that would be levied on comparable property in the city limits of Salt Lake City, Ogden, Denver, Fort Collins, Greeley, and Scottsbluff. For this reason, Fantus rates local property

taxes as an asset. The following tabular and graphics exhibits show comparative property tax costs in the South Cheyenne and Cheyenne areas, and in nearby competitive communities.

AD VALOREM TAX RATES: 1984

<u>Location</u>	<u>Tax Rate Per \$100</u>	<u>Assessment Ratios (1)</u>	<u>Effective Assessment Ratios</u>	<u>Effective Tax Rates Per \$100 True Value</u>
Cheyenne	\$7.71	Land at 8% of current market value, machinery and equipment at 15% of cost, buildings at 25% of 1967 market value.	Land at 8%, buildings at 7.62% (2), machinery and equipment at 15%.	Land at \$.62, Buildings at \$.59, M&E at \$1.16
So. Cheyenne	7.93	See above.	See above.	Land at \$.63 Building at \$.60, M&E at \$1.19
Casper	7.27	See above.	See above.	Land at \$.58, Buildings at \$.55, M&E at \$1.09.
Evansion	7.74	See above.	See above.	Land at \$.62, Buildings at \$.59, M&E at \$1.16.
Green River	8.40	See above.	See above.	Land at \$.67, Buildings at \$.64, M&E at \$1.26.
Lander	8.43	See above.	See above.	Land at \$.67, Buildings at \$.64, M&E at \$1.26.
Laramie	7.42	See above.	See above.	Land at \$.59, Buildings at \$.57, M&E at \$1.11.
Rawlins	7.02	See above.	See above.	Land at \$.56, Buildings at \$.53, M&E at \$1.05.
Riverton	8.54	See above.	See above.	Land at \$.68, Buildings at \$.65, M&E at 1.28.

AD VALOREM TAX RATES: 1984
(continued)

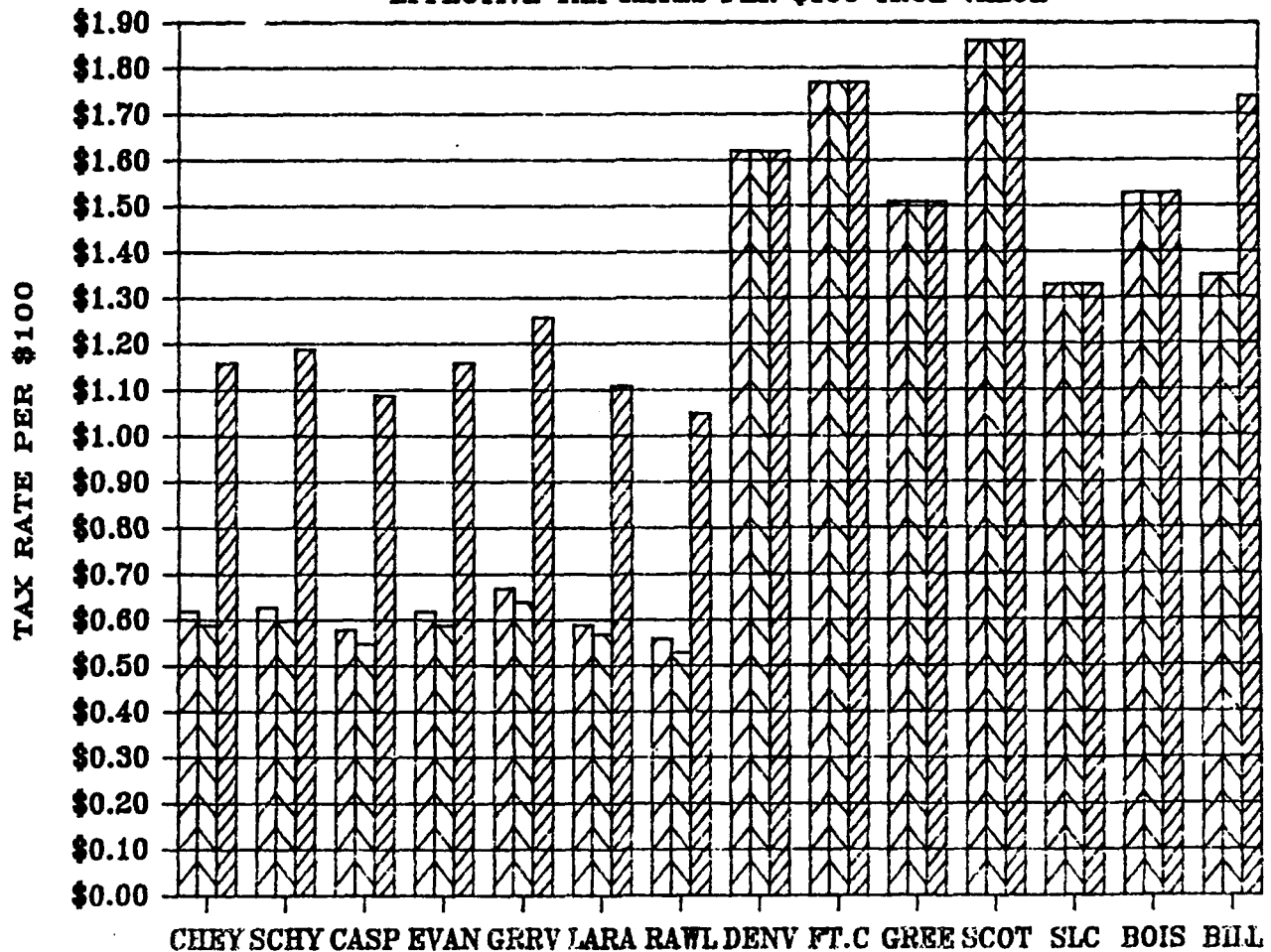
<u>Location</u>	<u>Tax Rate Per \$100</u>	<u>Assessment Ratios (1)</u>	<u>Effective Assessment Ratios</u>	<u>Effective Tax Rates Per \$100 True Value</u>
Rock Springs	\$8.32	See above.	See above.	Land at \$.67, Buildings at \$.63, M&E at \$1.25
Denver	8.99	29% of 1977 market value.	18% (3)	\$1.62 for all types of industrial property
Fort Collins	9.81	29% of 1977 market value	18% (3)	\$1.77 for all types of industrial property
Greeley	8.38	29% of 1977 market value	18% (3)	\$1.51 for all types of industrial property
Scottsbluff, NE	3.568 (in city) 2.464 (unincorp)	current market value x 69.55% x 75%	--	\$1.86 in city for all types of industrial property; \$1.29 in unincorporated areas for all types of industrial property
Billings, MT	293.38 mills	current market value *54% *8.55% (land, buildings) or 11% (M&E)	--	Land at \$1.35. Buildings at \$1.35, M&E at \$1.74
Boise, ID	--	--	--	\$1.53 for all types of industrial property

Source: County Assessors, and Fantus calculations.

- Notes: (1) Inventory not assessed at any of these locations.
 (2) $\frac{401.5 (1967)}{1316.8 (1985)} = \frac{7.62 (1985)}{25.00 (1967)}$
 (401.5 = Marshall Valuation Service Western District Class A building values index for 1967; 1316.8 = Class A building value index for January 1985).
 (3) $\frac{816.4 (1977)}{1316.8 (1985)} = \frac{18 (1985)}{29 (1977)}$
 (816.4 = Marshall Valuation Service Western District Class A building values index for 1977; 1316.8 = Class A building value index for January 1985).

PROPERTY TAX COSTS

EFFECTIVE TAX RATES PER \$100 TRUE VALUE



CITIES OR AREAS

LAND
 BUILDING
 MACH. & EQUIP.

CHEY = Cheyenne
 SCHY = South Cheyenne
 CASP = Casper
 EVAN = Evanston
 GRRV = Green River
 LARA = Laramie
 RAWL = Rawlins

DENV = Denver
 FT.C = Fort Collins
 GREE = Greeley
 SCOT = Scottsbluff
 SLC = Salt Lake City
 BOIS = Boise
 BILL = Billings

(Note: See previous pages for cities omitted here due to space constraints.)

12. Corporate Income Tax Levies Fantus Evaluation: Asset

Corporate income taxes are the most visible of all state taxes to senior company executives. As such, they play an important role in the facility location process because -- rightly or wrongly -- they are often perceived as representative of a state's overall tax and business climate.

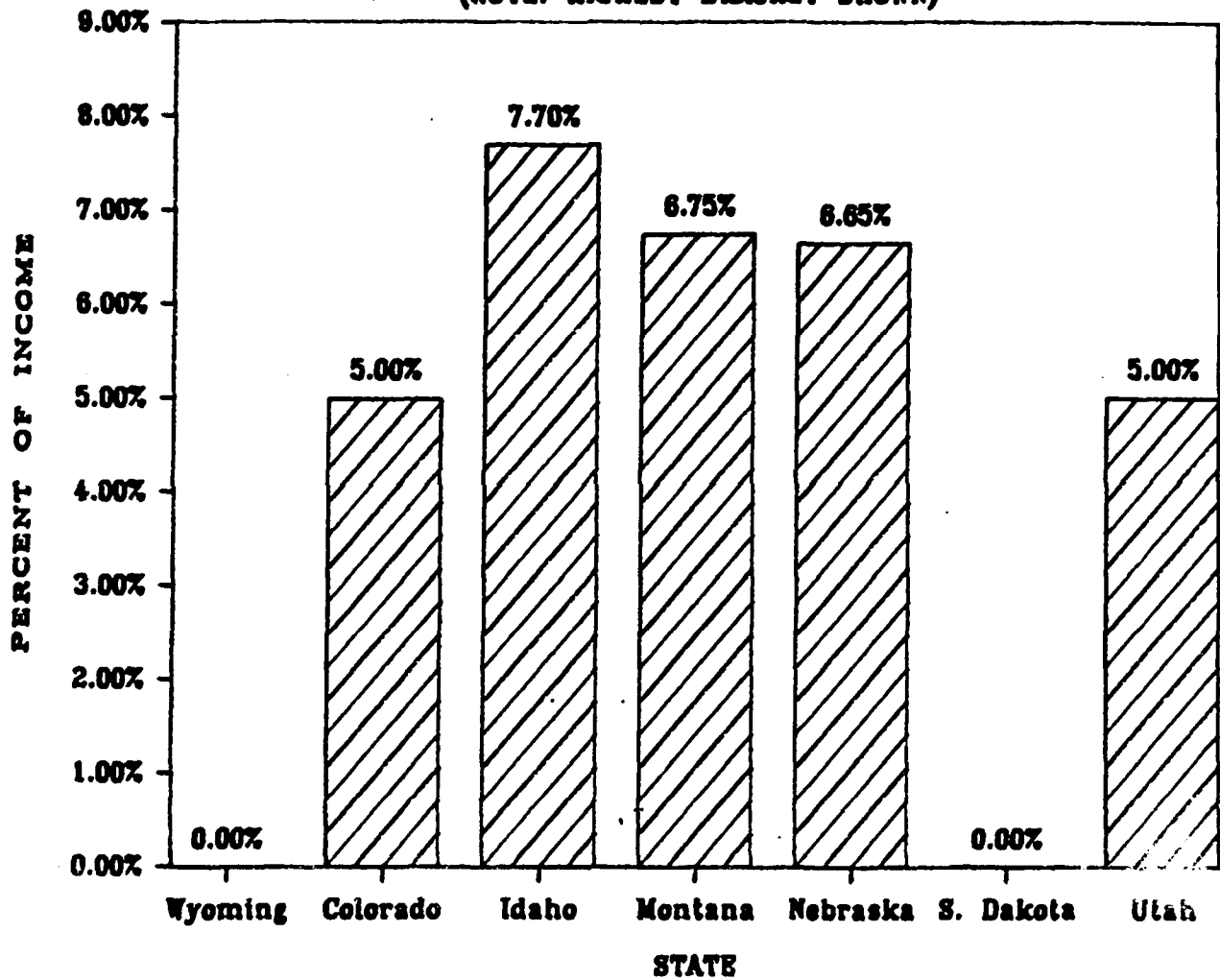
Wyoming is one of five states nationwide that does not levy any corporate income taxes. This fact can be very helpful in attracting manufacturing, office, and warehousing/distribution enterprises to the state. All of the surrounding states except South Dakota levy a corporate income tax, as shown below:

o Colorado	5%
o Idaho	7.7%
o Montana	6.75%
o Nebraska 1st \$50,000	4.75%
Over \$50,000	6.65%
o South Dakota	None
o Utah.....	5%

Source: Commerce Clearing House State Tax Guide, 1984.

CORPORATE INCOME TAX LEVIES: 1984

(NOTE: HIGHEST BRACKET SHOWN)



Note: Nebraska's top tax rate is applied to corporate income greater than \$50,000.

13. Personal Income Tax Levies

Fantus Rating: Asset

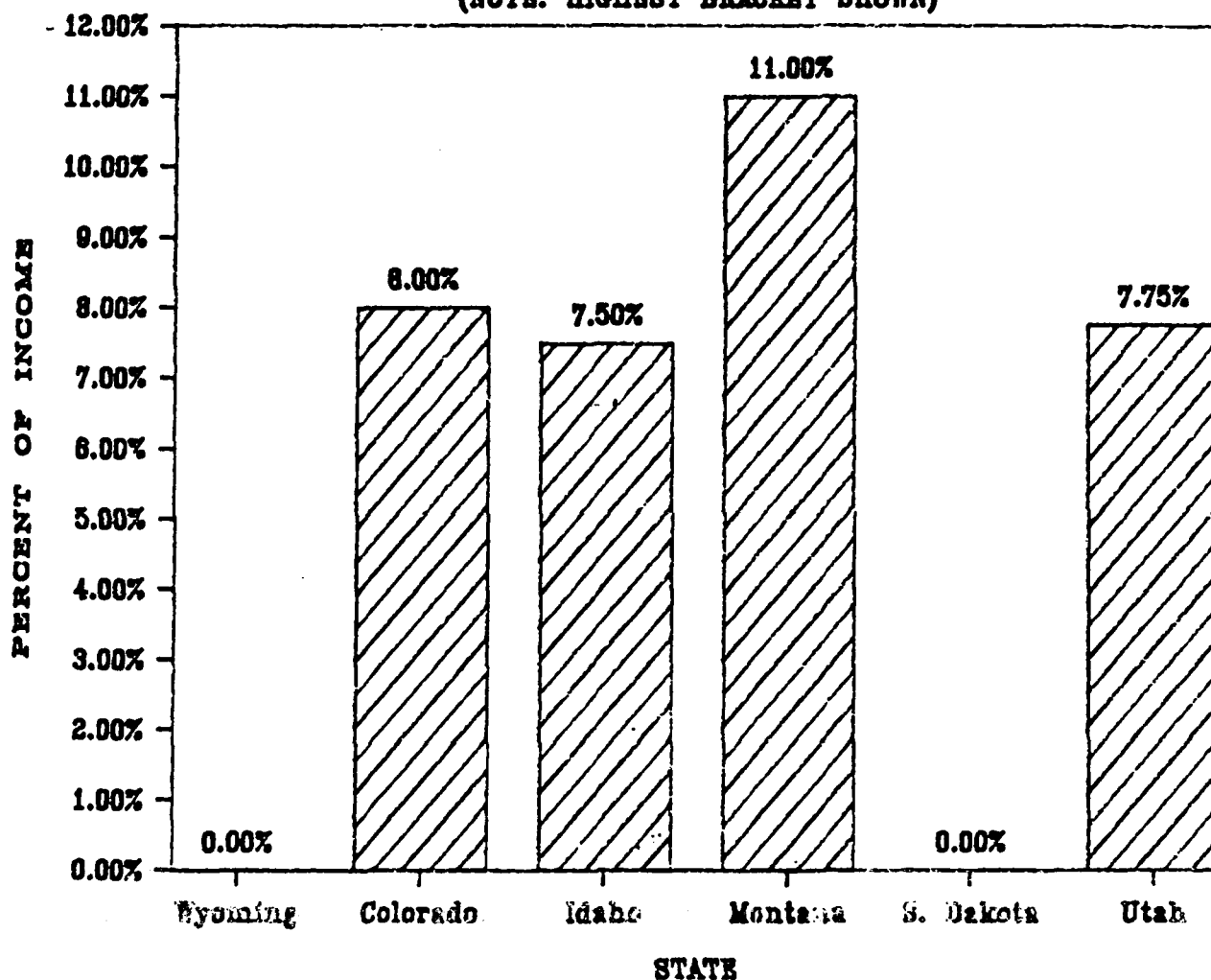
The state of Wyoming levies no general tax on personal income. As is indicated by the data provided below, all of the various neighboring states to Wyoming except South Dakota levy a general tax on personal income. Thus, Wyoming is at a distinct advantage in regard to this factor, which is of particular importance in the location decision for companies planning to transfer significant numbers of higher salary professional and technical personnel.

- o Colorado Starts at 3% first \$1,420, up to 8% on all income over \$14,150, plus 2% surtax on gross income exceeding \$15,000 from intangibles.
- o Idaho From 2% first \$1,000 net income up to 7.5% on all net income over \$5,000.
- o Montana From 2% first \$1,300 up to 11% on all income over \$43,900.
- o Nebraska 19% of adjusted federal income tax liability.
- o South Dakota None.
- o Utah From 2.75% of first \$750 taxable income for individuals (first \$1,500 at 2.25% for married couples filing jointly) up to 7.75% on taxable income for individuals over \$3,750 (over \$7,500 for married couples filing jointly).

Source: Commerce Clearing House State Tax Guide, 1984.

PERSONAL INCOME TAX LEVIES: 1984

(NOTE: HIGHEST BRACKET SHOWN)



Notes: - Nebraska's personal income tax rate is 19% of adjusted federal income tax liability.

- Highest brackets reached at:

Colorado: \$14,150
Idaho: \$ 5,000
Montana: \$43,900
Utah: \$ 3,750

14. Financing Availability

Fantus Rating: See Below

As with most measures of business climate, it is not possible to study the availability of financing strictly at the local level. For example, IRBs (Industrial Development Revenue Bonds) are issued both locally, and through state-chartered organizations, including the Wyoming Community Development Authority. While WCDA will not issue IRBs without local government approval, IRBs -- even after they are approved legislatively -- require local or nonlocal bank participation in order to buy the bonds or issue letters of credit to back the local issue. Similarly, it is impossible to assess the availability of financing from conventional sources (such as traditional bank loans) strictly at the local level either, because local businesses may borrow at other state or even out-of-state institutions.

However, it is possible to get a good measure of the broad aspects of local financing availability by studying two issues. One is the willingness of local governmental entities to issue IRBs for the financing of various projects. The other is to make an assessment -- based on interviews with local businessmen and banking officials -- as to the ability of the local banking community to finance local business expansion.

a) IRB Financing

Fantus Rating: Asset

The greater Cheyenne area has been very receptive to inducing IRBs for local industries or new businesses considering Cheyenne for expansion opportunities. From 1979 to the present, a total of 19 issues have been made, with only one request for IRB financing turned down during this time period. Unlike some other Wyoming communities, which expressly forbid IRBs for retailing concerns or have an unwritten policy of opposing any IRB issue that will compete with industry already existing in a community, the greater Cheyenne area appears very willing to issue IRB financing to virtually all legitimate and qualified petitioners who meet basic requirements for demonstration of benefit resulting from the issue.

Shown on the next page is a listing of all IRBs issued in the city of Cheyenne from 1979 to present. As can be seen, IRBs have been issued locally in the manufacturing, retail, and service industries.

INDUSTRIAL REVENUE BONDS ISSUED IN
CHEYENNE, WYOMING - 1979 TO PRESENT

<u>Year</u>	<u>Company</u>	<u>Type of Business</u>	<u>Amount</u>
1984	Cheyenne Plaza (A)	Retailing	\$1,250,000
1984	Cheyenne Plaza (B)	Retailing	6,655,000
1983	Mercantile	Retailing	6,000,000
1983	Intra West	Retailing	450,000
1983	Corral Enter.	Retailing	650,000
1983	1712 Carey Partnership	Offices	450,000
1983	17th St. Properties	Offices	1,000,000
1982	Medical Properties	Offices	600,000
1982	Quanex Corp.	Manufacturing/ distribution	9,000,000
1981	Cheyenne One	Retailing	900,000
1981	Holiday Inn	Motel	7,192,000
1981	City Center Partnership	Offices	2,000,000
1981	McDonalds	Restaurant	535,000
1981	Oakview Development	Retailing	700,000
1980	Oakview (K-Mart)	Retailing	2,930,000
1980	Orrison Frontier Dist.	Food and beverage	1,225,000
1980	Powers Brick & Tile	Manufacturing	500,000
1980	Tri State Steel	Manufacturing	1,000,000
1979	Unicover	Manufacturing	2,550,000

Source: City of Cheyenne, Wyoming

Fantus regards this local attitude concerning IRB issuance as favorable for new business development and expansion of existing business in the greater Cheyenne area, including South Cheyenne. The Holiday Inn, an IRB recipient, is located in South Cheyenne, while Unicover is immediately adjacent.

Financing from Local Conventional
and Venture Capital Sources

Fantus Rating: Liability

This section deals with capital availability from two sources: banks and venture capital groups. Due to the increasing tendency of banks to form multi-location holding companies, it is inappropriate to discuss financing availability from banks just within greater Cheyenne. Therefore, the discussion of the local bank financing availability will oftentimes apply to the overall availability within the state of Wyoming, not strictly from within Cheyenne or Laramie County.

The greatest shortcoming concerning traditional bank sources of financing is directly a function of of the banking industry's size in Wyoming. In the entire state of Wyoming, all commercial bank net assets total just over \$4.2 billion, which is much less than a single larger bank in a large metropolitan center. In fact, the largest bank in Wyoming has an asset base of less than \$300 million. Locally, the three smaller to medium sized banks in Cheyenne have an asset base of approximately \$100 million. Given the small size of the banks in Cheyenne, and statewide, the availability of local capital for financing must, by definition, be limited.

Due both to size constraints and fiscal conservatism, Wyoming banks also are fundamentally short term lenders, specializing in areas such as operating capital, inventory financing, and short-term equipment acquisition. They are not heavily involved in

long-term lending for machinery and equipment or plant construction.

Another complaint against the banking industry statewide is what one individual characterized as "poor correspondent relationships" with larger banks. The lack of good relationships in this area inhibits local banks from participating in commercial and industrial loans that are beyond their legal lending limit, or have a term length longer than they are accustomed to dealing with.

Another problem with financing availability in the state is a general difficulty in placing IRB issues in Wyoming. Municipalities, such as Cheyenne, are often very willing to issue IRBs, but often there is limited interest among Wyoming banks in purchasing these bonds. As one knowledgeable person stated, "Wyoming banks have no use for tax exempt securities as a general rule; since they don't have serious tax problems, they therefore have little interest in purchasing these bonds." In fact, Ideal-Arrowsmith, before they made their decision to leave Cheyenne for Minnesota, had IRBs issued by the city of Cheyenne, but then found reluctance on the part of the local banking community to purchase these instruments. In fairness, however, it must be pointed out that since 1974, Cheyenne-area banks have purchased 14 of the 19 local IRB issues, so the allegation concerning the general reluctance of banks to participate in IRB purchases may be less valid in Cheyenne than it is statewide.

There are additional factors which cause us to rate the availability of financing as a liability. Until recently, banks in Cheyenne were fully loaned up, and have been in that position for the past four to five years. With recently declining interest rates, however, all Cheyenne area banks now are reported to have capital available for loan purposes, and are expected to be in this cash-rich position through at least 1986.

Another contributing cause to Wyoming's shortage of available capital has to do with the recent downturns in the oil industry statewide, and related bankruptcies (both corporate and personal) which have resulted. Although many of the loans for oil rigs/drilling equipment were made by banks outside Wyoming, the value of the idle equipment has fallen so dramatically from the peak period demand that lenders are now much more likely to loan money for only a portion of the value of any machinery, for fear the same problem of unanticipated depreciation could repeat itself in other industries. Coupled with this problem is the higher-than-average bankruptcy and mortgage foreclosure rates in Wyoming, which have made the lending institutions more leery to loan money, and has increased equity participation requirements for loans.

The absence of any significant amount of venture capital in Wyoming is also a major problem (at least indirectly) for banks. Owing to the venture capital shortages, bankers are more likely to be asked to get involved in start-up financing projects

that are by nature highly risky and are, in fact, suitable only for consideration by venture capitalists. The only venture capital group in Wyoming is the Wyoming Capital Corporation, which is a subsidiary of the Wyoming Industrial Development Corporation and has a \$200,000 maximum commitment level. Owing to this shortage of venture capital statewide, banks find themselves "by default" being asked to examine many venture capital requests, despite the fact that these requests are too risky to be considered in traditional lending circles.

On the positive side, the Wyoming Community Development Authority (WCDA) is sponsoring a study to determine whether interest and demand are sufficient to form a new venture capital group in Wyoming that would be capitalized in the \$5 to \$8 million range. If the results from this special study are favorable, it is possible that a new venture capital group could be operating in the state by the end of 1985. This group could more readily fund worthy Wyoming growth companies than could venture capitalists based in Colorado, California, or other distant locations. By being Wyoming-based, the venture capital group would also not ask growth firms to leave Wyoming communities for a larger metropolitan areas as a condition for being funded.

Finally, there are complaints concerning the general level of coordination among the private sector, local officials, and the state of Wyoming to formulate financial packages. Both the state and the localities are often perceived as of not knowing how to

put financial packages together, and lending institutions are sometimes called inexperienced in understanding the needs of particular types of industries.

In summary, the following are the major reasons why Fantus rates the availability of financing of Cheyenne, and throughout the state of Wyoming, as a liability:

- o The small size of the banking industry in Wyoming as a whole,
- o The conservative, short-term mind set of local lenders in general,
- o The failure to establish ongoing correspondent relationships with larger out-of-state banks,
- o The apparent reluctance of some Wyoming banks to buy IRBs issued by municipalities,
- o The previous "loaned up" status of most banks,
- o The recent loss experience of banks caused by the sudden and precipitous downturn in the oil industry,
- o The lack of venture capital in the state, and
- o The lack of coordination and sophistication among the private sector, local officials, and the state.

15. Other Business Climate Factors

a) Unemployment Insurance Costs

Fantus Rating: Average

When compared to adjoining states, Wyoming's unemployment costs appear to be about average. For example,

- o Wyoming's 1985 taxable wage base for unemployment insurance is \$9,500, about average for the adjoining states.
- o Wyoming's 1985 maximum tax rate is 8.25 percent, at the high end of the tax rate continuum.
- o Maximum possible weekly benefit amounts, and average weekly benefits paid in 1982 were slightly above average in Wyoming when compared to adjoining states.
- o Wyoming's 1982 average employer tax rate as a percent of taxable wages (2.25 percent) is the highest of all nearby states, but is still below the U.S. average of 2.53 percent.
- o 1982 unemployment receipts per \$1,000 personal income (\$3.91) were average in Wyoming when compared to nearby states, but still below the overall U.S. average (\$4.65).
- o As of March 31, 1985, Wyoming remains in a solvent position regarding outstanding debt to the Federal Title 12 program for unemployment compensations. By contrast, Colorado and Montana continue to owe money to the program.

b) Workmen's Compensation Insurance Costs

Fantus Rating: Asset

Unlike unemployment insurance costs, workers' compensation costs are an asset in Wyoming when compared to most nearby states and U.S. averages. For example,

- o Wyoming's average annual payment per person employed was \$123 in 1981, the fourth lowest of adjoining states and well below the U.S. average of \$200.

- o Income benefits for scheduled injuries in Wyoming are generally the second lowest of all adjoining states; only Colorado has consistently lower income benefits for specified injuries.
- o Actual workers' compensation rates by SIC (Standard Industrial Classification) Group are the second lowest of all adjoining states, with only South Dakota having consistently lower rates.

However, Wyoming has the highest maximum weekly payment for total disability (\$313.58) of all adjoining states, and is above the U.S. average of \$275.00. Nonetheless, despite this higher-than-average exposure potential concerning maximum weekly payments, all other factors are sufficiently favorable to cause Fantus to rate this factor as an asset in the state.

c) Other Assistance Programs

Fantus Rating: Average

In Wyoming, there are constitutional restrictions limiting the use of public funds to promote business. Therefore, the number of state-sponsored programs available is more limited in Wyoming than in other states without such restrictions. Nonetheless, the state does take advantage of the more widely-known programs, such as industrial development bonds (through the WCDA), SBA Section 503 loans, SBA 502 and 7(a) Loan Guarantee Program, the Small Business Revitalization Program, and the Job Partnership Training Act (JTPA).

A new assistance program created in 1984 is the Small Business Assistance Fund. Under this program, the State Treasurer is empowered to purchase the federally guaranteed portion of SBA and

Farmer's Home Administration business and industry loans in order to reduce the interest rate for the borrower. The loans may be for construction, expansion, renovation of a business, or purchase of equipment. The program is funded to \$50 million, and over \$20 million has been committed thus far.

In addition, the Wyoming Business Development Center has recently opened in Casper which provides free counseling, educational seminars, and a business center for small businesses. Additional centers are planned throughout the state.

16. Labor Supply

Fantus Rating: See Below

Because South Cheyenne is a part of the much larger Cheyenne-Laramie County labor shed, it is not practical to discuss labor availability in South Cheyenne separately from the balance of the larger labor pool, except in a few special instances. Furthermore, prospective major manufacturing or office/service employers to South Cheyenne would not concern themselves with labor availability or supply from just the South Cheyenne area, but rather would be interested in labor availability from the entire labor shed, which in the practical sense is the Cheyenne urbanized area and the balance of Laramie County. Therefore, our discussion of labor supply and availability will concern itself with Cheyenne and Laramie County, not just South Cheyenne.

For all of 1984, Laramie County's average annual unemployment rate stood at 5.1 percent. Unemployment peaked in 1983 locally at 6.7 percent and reached a monthly peak of just over 8 percent this same year. With a civilian labor force of approximately 34,000, this rate of unemployment translates to just over 2,000 people immediately available for work at a recent point in time. The accompanying exhibit at the end of this report chapter details officially published labor statistics for Laramie County since 1975.

In practice, the total number of workers available is in fact higher than that indicated by published unemployment statistics,

which are lower than national averages. For example, the local Job Service office has 3,000 to 3,500 people in its active file presently, which includes not only unemployed, but also people presently working who want to secure better employment. Not included, of course, in any Job Service statistics are those employees who have become discouraged in their search for employment and either have given up entirely, or have moved away from Cheyenne. Therefore, the actual number of people presently available for employment is probably understated.

Except for the comparison of published unemployment rates, and other sample data available from various Job Service offices, there are no convenient ways to gather factual data comparing current labor availability in one area relative to another. However, labor force participation rates are calculated by the Census Bureau every ten years as a part of its census of the population. Although the data is now five years old, it shows overall labor availability, and labor availability by sex, as of 1980 across various communities. As shown in an accompanying exhibit, Cheyenne's labor availability in 1980 was relatively tight when compared to national norms. Both male and female labor force participation rates were 6 to 8 percentage points higher in Cheyenne than the national average, and were exceeded only by Casper's even tighter labor availability during this time period. The ratio of non-workers to workers was also significantly below the national average in Cheyenne in 1980. In part, the presence of F.E. Warren AFB elevates the local participation

rates somewhat, since 100 percent of all male and female military personnel on base are employed.

Although the labor force participation rates locally for males may no longer be entirely accurate (owing to significant changes in local employment in male-dominated occupations since 1980, particularly manufacturing), the relative relationship of female labor force participation rates is probably still accurate, given the much greater stability in those industries typically hiring large number of female clerical workers, such as state government and, insurance companies. Historical labor force participation rates, combined with current estimates of civilian labor force size and unemployment, are often the two "quantifiable" factors, often used by corporations in their initial screening of different areas potential labor availability.

Labor availability in an area varies by industrial sector and type of employer. Therefore, Fantus has divided its evaluation of labor availability in to four separate sections:

- (1) Unskilled and semi-skilled production worker labor availability;
- (2) Skilled production worker labor availability;
- (3) Office/Clerical labor availability; and
- (4) Professional, Technical, and Managerial labor availability.

Our evaluations of these three different labor pools is based on secondary-source data available from the Job Service and State of

Wyoming Employment Security Commission, and from recent Fantus' confidential interviews with numerous employers now operating in the local labor marketplace.

(A) Unskilled and Semi-Skilled
Worker Availability

Fantus Rating: Asset

In our discussions with representatives of both the local Job Service office and local industries, Fantus was consistently told that the availability of unskilled and semi-skilled labor was very good-to-excellent at this time. Although the Job Service representative admitted their active file did not presently show a great number of people with manufacturing experience, this fact is partly explained by the reporting process itself, and the length of time that has elapsed between recent plant closings and the present. As is shown in an accompanying exhibit, manufacturing employment has fallen 35 percent in Laramie County since 1980, as numerous industries went out of business or relocated. Contrary to the economic rebound occurring in some manufacturing sectors since the peak of the nationwide recession in 1982, manufacturing employment in Cheyenne has in fact worsened.

The plentiful availability of unskilled and semi-skilled production workers in all industries is echoed by employers interviewed by Fantus. Several employers used the local Job Service exclusively for all unskilled and semi-skilled hiring needs, in part out of fear of getting inundated with applicants otherwise. Some employers who do in fact take walk-in applications report an average of two to five applicants a day. For unskilled openings in the service industry sector, such as motels, restaurants,

retailers, and non-appropriated civilian positions with F.E. Warren Air Force Base, area employers report excellent availability for full time workers, but only fair availability for part-time workers. The tightening in supply for part-time workers is occurring nationwide, however, as companies seek to lower their costs by hiring workers for whom they need not provide costly benefits. Selectivity ratios of not less than 6:1 for unskilled production worker openings of all kinds are common throughout the Cheyenne area. For those hiring primarily part-time workers, selectivity ratios range from 4:1 to 2:1.

Only a handful of existing employers expect to be adding workers at the unskilled or semi-skilled levels in the next few years. None who are in this position expect to have any difficulty meeting hiring quotas for unskilled or semi-skilled workers in the near future.

(B) Skilled Production Worker
Availability

Fantus Rating: Average

Our overall rating of skilled production worker availability is average. This assessment is the result of considerable diversity among employers regarding skilled labor availability, and comments made by local Job Service office representatives.

Area employers have had a mixed experience in their attempts to hire skilled production workers. One company recently hired a skilled maintenance worker at a pay rate of \$9.50 per hour, and reported no difficulty in filling this position. Another echoed this experience when they hired a journeyman master electrician. However, another employer reported to Fantus that skilled draftsmen, and tool and die workers are difficult to find locally at wages this company is able to pay. Another employer stated skilled labor availability is better now than in 1980, but cautioned they expect skilled labor availability to tighten somewhat once the MX missile project get underway. Only one employer locally (F.E. Warren Air Force Base) expects to be adding significant numbers of new skilled workers in the next few years, and they anticipate no problems getting the people they need. It should be noted, however, that F.E. Warren does not ordinarily hire directly from the local labor market for skilled appropriated positions, but rather recruits those who are registered with the Office of Personnel Management (OPM) in Denver. Thus, the Air Force Base's future impact on the availability of local skilled workers may in fact be quite minimal.

A representative of the local Job Service office reported that highly skilled experienced manufacturing workers are hard to find locally, in part because of the small size of the manufacturing employment sector in Cheyenne. Furthermore, in the construction trades industry, the Job Service representative noted there were shortages in skilled plumbers, electricians, and sheetmetal workers, but that the availability of carpenters and concrete workers was in balance.

(C) Office/Clerical Labor
Availability

Fantus Rating: Average

As Wyoming's state capitol and home both of a major insurance company and telephone company, there is a sizeable number of workers employed in office/clerical functions in Cheyenne. For example, in 1984, there were nearly 10,000 people employed locally in government, which represents nearly a third of the workforce. All services employment represents nearly 85 percent of the total workforce in Laramie County.

Fantus rates local office/clerical labor availability as average. The local Job Service representative reports clerical labor supply as adequate, but competitive, with no large surplus of clerical workers available at this time. Other private sector employers of sizeable numbers of clerical workers report clerical labor availability as adequate-to-good. One employer, who ran a newspaper advertisement recently for a systems clerk, received 30 applications, of which 10 were judged to be qualified. Although this company's selectivity ratio in this instance was 10:1, this employer maintained that local overall clerical labor availability was only good, and only slightly better now that it was a few years ago. At least two other private sector employers also noted that their clerical workforce turns over with some regularity to the State of Wyoming, which generally pays higher wages and has better benefits than most private industry employers in Cheyenne.

(D) Professional/Technical/
Managerial Availability

Fantus Rating: Average

Owing again to a diversity of opinion on this subject, Fantus rates professional/technical/managerial availability in Cheyenne as average.

The local Job Service representative thought there was good balance in the local supply and demand of professional/technical/managerial labor. A local employer further stated that Wyoming's lack of personal income tax made it relatively easy to attract managerial personnel from other nearby states, such as Colorado. This employer noted, however, that recruitment from other parts of the country is difficult, despite the income tax advantage. He attributed this problem primarily to climate, the and "rough and tumble" and isolated image of Wyoming held by many people. Another employer lamented the fact that so few of the graduates from business and engineering programs at the University of Wyoming remain in the state after completing their education. Still another employer stated it was very difficult to recruit single women professionals to the area. This resistance to the Cheyenne area by professionals, particularly women, is hardly unique to Cheyenne or Wyoming. Fantus has encountered this phenomenon in most non-metropolitan areas and smaller metropolitan areas across the country.

**AVERAGE ANNUAL EMPLOYMENT/
LABOR FORCE DATA
LARAMIE COUNTY WY: 1975-1984
(000 Except \$)**

Year	Total Civilian Labor Force (1)	Total Employ- ment (1)	Total Manufac- turing Employ- ment (2)	Total & Public Utilities Employ- ment (2)	Total Wholesale & Retail Employ- ment (2)	Total Finance, Insurance, Real Estate Employ- ment (2)	Total Services & Mining Employ- ment (2)	Total Government Employ- ment (2)	Total Unem- ployed (1)	Rate of Unemploy- ment (%) (1)	Gross Labor Force Parti- cipation Rate (%) (3)
1984	34.5	32.8	1.1	3.7	7.3	1.9	5.0	9.6	1.8	5.1	NA
1983	34.9	32.6	1.3	3.9	7.1	1.7	4.8	9.4	2.3	6.7	NA
1982	33.8	32.1	1.4	4.2	7.0	1.5	5.0	9.2	1.7	5.0	44.9
1981	32.9	31.4	1.5	4.6	7.5	1.6	5.2	9.0	1.5	4.5	46.7
1980	31.3	30.1	1.7	4.4	7.0	1.6	4.8	8.7	1.2	3.9	45.2
1979	30.2	29.4	1.8	4.3	7.0	1.6	4.4	8.2	0.8	2.8	43.7
1978	28.7	27.8	1.8	3.6	6.4	1.5	4.3	7.5	1.0	3.4	42.9
1977	26.0	24.9	1.6	3.2	5.9	1.4	3.9	6.7	1.0	3.9	39.2
1976	25.0	24.0	1.5	3.2	5.6	1.3	3.8	6.8	1.0	4.0	38.1
1975	24.1	23.0	1.5	3.3	5.3	1.2	3.6	6.8	1.1	4.6	37.2

(1) Wyoming Employment Security Commission for all years.

(2) Wyoming Employment Security Commission for 1983 and 1984; Employment, Hours & Earnings, U.S. Department of Labor, Bureau of Labor Statistics, for years 1975 to 1982.

(3) URS-Berger, Final Environmental Planning Technical Report, January 1984.

* Total civilian labor force, divided by total population. This measure differs from traditional labor force participation rates, which are computed on the basis of only those aged 16 years and above. Also, because military personnel are not counted in the civilian labor force, but do appear in the Census Bureau's population figures, the gross labor force participation rates for Laramie County are understated.

SUMMARY STATISTICS - LABOR FORCE PARTICIPATION RATE COMPARISONS: 1980

<u>Area/County</u>	<u>Labor Force Participation Rates (including Military Personnel)</u>		<u>Nonworkers per 100 Workers (including Military Personnel)*</u>
	<u>Male</u>	<u>Female</u>	<u>Total</u>
Cheyenne, WY (Laramie County)	83.6%	55.7%	93
Casper (Natrona County)	88.3	55.9	89
Laramie (Albany County)	66.0	53.3	109
Sheridan (Sheridan County)	77.9	47.7	114
Rock Springs (Sweetwater County)	88.7	49.7	105
Denver, CO (SMSA)	82.2	59.0	87
Fort Collins, CO (SMSA)	76.9	49.5	114
Greeley, CO (SMSA)	77.2	55.2	96
Scottsbluff, NE (Scotts Bluff County)	77.1	49.4	118
State of Wyoming	83.0	51.6	104
State of Colorado	80.0	55.2	96
State of Nebraska	78.0	51.3	107
United States	75.1	49.9	114

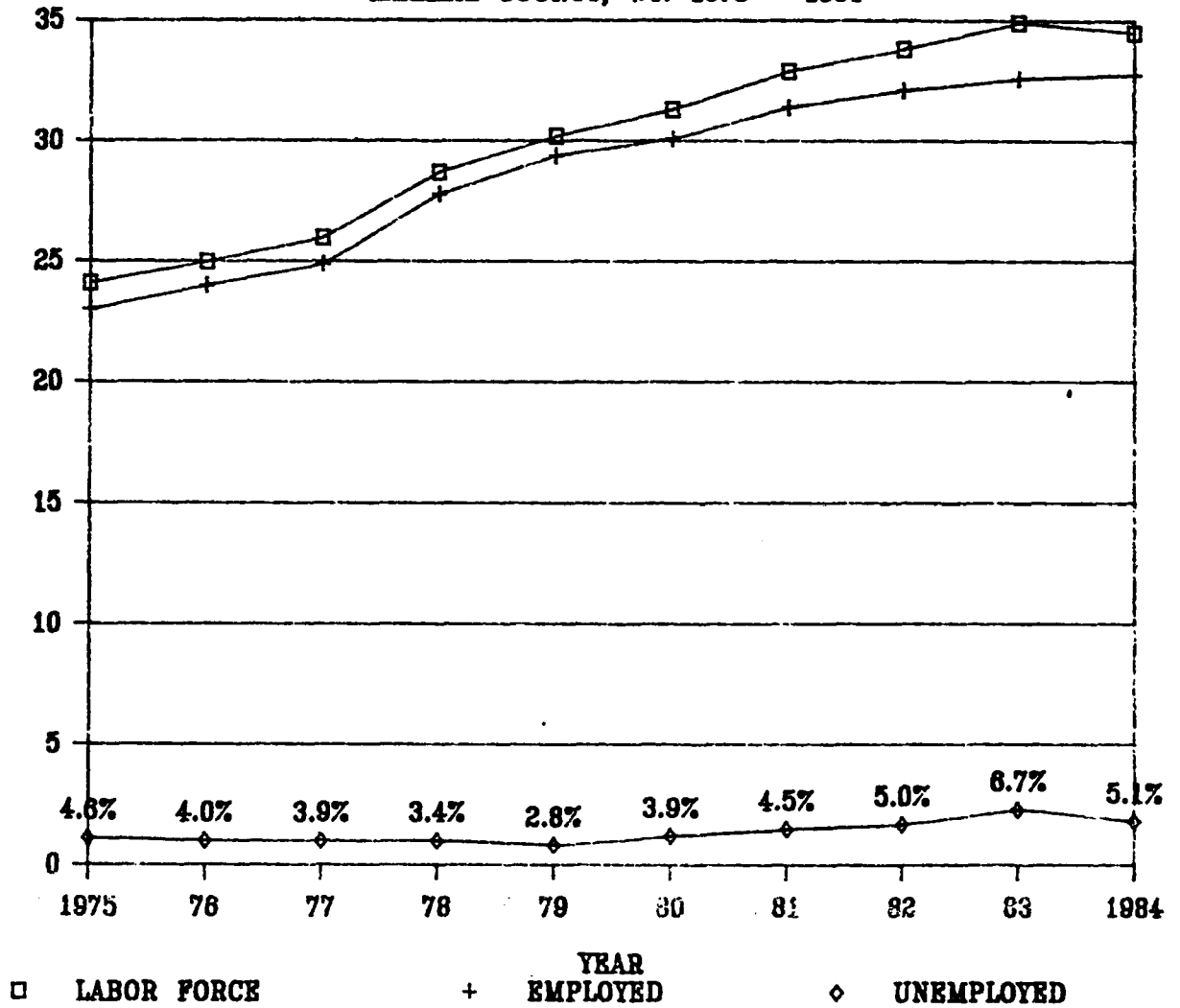
* The ratio of persons not in the labor force, plus persons under 16 years of age, to persons 16 years old and over in the labor force.

Source: 1980 Census of Population, "General, Social and Economic Characteristics," United States Summary, and The Fantus Company calculations. Data shown is for the first week of April 1980, and includes part-time workers. Labor force participation rates exclude those under 16 years of age.

ANNUAL AVERAGE LABOR FORCE DATA

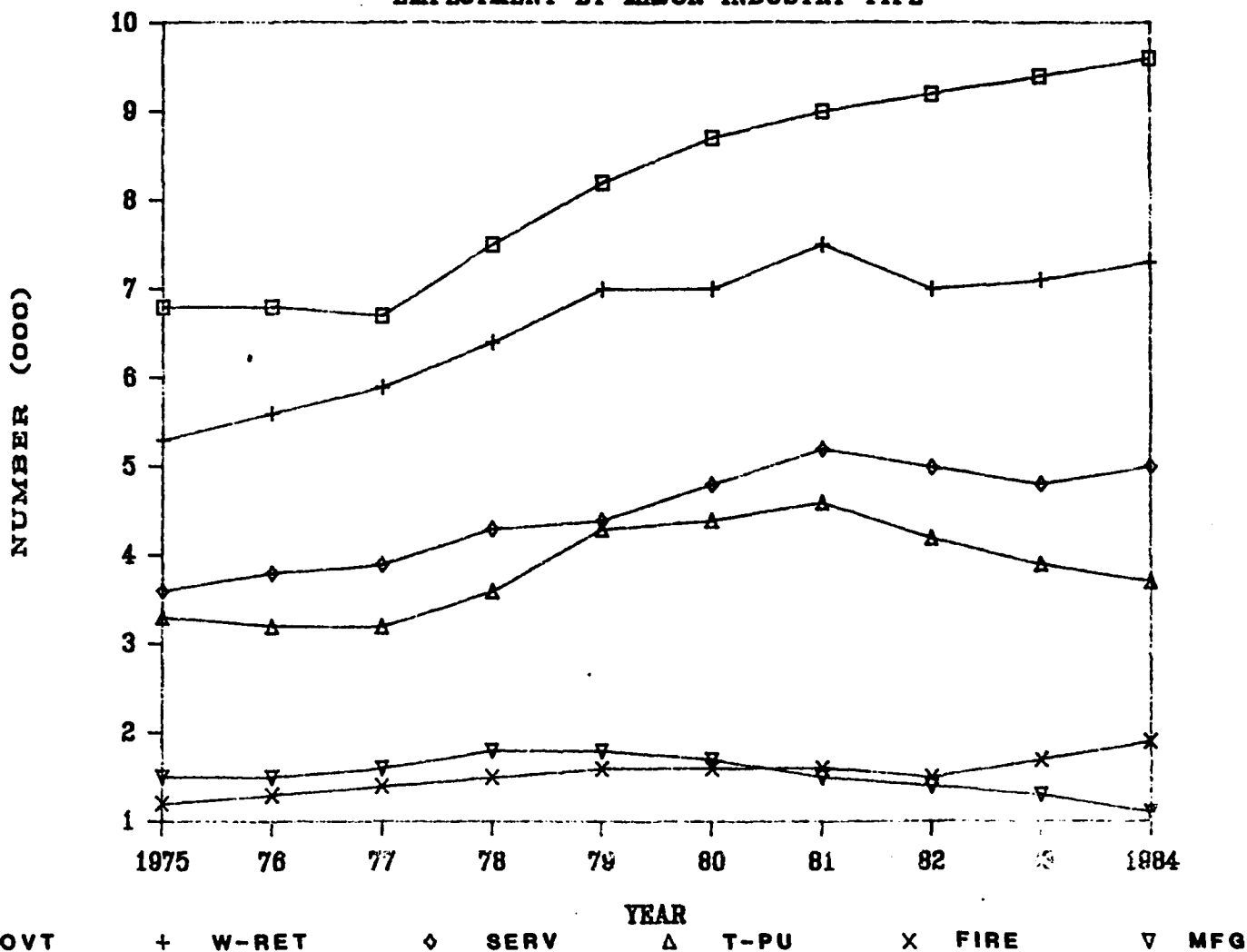
LARAMIE COUNTY, WY: 1975 - 1984

NUMBER 000 (& UNEMPLOYMENT RATE (%))



LARAMIE COUNTY EMPLOYMENT DATA: 1975-84

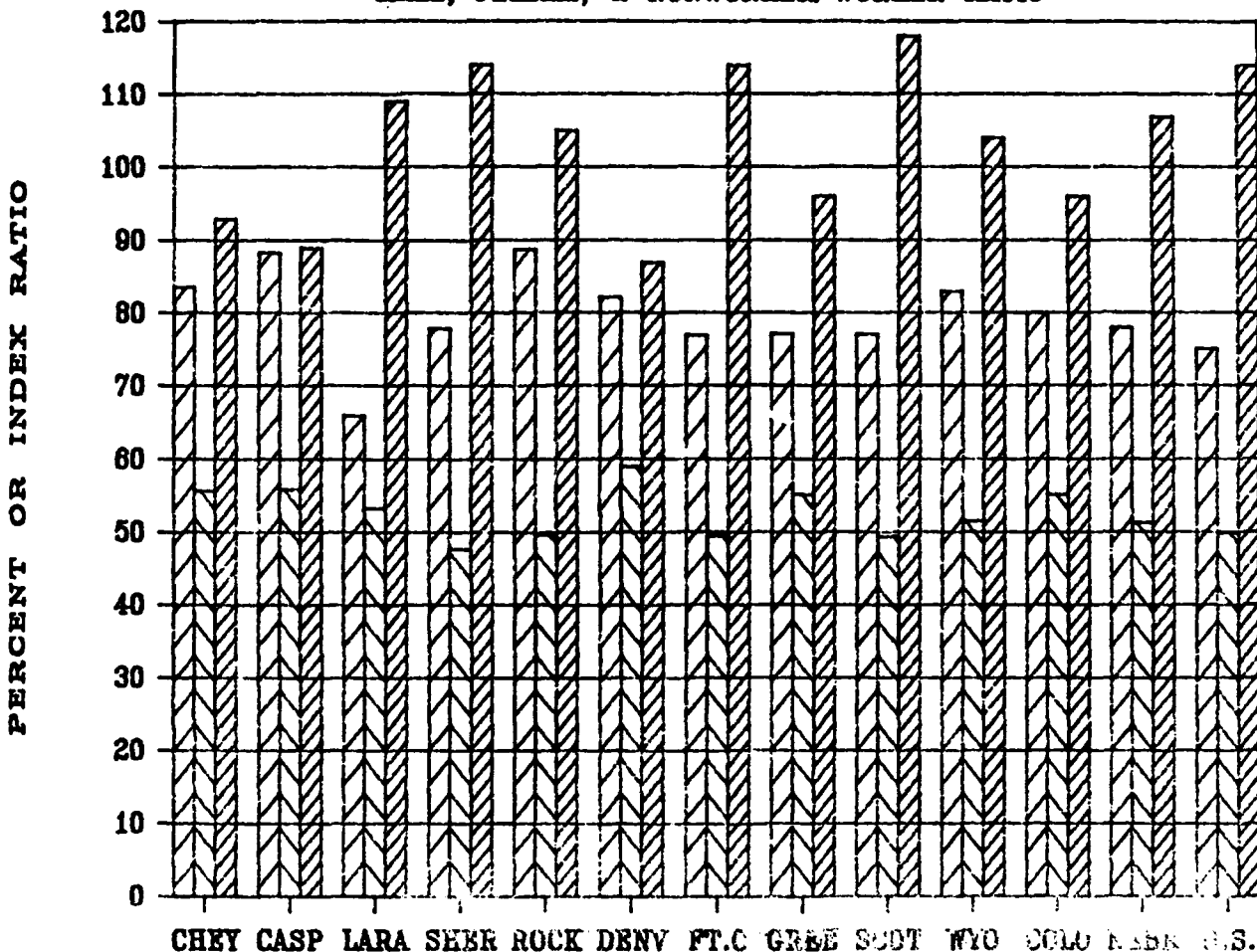
EMPLOYMENT BY MAJOR INDUSTRY TYPE



GOVT = Government
 W-RET = Wholesale-retail
 SERV = Services (including mining)
 T-PU = Transportation & Public Utilities
 FIRE = Finance, Insurance, & Real Estate
 MFG = Manufacturing

LABOR FORCE PARTICIPATION RATES: 1980

MALE, FEMALE, & NONWORKER/WORKER RATIO



MALE (%)
 FEMALE (%)
 TOTAL (INDEX RATIO)

Chey = Cheyenne	Ft.C = Fort Collins
Casp = Casper	Gree = Greeley
Lara = Laramie	Scot = Scottsbluff
Sher = Sheridan	Wyo = State of Wyoming
Rock = Rock Springs	Colo = State of Colorado
Denv = Denver	Nebr = State of Nebraska

17. Labor Management Relations

Fantus Rating: Average

In evaluating an area's labor-management relations climate, there are a number of common indicators considered by corporate site seekers. One important factor is whether the state has passed a right-to-work law forbidding mandatory union membership. Wyoming is one of 21 states that have adopted right-to-work laws. Other important factors are the overall level of unionization, recent strike history, the extent of recent union organizing attempts, and the general labor organizing attempts, and the general labor relations climate.

During its field work, Fantus interviewed over a dozen employers of all sizes in the greater Cheyenne area. Of these, four had a least some employees represented by unions. Another employer, the State of Wyoming, has employees represented by the Wyoming Public Employees Association, but this union is not recognized for bargaining purposes by the State of Wyoming.

One major company whose workers are unionized rated his labor management relations as fair-to-good, but noted that their formal grievance load has increased over the past two years. He attributed this increase to a recent "get tough" approach of management to all labor matters, particularly absenteeism. Another major employer with workers represented by a union described his current labor management relations as quite good now, but added that they are much improved over recent years when both union

members and local leaders were "much more militant". Another large employer reported that an average of 40 to 50 grievances are filed at all levels each year, but nonetheless described his labor management relations as very good. Still another employer with unionized workers described his labor management relations as "good ... certainly better than in the community of Cheyenne as a whole among unionized employers."

Among those four companies interviewed by Fantus with workers represented by a union, one experienced a strike in 1979, another in 1980, and another in 1984. All strikes were related to national contract issues, however, not local issues. Only one employer interviewed by Fantus experienced a strike over local issues, and that occurred in 1975.

Shown in the accompanying exhibit are single-unit National Labor Relations Board (NLRB) union representation elections which have been conducted in the Cheyenne area from 1975 to Spring 1983. During this time frame, there were 15 union representation elections, across all industries. For point of reference, between 1966 and 1983, there were a total of 28 union representation elections in the Cheyenne area. Over 53 percent of the more recent elections (since 1975) resulted in a victory for the union. The Teamsters have been very active in organizing efforts, but have had little success in the recent past. The construction trades unions have had recent successes, as have the Machinists, the Communication Workers Union, the Retail Clerks,

the United Food and Commercial Workers, the Meat Cutters and the Service Employees.

In summary, the proportion of the local manufacturing workforce represented by a union is low, and the number of union elections per thousand workers across all industries in Cheyenne has historically been below union election levels in the industrial mid-west. However, the percentage of union wins across all industries in Cheyenne has been equal to many other parts of the country. This fact, along with comments made by local employers on this subject matter, leads Fantus to rate overall labor management relations in Cheyenne as average.

SINGLE-UNIT NLRB ELECTIONS
1975 to Spring 1983
Greater Cheyenne, Wyoming

<u>Date</u>	<u>Union</u>	<u>Company</u>	<u>SIC Code</u>	<u>Win, or Lose*</u>	<u>For</u>	<u>Again</u>
9/76	Teamsters	Teton Construction	15	L	3	14
8/81	Teamsters	AMF Wyott	28	L	59	115
7/75	Teamsters	Morandin Concrete	32	L	1	6
2/83	Teamsters	Interstate Moving	42	L	3	8
1/77	Teamsters	Burke Moving	42	L	4	8
1/78	Meat Cutters	Buttrey Foods	54	L	3	5
6/79	Teamsters	Bob Creegers Autom	55	L	3	8
11/79	Laborers	Sauter Construction	15	W	9	8
3/80	Carpenters	EMJ Corporation	15	W	3	2
5/79	Laborers	P.S. Cook Plumbing	17	W	7	1
5/80	Machinists	Westguard Indus	35	W	12	4
10/81	C.W.A.	Mountain States Te	48	W	78	57
4/80	Service Employees	Job Employment Tem	51	W	13	0
6/81	U.F.C.W.U.	Albertsons	54	W	2	0
6/77	Retail Clerks	Safeway	54	W	4	0

Source: NLRB (National Labor Relations Board) and proprietary Fantus data files.

*wins or losses from the union's perspective.

C.W.A. = Communications Workers of America

U.F.C.W.U. = United Food and Commercial Workers Union

18. Water Availability & Reliability

Fantus Rating:
Present: Liability
Future: Liability

Water in the Cheyenne area is supplied and administered by the Cheyenne Board of Public Utilities (CBPU). This organization oversees water distribution within the Cheyenne city limits. In South Cheyenne, the South Cheyenne Water and Sewer District (SCW&SD) contracts to purchase water from the CBPU for subsequent resale and distribution in South Cheyenne. The CBPU also supplies water to F.E. Warren Air Force Base, but the Air Force has responsibility for water distribution on base. Despite all the different political entities, the water system operates as a single network.

The Cheyenne Board of Public Utilities operates two water treatment plants, with a total daily surface water treatment capacity of 26 million gallons per day (mgd). The Board can also supplement the supply of treated water by pumping ground water from three wellfields located in the Ogallala and White River aquifers. Average daily demand systemwide is 12.8 mgd, but has peaked at 33.5 mgd. The total system is presently thought to have an effective water supply limit of 32 mgd, with an absolute maximum of 35 mgd possible during the summer by excessive short-term overpumping of the wellfields. Recent declines in ground-water levels have been noted.

In South Cheyenne, recent average daily demand is 0.7 mgd. Peak daily demand in South Cheyenne has recently been measured at approximately 1.2 mgd. The maximum capacity of the three master meters in South Cheyenne is in excess of 6 mgd.

In October 1983, the SCW&SD placed a moratorium on any further tap-ins to its water and sewer lines. This moratorium was implemented after frequent complaints were made of low water pressure throughout the district. Subsequent studies determined that water pressure problems in South Cheyenne were caused principally by inadequately-sized distribution lines, and the lack of dense inter-looping in some areas. This moratorium was lifted in the spring of 1984, after it was determined that additional development in the South Cheyenne area, along with prudent interconnections within the system itself, would actually improve water pressure problems in the district.

At the present time, both Cheyenne and South Cheyenne have water supply systems that would be viewed as a liability by most industrial prospects. However, both systems are in the process of upgrading basic supply and distribution systems that will alter this negative evaluation, but only in the short run. Cheyenne, which presently is experiencing peak water system demands equal to capacity, is completing its participation in its Stage Two water supply improvements, which will expand access to west slope water and will add 5,000 acre feet of water availability locally (which translates to 4.46 mgd). This improvement will be com-

pleted by 1986 or 1987. An additional 11,000 acre feet will also be accessible at the completion of Stage Two improvements, but will require construction of a second pipeline from Lake Owen to the Crow Creek watersheds to make additional water available locally in Cheyenne. No funding has yet been established for the construction of the second pipeline, and with a two year lead time on construction, water availability and reliability could become a liability once again in the Cheyenne area by the turn of the decade, since local projections show the need for this additional water will be present under "normal" conditions by 1990-1992. Even if funding from a water development account at the state level is used to pay for the cost of this pipeline, several million dollars will still be needed as a local contribution to pipeline construction costs. Therefore, there is the additional potential for future major rate increases for water costs in Cheyenne at a date possibly as early as the 1990's.

In South Cheyenne, various improvement phases (new trunk lines, loops, extensions, and interconnects) are underway to bring major changes in the local water distribution system so that water availability improvements can be made. Upon completion of these recommended actions in the next few years, the South Cheyenne Water and District should be able to supply water adequately to an effective population of 15,000. With all improvements implemented, the SCW&SD will be able to satisfy a maximum daily demand (with fire flow) of 6 mgd in the future. It should be noted that because district residents continue to utilize a considerable

amount of well water for lawn watering and irrigation purposes, per capita water consumption in South Cheyenne is not as great as it is nationally.

Only one employer interviewed by Fantus during the course of its fieldwork had negative comments concerning water availability. This operation, the Holiday Inn, is located in South Cheyenne and is the SCW&SD's largest single customer. Chronic water pressure problems, particularly in the summer months during the evening, were reported. However, studies conducted by outside engineers made a determination that the water pressure problems being experienced by the Holiday Inn were internal within the motel, and not external to the overall system. The Holiday Inn management disputes these findings, however, and continues to experience water pressure and sedimentation problems during the summer months.

In Fantus' judgment, even with the short term improvement planned in water availability in Cheyenne overall, and the distribution improvements underway in the South Cheyenne Water and Sewer District, systemwide water availability and reliability will be viewed as a liability by most industrial prospects requiring large amounts of water in the production process. Although water availability should be no problem during off-peak periods, the potential for conflict during peak summer demand periods is fairly high. These availability and reliability issues, combined with the already high rates and exposure potential for future

rate increases associated with new pipeline construction, will lead most industries requiring large amounts of water in the production process to not consider the South Cheyenne or Cheyenne areas. The only factor which may potentially change this viewpoint by industry would be if a major water user presently operating in the community were to cease operations. In this case, water availability would be greatly increased, and financial incentives may then exist to encourage a new major heavy water user to locate in the community.

19. Sewage Treatment Availability

Fantus Rating:
Cheyenne: Present: Liability
Future: Liability
South Cheyenne: Present: Liability
Future: Liability

Sewage treatment services are presently provided in the greater Cheyenne area by two different entities: the City of Cheyenne, and the South Cheyenne Water and Sewer District. Current and short term system operating characteristics are shown below:

**Sewage Treatment Capabilities
(MGD)**

Greater Cheyenne, Wyoming

<u>Plant</u>	<u>Design Capacity</u>		<u>Recent Peak Flows</u>	<u>Future Projections</u>		
	<u>Present</u>	<u>Future</u>		<u>Treated Sewage, Average Day</u>		
				<u>Total</u>	<u>Peak Month</u>	
Crow Creek	4.0	4.0	5.5	1987	9.56	11.48
Dry Creek	4.5	7.0	4.0	1990	9.91	11.87
SCW&SD*	.6	- *	.76	1992	10.27	12.29
	<u>9.1</u>	<u>11.0</u>	<u>10.26</u>			

*The SCW&SD plant will be closed. . In its place, a 2.5 mgd pipeline will be built to permit wastewater from the South Cheyenne area to be treated in City of Cheyenne facilities.

mgd = million gallons per day

Source: Final Environmental Planning Technical Report: Utilities, URS-Berger, January 1984.

Because hydraulic loadings are a limiting factor to systemwide operating efficiency, pretreatment to a residential strength sewage level is required of any new industry considering Cheyenne or South Cheyenne as a location for a new manufacturing or processing facility.

As indicated by the data on the previous page, all treatment plants in the Cheyenne area need immediate relief or expansion. For example, the combined capacities of the Crow Creek and Dry Creek plants are now exceeded for several months each year. In response to the problems, a recent 201 Facilities Plan has been completed, which recommends the abandonment of the South Cheyenne sewage treatment plant, the transporting of South Cheyenne waste water to the Crow Creek plant, the diversion of flow in excess of 4 mgd from Crow Creek to the Dry Creek plant, the expansion of the Dry Creek plant to at least 7 mgd, and the adoption of specific improvements to both the Crow Creek and Dry Creek plants. All 201 Facilities Plan features should be fully implemented by no later than 1988. Nonetheless, even after the 201 recommendations are fully adopted, the total system capacity will be increased to only 11 mgd, while average day system loadings are expected to peak at 10.27 mgd as early as 1992. Another expansion in the Dry Creek plant's capacity to 8 mgd may need to be undertaken to accommodate peak monthly flows by as early as 1992. It is possible that the expansion of the Dry Creek plant to 8 mgd will take place, however, during the current 201 facilities phase, and not at a future date.

Despite the liability rating given to the issue of sewer treatment capacity in Cheyenne, the relative availability in the South Cheyenne Water and Sewer District will improve. This improvement is the result of plans to install a pipeline with 2.5 mgd capacity from South Cheyenne to Cheyenne, thereby greatly improving the capabilities of the local system in South Cheyenne relative to current conditions, which are very poor because of chronic overloading of the system presently. Nonetheless, a typical industrial prospect with significant sewer flows and/or loadings will be concerned with the capacity of the total sewage treatment system, not just the capability of the local system in South Cheyenne, since the two systems are really one. Therefore, Fantus has rated future availability of sewage treatment service as a liability for South Cheyenne, reflecting total system capabilities, not simply the capabilities of a particular subsystem.

20. Natural Gas Availability
and Reliability

Fantus Rating: Asset

Natural gas is supplied to both Cheyenne and South Cheyenne by Cheyenne Light, Fuel & Power (CLF&P), a subsidiary of Public Service of Colorado. The local utility does not obtain any of its supply through its own production, but instead purchases all of its gas from Colorado Interstate Gas. CLF&P reports no curtailments recently, and states that 8,509,690 MCF of natural gas was consumed systemwide in 1984. Availability of additional natural gas is reported not to be a problem. A major gas distribution station is located west of South Cheyenne, near College Drive and Tank Farm Road.

Among those industries interviewed by Fantus, none reported any dissatisfaction with natural gas availability or reliability. One company purchases its natural gas directly from Amerada Hess, which is then distributed to the company through CLF&P lines with the company paying a mixture of rates. Such direct purchases are possible with regulatory approval from the state of Wyoming.

Of significant local interest is a new state law which went into effect May 23, 1985. Called the Natural Gas Act, the law allows cities, with the approval of voters, to shop for less expense supplies of natural gas and requires local utilities to deliver it to homes and businesses. It also authorizes cities to negotiate prices suppliers on behalf of consumers. This law, which closely mirrors changes proposed nationally by the Federal

Energy Regulatory Commission, is likely to face a court challenge, and is aimed specifically at lowering the cost of natural gas supplied by certain utility companies in the state of Wyoming, not increasing its availability or reliability of supply. However, an indirect effect of the legislation could be the increase of natural gas availability in the future.

21. Electric Power Availability
and Reliability

Fantus Rating: Average

The availability of a reliable and high quality supply of electric power -- both now and in the future -- is a major concern of corporate site seekers, particularly those in industrial processing operations. As industry grows more dependent on precision electronic controls and computers, it is also becoming increasingly sensitive to interruptions, surges, and shortages in electrical power supply.

Electric power is supplied to the greater Cheyenne area by the Cheyenne Light, Fuel & Power Company (CLF&P). This utility also services a major portion of Laramie County. Although this company is subsidiary of Public Service of Colorado, it obtains all of its power via the Wyoming Area Power Authority (WAPA) through a wholesale purchase arrangement directly from Pacific Power and Light's Dave Johnston coal-fired generating plant in Glenrock, Wyoming. During periods of time when this plant is not in operation (due typically to maintenance procedures), CLF&P obtains its power from other WAPA and Rocky Mountain Power Authority (RMPA) sources.

The interconnect capacity between CLF&P and the PP&L Glenrock generating station is 150 mw (megawatts). The utility is expecting to reach a peak system demand of approximately 106 mw this upcoming winter, or approximately 71 percent of interconnect capacity. The recent growth in peak system demand (contrasted to

the 94.3 mw system peak in February 1985) is attributable to recent increases in consumption by a large industrial user. CLF&P's projected capacity utilization of 71 percent is about average for all utilities nationwide, which had a utilization rate of 68.9 percent for winter 1983/84, and 75 percent for summer 1983, according to the North American Electric Reliability Council. It should be noted that the Cheyenne area experiences peak demand for electricity in the winter months.

Since 1980, Cheyenne Light, Fuel & Power has experienced steady growth in total energy sales, as is shown below:

Energy Sales (MWH - Megawatt Hours)
Cheyenne Light, Fuel & Power Company

<u>Year</u>	<u>Total</u>	<u>Residential Average</u>	<u>Number of Customers Year End</u>
1980	412,099.7	142,731.3	28,091
1981	435,659.9	144,731.9	28,796
1982	462,297.3	156,338.9	28,802
1983	470,107.4	159,306.3	29,436
1984	490,762.2	170,101.3	29,805
% change, 1980-1984	+19.1%	+19.2%	+6.1%

Source: Cheyenne Light, Fuel & Power.

A total of five substations serve the greater Cheyenne area. The largest of these is the Hilltop Substation, which is located immediately adjacent to South Cheyenne. This substation has recently doubled its capacity to 100 megawatts, but has

experienced a peak load of only 48 mw. Looped service is provided to most customers served by this substation, and to a majority of customers throughout the CLF&P service territory.

Cheyenne Light, Fuel & Power does not have differential seasonal or time-of-day billing rates, as do many utility companies nationwide. However, the company determines billing demand based on the 15 minutes of maximum use during each month (that is, a "15-minute peaking period"). Although the trend toward 15-minute billing periods appears to be growing nationwide, industrial customers generally prefer longer billing demand periods, such as 30 minutes or one hour, claiming that shorter measuring periods artificially increase the relative level of peak consumption, and hence their bills. However, shorter peaking periods encourage heavy users to spread out their loads more carefully, which results in greater system-wide efficiency for the utility. Cheyenne Light, Fuel & Power's 1984 annual load factor was reported by company officials to be 74.44 percent, which is well into the upper range of load factor performance for a utility company. It should be noted that no company interviewed by Fantus during its Cheyenne-area field work spoke unfavorably concerning the 15-minute peaking period utilized by Cheyenne Light, Fuel & Power to determine billing demand.

In Fantus' judgment, Cheyenne Light, Fuel & Power's line extension policy for service to new industrial users is also favorable for the attraction of new customers. In essence, the

company will construct---at its own expense---the necessary overhead extensions of its electrical distribution system if the potential user signs a revenue guarantee agreement stating that the company will purchase electricity amounts of not less than 2 percent per month of the total investment cost required to bring service to the lot line. This policy translates to a 4-1/3 year "investment cost recovery period." Many utility companies have line extension policies requiring two to three year "revenue recovery" periods. Longer cost recovery periods are particularly advantageous to attracting smaller industrial users of electricity, because such an employer may not meet the minimum usage levels over a shorter time period in another utility's service territory, and thereby be required to pay directly a part of the actual cost of line extension.

Regretably, Cheyenne Light, Fuel & Power was unable to provide any quantifiable detail concerning power reliability within its service territory. Neither E.E.I. (Edison Electric Institute) power availability ratings, nor recent outage histories for either individual substations or the system as a whole were available from company officials. In light of the absence of such commonly-available quantifiable data, Fantus was required to rely extensively on the qualitative opinions of manufacturing, processing, and office employers to assess the overall quality and reliability of electrical power service in the greater Cheyenne area.

During the course of its fieldwork, Fantus interviewed both large and small industrial and commercial users of electric power in Cheyenne to ascertain the level of satisfaction existing among business presently served by CLF&P. In general, significant dissatisfaction was expressed. One major employer reported that outages occurred "at least six to twelve times a year," and several were not storm related. "They never give us an explanation as to why power goes out during non-storm periods", stated this company official, who added that outages typically range from "one-half hour to four hours." Another company reported storm-related outages occurred "frequently." Still another complained of "far too frequent" surges in electric power service, and stated that they were required to purchase costly additional equipment to solve problems of computer interruptions caused by surges and irregular delivery. A large employer reported that outages occur at least twice a year, and stated that "our electric service needs to be revamped and improved; the distribution system in this part of town needs to be upgraded," and added that "when we have non-storm related outages, CLF&P typically does not know what the problem is."

About half of all employers interviewed by Fantus did not have any negative comments to make concerning the availability and reliability of electric power service provided by Cheyenne Light Fuel, & Power Company. However, the proportion of local companies making adverse comments on electric power service is unusually high in Fantus' experience.

In summary, Cheyenne Light, Fuel & Power has adequate reserve capacity to support new industrial growth, reports an above average power factor, does not have seasonal or time-of-day rates, and has an attractive line extension policy concerning cost recovery for new industrial customers. The Hilltop Substation, which services the South Cheyenne area, has recently been upgraded, and more-than-adequate capacity exists at this substation as well. However, there appears to be a higher-than-average level of dissatisfaction with the reliability and quality of power delivery within CLF&P's service territory. The absence of quantifiable data to the contrary from the utility makes it difficult to determine whether reported reliability and quality of delivery problems are perceptual or real. For these reasons, Fantus rates power availability and reliability as average for Cheyenne Light, Fuel & Power Company.

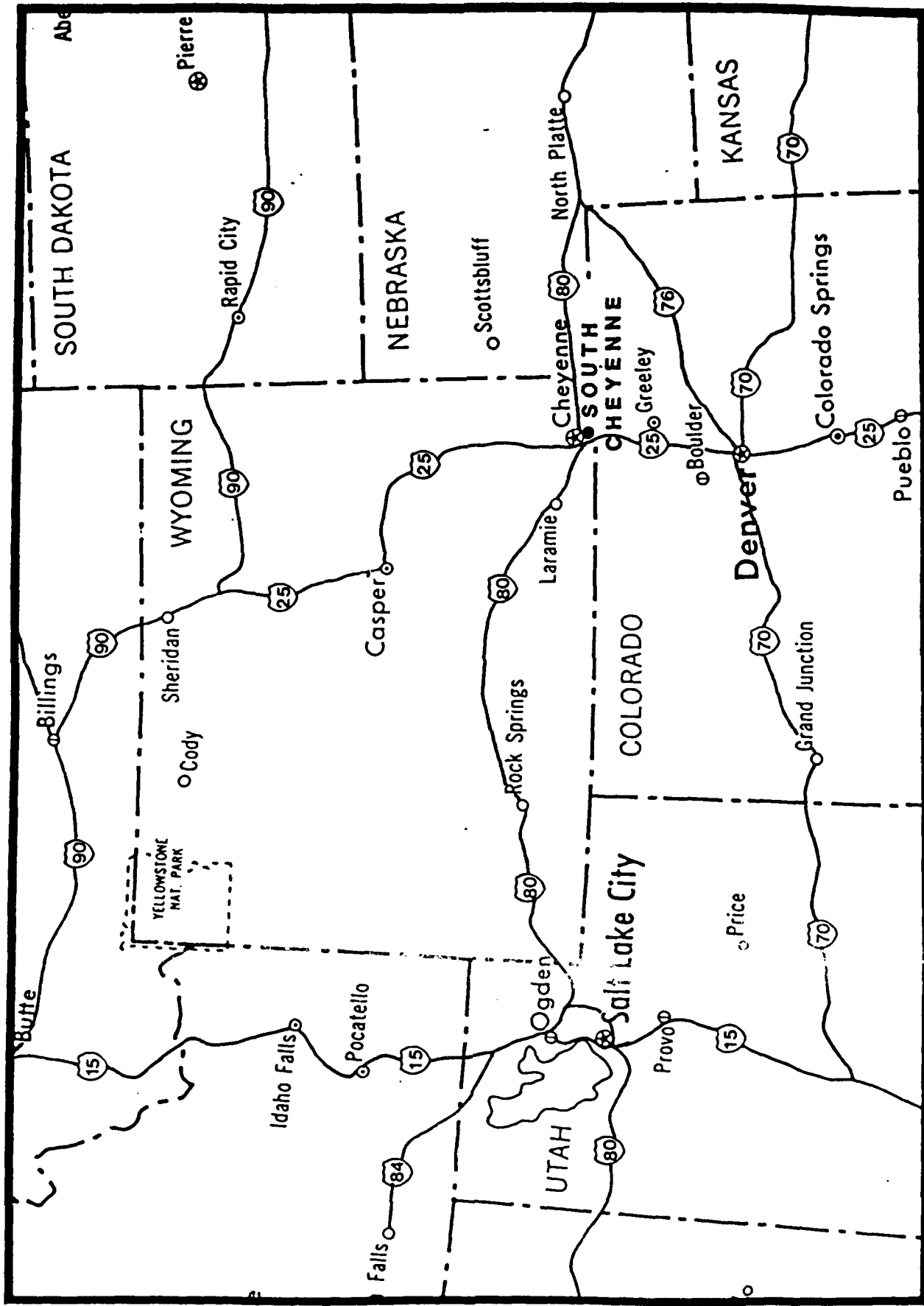
22. Highway Accessibility

Fantus Rating: Asset

Greater Cheyenne sits astride two major interstate highways. Interstate 80, one of the main east-west routes spanning the entire country, is located adjacent to both Cheyenne and South Cheyenne, as a Interstate 25, an important north-south roadway linking the community with Denver, Colorado Springs, Albuquerque, and El Paso to the south, and Casper and Billings to the north. Although both roadways are occasionally closed due to adverse weather conditions in the winter, this problem occurs throughout many parts the western United States, and is not a local problem.

The presence of two interstate highways in Laramie County is a major asset in the area's ability to attract new manufacturing and distribution facilities, and to a lesser degree, service industries. Many site-seeking firms establish arbitrary distance guidelines in their preliminary site screening process. This criteria seldom exceeds 20 miles, and more often is limited to 10 to 15 miles. South Cheyenne would, of course, meet any of these criteria distances.

Location along two major interstate highways is also an asset in that it assures frequent, competitive trucking service from numerous carriers. For example, Consolidated Freightways relocated to Cheyenne from the Denver area because it found Cheyenne's location to be ideal for its business, which is focused on east-west shipping along Interstate 80.



REGIONAL INTERSTATE ACCESS:
GREATER CHEYENNE, WYOMING

23. Railroad Freight Service

Fantus Rating: Asset

Rail service to the Cheyenne area is provided by two railroads: the Union Pacific, and the Burlington Northern. Neither provides service within the defined area strictly defined as South Cheyenne, however. The UP's class "A" east-west mainline passes through Cheyenne, and the railroad also provides mainline service to the south via Greeley and Denver. The rail yard has the capacity for 850 cars. Through-trains arrive daily, and daily switching is available in Cheyenne, as are T.O.F.C. (piggy-back) facilities. Track condition for the Union Pacific is excellent, with speeds of 70 miles per hour permissible along the east-west run through the Cheyenne area.

The Burlington Northern Railroad operates class "A" north-south trackage from the Powder River coal basin near Gillette south to Denver and then on to points further to the south and southeast. Daily switching is also provided in Cheyenne on the Burlington Northern system. Unlike the UP, the Burlington Northern has no T.O.F.C. facility in Cheyenne; the nearest piggyback intermodal point on the BN system is in Denver. Reciprocal switching between the UP and BN is generally available within the Cheyenne city limits. Both railroads also have minor repair facilities in Cheyenne; major repair facilities for the UP are located in Green River, Wyoming, while Alliance, Nebraska is the major repair location for the Burlington Northern.

Average in-transit times to various destinations on the Union Pacific are shown below:

Average Rail In-Transit Times

Cheyenne to:

<u>Destination</u>	<u>Time (Days)*</u>
Atlanta	4
Boston	5
Baltimore	5
Chicago	2
Dallas	4
Denver	1
Houston	4
Los Angeles	4
Minneapolis	4
Memphis	3
Portland	3
St. Louis	2
San Francisco	4
Seattle	3.5

Source: Union Pacific Railroad

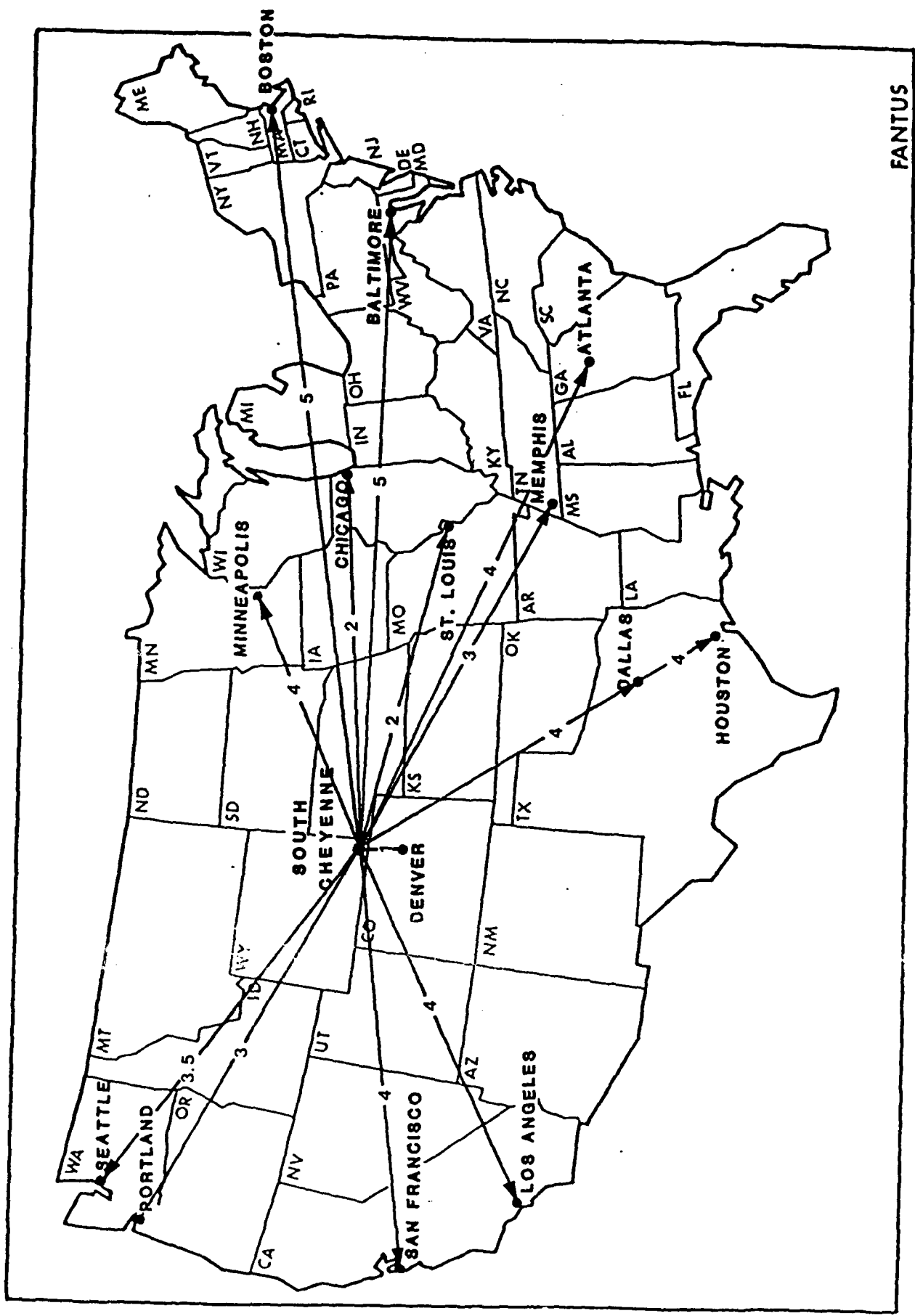
* Numbers shown represent actual travel time (running days), not placements at origin or destination. On average, add two days for local switching and placement.

Among those local industries interviewed by Fantus, only two were using rail service. One industry bluntly stated it was dissatisfied with service provided by the UP, noting that "unless you are a major user, you'll always get poor service from the UP." Another industry reported its shipping used to be 80 percent by rail, but that recently it measured out at just 20 percent of total shipments. This industry reported, however, that rail continued to have a cost advantage for truly long hauls. For the majority of shipments within its primary

marketing area, this company stated that recent truck deregulation has resulted in more competitive rates being offered by trucking concerns than from the railroads.

Although the ratio of inbound to outbound shipments in the immediate Cheyenne area is reported by Union Pacific officials to be in balance, on a regional basis, the volume of outbound shipments of coal and other minerals passing through Cheyenne from more distant Wyoming points is very high. Therefore, there is interest on part of both the UP and BN in generating inbound offsetting backhaul business. Given the high regional proportion of outbound to inbound shipments, this imbalance could make the Cheyenne area attractive to a new industry requiring substantial inbound rail shipments.

Relatively few communities are so fortunate as to have two mainline railroads. The primary industrial parks in the area are also rail-served. These facts, combined with recent deregulation which allows railroads to compete with one another on the basis of price and service, are an asset to the area, in Fantus' judgment.



FANTUS

TYPICAL RAIL IN-TRANSIT TIMES

24. Proximity to Consumer/
Industrial Markets

Fantus Rating: Liability

When assessing a given area's potential with respect to serving consumer and industrial markets on an overall basis, marketing professionals typically rely on population within a particular service range to rate the community's proximity to markets. These measures may vary depending on a particular prospects' needs. For example, retail or wholesale sales may be relatively more important to one prospect, while manufacturing value added within a particular commercial or industrial sector may be the salient factor to another.

Consumer and industrial markets within a 500-mile radius are typically considered to be within effective service range by many Fantus clients. This radius represents two days in-transit time for less-than-truckload shipments, and one day for full truckload shipments.

With regard to the markets within 500 miles of South Cheyenne, this area of effective service contains:

- o 33.5 percent of the contiguous 48 states land area.
- o 5.6 percent of the contiguous 48 states population as of 1980, representing an average population density of 16.1 people per square mile within 500 miles of Cheyenne. By contrast, 64.0 people per square mile is the average for the entire contiguous 48 states.
- o 6.6 percent of the 1980 contiguous 48 states total retail sales.

- o 5.1 percent of the 1977 contiguous 48 states total wholesale trade.
- o 3.2 percent of the 1977 contiguous 48 states total manufacturing value added.

Given the low percentages of population, retail sales, and manufacturing value added within 500 miles of South Cheyenne, our overall rating is that proximity to markets is a liability. An exhibit following the text of this section compares South Cheyenne's proximity to markets to other recent Fantus community clients.

In the future, population growth within this 500-mile radius area is expected to exceed the national rate, given the rapid growth of such major metropolitan centers as Denver and Salt Lake City. This growth will slowly improve the consumer and wholesale markets access situation, but it will remain a liability for the foreseeable future. Access to industrial markets may also improve slightly, but The Fantus Company has observed in its facility location work that the increasing adoption by manufacturers of just-in-time inventory control systems has strengthened the position of the traditional Manufacturing Belt in facility location. The accelerating trend towards automation has led to retrofitting of existing facilities, thereby further slowing the establishment of industrial facilities in new locations. However, market-driven industries serving localized markets (such as bottlers, food processors, pet food producers, etc.) are directly influenced by population changes within a

certain area, and are more likely to open new facilities if population growth in the market to be served is rapid.

With the exceptions of local market oriented facilities, both of these broader trends (just-in-time inventory and retrofitting) will tend to retard industrial growth in the area within 500 miles of South Cheyenne.

**PROXIMITY TO MARKETS: SOUTH CHEYENNE
VERSUS
OTHER RECENT FANTUS COMMUNITY CLIENTS**
Basis: Percent of Contiguous 48 States
Retail Sales and Manufacturing Value
Added within 500-mile Radius
of Selected Community

<u>Community</u>	<u>Retail Sales</u>	<u>Manufacturing Value Added</u>
South Cheyenne	6.6%	3.2%
Mesa AZ	11.0%	7.0%
Mesa County CO (Grand Junction)	5.7%	2.3%
Wichita Falls TX	12.9%	9.8%
Baton Rouge LA	18.0%	14.0%
Freeport IL	33.0%	39.0%
Duluth MN	14.5%	16.8%
Green Bay WI	23.5%	29.2%
Sweetwater County WY (Rock Springs/Green River)	4.5%	1.8%

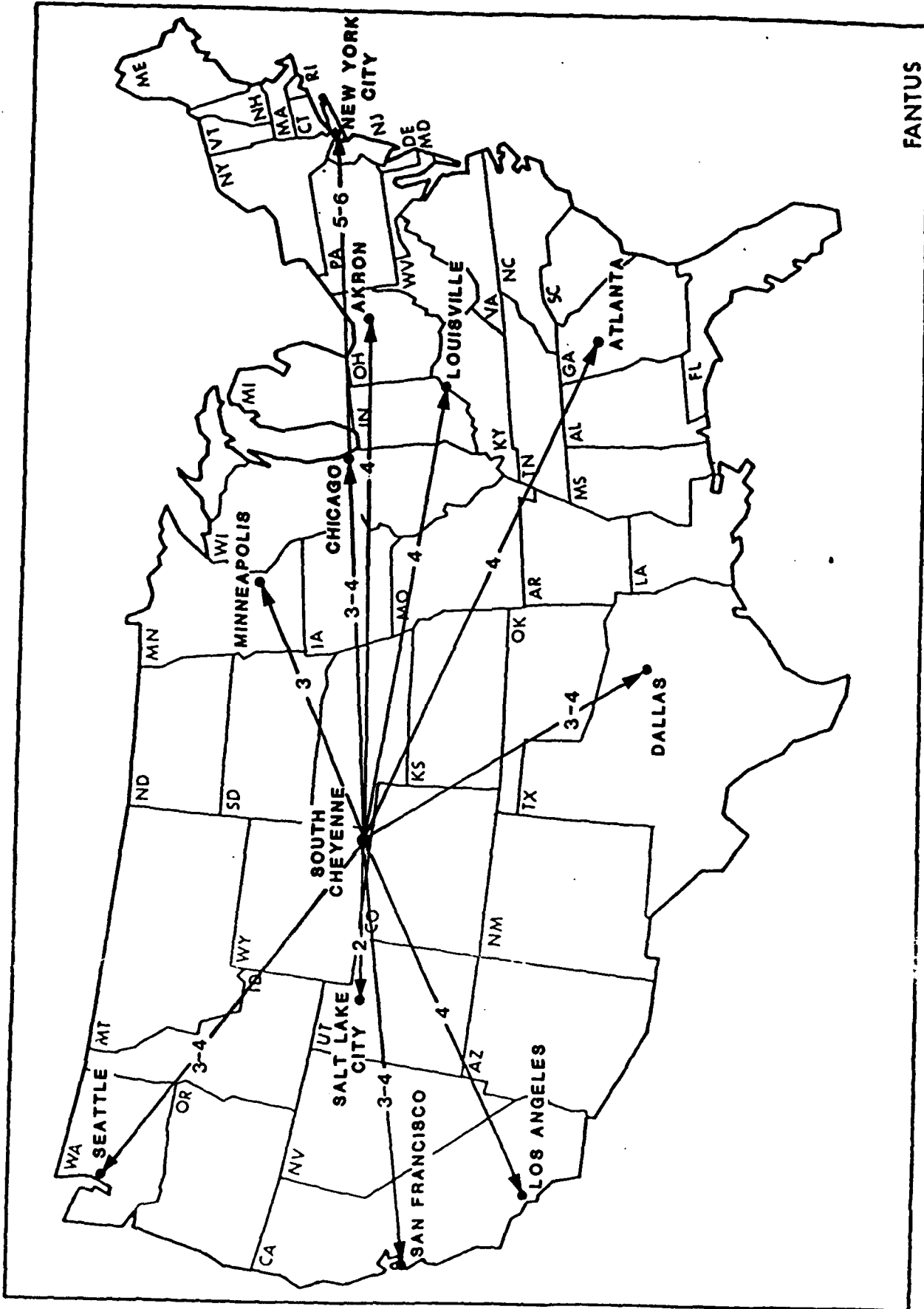
25. Commercial Motor Carrier Service

Fantus Rating: Asset

Greater Cheyenne is served by 21 motor carriers. Eight of these trucking companies have terminals in Laramie County, all of which are located in Cheyenne. The largest of these is Consolidated Freightways, a major Interstate 80 shipper, with a total of 99 truck loading doors soon to be in operation. This company consolidates all freight from Montana, Wyoming, and Colorado in Cheyenne. Greater Cheyenne has more terminals than any of the nearby competitive communities except Casper, and the larger metropolitan areas of Denver and Salt Lake City. Details on the number of terminals and truck lines serving each of these communities are presented in the following table exhibit.

Industries interviewed by The Fantus Company are pleased with the quality of motor carrier service available, and all rate it as good to excellent. Furthermore, according to local transportation company officials, there is a 5:1 inbound overbalance locally (i.e., there is five times as much freight moving into Laramie County than out of it). This imbalance occurs for both truckload (TL) and less-than-truckload (LTL) shipments. Thus, there is a real potential for transportation costs savings for a manufacturer operating in Cheyenne, since many trucks must now leave the area empty.

Specific delivery times to various cities are presented in the following tabular and map exhibits.



FANTUS

TYPICAL LESS THAN TRUCK LOAD (LTL)
DELIVERY TIMES

**MOTOR CARRIER SERVICE: CHEYENNE
VERSUS
COMPETITIVE COMMUNITIES**

	<u>Number of Terminals</u>	<u>Number of Total Lines Serving</u>
Cheyenne WY	8	21
Casper WY	11	19
Evanston WY	4	12
Green River WY	0	9
Laramie WY	3	14
Lander WY	1	7
Rawlins WY	2	11
Riverton WY	3	7
Rock Springs WY	6	11
Ogden UT	5	29
Salt Lake City UT	21	42
Denver CO	36	53
Fort Collins CO	4	29
Greeley CO	5	30
Scottsbluff NE	7	17

Source: American Motor Carrier Directory, Spring 1985
North American Edition

**MOTOR CARRIER SERVICE: CHEYENNE
(Continued)**

**A. Typical Less-Than-Truckload (LTL)
Delivery Times In Days: Cheyenne (1)**

<u>City</u>	<u>Outbound</u>	<u>Inbound</u>
Akron OH	--	4.1
Atlanta GA	--	4.2
Chicago IL	3.0	3.4
Dallas TX	3.5	--
Louisville KY	--	3.8
Los Angeles CA	--	4.0
Minneapolis MN	--	3.2
New York City NY	--	5.5
Salt Lake City UT	2.0	--
San Francisco CA	4.0	3.5
Seattle WA	3.6	--

B. Local Terminals (2)

Burlington Northern Transport
Consolidated Freightways
Edson Express
N.W. Transport
Nebraska Transport
North Park
Salt Creek Freightways
Yellow Freight System

C. Other Lines Serving Cheyenne (2)

Arvada Transfer
Buske Lines
C & H Transportation
Colorado-Denver
Lincoln Freight
Midwest Transport
Osborn Transport
Ringsby Truck Lines
Roadway Express
Ryder/P-I-E
Trans Western Express

Sources: (1) Based on interviews with local terminal operators.
(2) American Motor Carrier Directory, Spring 1985.

26. Quality of Air Service

Fantus Rating: Liability

Greater Cheyenne is served by the Cheyenne Airport, located on the near north side of Cheyenne. The airport is used by F.E. Warren Air Force Base for its military operations as well. The tower is operational from 6:00 a.m. until 10:00 p.m.

Scheduled air service is available from Rocky Mountain Airways with eleven daily non-stop flights to Denver. From this air hub, scheduled daily connecting flights are available nationwide. As of March 1985, scheduled air service from Cheyenne was not available to any other location other than Denver. Therefore, those Wyoming interests wanting to conduct business in Cheyenne must either drive, use private aircraft, or fly to Denver first. Discussions have been held with a major airline operating a hub in Salt Lake City in an attempt to get Cheyenne added to this airline's "spoke" system.

Interviewed industries and other in the community were almost unanimous in their opinion of scheduled air passenger service: poor and expensive. Most appear resigned to the "necessity" of the two-hour drive to Denver to make scheduled air connections to more distant points, including any other points in Wyoming.

Since the advent of deregulation, air service from Cheyenne has deteriorated more severely than at non-hubs nationally, as is shown on the following page.

SUMMARY OF SCHEDULED AIRCRAFT OPERATIONS: 1978, 1984

	# Scheduled Departures Per Week		% Change	# Seats Per Week		% Change
	<u>9/1/78</u>	<u>9/1/84</u>		<u>9/1/78</u>	<u>9/1/94</u>	
Cheyenne	126	109	(13%)	4,659	3,350	(28%)
US Total, Nonhubs	32,017	35,030	+9%	1,258,042	1,130,653	(10%)

Source: Civil Aeronautics Board, December 1984. Report on Airline Service Fares, Traffic, Load Factors, and Market Shares (as of September 1, 1984). September 1984 data based on Official Airline Guide (OAG) publications. Seating capacities are based on average figures which do not necessarily represent actual capacity scheduled. Deregulation occurred in September 1978. C.A.B. abolished December 31, 1984.

However, Cheyenne's experience under deregulation is not too dissimilar from most other communities operating under the air shadow of a major airline hub, such as Denver.

The inability to reach Cheyenne by scheduled carrier from any other Wyoming location, and the deterioration since deregulation in the number of scheduled departures and seats per week, combine to make our rating of air service a liability to the area. Air freight service was regarded as adequate, however, by most of those interviewed by Fantus requiring the availability of this service. The possibility of using Cheyenne as a hub for an air freight carrier has been considered by local airport officials, possibly as a "reliever" for the congested Denver airport. There is genuine concern, however, that Cheyenne Airport's location in the heart of one of the city's better residential neighborhoods precludes serious consideration for such activities, since air freight operations typically occur at night.

27. Vocational-Technical Training

Fantus Rating: Asset

The availability of modern vocational educational facilities with a wide range of courses designed to meet the needs of manufacturing and clerical employers is an increasingly important factor in site selection, particularly as production, distribution and office operations become more technically sophisticated. Areas without such facilities are at a distinct disadvantage in attracting the most rapidly growing of these types of firms, which typically have intense and frequently-changing needs for vo-tech capabilities.

The greater Cheyenne area is served by Laramie County Community College (LCCC), a modern two-year community institution located on a 271 acre campus in the South Cheyenne area which offers both degree and certificate vocational programs, and the first two years of 45 academic college programs. These academic programs are all transferable to the University of Wyoming in Laramie. Community services non-credit educational coursework is also offered by the school. LCCC is accredited by the North Central Association of Colleges and Schools.

In the vocational-technical program area, the school presently offers the following courses of study:

- o Agriculture
- o Associate Degree-Nursing
- o Auto Body Repair
- o Auto Mechanics
- o Banking and Finance
- o Building Trades

- o Computer Information Systems
- o Criminal Justice
- o Diesel Mechanics
- o Early Childhood Development
- o Engineering Technology
- o Fire Science
- o Heavy Equipment Operators
- o Horse Management
- o Licensed Practical Nursing
- o Public Administration
- o Medical Radiography
- o Mid-management
- o Office Occupations
- o Safety Education
- o Welding

To the typical manufacturing prospect, only the banking and finance computer information systems, engineering technology, mid-management, office occupations, and welding programs would have potential applicability and interest.

Over the period from Fall 1981 to Summer 1983, LCCC graduated 380 students from all vocational programs, for an average of 190 per year. A total of 95 were in these programs having potential interest to a manufacturing or office prospect. As of 1982, 71.5 percent of LCCC vo-tech graduates were employed in Laramie County, indicating that the programs offered have relevance to the available existing local employment opportunities.

Laramie County Community College has apprenticeship programs in only two areas, electrical and sheetmetal work, and does not offer any leading-edge vocational technical training programs, such as laser technology or robotics.

LCCC's vocational programs are relevant to the local needs of existing employers, as judged by the number of graduates finding work locally, and the comments of some employers. For example, the office occupations program received favorable comments from more than one major clerical employer. In another sense, however, the local program offerings at LCCC are narrow, so that prospective employers requiring skilled workers in newer occupational areas will not be encouraged to locate in Cheyenne because of the lack of program offerings in these areas. Laramie County Community College stands ready to implement new coursework in areas not currently being offered, however, if the demand for such a program becomes warranted.

Among those non-clerical employers interviewed by Fantus during the course of its field work, very few had any direct dealings with LCCC as it relates to vocational-technical training. One manufacturer commented that since LCCC does not have a drafting program, they must recruit their drafters from the state of Nebraska. This same manufacturer also commented that the local welding program is only a basic program, and is not extensive enough for company needs. The lack of a tool and die program at LCCC, of course, also made recruitment for skilled tool and die workers quite difficult for this one manufacturer. Thus, it must be recognized that while LCCC is an asset for a community with Cheyenne's existing industrial base, the program is limited when compared to those found in more diversified industrial states, such as Wisconsin.

28. Industrial Building Space
Availability

Fantus Rating: Average

Local real estate sources contacted by Fantus were aware of three vacant industrial buildings with over 10,000 square feet of space in greater Cheyenne. Although none are situated in South Cheyenne, two of these three buildings are located along I-80, which runs along South Cheyenne's northern border. One is a former manufacturing facility with 42,000 square feet of space, and another is a large (102,000 square feet) warehouse formerly occupied by Georgia-Pacific as a distribution center. The third building brought to Fantus' attention is a newer 15,000 square foot building suitable for office/warehouse space. There are no new speculative industrial buildings available for occupancy in the Cheyenne area now, nor has there been much interest in local speculative building development in the past.

Recent experience of The Fantus Company indicates that approximately two-thirds of our clients initially seek available buildings for their new facilities. The high degree of interest in available buildings is motivated by cost considerations and/or the hope of reducing necessary start-up time. While many of these clients do not find a building suited to their needs and eventually choose a greenfield (build-to-suit) site, communities with sizable, high-quality available buildings are at a distinct advantage in attracting interest from outside parties. Accordingly, greater Cheyenne is "average" in its present availability of industrial building space suitable for consideration by outside investors.

29. Office Building Space Availability

Fantus Rating: Asset

During the course of its fieldwork, The Fantus Company interviewed realtors and others in the Cheyenne area to assess office building space availability. Based on these conversations, there is approximately 75,000 to 100,000 square feet of office space available in greater Cheyenne. Approximately three-fourths of this space can be characterized as Class A (top quality) leased space. As shown below, the largest clusters of contiguous space are reported to be 19,000 square feet available in the Pioneer Building, and 17,000 square feet of space available in the City Center office building:

Available Class A Contiguous* Office Space Greater Than 10,000 Square Feet
Cheyenne, WY - Spring 1985

<u>Building</u>	<u>Approximate Vacant Square Footage</u>
Capitol Hill	16,000
City Center	17,000
Downtown West	14,000
Pioneer Building	19,000
	<u>66,000</u>

Note: Not shown is 26,000 square feet being remodeled into Class A office space in the Hynds Building.

*Defined as space within the same building, not necessarily on one floor.

Source: Coley/Forrest, December 1984, and Wallick and Volk Realtors, Spring 1985.

Much of the available space in Cheyenne was "created" when the state of Wyoming consolidated many governmental operations in the new 300,000 square foot Hershler Building adjacent to the State Capitol Building. No suitable office space is located in South Cheyenne.

The availability of sizeable amounts of contiguous office space in a community is an important asset to attracting interest from outside service-type organizations to the area. Fantus has worked with several hundred organizations in their search for suitable, available office space. Only a handful of these firms wanted to construct new build-two-suit office space. Office prospects typically have no desire to develop or own buildings outright and instead opt for locations where an adequate supply of previously-constructed office space is immediately available at favorable lease rates.

Based on our experience, the present availability of office space in Cheyenne is an asset. Any potential outside investor seeking to employ upwards of 100 people in one location in an administrative function should find local availability of office space in Cheyenne as favorable. However, the absence of any suitable office space in South Cheyenne would discourage interest by outside investors in this immediate area.

30. Cost of Living

Fantus Rating: Average

Data more recent than 1979 comparing overall living costs in Cheyenne to other areas out of state is not available. However, a review of the available data leads Fantus to rate this factor as average for both the Cheyenne and South Cheyenne areas.

The Wyoming Department of Administrative and Fiscal Control routinely conducts a cost of living study, the most recent being for the first quarter of 1985. The results of this study showed overall Cheyenne costs to be favorable when compared to 22 other Wyoming communities, and one Colorado community. All-items cost in Cheyenne in this study showed Cheyenne to be the 19th least expensive Wyoming city to live in, out of 24 areas surveyed. Food prices in Cheyenne are lower than virtually all other in-state test points. However, comparisons to other areas outside Wyoming are not provided, so it is not possible to compare Cheyenne costs with other cities across the country on the basis of this study.

Another, more dated source of comparison data is found in the American Chamber of Commerce Researchers Association's quarterly nationwide survey of cities. The Cheyenne Chamber of Commerce has elected not to participate in this survey for the past several years. However, in 1979 (when the chamber did participate), the Cheyenne area had an all item index of 103.3 (100 = national average). At that time, 49 other areas had costs equal to, or higher than Cheyenne's, while 161 had lower costs. Although higher-than-average, Cheyenne costs were still in the

average range, in Fantus judgment, although they were higher than some nearby areas:

ACCRA City Composite Cost of Living Index
Fourth Quarter, 1979

	<u>All Items Index</u>
Cheyenne	103.3
Colorado Springs, CO	94.5
Denver, CO	103.1
Greeley, CO	96.4
Scottsbluff, NE	98.2
Rapid City, SD	98.5
Casper, WY	110.6
Laramie, WY	101.9
Rock Springs, WY	103.1

Source: American Chamber of Commerce Researchers Association Fourth Quarter 1979. This is the most recently available data from ACCRA for Cheyenne.

In the absence of more current data, Fantus rates historical cost of living data for greater Cheyenne as "average," and believes this rating would remain the same if more recent comparison data were available. Within the state of Wyoming itself, the overall cost of living for both Cheyenne and South Cheyenne is below average. It is also important to note that cost-of-living comparison studies do not ordinarily take into account differing levels of state and local taxes in determining differences between areas. If consideration of state and local taxes were made, Cheyenne-area cost-of-living indices would probably appear more favorably, particularly when compared to out-of-state locations.

31. Housing Cost and Availability

Fantus Rating: Average

Fantus judges housing cost and availability to be average in the greater Cheyenne area. This rating applies both to the city of Cheyenne and South Cheyenne.

There are two measures of housing cost utilized by Fantus to determine its rating. The first is residential construction cost indices in various nearby communities, and the overall U.S. average, since 1975. As shown below, Cheyenne area residential construction costs are moderately below U.S. averages, and are lower than the cost indices in four of six nearby cities where data is collected:

Local Cost Indexes: Residential Construction

<u>Year</u>	<u>Cheyenne</u>	<u>Billings</u>	<u>Denver</u>	<u>Lincoln</u>	<u>Poca- tello</u>	<u>Rapid City</u>	<u>Salt Lake</u>	<u>U.S.*</u>
1975	95.5	90.8	95.5	91.4	92.9	86.3	92.9	100.0
1976	99.1	95.8	102.0	94.1	96.2	91.9	99.0	103.7
1977	105.3	103.0	108.0	99.1	103.8	97.4	104.2	109.7
1978	111.6	112.6	116.3	110.1	114.6	105.4	113.3	117.5
1979	120.3	121.3	125.1	118.2	123.3	113.9	121.4	125.7
1980	133.7	134.7	136.0	130.8	136.6	125.6	131.9	139.0
1981	147.4	146.5	148.1	143.2	148.7	136.8	143.3	151.3
1982	160.4	156.7	164.1	151.4	161.0	147.6	157.5	165.1
1983	173.4	169.3	179.8	161.1	173.9	155.1	172.3	179.0
1984	173.3	175.4	188.0	158.5	176.3	157.5	174.1	184.4
1985 (E)	174.5	178.0	182.0	157.9	179.3	168.2	175.3	187.7

(E) = estimates

* U.S. number is actually a national 30 city average

Source: Robert Snow Means Company, 1984.

Another measure of housing costs is provided by the Home Price Comparison Index published by The Nationwide Relocation Service. Shown below are representative prices across communities for a 2,000 square foot, three bedroom, two bathroom house located in "above average-to-prime" locations:

Resale Home Price Comparisons: June, 1985*

<u>City or Area</u>	<u>Representative Selling Price</u>
Cheyenne WY	\$110,000**
Billings MT	114,200
Boise ID	77,000
Colorado Springs CO	83,800 **
Denver CO	126,500
Great Falls MT	108,000
Omaha NE	85,000
Salt Lake City UT	110,000
U.S. Average (110 areas)	107,000

* Nationwide Relocation Services, June 1985.

** Differs from published number shown in actual report. Other numbers are assumed to be reliable. Source for Cheyenne estimate: Wallick and Volk, Realtors. Source for Colorado Springs estimate: Coldwell/Banker, Realtors.

It should be noted that comparable housing costs in the South Cheyenne area tend to be lower than for the Cheyenne example shown above. According to local realtor sources, the better newer housing stock in South Cheyenne that would approximate the example used by National Relocation Services would cost about \$90,000 in South Cheyenne's best residential areas. New manufactured housing assembled on site in South Cheyenne sells for \$45,000 to \$55,000. The average selling price for all homes listed on the Cheyenne MLS service was about \$70,000 in 1984.

Housing availability is also judged to be good, too. As of Spring 1985, local realtor sources report 650-700 homes for sale, with about 50 to 75 of these located in South Cheyenne. During periods of tight availability there were still 500 homes listed with MLS in Cheyenne. The number of vacant apartment units was estimated to be approximately 50 as of December 1984, or about a five percent vacancy rate. Only a handful of these were situated in South Cheyenne, however. Typical monthly rental rates for one-bedroom furnished units range from \$275 to \$315; for two-bedroom unfurnished units, rents range from \$310 to \$350 per month.

32. Recreational and Cultural Facilities

Fantus Rating:
Cheyenne: Average
South Cheyenne: Liability

The greater Cheyenne area has its recreation programs and facilities administered by the Greater Cheyenne Recreation Commission, which oversees recreational opportunities in both Cheyenne and South Cheyenne. In Cheyenne, there are a total of 370 acres devoted to recreational purposes; 271 acres are categorized as developed, while 75 acres additional acres are devoted to ballfield complexes. The city has five indoor recreational facilities, three golf courses (of which two are public), and two swimming pools. The Parks and Recreation Department administers programs in such areas as dance, fitness, craft, athletic development/leagues, hobbies, and tournaments. Although the city has 15 tennis courts, 3 volleyball courts, and 23 softball and baseball facilities, it is thought to be deficient by at least 18 tennis courts, 10 volleyball courts, 10 softball fields, and 11 baseball fields, based on its resident population and recreational standards developed by the National Recreation and Parks Association and the Wyoming State Comprehensive Outdoor Recreation Plan. School facilities are excluded from these deficiency analyses, since they are not available to the public on an unrestricted basis. Also not included in the calculations, but nonetheless very much active in local recreational program offerings, is the local YMCA and YWCA.

In South Cheyenne, there is only one two acre park available for unrestricted recreational programs. Based on local population and national standards, South Cheyenne is deficient of developed park land by over 50 acres. Given this fundamental shortcoming, the South Cheyenne area is therefore deficient in baseball and softball fields, basketball and volleyball courts, and tennis courts. Recreational facilities at Laramie County Community College, which is located in South Cheyenne, are not included in this analysis, as they are not available for public use on an unrestricted basis. Nonetheless, Laramie County Community College has numerous recreational facilities available to the public on an intermittent basis.

Cultural events are satisfactory in the Greater Cheyenne area overall, but are very limited in South Cheyenne itself. The major cultural event of the year is Cheyenne's Frontier Days, held the last full week in July when thousands of tourists visit the area to participate in a week long Old West celebration, which includes the world's largest outdoor rodeo. Other cultural attractions in the Greater Cheyenne area include the Old West Museum, the Wyoming State Museum and Library, the Cheyenne Little Theatre, Community Concert Association, and the Local Symphony and Chorale Society. Within a two hour drive of Cheyenne are those numerous cultural facilities offered by the Denver metropolitan area.

Based on the preceding analysis, Fantus rates local recreational opportunities in Cheyenne as average, and as a liability in South Cheyenne. Cultural attractions are rated as average overall, based on relative comparisons to areas of similar population, not in absolute comparison to larger metropolitan areas.

33. Hotel/Motel Accommodations

Fantus Rating: Asset

Greater Cheyenne has a total of 30 motels and hotels, with over 1,700 total rooms available. Two of these facilities are located in South Cheyenne --- the Holiday Inn, and the locally owned Round Up Motel. Several of these are suitable for business travelers, and represent national chains, such as Best Western, Holiday Inn, Ramada Inn, Quality Inn, and Friendship Inns, along with several local firms. The American Automobile Association gives a weighted average score of 2.95 (practical highest = 4.0) to the 13 Cheyenne area hotels it reviews in its 1985 Tourbook. Although these thirteen establishments represent less than half of all motels and hotels in Cheyenne, they represent nearly three fourths of all available motel rooms in the community. Four of these motels --- Holding's Little America, the Best Western - Hitching Post, Ramada Inn, and the Holiday Inn --- provide meeting rooms and/or convention facilities, along with banquet rooms. These four facilities tend to dominate in the Cheyenne area, representing over 40 percent of all available rooms in the community. Two of these four facilities also have "4-star" ratings by the American Automobile Association.

34. Local Shopping Facilities

Fantus Rating: Cheyenne: Asset
South Cheyenne: Liability

Since the opening of Frontier Mall in 1981, and the more recent opening of Dayton-Hudson's Target discount store, local shopping alternatives in the Cheyenne area have become an asset, in Fantus' judgment. The Frontier Mall has Sears, J.C. Penney, Joslyns, and Fashion Bar as its anchor stores, and was over 90 percent leased at the time of Fantus' fieldwork. A local department store (Fowlers) is also represented at the mall. Other full and limited-line department and discount stores operating in the Cheyenne market include Montgomery Ward, K-Mart (2 stores), Gibsons, and locally-owned Coles, Bakers, and a downtown Fowlers unit. LaBelle's operates a catalog showroom store as well. The major commercial areas include Frontier Mall, Coles Shopping Center, the central business district, and the East Lincolnway commercial strip.

There are no department or discount stores located in South Cheyenne. Furthermore, with the exception of the Safeway/Town & Country Pharmacy strip center located on South Greeley Highway near Allison Road, there are no major commercial strip centers in South Cheyenne. South Cheyenne residents frequently shop in the downtown and East Lincolnway commercial strip areas, thereby helping to keep these areas economic viable in the face of newer competition from the Frontier Mall and its ancillary strip centers. Of course, South Cheyenne residents also shop at the Frontier Mall as well.

The degree to which Cheyenne area residents shop outside Laramie County is shown in the following exhibit. Based on 1982 Census of Retail Trade data, and Fantus calculations, there is a \$20 million inflow of total retail sales into Laramie County from outside the area. This inflow has likely increased since the opening of Frontier Mall, as more distant Wyoming residents now have greater incentive to make long-distance shopping trips into Cheyenne. However, there is a sizeable outflow of total food store sales from Laramie County. This finding is surprising, in that metropolitan areas the size of Cheyenne almost always have food store sales at least equal to, and often greater than, expected food sales, which are based on total local income potential. A certain amount of the calculated food store sales "leakage" can be accounted for by the F.E. Warren AFB commissary, which had sales of \$10.7 million in 1984 and which are not counted as retail sales, as they occur in a tax-free environment on federal government property. Yet even after factoring these sales into the calculation, adjusted food store sales outflow remains at \$15 million, or 17 percent. In Fantus' judgment, Wyoming's 4 percent sales tax on grocery food, combined with Cheyenne's proximity to Colorado and the lack of any sales tax on grocery food in Colorado, encourages some Cheyenne area residents to do their weekly grocery shopping in Colorado. This fact adversely affects the potential of food stores in both Cheyenne and South Cheyenne to reach their expected performance level. However, the presence of more food stores offering a wide variety

of products, or selling at discount prices, could help to counteract the local food store sales outflow. Indeed, an analysis of taxable sales receipts in Laramie County from 1982 to 1984 shows large increases in the rate of growth for grocery store sales since 1982. The recent rapid growth in food store sales may be partially explained by the recent entry of a new "warehouse" food store operation, which has greatly intensified price competition in the Cheyenne area for grocery stores and possibly has reduced prior food store sales "leakage" from Laramie County.

RETAIL SALES INFLOW/OUTFLOW ANALYSIS
LARAMIE COUNTY, WY - 1982 (\$000)

	Total Retail Sales	SELECT KINDS-OF-BUSINESS GROUPS						Total Furniture, Home Furnishings, & Equip. Store Sales	Total Auto Dealer Sales	Total Drug Store Sales
		Total Food Store Sales	Total Eating & Drinking Est. Sales	Total General Merchandise Group Store Sales	Total Apparel & Accessory Store Sales	Total Furniture, Home Furnishings, & Equip. Store Sales	Total Auto Dealer Sales			
Actual Sales (A)	\$392,658	\$62,371*, **	\$37,017	\$40,996	\$22,104	\$18,862	\$71,170	\$11,489		
Potential Sales (B)	382,024	88,090	31,058	44,071	16,819	19,970	71,828	8,578		
Inflow/(Outflow) (C) To/(From) Laramie County:										

Dollars: \$ 10,634 (\$25,719)*, ** \$ 5,959 (\$3,075) (\$1,108) (\$ 658) \$2,911
 Percent: 2.8% (29.2%)*, ** 19.2% (7.0%) (5.5%) (0.9%) 33.9%

Note: Kinds-of-business groups sales do not total to Total Retail Sales because of the omission of the following groups: (1) Building materials, hardware, garden supply and mobile home dealers; (2) Gasoline service stations; and (3) Miscellaneous retail stores.

Sources: (A) 1982 Census of Retail Trade - Wyoming, U.S. Department of Commerce, Bureau of the Census.
 (B) The Fantus Company calculations, based on Sales & Marketing Management Data Service, 1984. Although S&MM provides their own projections of total retail store sales by store group, these projections are based on the 1977 Census of Retail Trade, and thus are judged to be unreliable. Estimates used by Fantus to calculate potential sales from the Data Service report have been adjusted to make comparable to the 1982 Census report. Explanation of the methodology utilized by Fantus to determine retail sales inflow and outflow provided on request.
 (C) Potential sales, less actual sales. If a number appears in brackets, it represents outflow from Laramie County. The percent outflow and inflow calculation is based on potential sales.
 * Excludes F. E. Warren AFB commissary sales of approximately \$10 million.
 ** Fantus questions the reliability of the reported Total Food Store Sales of \$62,371,000. For example, food store sales at the F. E. Warren AFB commissary of approximately \$10 million are omitted from Census reports. However, even after factoring in commissary sales, one finds 1982 food store sales per capita in Laramie County as one of the lowest of any Wyoming county with a population exceeding 20,000. Therefore, unless the reported data is incorrect, there appears to be strong evidence that the state and local 4% tax on food store sales is encouraging Laramie County residents to do their grocery shopping in Colorado, where grocery food is not subject to sales tax.

35. Elementary and Secondary
Public Education

Fantus Rating: Average

Both South Cheyenne and Cheyenne are served by School District No. 1, which is headquartered in Cheyenne. There are total of 32 schools district-wide, including three junior high schools and three senior high schools (one of which is functions as a vocational high school). There are three elementary schools in the general South Cheyenne area (defined here as south of Interstate 80), and one new junior high school (Johnson). Although an attempt was recently made to build a new high school in South Cheyenne, the bond issue failed to garner sufficient public support. The school board is on record as stating that the next high school to be built in the area will be located in South Cheyenne. Presently, the nearest high school facility to South Cheyenne is located near Pershing Boulevard on Cheyenne's near northside. There are also two elementary schools located in the area between the UP railroad tracks and Interstate 80, on the south side of Cheyenne.

Most of those individuals interviewed by Fantus during the course of its fieldwork rated the local educational system as "average" or "good." No one evaluated the school system as either "excellent" or "outstanding."

In addition to qualitative input from local individuals, Fantus evaluates local primary and secondary public educational opportunities on the basis of at least five quantitative factors:

- (1) Bonded indebtedness capacity obligated,
- (2) Average per pupil expenditures,
- (3) Districtwide student-teacher ratios,
- (4) Average and starting teacher salaries, and
- (5) Average composite ACT test scores.

These are basic measures ordinarily utilized by Fantus for evaluating school systems for our corporate clients.

A discussion of each of the five factors follows below:

- (1) Bonded Indebtedness Capacity Obligated - Essentially, this is a measure of the ability of the local school district to incur additional debt for whatever reason. As of fiscal year 1984, the district had less than a quarter of its bonded indebtedness capacity remaining. Furthermore, the district is Wyoming's second poorest school district in terms of assessed valuation per average daily membership (enrollment), in large part due to the presence of the state capitol complex, F. E. Warren Air Force Base and related tax exempt businesses. By contrast, some other school districts in the state of Wyoming have very little bonded indebtedness, thanks in part to impact funds provided by new extractive and processing industries.
- (2) Average Per Pupil Expenditures - As of 1983-1984, Cheyenne's School District No. 1 expended \$4,035 per pupil districtwide (excluding debt service). Although substantially higher than the national per pupil average expenditure of \$3,175, it is 12 percent below the state of Wyoming average, and the third lowest among percent nine Wyoming communities surveyed by Fantus.
- (3) Average Student-Teacher Ratios - As enrollments have been dropping (both in Cheyenne and nationwide), average student-teacher ratios have been declining as well. By fiscal year 1984, the student-teacher ratio in District No. 1 had fallen to 17.5:1, below the U.S. average of 18.7 but above Wyoming's statewide average of 16.2.
- (4) Average and Starting Teacher Salaries - It has been the philosophy of District No. 1 to devote a major portion of its budget to salaries and benefits. The ranking of District No. 1 relative to Wyoming's other 48 school districts is consistently in the upper half. For

example, average teacher salaries in Cheyenne's District No. 1 for 1984-85 was \$27,580, slightly higher than the state's \$26,709 average, but substantially higher than the national average of \$23,546. Starting teacher salaries in Cheyenne tend to be below other Wyoming locations, however.

- (5) Average Composite ACT Test Scores - This measure, along with other standardized tests such as those administered by SRA, indicate the achievement level of students within the district. The ACT test, of course, is more restrictive in that it measures achievement levels of only those who are planning to continue their education beyond the high school level. Nonetheless, it is one measure characteristically used by prospects in evaluating the overall adequacy of a school district's teaching curriculum. In 1984, District No. 1 had a composite ACT test score of 19.6, slightly higher than the Wyoming average of 19.3 and significantly higher than the national average of 18.5.

On most of the quantitative measures shown above, School District No. 1 scores quite highly. However, there are other factors which go beyond our concern over bonded indebtedness that cause Fantus to rate local educational offerings as "average." Maintenance throughout the district has until recently been minimal, so that extensive repairs to facilities will need to be made over the near term. Furthermore, a facility analysis of educational space conducted by URS-Berger in their environmental impact statement related to the MX program found that there was a classroom space deficiency of nearly 140,000 square feet, with space needs greatest in the special instructional areas. Furthermore, this same analysis showed that the available instructional space in existing high schools barely exceeds present enrollment, and the three junior high schools have room for only a few more students (without violating the desired square foot per student

ratios). And by 1987, three of the four clusters of schools within District No. 1 are expected to be operating anywhere from 3 to 36 percent above desired capacity levels.

Primarily for these reasons, and combined with the qualitative responses of area employers interviewed by Fantus, we rate local primary and secondary public educational opportunities in greater Cheyenne as "average" overall.

COMPARATIVE EDUCATION STATISTICS - 1983-1984

	<u>Cheyenne</u>	<u>Casper</u>	<u>Evanston</u>	<u>Green River</u>	<u>Laramie</u>	<u>Lander</u>	<u>Rawlins</u>	<u>Riverton</u>	<u>Rock Springs</u>	<u>Wyoming</u>	<u>U. S.</u>
Average per Pupil Expenditures, K-12											
a) Instructional, general, and community support programs:	\$4,035	\$3,947	\$4,457	\$4,389	\$4,391	\$4,500	\$5,332	\$3,982	\$4,486	\$4,570	\$3,175
b) Instructional programs only:	\$2,340	\$2,282	\$3,276	\$2,549	\$2,713	\$2,839	\$2,916	\$2,192	\$2,757	\$2,636	NA
General Fund Expenditures Per Classroom Unit:	\$85,947	\$79,475	\$100,576	\$93,610	\$82,358	\$83,847	\$95,182	\$78,063	\$91,285	\$85,156	NA
Average Student-Teacher Ratio:*	17.5	17.6	18.5	18.2	16.5	15.8	15.9	17.8	17.7	16.2	18.7
Average Number of Students Per Classroom Unit:**	20.8	20.1	22.6	20.9	18.8	18.6	17.9	19.6	19.7	18.6	NA
Average Composite ACT Test Scores:	19.6	19.7	18.0	18.3	20.7	19.5	17.7	20.0	20.7	19.3	18.5
High School Drop Out Rate:	3.7%	3.4%	3.4%	2.1%	2.0%	5.2%	6.9%	5.6%	3.9%	3.4%	NA
Property Valuation Per Student:***	\$16,419	\$37,370	\$229,822	\$111,896	\$24,534	\$39,685	\$144,056	\$28,731	\$112,745	\$79,938	NA
% of Bonding Capacity Obligated:	56.8%	56.2%	50.4%	36.7%	62.2%	58.6%	34.1%	52.9%	18.5%	29.2%	NA
Starting Teacher Salary:****	\$17,500	\$17,800	\$19,300	\$17,950	\$18,100	\$18,200	\$18,275	\$18,300	\$17,875	\$18,043	NA
Average Teacher Salary ('84-'85):	\$27,530	\$27,000	\$28,000	\$27,000	\$26,421	\$24,484	\$28,750	\$26,648	\$28,343	\$26,709	\$23,546

NA = not available

* Computation based on 1984 fall enrollment counts, not average daily membership figures, which typically are lower.

** Based on average daily membership figures. Includes occupational, one-teacher, kindergarten, and special education classroom units.

*** Based on average daily membership figures.

**** BA degree, no years experience. Effective September 1984.

Source: Wyoming State Department of Education for city and state data. National Education Association for state and national data.

36. College-University Education

Fantus Rating: Asset

Residents of all parts of Laramie County are served by Laramie County Community College, a modern two-year fully accredited institution located on a 271 acre campus in South Cheyenne. Approximately 5,300 are currently enrolled at LCCC; 3,200 are enrolled in credit courses, while 2,100 more are taking non-credit coursework. The full-time equivalent student headcount is almost 2,200. Laramie County Community College has 80 full-time faculty members, and has an additional 110 part-time instructional faculty. Excluding GED students (those returning to receive their equivalent high school diplomas), approximately 400 students graduate in both academic and vocational programs at LCCC annually. For the most recent year, about half of all graduates were from academic programs, while the other half were vocational degree and certificate recipients. Outreach programs are also provided by LCCC in Albany County on a continuing basis, and in Platte and Goshen Counties an intermittent basis.

As with all community colleges in the state of Wyoming, the primary thrust of LCCC's offerings consist of 2 year Associate of Arts and Sciences, and Associate of Applied Science Degrees, with 70 hours of coursework satisfactorily completed under the AA program transferable to the University of Wyoming's four year program at Laramie, 50 miles to the west of Cheyenne. A total of 45 studies are available at LCCC which parallel degree program offerings at the University of Wyoming. These include

accounting, business, business administration, business education, computer science, economics, engineering, mathematics, and office administration programs.

Most of those interviewed by Fantus rate the quality of Laramie County Community College's programs as satisfactory. Several also noted that the state's only four school --- the University of Wyoming --- is reasonably close to Cheyenne (50 miles) to allow for educational advancement opportunities for professional, technical and managerial employees. The University of Wyoming also offers an evening MBA program locally at F. E. Warren Air Force Base, and provides a number of evening courses in other disciplines in Laramie as well. The evening on-campus class schedule at the University of Wyoming is most intense during the summer semester.

37. Medical Facilities

Fantus Rating: Cheyenne: Average
South Cheyenne: Liability

As of January 1985, greater Cheyenne had a total of 80 physicians. None, however, have offices in South Cheyenne. These physicians are involved in both general practice, and in numerous specialties. With 80 physicians, the county has approximately 110 physicians per 100,000 population. This compares to the national average of 184 physicians per 100,000 population as of 1981 (this is the latest data available from the American Medical Association). Although the county's ratio is lower-than-average, the national average statistic is misleading, because it reflects the heavy concentration of specialist physicians in larger metropolitan areas. Laramie County's ratio is not out of line with smaller metropolitan areas of under 100,000 people.

There are a total of 30 dentists in Laramie County presently. As was the case with physicians, none have offices located in South Cheyenne. With 30 dentists, greater Cheyenne has a ratio of .41 dentists per 100,000 populations, which is reasonably close to the natural average of 60 dentists per 100,000 population.

There are two public hospitals in Laramie County, along with a Veterans Administration Medical Center and a small hospital at F.E. Warren Air Force Base. A total of 292 beds are contained in both public hospital facilities (there are also 129 beds in the VA hospital). The corresponding public beds-to-population ratio is 4.0 per 1,000 population. Although lower than the 7.1 beds

per 1,000 population for hospitals located in urban areas, it is only moderately lower than the overall U.S. average of 6.0 hospital beds per 1,000 population, and is very close to the Wyoming average of 4.1 beds per 1,000 population in urbanized areas. For the state as a whole, there were 5.9 public beds per 1,000 population in Wyoming in 1983.

From a cost perspective, both local hospitals are competitive. Memorial Hospital's daily semi-private room rate as of spring 1985 is \$175/day; at DePaul Hospital, the daily semi-private room rate is \$160. Although Memorial hospital's daily room rate is above the Wyoming average of \$166 day, rates for both local hospitals are below the U.S. average of \$212 and are below rates in nearby Greeley and Fort Collins. The accompanying exhibit details comparative hospital room rates in other Wyoming communities, and in communities outside Wyoming but near the Cheyenne area.

**DAILY SEMI-PRIVATE ROOM
COMPARATIVE HOSPITAL COST DATA**

<u>Area and Hospital</u>	<u>Daily Room Rate*</u>
Cheyenne (Memorial) (DePaul)	\$ 175 160
Casper (Natrona County)	185
Evanston (Uinta Medical Center)	209 (private room only)
Rawlins (Carbon County Memorial)	170
Laramie (Ivinson Memorial)	170
Lander (Lander Valley Regional Medical Center)	181
Riverton (Riverton Memorial)	184
Rock Springs (Sweetwater Memorial)	165
Greeley (North Colorado Medical Center)	205
Fort Collins (Poudre Valley Memorial)	230
Scottsbluff, NE (Western Nebraska General)	157
State of Wyoming Average	166
U.S. Average	212

Sources: Data for individually cited hospitals from Fantus survey conducted March, 1985. State and national data from Health Insurance Association of America, January 1985.

38. Community Appearance

Fantus Rating: Liability

Community appearance has become an increasingly important factor in economic development as the standards of quality for industrial, office, and commercial sites have increased significantly in recent years in response to a number of trends. There is a growing concern over the quality of the work environment, forcing companies to improve their facilities and seek a suitable site upon which to place more elaborate and sophisticated facilities. Within the industrial sector, a growing emphasis on production technology and product quality has made the manufacturing plant an important sales tool that must present a favorable image for the company. Also, as the level of capital investment in manufacturing facilities increases, companies naturally look for an attractive environment in which to locate their new facilities.

Major factors leading community appearance to be rated as a liability for South Cheyenne are well-known to the local populace and include:

- o The presence of several large auto salvage yards and similar businesses along South Greeley Highway, which is the primary traffic artery through South Cheyenne.
- o The presence of a large number of mobile and manufacturing housing subdivisions. These areas, even when well-kept as many in South Cheyenne are, present a negative community image to site selectors.
- o A poor upkeep of many residential and commercial structures, with no apparent building code enforcement.

- o Unpaved streets, which are being eliminated but still remain in some parts of the area.
- o Mixed land uses with many interspersed vacant parcels, with no apparent effective zoning control.

South Cheyenne does, of course, contain well-kept residential and commercial structures. The overall impression received by a prospect, as well as the area's local image is, however, negative. Thus, substantial improvement in community appearance is an important factor in making South Cheyenne attractive for manufacturing, office or commercial development.

PHYSICAL EVALUATION & ASSESSMENT

Introduction

The physical evaluation component of this report addresses specifically the physical aspects of South Cheyenne, its assets, and its liabilities. The analysis reviews the following areas:

- o Land use
 - Commercial and industrial lands
 - Residential areas
 - Vacant/available lands
 - Development constraints
 - Infrastructure services
 - Aesthetic and physical conditions
 - Cheyenne area development plan
- o Existing/approved/potential industrial parks
- o Vacant/available commercial/industrial buildings
- o Infrastructure analysis
 - Water
 - Sewer
 - Transportation

In addition, this report section reviews:

- o Potential areas for commercial and industrial development. An analysis of each site considered is included.
- o Redevelopment opportunities.
- o Policy issues. Annexation policies are discussed and priority areas are indicated as defined in the City of Cheyenne's Annexation Policy document.

South Cheyenne Water and Sewer District

Water System

The water distribution system for the South Cheyenne water and sewer district was originally constructed in 1970. The system was designed to serve a population of approximately 4,700 people. The district is presently serving 6,500 people. The district is also serving two elementary schools and the Laramie County Community College, which are located outside of the district boundary.

There are presently 2,386 existing taps in the following categories:

<u>Units</u>	<u>Number of Taps</u>
Residence	833
Apartment	70
Mobile home	1,374
Commercial	105
Arp School	1
Rossman School	1
Laramie County Community College	1
Holiday Inn (347 units)	1

The 833 residential taps include single family housing units and also include mobile homes situated on individual lots. The listed 1,374 mobile homes include only those located in Mobile Home Parks.

There have been recent studies conducted and recommendations made for improvements to the system to handle the population that is presently being served, and for a future population of over 15,000.

Sewer System

The South Cheyenne sewer system consists of approximately 30 miles of sewer line, ranging in size from 6 to 21 inches in diameter. The system flows entirely by gravity with no force mains or lift stations. There is no storm sewer system in South Cheyenne. The South Cheyenne district has its own wastewater treatment facilities.

A recommendation from the 1982 201 Facilities Plan, prepared by Banner Associates, Inc. of Laramie, Wyoming, is to abandon the wastewater treatment facilities and direct the area's sewage to the Cheyenne system. This alternative would require the construction of a pipeline to convey the wastewater to the Cheyenne facility, and is in the process of being implemented.

Land Development Policies

Annexation Considerations

The South Cheyenne area is designated a Priority 3 area in the adopted Cheyenne Annexation Policies. The Annexation Policies section defining Priority 3 is presented below.

Priority Area 3

Characteristic

Areas within the defined Urban Service Area which should be annexed on a large scale, conducive to planning and providing for the necessary public improvements and services in an efficient and cost effective manner.

The Urban Service Area is Defined as Lands Which:

- a) Can be provided with sewage treatment services via gravity flow by existing treatment facilities operated by the City of Cheyenne, or the South Cheyenne Water and Sewer District; and
- b) Can be incorporated into the current water distribution system operated by the City of Cheyenne or the South Cheyenne Water and Sewer District; and
- c) Are east of Round Top Road (north of Happy Jack Road and east of the Union Pacific Railroad Line (south of Happy Jack Road).

Policies

- a) Annexation in a number 3 Priority Area will be allowed when it is initiated by a public entity in the combined interest of the City and County for the furtherance of the general health, safety and welfare of the community as a whole.
- b) Annexation initiated by a non-public entity will be considered on its merits only when it is demonstrated that lands currently in the City or in number 2 Priority Areas are not suitable for the proposed use or development and the proposed annexation will have significant benefit to the community.
- c) In general, applications for annexation in a number 3 Priority Area will be discouraged.
- d) The City and County will formulate base minimum standards for development. The resulting Joint Development Standards shall be consistently applied and will ensure conformance with all adopted plans.

Fire and Police Services

Fire protection in South Cheyenne is provided by the Fire District No. 1. The district fire station is located on East Allison, and is served by volunteer fire fighters. The South Cheyenne Water and Sewer District has fire hydrants, thus providing the means for the district to provide conventional fire protection capabilities within the SCW&SD service area. The district has an Insurance Services Organization (I.S.O.) rating of "9" (1=best; 10=worst); however, volunteer fire departments typically fare poorly on such insurance ratings. By contrast, the City of Cheyenne's I.S.O. rating is "3".

Police service is provided by the Laramie County Sheriff's Department, whose headquarters is located at the intersection of Fox Farm Road and College Drive. Given this proximity, police response time is ordinarily excellent within the South Cheyenne area.

Transportation

The study area has an excellent highway service network. The roadway system includes I-80, I-180 (a new median-divided bridge over the Union Pacific tracks), U.S. 85, and College Drive provides excellent access to I-80 and nearby I-25.

Rail transportation in South Cheyenne is along the study area's northern and western borders. The Union Pacific's east-west main line is located just to the north of south Cheyenne, and its terminal is situated in downtown Cheyenne. The Burlington Northern has north-south main line trackage along South Cheyenne's western border on former Colorado and Southern trackage.

Commercial and Industrial Land

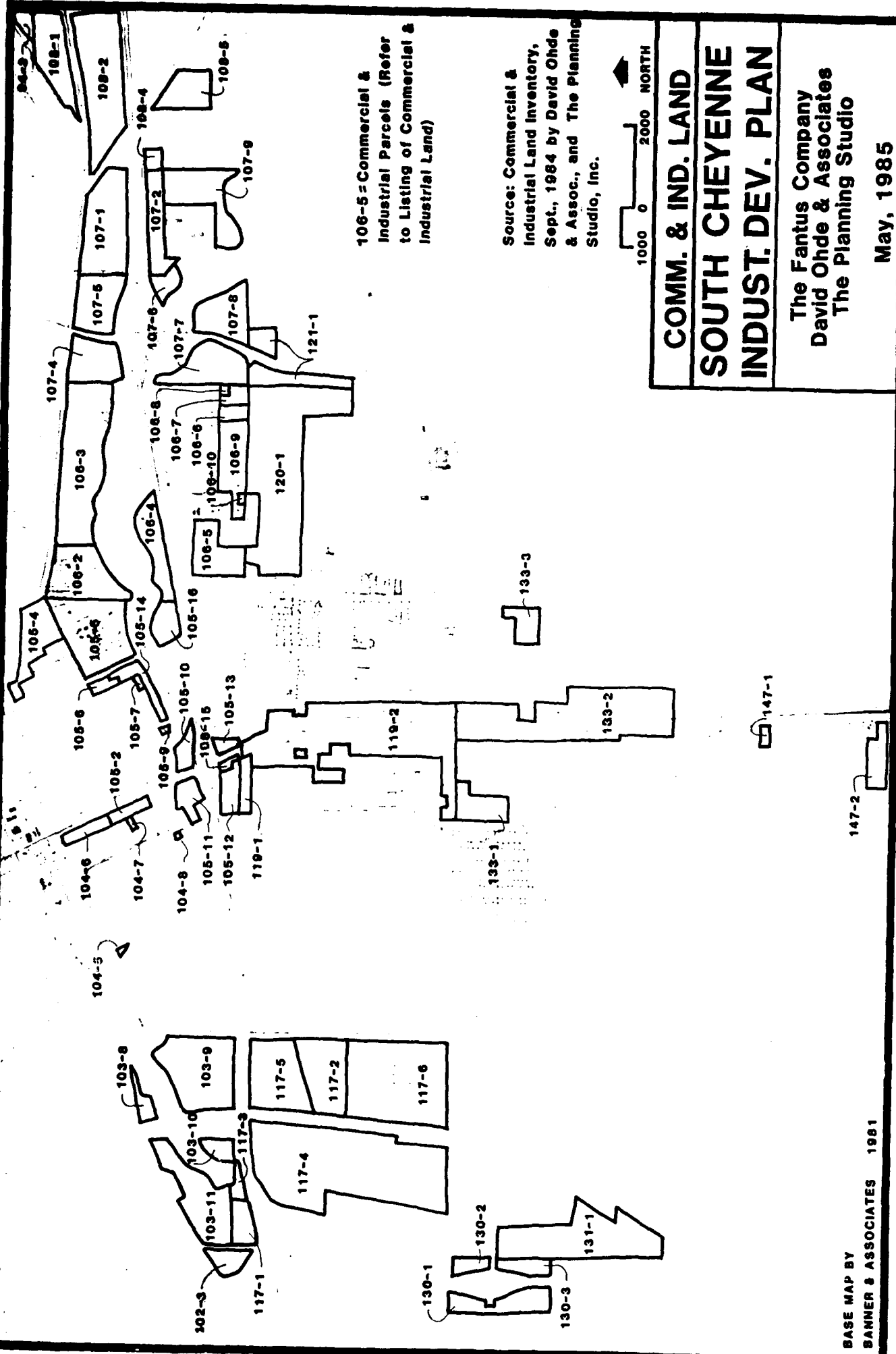
The tables attached indicate the availability of commercial and industrial lands within the study area.

There are approximately 3,800+ acres of land zoned commercial or industrial in the South Cheyenne area, with about 64 percent of the land in an undeveloped state. It should be noted that some of the land is undeveloped due to physical constraints such as flood plains, topography, soils, etc. In addition, some areas zoned commercial and industrial are not consistent with the proposed uses in the Cheyenne Area Development Plan.

The map entitled "Commercial and Industrial Land Map" is abstracted from a study completed in September of 1984 which analyzed and identified parcels of land designated commercial or industrial. Parcels which are zoned "B" or "I" are identified. Parcels also identified as commercial or industrial are zoned as commercial and industrial.

The parcel identifiers are reflected in the accompanying tables. Many of the parcels have identified constraints while others have significant assets.*

* Source: Commercial & Industrial Land Inventory, September 1984 by David Ohde & Associates and The Planning Studio.



106-5 = Commercial & Industrial Parcels (Refer to Listing of Commercial & Industrial Land)

Source: Commercial & Industrial Land Inventory, Sept., 1984 by David Ohde & Assoc., and The Planning Studio, Inc.



COMM. & IND. LAND
SOUTH CHEYENNE
INDUST. DEV. PLAN

The Fantus Company
 David Ohde & Associates
 The Planning Studio

May, 1985

BASE MAP BY
 BANNER & ASSOCIATES 1981

COPY AVAILABLE TO DTIC DOES NOT PERMIT FULLY LEGIBLE REPRODUCTION

South Cheyenne Commercial and Industrial Parcels

PARCEL NUMBER	LOCATION	ZONE DISTRICT	USE BY CADP	TOTAL ACRES	DEVELOPED ACRES	UNDEV. ACRES	UNDEVELOPABLE ACRES	SEWER /WATER
94-3	Rocky Mtn Ind. Park	I-1 City	Industrial Park	4	0	4	0	C
102-3	5th St. in Harper Valley	I-1 County	Light Industrial	11.8	11.8	0	0	C
103-8	Upland Park	I-1 City	Light Industrial	8.4	0	8.4	0	C
103-9	Arp Avenue	I-1 City	Light Industrial	69	69	0	0	C
103-10	Clear Creek Park	I-1 City	Open Space	11.5	11.5	0	0	C
103-11	Southwest Drive	I-1 City	Industrial Park	37.7	23.0	14.7	0	C
104-5	11th and Dillon Ave.	I-1 City	Service Commercial	1.0	0	1.0	0	C
104-6	Central Ave. & W. 9th St.	B-1 City	Commercial/Office	7.0	3.0	4.0	0	C
104-7	Capitol at W. 6th St.	B-2 City	Commercial/Office	1.0	1.0	0	0	C
104-8	Waltersheid at W. 4th	B-2 City	Commercial/Office	.3	.3	0	0	C
105-2	Central Ave. at E. 5th	B-1 City	Commercial/Office	5.0	3.0	2.0	0	C

South Cheyenne Commercial and Industrial Parcels

PARCEL NUMBER	LOCATION	ZONE DISTRICT	USE BY CADP	TOTAL ACRES	DEVELOPED ACRES	UNDEV. ACRES	UNDEVELOPABLE ACRES	SEWER /WATER
105-4	E. 5th St. & Alexander	I-1 City	Light Industrial	22.8	22.8	0	0	C
105-5	Husky Refinery	I-2 City	Heavy Industrial	60.5	60.5	0	0	C
105-6	E. 5th St. at Russell	B-2 City	Service Commercial	3.5	3.0	.5	0	C
105-7	2nd St. & Pebrican Ave	B-1 City	Residential	.9	.9	0	0	C
105-9	Deming Drive & Van Lennen	B-2 City	Commercial/Residential	1.0	1.0	0	0	C
105-10	Deming Drive at Warren Ave	B-1 City	Open Space	7.4	7.4	0	0	C
105-11	I-80 & South Greeley Hwy.	B-1 City	Commercial	8.6	8.6	0	0	C
105-12	E. Fox Farm & I-80	B-1 City	Commercial	11.8	4.7	7.1	0	C
105-13	I-80 & South Greeley Hwy.	B-1 City	Commercial	3.2	3.2	0	0	C
105-14	Deming Drive & Morrie Ave	R-3 City	Service Oriented Commercial	8.1	0	8.1	0	C
105-15	I-80 & South Greeley Hwy.	B-1 County	Commercial	1.6	1.6	0	0	C

South Cheyenne Commercial and Industrial Parcels

PARCEL NUMBER	LOCATION	ZONE DISTRICT	USE BY CADP	TOTAL ACRES	DEVELOPED ACRES	UNDEV. ACRES	UNDEVELOPABLE ACRES	SEWER /WATER
105-16	Morrie Ave & I-80	I-1 County	Open space/ grazing	10.0	0	10.0	0	
106-2	Campstool Road	I-2 County	Heavy Industrial	54.5	54.5	0	0	C (Partial)
106-3	Campstool Rd (E. of Husky)	I-1 County	Open space/ grazing	75.0	0	75.0	0	
106-4	I-80 South of Husky	I-1 County	Open Space	16.0	5.0	11.0	11.0	
106-5	E. Fox Farm Road	I-1 County	Residential	32.8	0	32.8	32.8	
106-6	E. Fox Farm Road	I-1 County	Commercial	4.8	4.8	0	0	D
106-7	E. Fox Farm Road	B-1 County	Commercial	5.8	5.2	.6	0	D
106-8	Ave. "D" at Fox Farm Rd.	I-1 County	Commercial	2.4	2.4	0	0	D
106-9	E. Fox Farm Road	R-3 County	General Commercial	25.0	8	17	(Gravel Pits need to be reclaimed)	D
106-10	E. Fox Farm Road	B-1 County	Commercial	.5	.5	0	0	D
107-1	Campstool Road	I-1 City	Industrial Park	50.5	29.5	21	0	C

South Cheyenne Commercial and Industrial Parcels

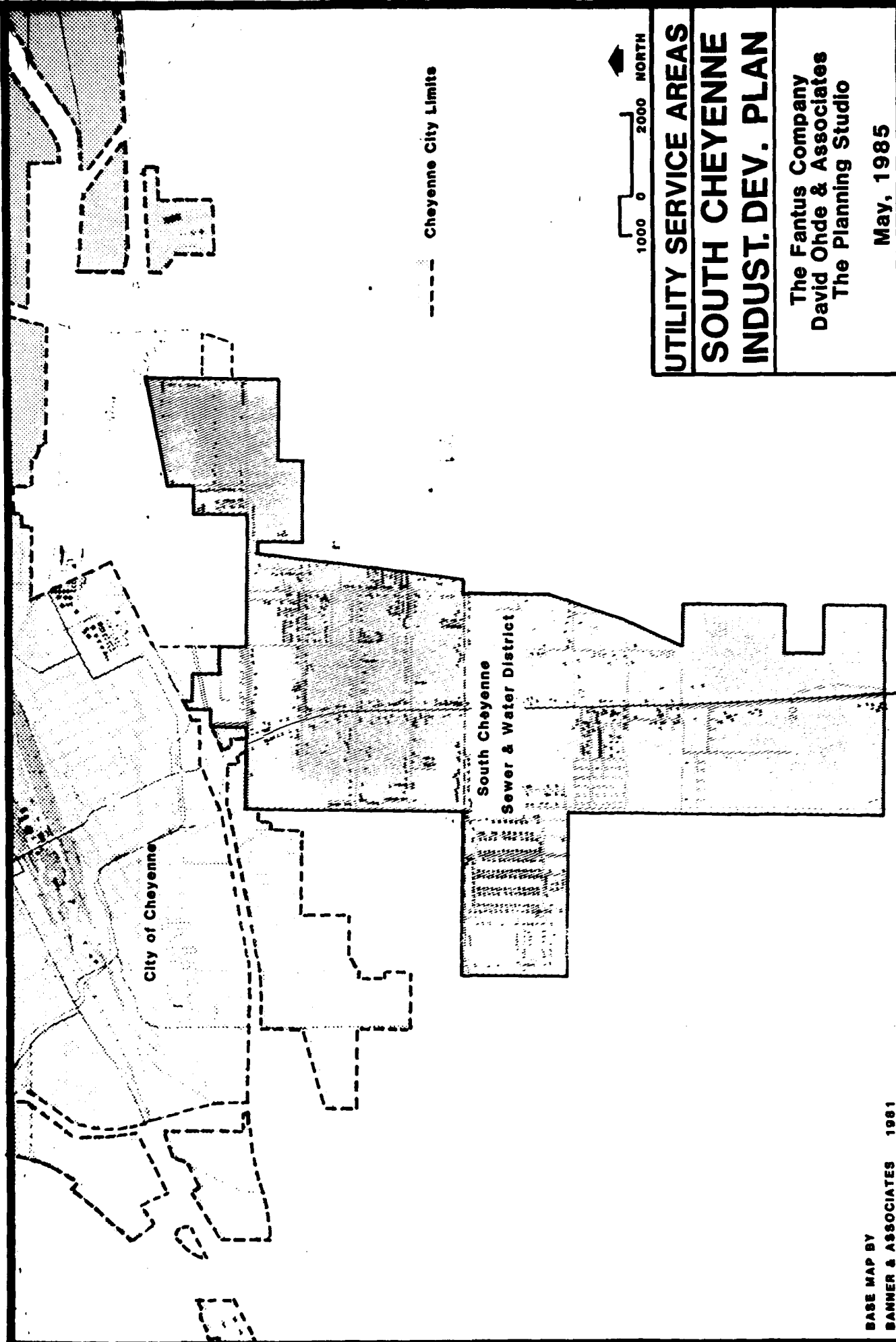
PARCEL NUMBER	LOCATION	ZONE DISTRICT	USE BY CADP	TOTAL ACRES	DEVELOPED ACRES	UNDEV. ACRES	UNDEVELOPABLE ACRES	SEWER / WATER
107-2	South Industrial Road	I-1 City	Industrial Park	23	23	0	0	C
107-4	Campstool & North College	I-1 County	Open Space	25	0	25	0	
107-5	Campstool & North College	I-1 County	Industrial Park	24	0	24	0	C
107-6	South Industrial Road	I-1 County	Industrial	5.0	0	5.0	0	
107-7	Fox Farm & Ave. "D"	I-1 County	Commercial	34	34	0	0	
107-8	N. College Dr. & Fox Farm Rd.	I-1 County	Industrial/ Residential	57.5	0	57.5	0	
107-9	S. of Rocky Mt. Ind. Park	I-1 County	Industrial/ Residential	36	0	36	9	
108-1	Rocky Mtn. Ind. Park	I-1 City	Industrial Park	37	0	37	0	C
108-2	Rocky Mtn Ind. Park	I-1 City	Industrial Park	78	30.0	48	0	C
108-4	I-80 (south of Rocky Mt. Ind. Park)	I-1 County	Industrial Park	26.8	0	26.8	0	
108-5	Wyoming Hereford	I-1 County	Industrial	32.0	0	32.0	0	

South Cheyenne Commercial and Industrial Parcels

PARCEL NUMBER	LOCATION	ZONE DISTRICT	USE BY CADP	TOTAL ACRES	DEVELOPED ACRES	UNDEV. ACRES	UNDEVELOPABLE ACRES	SEWER /WATER
117-1	Southwest Dr. at 5th St.	I-1 City	Light Industrial Park	12.5	1.4	11.1	0	C
117-2	Wyott Drive	I-1 City	Industrial	50	40	10	0	C
117-3	Southwest Dr. at I-80	I-1 County	Open Space	8.2	0	8.2	0	C
117-4	Southwest Drive	I-1 County	Residential	187	0	187	0	
117-5	Parsley Blvd at I-80 (Tank Farm Road)	I-1 County	Industrial Park	50	0	50	0	
117-6	Parsley Blvd. (Tank Farm Road)	I-1 County	Light Industrial	137	47	90	0	
119-1	Fox Farm at Waltersheid	R-3 County	Office	10	0	10	0	D
119-2	S. Greeley at W. Allison	B-1, B-2 County	Commercial/ Residential	141	52.5	88.5	0	D
120-1	Fox Farm Rd. at Ave. C-2	I-1 County	Light Ind./ Residential	155	23.3	131.7	0	D (Partial)
121-1	S. College & Fox Farm	I-1 County	Light Ind./ Residential	26.5	0	26.5	0	
130-1	1-25 at W. College Dr.	B-1 County	Commercial	24	10	14	0	

Utilities Service Area

The utility service area map refers primarily to the South Cheyenne Water and Sewer district. District boundaries are specifically defined and expansion is restricted. The city has provided that annexation of the district can occur with a vote of the council. Since annexation is costly to the city, and due to existing budgetary constraints, it is highly unlikely that annexation would occur in the immediate future.



--- Cheyenne City Limits



UTILITY SERVICE AREAS
SOUTH CHEYENNE
INDUST. DEV. PLAN

The Fantus Company
 David Ohde & Associates
 The Planning Studio

May, 1985

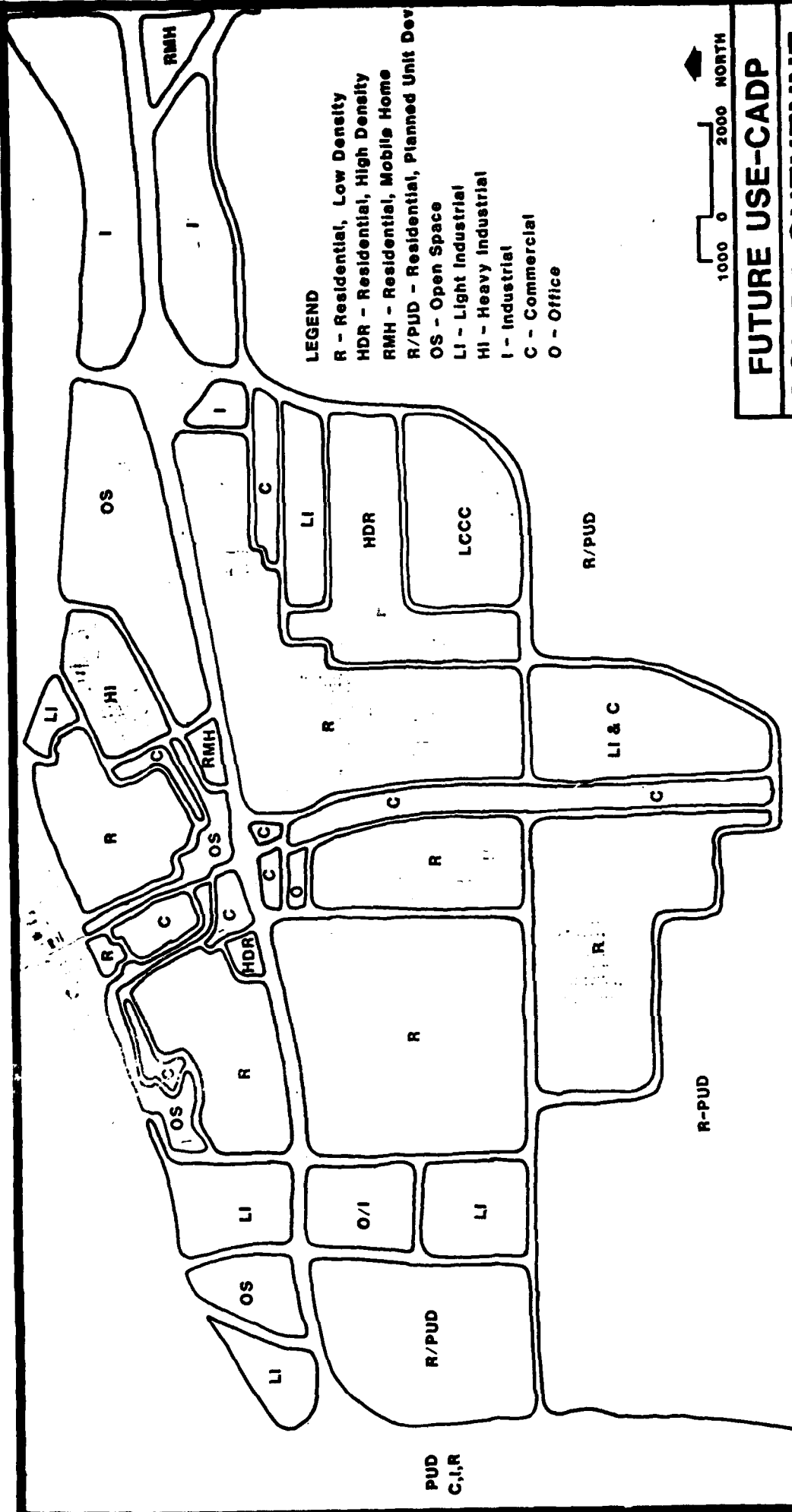
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Future Land Use - Cheyenne Area Development Plan

The map which depicts future land use is taken from the Cheyenne Area Development Plan as adopted in 1982. The plan is a document which is intended to guide the growth of the community and reflects the various land use and development options which are acceptable. The plan is flexible and provision for securing specific changes are set forth. The document is not a zoning ordinance; therefore, the boundaries are not specific.

The plan consists of a series of 47 mini-plans which embrace the zoned area of Cheyenne-Laramie County. The plan is intended as the land use element of the Comprehensive Plan. The land use designations are not necessarily consistent with the designations of the zoning ordinance and are general in nature.



LEGEND

- R - Residential, Low Density
- HDR - Residential, High Density
- RMH - Residential, Mobile Home
- R/PUD - Residential, Planned Unit Dev
- OS - Open Space
- LI - Light Industrial
- HI - Heavy Industrial
- I - Industrial
- C - Commercial
- O - Office



FUTURE USE-CADP
SOUTH CHEYENNE
INDUST. DEV. PLAN

The Fantus Company
 David Ohde & Associates
 The Planning Studio

May, 1985

PUD
 C,I,R

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Physical Evaluation and Assessment

As indicated in the land use maps, several areas are identified for potential commercial and industrial development. The Cheyenne Area Development Plan has identified several areas for expansion as small industrial centers and commercial strip development along South Greeley Highway. It must be recognized, however, that several of these areas have development limitations due to adjacent land uses which may be perceived as undesirable.

Commercial expansion is feasible along College Drive between Waltersheid Boulevard and South Greeley Highway. The areas along Fox Farm Road contain gravel pits which could be reclaimed and utilized for light industrial potential.

A major problem which is considered a constraint to development expansion are the junk yards and salvage yards situated along South Greeley Highway.

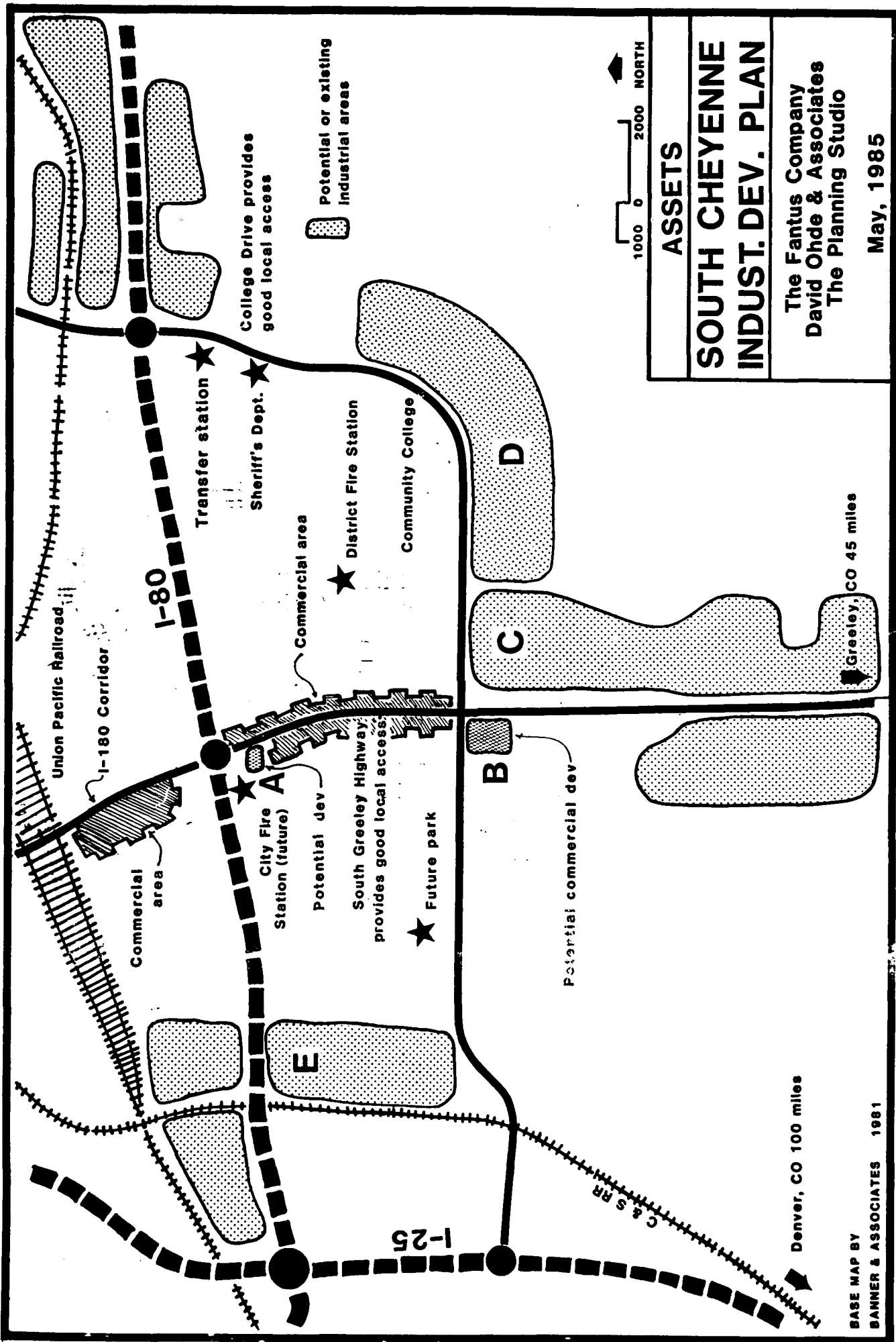
Redevelopment potential exists for junk yards and gravel pits. Care must be exercised when considering gravel pits, however, due to ground water potential and gas collection deposits.

The map which identifies liabilities is specific in its designation of the following physical features which constitute problems and limitations for South Cheyenne development.

- o Specific limits of South Cheyenne Water and Sewer district

- o Limitations of industrial development by CADP, a policy document
- o The location of salvage/junk yards

Many of these liabilities can be corrected and/or eliminated through the development of a cooperative working relationship between the public and private sectors. The elimination and/or screening of the areas' salvage yards would greatly enhance the potential economic development. Also, the amending of the Cheyenne Area Development Plan to create flexible and realistic extensions of commercial and industrial lands would permit additional flexibility for an attractive development environment.



ASSETS

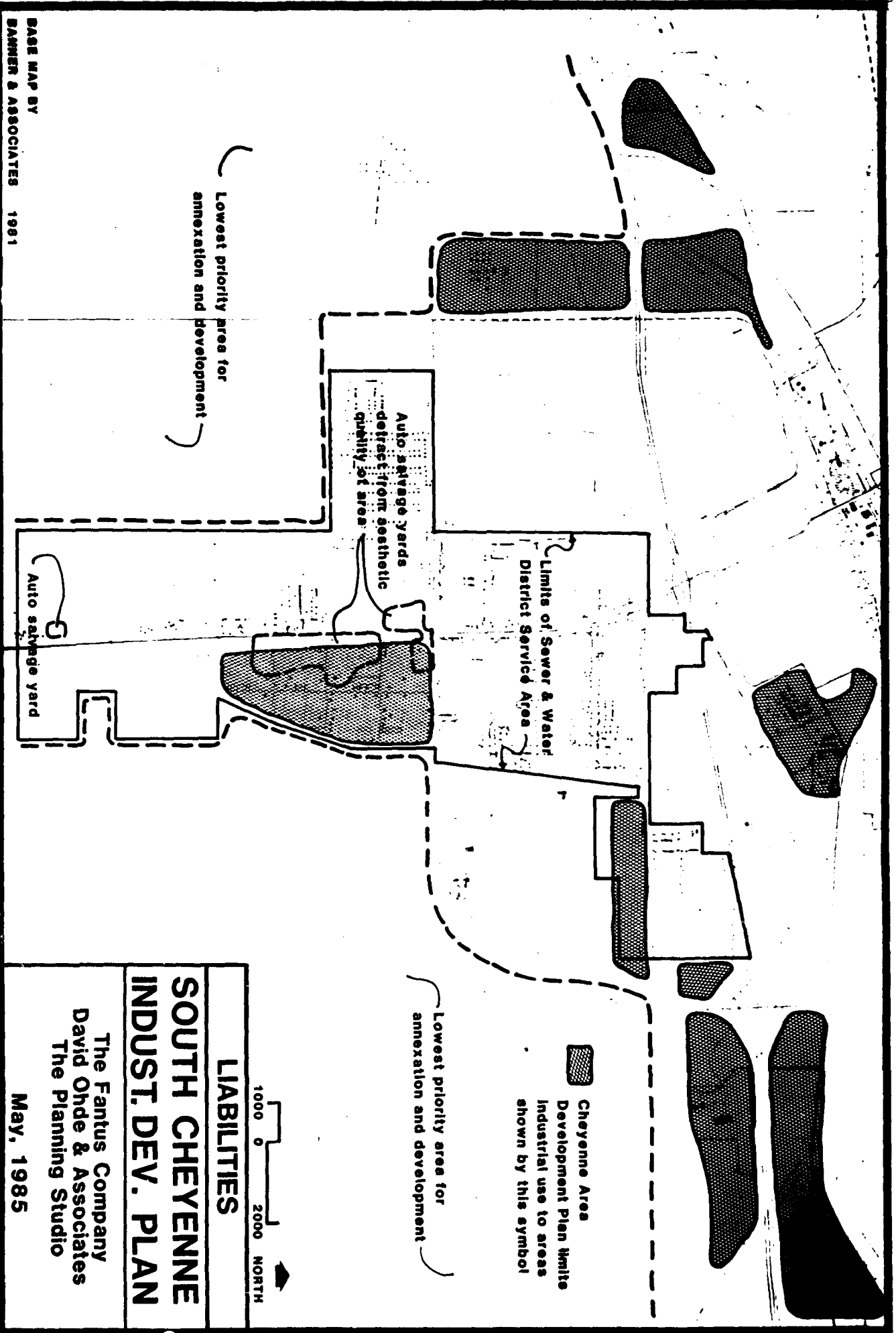
**SOUTH CHEYENNE
INDUST. DEV. PLAN**

The Fantus Company
David Ohde & Associates
The Planning Studio

May, 1985

BASE MAP BY
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BASE MAP BY
BARNER & ASSOCIATES 1981

Lowest priority area for
annexation and development

Auto salvage yards
declass from aesthetic
quality of area

Limits of Sewer & Water
District Service Area

Auto salvage yard

 Cheyenne Area
Development Plan limits
Industrial use to areas
shown by this symbol

Lowest priority area for
annexation and development

1000 0 2000 NORTH

LIABILITIES
SOUTH CHEYENNE
INDUST. DEV. PLAN

The Fantus Company
David Ohde & Associates
The Planning Studio
May, 1985

Potential Development Area A

Location

The area is situated in South Cheyenne and is located directly south of the Holiday Inn at the intersection of South Greeley and West Jefferson.

Description

The area is approximately 16 acres in size. The site is vacant and has rolling terrain with slopes in excess of 10 percent in some areas. The soils are primarily of the Archerson-Albinas-Ascalot Association. These soils generally do not cause any development problems. The site could be developed, but in some sections considerable earth moving would be required.

The area is served by the South Cheyenne Water and Sewer District.

General Environment

The area is vacant and a major transmission line traverses the back portion of the area. The zoning in the area is B-1 and R-3.

The surrounding land uses are:

North - Commercial - Holiday Inn

South - Commercial

East - Commercial

The potential for expansion is good as adjacent land is vacant all the way to Waltersheid Boulevard.

Transportation access is good. The site is serviced by West Fox Farm Road and South Greeley Highway. In addition, the site is within a quarter mile of the east and west-bound access ramps of I-80.

Ownership

Private. The area is well suited for a compact commercial office park with some retail outlets.

Potential Development Area B

Location

Situated at the southwest corner of West College Drive and South Greeley Highway.

Description

The site is 36+ acres generally rectangular with slopping topography. There is a general slope to the center of the site, which appears to be a 4 to 6 feet depression. Thus, this site would possibly require some fill. The site does not appear to have any major drainage hazards or problems. Utilities are present.

General Environment

The site is presently vacant. The site was the formally the location of Jet Gas, but most of the structures are gone. The zoning of the site is B-1.

The surrounding land uses are:

- North - Vacant and commercial
- South - Residential and salvage
- East - Commercial
- West - Vacant

The potential for expansion appears to be limited and is dependant on acquisition of additional land to the west since the site

is at an intersection and on the north and east are major streets which abut the site.

Transportation access is excellent; the site is served by South Greeley Highway and West College Drive.

The site has all available public services: fire and police protection, water and sewer, and streets which are paved. The intersection is controlled by a traffic signal light.

Ownership

The site is in private ownership. The site is ideal for planned commercial development.

Potential Redevelopment Area C

Location

The area is bordered on the west by South Greeley Highway, on the east by Avenue "C", on the north by East College Drive and on the south by East Wallick.

Description

The site is approximately 290 acres, of which not all can be considered for redevelopment. The site can be described as an unrelated mix of development. The area contains salvage yards, junk yards, mobile homes, single family units and vacant land. The area is sub-divided with two major divisions; Wallick and Murray Gardens and Artesian Tracts.

The topography of the area is varied, however, slopes are not more than 5 percent. The soils in the area are a combination of Archerson - Albinas - Ascalon Association with Busher - Trelona - Albinas Association. These soils are generally represented and do not constitute major development problems. These soils generally occur on relatively gentle slopes.

The area has pockets of drainage problems which could be corrected when and if redevelopment occurs. The area is serviced by the South Cheyenne Water and Sewer District.

General Environment

As indicated, the area is mixed use and contains several types of development, such as, commercial, junk and/or salvage yards, mobile homes, single family units. Much of the area is deteriorated and is in need of redevelopment. The zoning in the area is mixed, containing B-3, B-1 and I-1.

The surrounding land uses are:

North - Commercial and residential

South - Industrial and residential

East - Residential and commercial

West - Residential and vacant

The potential for expansion is limited by acquisition, and could be constrained by the presence of a large number of individual parcels.

The area is well situated in terms of highway access. It is at the intersection of College and South Greeley and has good access along South Greeley.

Internal transportation access is good as there are several dedicated North-South streets and East-West streets within the area. Streets are not paved and redevelopment should consider curb, gutter, sidewalk and paving. The extent of improvements is dependant on the type of redevelopment. There would be little reason to acquire additional access permits.

Ownership

The land area is in multiple ownerships and is platted. The area could serve as a strip commercial development which would service the new housing development known as Willow Pond.

Potential Development Area D

Location

Situated south of College Drive directly across from Laramie County Community College.

Description

The site is approximately 370 acres with rolling topography rising away from College Drive. The site will probably be able to be developed by the balancing of the dirt on the site, thereby reducing the cost of importing earth and managing on-site drainage.

General Environment

The site is presently vacant. The zoning on the site is A-1 (Agricultural).

The surrounding land uses are:

North - Laramie County Community College

South - Vacant - Grazing

East - Vacant - Grazing

West - Mixed uses including residential

The potential for expansion is good since land is vacant and if the initial parcel is purchased, then a right-of-first-refusal could probably be incorporated into the purchase agreement.

Transportation access is excellent, being provided by College Drive, which intersects on the West with U.S. 85 (South Greeley Highway) and on the east with I-80.

The site is not within the South Cheyenne Water and Sewer District.

Ownership

The site is held in private ownership and is under the control of a family trust. The trust owners indicate a willingness to sell the property.

The location and size of the site makes this an ideal location for Business Office Park type of development. This type of development would be an excellent adjunct for the LCCC office occupations program, giving those businesses the ability to draw highly skilled employees from the classes at the college as well as providing resources for training.

Potential Expansion Area E

Location

The Cheyenne Progress Center is situated in the general South Cheyenne area but not within the South Cheyenne Water and Sewer District. The center is directly west of Parsley Boulevard and is bounded on the west by Colorado and Southern (Burlington Northern) Railroad, and on the north by I-80.

Description

The area is approximately 54 acres in size. The site is a Planned Industrial Park with AMF Wyott Manufacturing and Unicover Graphics as major facilities on the site. The area is served by the City of Cheyenne Water and Sewer and is in the City. The site is bordered by land in the County.

General Environment

The area is developable. The zoning is I-1 in and around the site.

North - I-1 vacant

South - I-1 vacant and fuel tanks

East - Residential

West - Colorado and Southern (Burlington Northern) Railroad

Transportation in good with access being provided by Parsley Boulevard. Additional entries to the property can be added since this is not a limited access roadway. Railroad service is available.

Ownership

Private. The area is well suited for expansion as a "quality" industrial park, but caution should be noted since some of the area is reported to be part of an old city landfill and therefore, some problems including poor hazardous waste presence, could exist.

The site should be investigated for soil, methane gas collection and leachate problems. These conditions may not exist, but should nevertheless be explored.

The assets are the availability of transportation, both rail and automobile, excellent visibility from I-80, and a good substantial core development project. Since Parsley Boulevard does not have an interchange with I-80, however, retail/commercial development potential is low.

Conclusion

The following points summarize the major physical conditions and needs of the South Cheyenne area as related to the future growth of industrial, commercial or office development:

- o Improvements to the sewer and water systems, as was recommended in recent studies, should be made so that future development of business and residential projects can be accommodated. The Board of Public Utilities and the South Cheyenne Water and Sewer District must continue to work together to service the existing area and should determine methods to provide services to those land areas which are not now served. Policies should be reconsidered which restrict industrial development to current service areas if future growth is to be encouraged.
- o The potential annexation of the South Cheyenne area should be studied in detail to determine the potential benefits related to attracting significant industrial or commercial users to that area.
- o Transportation systems within the South Cheyenne area are an asset. The area has excellent regional access due to the location of I-80 and I-25. Local access is also very good with the existing secondary road system serving the area.
- o There are a large number of commercial and industrial properties which are already zoned for appropriate devel-

opment. However, there are certain discrepancies between the current zoning and the designated future land use as set forth in the Cheyenne Area Development Plan (CADP). Efforts should be made to bring the CADP and the zoning into a more compatible situation. Such concurrence will help eliminate one more stumbling block faced by potential commercial and industrial businesses which may be interested in South Cheyenne.

- o The concentration of auto salvage and junk yards presents a visual liability to South Cheyenne as well as a general land use problem. These salvage yards, located primarily along South Greeley Highway, are in highly visible locations and on properties which could have a much more aesthetic and economically productive use. Efforts should be made to develop a cooperative plan to eliminate or relocate these liabilities to future development.
- o Efforts should be continued to improve the living and working environment in South Cheyenne. Quality housing opportunities, improved streets, additional parks, and improved public services are needed to attract business to the area if economic development is to occur.

South Cheyenne Water & Sewer District

908 Drew Court

307/635-5608

CHEYENNE, WYOMING

82007

September 13, 1985

Mr. Tom Bonds, Director
Cheyenne-Laramie County Regional Planning
2101 O'Neil Avenue
Cheyenne, Wyoming 82001

Dear Tom:

The South Cheyenne Water and Sewer District contracted in the Spring of 1984 to have a complete water system analysis done. They engaged ARIX, A Professional Corporation from Greeley, Colorado, to undertake the study. A computer model was constructed to simulate the hydraulic characteristics of the actual water distribution system. With the computer model operational field calibration tests were performed to verify the computer information.

The District has completed Phase I and Phase II and has let the bid to begin Phase III. These are priority areas as evidenced by the ARIX study. What the District has had constructed and what will be installed in the future are all part of this master plan.

Phase I consisted of installing a 14" water line from the north boundary of the District along the west edge south to approximately the half way point and continuing on with a 10" line to a point on Wallick Road then east on Wallick to complete a loop.

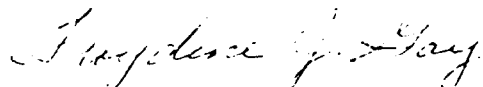
Phase II was looping lines, namely those on East Fox Farm Road, Reiner Court and Avenue B-6.

Phase III calls for a water main along Apple Street in the Orchard Valley area and to loop a line in Avenue B-6 south of Artesian Road and also to loop a line in Avenue C-3.

The District has accomplished its goals with the monies available at this time but will continue to work towards expanding the entire system in the sequence indicated necessary by the ARIX study and the computer model.

Please let me know if you need more information.

Yours truly,



Floydine J. Gay
Secretary-Treasurer



507 EAST EIGHTEENTH STREET P. O. BOX 947 CHEYENNE, WYOMING 82003
307-632-5566

BOB BOOTH
DUANE STEVENSON

DICK LOSEKE

RECEIVED

SEP 06 '85

CITY-COUNTY
PLANNING OFFICE

September 5, 1985

James T. Bonds
Cheyenne Laramie County Planning Office
2101 O'Neil Avenue
Cheyenne, Wyoming 82001

Dear Mr. Bonds:

I did read the Fantus Report on the Economics and Physical Evaluation and Assessment of South Cheyenne Area. I must say that I don't think it told those of us who have been around Cheyenne for some time any more than we already know about the area.

We all know that the Physical make-up is probably the largest draw back to development. We also know that this would take a large amount of money and persuasion to correct.

The one surprising thing to me in the report was the cost of our water and its availability. I was not aware that we had high water cost and I thought that Stage II and III was to take care of the availability.

I would be interested in knowing to what groups this report is being sent to and what response is being made. I would hope that it would be made available to the powers that be in South Cheyenne so that maybe some thing can be done to correct the deficiencies.

Sincerely,

Dick Loseke
Dick Loseke

DL/cm



-200-
RW.
aldas

RESOLUTION NO. 2893

ENTITLED: "A RESOLUTION APPROVING CONDITIONS SET BY THE BOARD OF PUBLIC UTILITIES FOR WAIVING THE WATER PLANNING AND ENGINEERING FEE FOR NEW DEVELOPMENT".

WHEREAS, the Governing Body of the City of Cheyenne desires to encourage the development of new job opportunities within Cheyenne; and

WHEREAS, the waiving of certain water planning and engineering fees could encourage the development of new industrial and business facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF CHEYENNE, that the water planning and engineering fee be waived for new industries and businesses if their water tap is larger than a 2 inch diameter, if they employ over 100 people and if the construction of their new capital facilities exceed a cost of \$5,000,000.

PRESENTED, READ AND ADOPTED THIS 26th DAY OF August

1985.


DON ERICKSON, MAYOR

(SEAL)

ATTEST:


DIANA J. DEAGUERO, CITY CLERK

CHEYENNE BOARD OF PUBLIC UTILITIES

CHEYENNE, WYOMING

RESOLUTION

ENTITLED: "A RESOLUTUION SETTING CONDITIONS FOR WAIVING THE WATER PLANNING AND ENGINEERING FEE FOR NEW DEVELOPMENT."

WHEREAS, the Cheyenne Board of Public Utilities desires to encourage the development of new job opportunities within Cheyenne; and

WHEREAS, the waiving of certain water planning and engineering fees could encourage the development of new industrial and business facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE CHEYENNE BOARD OF PUBLIC UTILITIES, that the water planning and engineering fee be waived for new industries and businesses if their water tap is larger than a 2 inch diameter, if they employ over 100 people and if the construction of their new capital facilities exceed a cost of \$5,000,000.

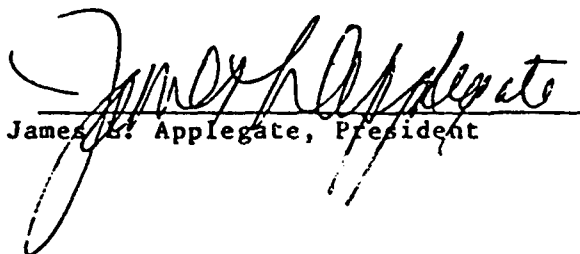
BE IT FURTHER RESOLVED, that this Resolution be submitted to the Cheyenne City Council for their consideration.

PRESENTED, READ AND ADOPTED this 19th day of August, 1985.

ATTEST:

CHEYENNE BOARD OF PUBLIC UTILITIES


Worth Story, Secretary


James L. Applegate, President

Action Automotive, Inc.

- P. O. BOX 2052
- S. GREELEY HWY & COLLEGE DRIVE
- CHEYENNE, WYOMING 82001
- PARTS DEPT. - (307) 634-3377
- BODY SHOP - (307) 632-1550

September 4, 1985

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SEP 05 '85

CITY-COUNTY
PLANNING OFFICE

Mr. James T. Bonds
Cheyenne-Laramie County Regional Planning Office
2101 O'Neil Avenue
Cheyenne, Wyoming 82001

Dear Mr. Bonds:

First, Thank You for sending me the Final Draft copy of the South Cheyenne Industrial Development Plan from Fantus. I will look forward to receiving the other correspondence mentioned in your letter of August 26, 1985.

I have reviewed the draft in detail. All in all, it is a very interesting and informative study. I am not bothered in the least by candor nor bluntness as you know. There are many areas covered and statements made with which I agree. And, there are others with which I disagree. I could write a lengthy response to the study, pro and con, however, due to time restraints I will, at this time, confine my comments to the following.

Many of the problems of the South Cheyenne area are due to its proximity to and overlying rules and regulation from the City of Cheyenne. The absence of parks is obvious and has been for years. The County Commissioners intend to wait for its annexation by the City of Cheyenne and then let them "do it". There has always been somewhat of a "stigma" attached to South Cheyenne by city and county officials which has caused the lack of development of parks, recreational areas, schools, streets, etc. It has been treated as a "fifth wheel" and many still complain of the presence of LCCC on the "Southside". Some of the problems, frankly, are due to developers not owning lands in the area. Comments in the study pertaining to financing and banks are very applicable. I appreciate the mentioning of the problems with water supply and the yet to be built delivery systems that were not mentioned during the debate over the development of Stage II.

I believe that any consideration that Cheyenne or South Cheyenne will, in our time, have large industrial centers or manufacturing plants is a "pipe dream". Distances to markets alone will serve to eliminate Cheyenne. Altitude at the airport was not even mentioned and that physical factor prohibits large shipments by air. Transportation of large quantities will have to be confined to over the road trucks and railroads and maybe, someday, pressurized tubes.

I appreciate the candor of the writers about salvage yards, and, also, since it does not apply to me - junk yards. However, some of those problems come from the attitude of city and county officials to "talk about us instead of talking to us". They have never had the fortitude nor the guts to find out what we do, how we do it, why we do it, nor, any real effort to acquire suggestions from us. I have always regretted that. I have personally tried to alleviate the situation by talking with legislators about the possibility of low interest loans like state farm loans to enable salvage yards to fence on an economical basis, because, let's face it, fences of the type the public wish built are clearly an economic drain on the businesses involved and contribute nothing whatsoever to the economic well-being of the company or business involved.

I strongly disagree with the Potential Development Area locations. I believe that the area named #1 across from the Holiday Inn should probably be placed at least #4. The major transmission lines are hazardous and the access to South Greeley Highway and thus to the Interstate System at West Fox Farm Road is next to impossible. It can be compared in access, etc., with the ill-fated and ill-planned Harper Valley Industrial Park and the Cheyenne "Progress" Center. Access to those areas is totally unacceptable to any serious thinking businessman, and, for certain city and county and group officials to strongly suggest and almost demand that new industry locate there has served in several cases of which I know personally to cause the companies looking at this area to go elsewhere.

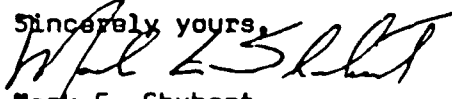
The SW corner of South Greeley Highway and College Drive clearly should be #1.
The SE corner of South Greeley Highway and College Drive should clearly be #2. The reasons are obvious to the person who knows the area. The #1 site above could be utilized beautifully for a small shopping center or small industrial center upon its 36 acres. The #2 site above could be utilized for an office complex. Or, a small shopping center, or. The #2 site corner above could be expanded east to the first southbound gravel road, south to Murray Road and West to South Greeley to encompass some 40 acres which could then be utilized in the same ways as the original #1 site above. It could be placed into one parcel quite easily. Some years ago, I was approached by a company I will not name to acquire just that parcel with the thought of constructing a small shopping center with some housing mixed to the south. They had conducted a very thorough study but quietly placed it on "hold" due to the construction of Frontier Mall.

I feel the study listing Potential Redevelopment Area C as a strip development is clearly not feasible due to terrain which is obvious to the informed. It just will not happen due to costs, fill required, etc, etc.

The site which I consider as being #3 has been totally overlooked in the Fantus report. It would be the area north of College Drive starting just east of the 7-11 and continuing some 1,000 to 1,500 feet eastbound and could possibly consist of up to 20 and more acres and could be placed into one parcel quite easily. It would make an excellent site for an office complex, a small shopping center or small industrial park. Buildings could be set back and solar could be utilized to a large degree. The depth of the parcel is 616 feet. All the advantages considered are present and I know of no disadvantages. Fantus totally overlooked this site.

The original Fantus selection #1 could then be #4 and so on. I also totally disagree with the statement within their report that commercial expansion is feasible along College Drive (with the exception of site #1 - mine) between Walterheid Boulevard and South Greeley Highway. Did they realize that area lies within a clearly defined flood plain that crosses College Drive?

I could go on and make additional comments but feel the above serves to indicate what my attitudes are about the study and development of South Cheyenne. I, again, thank you for forwarding the Fantus Report and soliciting my comments. I hope I have not bored you with my candor and bluntness. I do look forward to receipt of other correspondence mentioned in your letter. If you have questions or comments please feel free to voice them in the way you wish. Again, Thank You.

Sincerely yours,

Mark E. Shubert
President & General Manager



Laramie County Community College
1400 East College Drive Cheyenne Wyoming 82007 (307) 634-5853

September 5, 1985

Mr. Tom Bonds
Regional Planning Office
2101 O'Neil Avenue
Cheyenne, WY 82001

Dear Tom:

At the conclusion of my reading the "Fantus Report" my primary reaction was positive. One can begin to address goals and objectives only after they arrive at some basis from which to begin. I believe the Report does that well.

There weren't any real surprises for me--probably the result of my involvement as the project progressed.

The possibility of the college playing a larger, more effective role in local development is enhanced as a result of the Report, generally assuring "us" that we can and do play a vital role. I believe the college is at a point of wanting to be instrumental in development of the area.

Further, we might now be able to look at areas where the college could be of assistance and develop some definitive plans.

Your efforts with respect to the Fantus work are to be commended, Tom. It really represents forethought and commitment. As a resident and a concerned citizen, I commend you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Art Ellis', written over the word 'Sincerely,'.

Art Ellis
Assistant to the President

cjf

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CITY-COUNTY
PLANNING OFFICE

**SOUTH
LAND
ENTERPRISES, INC.**

September 4, 1985

Mr. Tom Bonds, Director
Cheyenne/Laramie County Regional Planning Office
2101 O'Neil Avenue
Cheyenne, WY 82001

Dear Tom:

The Final Draft copy of the South Cheyenne Industrial Development Plan looks good to me.

I think we are off in the right direction now for something good in the south part of the community.

I might suggest we reword the location description for "Potential Development A."

Sincerely,



Leonard E. Sullivan

LES/e



Laramie County Community College
1400 East College Drive Cheyenne Wyoming 82007 (307) 634-5853

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CITY-COUNTY
PLANNING OFFICE

Mr. James T. Bonds, Director
Cheyenne-Laramie County Regional Planning Office
2101 O'Neil Ave.
Cheyenne, WY. 82001

Dear Tom:

Having now read the third draft of the Fantus report, I look forward to reading the final report, i.e. I am tired of reading drafts. There is not a great deal that I can add to this report. There are some content mistakes and page organization mistakes in the education sections, but will assume that the authors will take care of those problems.

While I can take minor exceptions to some of the asset and liability classifications, overall there is not much to argue over. The report is very good. Fantus appears not to have pulled any punches, and if there is a problem, it is how is our community going to overcome some of the very large liabilities, especially the water problem and the appearance problem? Fantus documents these two areas very well, and it is my fervent hope that this report will garner the public's ire so that our elected officials will take the necessary actions to correct the latter problem. In any case I can hardly wait to see their Targeted Industries report.

Tom, while I have your attention let me address a related subject and that is the RFP on the Strategic Economic Development Program. I agree in general with the thrust of the RFP and the need for such action. I do want to take very strong exception to one area within the RFP, and that is the study of the agricultural sector. I cannot find at any level, national, regional, state, or local, information, data, forecasts, etc. that indicate expansion in the agricultural sector. Data and studies of Laramie County's agricultural sector of which I am quite familiar, and projections for this sector universally point in one direction and that of course is down. Why on earth are we going to throw more resources and do additional studies on this sector? Is there political pressure? If so I would like to know of such and if so, I will hold my tongue for evermore. As an agricultural area, Laramie County at best is a marginal producing area, just like the state. We cannot develop additional water sources for irrigation so there is no room for crop development or expansion beyond present dry land techniques. Cattle production is marginal. Numerous attempts have been made in the past to attract agricultural processing facilities and all have failed or such facilities have closed within a short time of opening. Finally employment in this sector stands at 1,000 workers including owners and has either fallen



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or remained static for the last 15 years. Even with these numbers, it is probably accurate to state that this employment figure of 1,000 is overstated due to the nature of reporting statistics on agricultural employment. An individual can own 40 acres of land and raise 10 horses or cattle and be classified as a farm, etc. My bet is that actual employment in L.C. is probably below actual reported statistics. This is not an argument for going out and doing an agricultural study. It makes little difference if the above is true since the general consensus throughout this nation by the experts is that American agricultural is going through a major adjustment, i.e. the marginal farm operation-family farm is on a major decline, and this adjustment process will continue for a number of years. Laramie County will not be immune from this trend and due to its poor natural resource base will probably suffer at levels equal to or greater than the average national level of decline. Recent farm foreclosures provide some evidence to back this latter statement.

Enough on that subject.

Would you also please send a copy of the final Needs Assessment study.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Richard T. O'Gara'.

Richard T. O'Gara

rto/rg