RENVILLE COUNTY HAS GREAT SITES FOR A DAIRY OPERATION



Dairy Promotion Brochure

Introduction:



The Renville County Job Development Authority (JDA) is in the process of recruiting a large-scale dairy operation to relocate to Renville County. The area is ideally suited for a dairy operation because of its isolation from heavily populated areas, vast areas of farmland for disposing of waste, and good climate for forage and feed grain crops. There is an abundant supply of deep well water, as well as rural water availability.

What The JDA Will Do For You:

- Locate a site that is suitable for a dairy ND Health Department identified two suitable sites
- Cover the cost of an Engineering Assessment Site will be fully permitted for dairy operation
- Acquire Easements for waste disposal Identify local producers for forage and feed grains
- Assist Investor with accessing financing Locate Economic Development incentive funds

Where We Are:



Renville County is located in North Central North Dakota along the United States/Canada border. Visit our website at www.renvillecounty.org for more information about the county. Demographic information on Renville County can be found by visiting http://quickfacts.census.gov/qfd/states/38/38075.html

Our Economic Base:

Our area is predominately agricultural. Crops include durum, barley, sunflowers, canola, corn, red spring wheat, and other specialty crops—edible beans, soybeans, among others. Two bio-diesel processing plants are planned for this area, so that will increase the demand for canola. The by-product meal from that process should make ideal feed for dairy cows. Another Ethanol plant is now under construction in western

Flowering Canola Field

North Dakota as well. This plant will use corn to process the Ethanol, and the by-product from that will also provide a potential source of good feed for dairy cows. Local farmers will grow the feed grains that your dairy will require. We have many businesses that serve the needs of our agricultural industry. Our local elevators accept small grains and ship to markets throughout the world. Local farmers are willing to raise the grain and forage crops that a dairy operation would need.

Transportation Facilities:

Renville County has an excellent highway road system. State Highway 5 runs East and West across the county, and State Highway 28 extends from the Canadian Border south through the county. Paved county roads serve as connecting arteries to the State and US Highways that serve the area. U.S. Highways 83 and 52 connect Renville County to the national transportation system. The Mohall Municipal Airport has the capacity to handle small aircraft. For specific details about the Mohall Municipal Airport, go to: www.airnav.com/airport/HBC Northwest Airlines and Amtrak provide transportation services to Minot, less than an hour's drive from here.

Estimated "Start-up" Cost for a Dairy Operation in Renville County North Dakota:

Site No. 1: SE ¹/₄ of Section 16: Brandon Township

| | No. of Cows | | | | |
|--|-------------------|-------|-------|------------|--|
| | <u>800</u> | | | <u>500</u> | |
| Summary of Estimated Start-up Costs: | | | | | |
| 1. Land (Property- 160 acres @ \$562/acre)* | \$ 90,000 | | \$ | 90,000 | |
| 2. Facilities (\$2,500 per No. of cows) | 2,000,000 | | 1,2 | 50,000 | |
| 3. Milking Cows (\$1,750 per cow) | 1,400,000 | | 8 | 75,000 | |
| 4. Heifers (\$1,600 each) (265) | 424,000 | (165) | 2 | 64,000 | |
| 5. Grain Storage Hopper Bins (2 x \$18,050) | 36,100 | | | 36,100 | |
| 6. Operating Equipment | 300,000 | | 3 | 00,000 | |
| 7. Trailer homes for employees (\$20,000 each) [6] | 120,000 | [4] | | 80,000 | |
| 8 Cost of 3-Phase Power Connection to site | 30,000* | * | | 30,000** | |
| 9. Cost of Back up Generator for 800-cow dairy | 63,000 | | | 63,000 | |
| 10. Incidentals | 100,000 | = | | 75,000 | |
| Total Estimated Start-up Costs | \$ \$4,563,100 | | \$3,0 | 063,100 | |

^{*}Estimate Subject to Negotiations -- This property also includes a modern home at additional cost

** Cost estimate based on \$30,000 per mile to deliver 3-phase power

| Site No. 2: E ½ of NW ¼ of Section 16: Colquhoun Tnsp: No. of Cows | | | | | | |
|---|----|-------------|-------|---------------|--|--|
| | | 800 | | <u>500</u> | | |
| Summary of Estimated Start-up Costs: | | | | | | |
| 1. Land (Property- 80 acres @ \$562/acre)* | \$ | 45,000 | | \$ 45,000 | | |
| 2. Facilities (\$2,500 per No. of cows) | | 2,000,000 | | 1,250,000 | | |
| 3. Milking Cows (\$1,750 per cow) | | 1,400,000 | | 875,000 | | |
| 4. Heifers (\$1,600 each) (265) | | 424,000 | (165) | 264,000 | | |
| 5. Grain Storage Hopper Bins (2 x \$18,050) | | 36,100 | | 36,100 | | |
| 6. Operating Equipment | | 300,000 | | 300,000 | | |
| 7. Trailer homes for employees (\$20,000 each) [6] | | 120,000 | [4] | 80,000 | | |
| 8 Cost of 3-Phase Power Connection to site | | 90,000* | :* | 90,000** | | |
| 9. Cost of Back up Generator for 800-cow dairy | | 63,000 | | 63,000 | | |
| 10. Incidentals | | 100,000 | - | <u>75,000</u> | | |
| Total Estimated Start-up Costs | \$ | \$4,578,100 | | \$3,078,100 | | |

^{*}Estimate Subject to Negotiations -- ** Cost estimate based on \$30,000 per mile to deliver 3-phase power

The above cost figures are estimates only and may not include all elements of a dairy operation. We make no guarantees that the actual costs will be as outlined. The prospective investor/dairy operator will have the responsibility of determining the design and features of the dairy facility, as well as the numbers of livestock needed to meet his/her investment objectives.

Sample Financing Plans

Following is an example of a Financing Plan for a 500- and an 800-cow dairy based on the assumptions shown. The actual amounts will depend on the interest rates, personal investment, and actual size of the dairy at the time of construction. The actual amounts and terms may vary depending on the individual circumstances of each borrower. We make no guarantees that the actual costs will be as outlined.

| | Size of Dairy | | |
|--|--------------------------------|--|--|
| | 500-Cow | 800-Cow | |
| Assumptions: | | | |
| Total Project Cost - Estimate | \$3,000,000 | \$4,500,000 | |
| Operator will have 40% cash equity injection | | | |
| | | | |
| Project Requirements: (Estimate) | | | |
| Total Cost for Buildings and Real Estate | \$1,400,000 | \$2,150,000 | |
| Total Cost for Machinery, Equipment & Livestock | <u>1,600,000</u> | <u>2,350,000</u> | |
| To I Do I and a control of | #2 000 000 | 4.7 00.000 | |
| Total Project Start-up Cost | \$3,000,000 | \$4,500,000 | |
| | | | |
| Financing of Buildings and Real Estate: | | | |
| (25-year amortization; 7.5% rate) | | | |
| (23-year amortization, 7.3 % rate) | | | |
| Total Cost | \$1,400,000 | \$2,150,000 | |
| Cash Down Payment (40% Equity) | 560,000 | 860,000 | |
| Cush Bown Luymone (10/0 Equity) | | | |
| Loan Required | \$ 840,000 | \$1,290,000 | |
| Monthly Payment | \$ 6,207 | \$ 9,533 | |
| • • | , | , | |
| Financing of Chattels: (machinery, equipment, livestock) | | | |
| (7-year amortization; 7.5% rate) | | | |
| m 10 | 44 400 000 | ** ** * * * * * * * * * * * * * * * * | |
| Total Cost | \$1,600,000 | \$2,350,000 | |
| Cash Down Payment (40% Equity) | 640,000 | 940,000 | |
| Lean Deswined | ¢ 060 000 | ¢1 410 000 | |
| Loan Required | \$ 960,000 \$ 14.725 | \$1,410,000 | |
| Monthly Payment | \$ 14,725 | \$ 21,627 | |
| Total Monthly Payment (Based on Assumptions) | \$ 20,932 | \$ 31,160 | |
| Total Monthly Layment (Dased on Assumptions) | Ψ 20,732 | Ψ 31,100 | |
| Total Yearly Payments: | \$ 251,184 | \$ 373,920 | |
| - 5000 2 0000 2 00 000000 | + | ¥ 0.092=0 | |



Technology Capabilities:



High speed Internet service is available in our area. SRT Communications, Inc. serves our area, and they have been very progressive in keeping up with the latest in technological advances. Those who use the Internet for conducting business will have no trouble operating out of this area. A recent national survey of each state's development of technology showed that North Dakota ranks *No. 1* among all the states in the degree and extent of broadband services available, even to the most remote areas. The towns in Renville County were

recently wired for the latest in high-speed technology services by our local cable provider as well. This service will add another method for using high-speed Internet services.

Housing:

There are a number of unoccupied homes in the towns that are located near the sites that are being considered for a dairy operation. Since dairy operators often provide mobile-home housing for their employees, you might consider purchasing a vacant home instead because the cost would probably be lower than moving in a mobile home that would require water and sewer and moving costs. Those moving to this area from Europe and the larger metropolitan areas will be pleasantly surprised at the reasonable cost of existing housing in this area. Visit www.mathiasonrealty.com or e-mail tonya@ndak.net for pictures and costs of existing homes in our area.

Education:



MLS - Mohall Campus



MLS - Sherwood Campus

We have great schools in our area. Our school population is declining in rural North Dakota, but the quality of education is such that our graduates rank very high on academic achievement comparisons with other areas of the country. Visit the individual school websites for complete information about all the schools in our county:

www.mls.k12.nd.us (This is the site for the MLS School District, consisting of schools in Mohall and Sherwood – You can find class schedules, activities, and general information about the school district)

www.glenburn.k12.nd.us (This is the website for the Glenburn Public School. Glenburn is located in southern Renville County near the Minot Air Force Base)

Recreation and Leisure Time Activities:



If you like to golf, there are many nice grass green golf courses within a 50 miles radius of our area here in North Central North Dakota, including a beautiful 9-hole course at Mohall. Minot is about an hour's drive away. Organizations in Minot sponsor a variety of entertainment events that should meet the cultural interests of most people.

We are located in the central flyway for migratory birds, and those interested in hunting would find this area great for duck and goose hunting. The International Peace Garden, which is located on the border

between North Dakota and Manitoba, is an attraction you wouldn't want to miss. As the name implies the area is a virtual garden in a beautiful wooded environment of the Turtle Mountains. The International Music Camp at the



Peace Garden attracts student musicians from all over the world. You can't believe it! The Peace Garden is about an hour and a half away from Renville County.

The Canadian Provinces of Saskatchewan and Manitoba offer a wide variety of things to do. The capital cities of Regina and Winnipeg are large metropolitan areas with a variety of cultural events that will satisfy the desires of most people. Both are only hours away by car. In addition, there are great fishing lakes and resorts throughout the provinces in the pristine natural beauty of the environment. Some areas can only be reached by airplane with water skis. Saskatchewan and Manitoba have abundant wildlife in their natural habitat, as well as beautiful scenery.

Minot provides entertainment to suit most people's desires. The Minot Area Council of the Arts sponsors a number of events that will appeal to your cultural needs. Visit their website www.minotarts.org for a complete listing of events. The Norsk Hostfest is an annual event that highlights our Scandinavian Heritage. It ranks as one of the top 100 entertainment events in the whole United States. Top entertainers from both the United States and the Scandinavian countries will be there to perform in October. Tour busses bring people from all over the country to attend this event. For complete information, visit www.hostfest.com





student body but also for those in the community who are looking for entertainment and self-improvement. On-line courses are available to those who want to further their education while still maintaining their jobs and family obligations. For more information, visit the MSU website at www.minotstateu.edu

Minot State University offers educational, cultural, recreational and economic development opportunities and events not only for their

Minot State University Campus

If you like to be out in Nature, area lakes provide an opportunity to isolate yourself in the natural surroundings. You may not see another person all day long while out fishing in a boat, especially during the week. In the winter ice fishing and snowmobile riding are very popular recreational activities. The Mouse River Park, located in the heart of Renville County, is a popular summer resort area. It is located in the beautiful Souris (Mouse) River Valley and is a popular spot for camping throughout the summer months. For pictures and additional information see their website at www.renvillecounty.org/mouseriver.htm



Another popular event that is rather unique is the Kenmare Goosefest. Each year the community of Kenmare www.kenmarend.net sponsors an event that brings goose hunters from all over the country to participate in the excellent waterfowl hunting that is available in this area. The unforgettable sight of thousands of geese flying overhead or landing in the fields is something to behold indeed. Bud Grant, former coach of the Minnesota Vikings, comes every year to participate in the hunt. If you are a hunter, this is an event you wouldn't want to miss. Our area of North Dakota



is located in the central flyway for migrating ducks and geese. A Federal Game Refuge that includes Lake Darling provides the birds with a great habitat during the spring and fall migration. Hunters from far distances travel to Renville County each year to partake in the great waterfowl hunting.

In addition, there is excellent hunting for partridge, grouse, and pheasants in northwest North Dakota. These hunting excursions are great weekend activities for the outdoor sportsman. The whitetail deer are plentiful for an excellent hunt. In addition, there are limited elk and moose licenses available to the lucky drawing winner. If you like hunting, you will like it here.

"Winter-Time Fun"



Winter in North Dakota is what you make of it. If you haven't experienced the thrill of riding a snowmobile, you are in for a treat in North Dakota. The motorized sled is a source of hours of fun in the snow. It is not uncommon to see several riders on snowmobiles traveling in the ditches and over the frozen fields for miles on end. Many of our residents actually look forward to the winter snow so that they can enjoy the snowmobiling recreation. For information on what a local snowmobiling club has planned, go to www.dakotatrailblazers.com

Downhill skiing is a popular sport at the Bottineau Winter Park, which is located in the Turtle Mountains near Bottineau, North Dakota. For those who want the big mountain skiing, the Montana Rocky Mountains and the Black Hills of South Dakota are only hours away for a great weekend of winter fun on the slopes. The Yellowstone National Park in Wyoming offers opportunities to explore the natural and rugged beauty of the Park and the Grand Teton peaks of the Rocky Mountains on your snowmobile.



Ice Fishing in North Dakota

Lake Darling contains perch, walleye, and northern pike. Anglers drill holes through the ice and fish for these great game fish. North Dakota's Devils Lake, about 150 miles to the east of Renville County, is rated as one of the best walleye and perch lakes in the country, not only for ice fishing but for summer boating and fishing as well. Lake Sakakawea, named after the Indian maiden who helped guide Lewis and Clark Expedition through the Great Plains and the Rocky Mountains to the Pacific Ocean, is one of the great fishing lakes in North America, and it is only one and a half hours away.

For those who like the solitude of exploring our rivers in their natural setting at a leisurely pace, canoeing has become a popular activity. You can paddle up the Souris (Mouse) River from the Mouse River Park to the Canadian Border, or you can explore the "Mighty Missouri" River and other wilderness rivers in North Dakota and Canada as well.



Mouse River Scene

**Local Athletes Provide Great Entertainment **

Probably the most popular and entertaining activities happens right here at home. High school athletics is the most common form of entertainment for the local parents and fans. Since everyone knows the athletes in a small town, there is a great interest in watching them play. Over the years some great rivalries have developed between towns, so the loyal fans are there at every game to cheer on the home team. Actually, going to the game becomes a social event for the local citizens to gather to watch the games and visit.

Medical Services:



We know that access to health care is a very important consideration when moving to a community. Our small towns are served by clinics that are affiliated with the main health care facility in our area that is located in Minot, about an hour's drive away. The local clinics provide the routine basic health care right here at home. A resident dentist serves patients in our area, as well as patients from Canada. Our communities all have local ambulance personnel who are properly trained and qualified to provide basic life-saving procedures. Although they are volunteers, they are very professional, properly trained and

competent to provide emergency medical care. The local nursing home in Mohall provides for the needs of our elderly citizens in a caring and loving atmosphere.

County Towns and Demographic Statistics:

There are six (6) incorporated towns in Renville County (Mohall, the county seat; Sherwood, Glenburn, Tolley, Loraine, and Grano). Please visit the following websites for more information on those towns:



Mohall City Welcome Sign

<u>www.mohallndak.com</u> (City of Mohall website—Provides information about Mohall, the county seat of Renville County)

<u>www.sherwoodnd.com</u> (City of Sherwood website -- Includes information about Carievale, Saskatchewan, Canada as well)

www.glenburn.us (This is the website for the City of Glenburn)

www.tolleynd.com (City of Tolley website –Tolley is a small town near the Mouse River Park, a place where many people have cabins they use in the summer)

For **Demographic Statistics** on Renville County and each of the towns in the county, please visit this website: http://quickfacts.census.gov/qfd/states/38/38075.html



Glenburn Park and Recreation Area



Sherwood Lutheran Church



Glenburn North Dakota



Sherwood North Dakota



Tolley North Dakota

North Dakota Dairy Information and Licensing Requirements:

In order to operate in North Dakota your dairy business would have to obtain the appropriate license and meet other state regulations. You can find information on general licensing requirements by going to the state website at:

<u>www.nd.gov</u> (Excellent site for finding just about everything about North Dakota, including business licensing, tourism, education, etc. This site will direct you to whatever you want or need to know, including statistics for the state and each county—Renville County included)

For additional information about the dairy industry in North Dakota, visit the North Dakota Dairy Coalition site at http://nddairy.com/coalition.htm and the North Dakota State Department of Agriculture at http://www.agdepartment.com/

Other Sites You May Find Interesting And Helpful

- 1. http://www.parkrec.nd.gov/ -- (Gives information on Outdoor Activities in North Dakota—for the North Dakota Parks and Recreation Department)
- 2. http://www.classbrain.com/artstate/publish/article_238.shtml North Dakota is a land steeped in tradition, with a rich history, a brilliant present and great future. What makes North Dakota so special? It's the people, places and things found here that sets us apart. Check this site for photos of sites to see in North Dakota.
- 3. http://www.medora.org/ Visit this site for information on the most popular tourist attraction in North Dakota Located in the North Dakota Badlands this is the location of Theodore Roosevelt National Park—a must see
- 4. http://www.banknd.com/bndhome.jsp This is the site of the Bank of North Dakota, the only state-owned bank in the nation. Check its mission to promote new industries and to provide financing for economic development projects
- 5. http://www.jobsnd.com/ This is the site for Job Service North Dakota. Contact the Minot office of Job Service North Dakota for help in hiring employees for your dairy operation. You can call directly to the Minot Office at 1-800-482-0017, ask for Mr. Lee Snyder
- 6. http://nddairy.com/coalition.htm This site will give you information about the dairy industry in North Dakota. Be sure to click on the links to access a great deal of information on financing and other information about North Dakota.
- 7. http://www.growingnd.com/ North Dakota Department of Commerce. Visit this site to find information on business incentives and other help in starting or relocating a business to North Dakota.



More information:

If you would like more information, please feel free to contact the Renville County JDA Office, Box 68, Mohall, ND 58761. You can also call the JDA office at (701) 756-6288. Or you can e-mail Milton Hoyt, Executive Director, Renville County JDA at renjda@state.nd.us