

March 3, 2003

LF031203-20

Ms. Coleen Schmidt
City of Rapid City
300 Sixth Street
Rapid City, South Dakota 57701

Dear Ms. Schmidt:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide to the City of Rapid City, South Dakota (the "City").

We will apply the following procedures, which the City has specified and will enable you to comply with the arbitrage rebate laws contained in Section 148(f) of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations, to the City's Civic Airport Improvement Corporation Revenue Bonds, Series 1987A (the "Bonds"):

- 1) Read the Official Statements, Arbitrage Certificate, Indenture of Trust, prior Arbitrage Calculation, and Form 8038 for the Bonds to understand the nature of these financing transactions.
- 2) Calculate the yield (in accordance with Internal Revenue Regulation Section 1.148-4 of the 1993 Final Treasury Regulations) on the Bonds.
- 3) Accumulate the relevant investment activity of the Bond and other proceeds subject to rebate for purposes of computing the rebate liability.
- 4) Using the Bond yield as determined in No. 2 above, we will calculate the potential rebate liability using the future value method as defined in the Internal Revenue Regulation Section 1.148-3 of the 1993 Final Treasury Regulations.

This engagement to apply agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described in this letter either for the purpose for which this report has been requested or for any other purpose.

Ms. Coleen Schmidt
March 3, 2003
Page 2

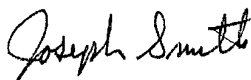
The schedules provided to us are the responsibility of the City. It is understood that our report is intended solely for the information and use of the City, and is not intended to be and should not be used by anyone other than these specified parties.

These agreed-upon procedures do not constitute an examination or review of the information and assumptions obtained from the documents provided to us, the objective of which would be the expression of an opinion on the completeness or accuracy of the information for purposes of these calculations. Accordingly, we will not express such an opinion and the City will indemnify and hold us harmless from any liability, damages and legal or other costs we might sustain in the event such information is false. Thus, an agreed-upon procedures engagement does not provide assurance that we will become aware of all significant matters that would be disclosed in an examination or review. If, as a result of applying the above procedures, any matters come to our attention that cause us to believe that such information should be adjusted, we will disclose those matters in our report.

Our estimated fees for this engagement will be \$2,500 for the Final calculation ending October 1, 2002. This quote includes only those services outlined above and any additional services such as appearing before judicial proceedings, governmental organizations, or the Internal Revenue Service, will be billed for separately.

We appreciate the opportunity to work with you on this engagement. If you have any questions about the engagement please feel free to call me at (612) 677-5237.

Sincerely,



M. Joseph Smith
Partner - Public Finance
mc

The foregoing letter fully describes the services required and is accepted by us.

Date

Signature

March 3, 2003

Ms. Coleen Schmidt
City of Rapid City
300 Sixth Street
Rapid City, South Dakota 57701

Dear Ms. Schmidt:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide to the City of Rapid City, South Dakota (the "City").

We will apply the following procedures, which the City has specified and will enable you to comply with the arbitrage rebate laws contained in Section 148(f) of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations, to the City's Parking Revenue Bonds, Series 1998 (the "Bonds"):

- 1) Read the Official Statements, Arbitrage Certificate and Form 8038-G for the Bonds to understand the nature of these financing transactions.
- 2) Calculate the yield (in accordance with Internal Revenue Regulation Section 1.148-4 of the 1997 Final Treasury Regulations) on the Bonds.
- 3) Accumulate the relevant investment activity of the Bond and other proceeds subject to rebate for purposes of computing the rebate liability.
- 4) Using the Bond yield as determined in No. 2 above, we will calculate the potential rebate liability using the future value method as defined in the Internal Revenue Regulation Section 1.148-3 of the 1997 Final Treasury Regulations.

This engagement to apply agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described in this letter either for the purpose for which this report has been requested or for any other purpose.

Ms. Coleen Schmidt
March 3, 2003
Page 2

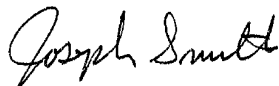
The schedules provided to us are the responsibility of the City. It is understood that our report is intended solely for the information and use of the City, and is not intended to be and should not be used by anyone other than these specified parties.

These agreed-upon procedures do not constitute an examination or review of the information and assumptions obtained from the documents provided to us, the objective of which would be the expression of an opinion on the completeness or accuracy of the information for purposes of these calculations. Accordingly, we will not express such an opinion and the City will indemnify and hold us harmless from any liability, damages and legal or other costs we might sustain in the event such information is false. Thus, an agreed-upon procedures engagement does not provide assurance that we will become aware of all significant matters that would be disclosed in an examination or review. If, as a result of applying the above procedures, any matters come to our attention that cause us to believe that such information should be adjusted, we will disclose those matters in our report.

Our estimated fees for this engagement will be \$5,000 for the Five-Year calculation ending May 20, 2003. This quote includes only those services outlined above and any additional services such as appearing before judicial proceedings, governmental organizations, or the Internal Revenue Service, will be billed for separately.

We appreciate the opportunity to work with you on this engagement. If you have any questions about the engagement please feel free to call me at (612) 677-5237.

Sincerely,



M. Joseph Smith
Partner - Public Finance
mc

The foregoing letter fully describes the services required and is accepted by us.

Date

Signature

March 3, 2003

Ms. Coleen Schmidt
City of Rapid City
300 Sixth Street
Rapid City, South Dakota 57701

Dear Ms. Schmidt:

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide to the City of Rapid City, South Dakota (the "City").

We will apply the following procedures, which the City has specified and will enable you to comply with the arbitrage rebate laws contained in Section 148(f) of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations, to the City's Sales Tax Revenue Bonds, Series 1992 (the "Bonds"):

- 1) Read the Official Statements, Officers Certificates and Forms 8038-G for the Bonds to understand the nature of these financing transactions.
- 2) Calculate the yield (in accordance with Internal Revenue Regulation Section 1.148-4 of the 1993 Final Treasury Regulations) on the Bonds.
- 3) Accumulate the relevant investment activity of the Bond and other proceeds subject to rebate for purposes of computing the rebate liability.
- 4) Using the Bond yield as determined in No. 2 above, we will calculate the potential rebate liability using the future value method as defined in the Internal Revenue Regulation Section 1.148-3 of the 1993 Final Treasury Regulations.

This engagement to apply agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described in this letter either for the purpose for which this report has been requested or for any other purpose.

Ms. Coleen Schmidt
March 3, 2003
Page 2

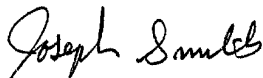
The schedules provided to us are the responsibility of the City. It is understood that our report is intended solely for the information and use of the City, and is not intended to be and should not be used by anyone other than these specified parties.

These agreed-upon procedures do not constitute an examination or review of the information and assumptions obtained from the documents provided to us, the objective of which would be the expression of an opinion on the completeness or accuracy of the information for purposes of these calculations. Accordingly, we will not express such an opinion and the City will indemnify and hold us harmless from any liability, damages and legal or other costs we might sustain in the event such information is false. Thus, an agreed-upon procedures engagement does not provide assurance that we will become aware of all significant matters that would be disclosed in an examination or review. If, as a result of applying the above procedures, any matters come to our attention that cause us to believe that such information should be adjusted, we will disclose those matters in our report.

Our estimated fees for this engagement will be \$6,000 for the Ten-Year calculation ending May 15, 2002. This quote includes only those services outlined above and any additional services such as appearing before judicial proceedings, governmental organizations, or the Internal Revenue Service, will be billed for separately.

We appreciate the opportunity to work with you on this engagement. If you have any questions about the engagement please feel free to call me at (612) 677-5237.

Sincerely,



M. Joseph Smith
Partner - Public Finance
mc

The foregoing letter fully describes the services required and is accepted by us.

Date

Signature