

Lynn Jeri

From: Vore Ted
Sent: Thursday, August 14, 2003 3:02 PM
To: 'madden@rapidnet.com'
Cc: Lynn Jeri
Subject: RE: I hope an email is ok.

Thanks, Mike,

I will see that Council gets this.

Jeri, can this go on the web and in your agenda material?

Ted

-----Original Message-----

From: madden@rapidnet.com [mailto:madden@rapidnet.com]
Sent: Thursday, August 14, 2003 1:28 PM
To: ted.vore@rcgov.org
Subject: I hope an email is ok.

August 14, 2003

Mr. Ted Vore, Public Works Director
City of Rapid City

Dear Ted:

This letter is to confirm what we talked about earlier today concerning the approximately 150 feet of line at the extreme eastern edge of the Bradsky development. Your suggestion of using a part of the cash payment that Enchanted Hills intends to make to the city for increasing the size of this short line meets our approval and I trust that you will make this known to the city council in their process of approving our cash prepayment. Our only expectation is that the new line be maintained by the city. From our standpoint the timing of the installation is flexible and you can do it at your convenience.

If you have questions, please contact me.

Sincerely,

Michael Madden
President Enchanted Hills Water Association.

July 22, 2003

Ms. Colleen Schmidt
Rapid City Finance Office
Rapid City SD

Dear Colleen:

Attached, please find a spreadsheet that summarizes the financial aspects of Enchanted Hills Water Association possibly making a lump sum cash payment in lieu of continuing with the payment plan. This represents a discount factor of 5.5%, a number that I ran by you a couple of months ago.

Sincerely,

Michael K. Madden
President of Enchanted Hills Water Association
W - 394-4959

JULY 2003

VERSION 3 (5.5% DISCOUNT RATE)

Explanation

	\$123,370	Estimated Total amount of future flow of payments as of today
	\$102,283	Present value of future flow of payments as of today
minus	\$67,235	Proposed cash payment (less the \$25,500 owed)
equals	\$35,048	
plus	\$5,053	interest owed on \$25,500 for 3yrs, 1 month @ 7%
equals	\$40,101	
	\$25,500	\$25,500 proposed cash payment on loan
	\$14,601	Balance outstanding as of July 2003
	\$14,955	Amount of future flow of payments remaining (About 7.3 months)