

**AGREEMENT TO CONSTRUCT IMPROVEMENTS TO THE WESTERN HALF
OF THE INTERSECTION OF FAIRMONT BLVD. AND SOUTH HWY. 16**

This Agreement is made and entered into by and between the City of Rapid City (herein after "City"), a municipal corporation, located at 300 Sixth Street, Rapid City, South Dakota 57701 and JR Investments, LLC (herein after "Developer"), located at 2707 Mount Rushmore Rd., Rapid City, South Dakota, 57701.

WHEREAS, Developer is the owner of property surrounding Fairmont Blvd. as it abuts South Hwy. 16 within the City of Rapid City; and

WHEREAS, both parties want to construct improvements to the western half of the intersection of Fairmont Blvd. and South Hwy. 16 as it abuts Developer's property; and

WHEREAS, the City would not agree to construct the desired improvements without the Developer assisting the City to pay for the cost of the improvements.

NOW THEREFORE, the parties agree as follows:

1. The Developer will donate to the City a tract of land consisting of approximately 1,681 square feet to be used as public right of way on the north side of Fairmont Blvd. The tract to be donated will be designated as Lot H8 and is currently part of Tract A, Revised, of Walpole Heights Subdivision, NW ¼ of the SE ¼ of Section 11, Township One North (T1N), Range Seven East (R7E) of the Black Hills Meridian, Rapid City Pennington County, South Dakota. Lot H8 is shown on a draft plat prepared by CETEC Engineering which has been attached hereto and incorporated herein by this reference as Exhibit "A."
2. The costs of constructing the intersection improvements between the parties shall be allocated between the parties according to the terms of the April 3, 2003 letter from Doug Adelman to Mr. Riddle which has been attached hereto and incorporated herein by this reference as Exhibit "B." Under this Agreement the Developer will pay to the City an amount not to exceed \$20,795 as its share of the estimated costs of the intersection improvements.
3. This Agreement along with the April 3, 2003 letter constitute the entire agreement of the parties. No other writings or negotiations are part of this document.
4. The parties rights and obligations under this Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota. Any dispute concerning this Agreement shall be litigated, and venued, in the Circuit Court of the Seventh Judicial Circuit for the State of South Dakota, located in Rapid City, Pennington County, South Dakota.

Dated this ____ day of _____, 2004.

C:\Documents and Settings\KarenJ\Local Settings\Temporary Internet Files\OLK40\Riddle - Fairmont Intersection.doc

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

JR INVESTMENTS, LLC.

BY: _____
ITS: _____

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF PENNINGTON)

On this _____ day of _____, 2004, before me, the undersigned officer, personally appeared Jim Shaw and James F. Preston, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City and that they, as such Mayor and Finance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing as such Mayor and Finance Officer of the City of Rapid City.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[SEAL]

Notary Public, State of South Dakota
My Commission Expires: _____

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF PENNINGTON)

On this _____ day of _____, 2004, before me, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of JR Investments, LLC, and that he, as such _____, being authorized so to do, executed the foregoing instrument by signing the name of JR Investments, LLC by himself as _____,

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[SEAL]

Notary Public, State of South Dakota
My Commission Expires:_____