

DREAM DESIGN INTERNATIONAL, INC. CIVIL, STRUCTURAL, AND LAND DEVELOPMENT ENGINEERS

February 6, 2007

Honorable Mayor Jim Shaw City of Rapid City 300 Sixth Street Rapid City, SD 57701

RE: Lowry Land & I90 Sanitary sewer crossing

Honorable Mayor Shaw:

The South Dakota Department of Transportation has just opened bids for work on I90 and Exit 61. The work included placing a 30" steel casing pipe. The bids for this portion of the project are near \$90,000. This does not include the installation of the PVC carrier pipe or the manholes to complete the sanitary sewer main. The anticipated additional costs for this work are near \$65,000. The SDDOT has budgeted \$50,000 for this sewer main construction in exchange for allowing them to connect to the sewer main when it is extended in front of their offices. The total needed funding for this portion is estimated at \$110,000. This will allow for the completion of this portion of the sanitary sewer crossing under I90 without any complications to the I90 reconstruction and without any delays that may impact the development in this basin. The options discussed with the staff are:

- 1- 0.16 City Funding and recovery from the TID if funds are available.
- 2- 0.16 City Funding and recover from connection fees.
- 3- 0.16 City Funding and no recovery (not recommended).
- 4- Developer funds the project and City repays from enterprise oversize fund (not recommended).

It will be less complicated for the City to fund the project with choices one or two listed above. It is hard to get the several developers in this area to collectively contribute to this project. I believe it is a major saving to all if it is completed prior to the construction by the DOT.

Please let me know if the City can place this item for the 0.16 funding committee so we can provide you with all the supporting documents.

I thank you for your help in this matter.

Sincerely,

DREAM DESIGN INTERNATIONAL, INC.

Hani Shafai, PE

President

CC: Marcia Elkins, Ted Vore, Dirk Jablonski

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