

AGREEMENT FOR FINANCIAL ADVISOR SERVICES

THIS AGREEMENT is made as of the _____ day of February, 2009, by and between the City of Rapid City, South Dakota ("Client") and Springsted Incorporated ("Advisor").

WHEREAS, the Client wishes to retain the services of the Advisor on the terms and conditions set forth herein, and the Advisor wishes to provide such services;

NOW, THEREFORE, the parties hereto agree as follows:

- Services. For each Debt Obligation issued by the Client during the term of this Agreement, the Advisor shall perform the services as set forth in the Proposal to Provide Investment Consulting Services in the Issuance of Water and Sewer Revenue Bonds (the "Proposal"), dated January 22, 2009. The Proposal is incorporated by reference into this Agreement in its entirety. The Advisor shall also advise the Client as to the following matters related to the Debt Obligation, depending on the characteristics of the Debt Obligation and the needs of the Client; (a) the basis and procedure for authorization of the Debt Obligation; (b) the structure of the Debt Obligation; (c) the need for and type of collateral or other devices for securing repayment of the Debt Obligation or of any loan made by the Client with the proceeds of the Debt Obligation; (d) an estimate, based on data provided by the Client, as to the sufficiency of revenue to repay the Debt Obligation or any loan made by the Client with the proceeds of the Debt Obligation; (e) the ratability of the Debt Obligation; (f) the marketability of the Debt Obligation; and (g) the rate of interest at which the Debt Obligation should be issued. In addition, depending on the characteristics of the Debt Obligation and the needs of the Client, the Advisor may assist the Client in drafting the Official Statement related to the Debt Obligation, apply for a credit rating, print or arrange for printing of the Official Statement, the instruments evidencing the Debt Obligation, and any related documents. For the purposes of this Agreement the term "Debt Obligation" shall mean all indebtedness issued by the Client which is evidenced by a bond or similar instrument.
- Compensation. The Client shall compensate the Advisor at the rates set out in Appendix A and the Proposal dated January 22, 2009, in an amount not to exceed \$100,000. If the fees will exceed this amount, the Advisor shall seek prior approval from the City for any fees in excess of this amount. Failure to seek prior authorization for additional fees may result in the fees not being paid.
- Term and Termination. This Agreement shall commence as of the date hereof, and shall continue until terminated by either party by written notice given at least 60 days before the effective date of such termination, provided that no such termination shall affect or terminate the rights and obligations of each of the parties hereto with respect to any Debt Obligation, whether or not complete, for which the Advisor has provided services prior to the date that it received such notice.
- Indemnification; Sole Remedy. The Client and the Advisor each hereby agree to indemnify and hold the other harmless from and against any and all losses, claims, damages, expenses, including without limitation, reasonable attorney's fees, costs, liabilities, demands and cause of action (collectively referred to herein as "Damages") which the other may suffer or be subjected to as a consequence of any act, error or omission of the indemnifying party in connection with the performance or nonperformance of its obligations hereunder, less any

payment for damages made to the indemnified party by a third party. Notwithstanding the foregoing, no party hereto shall be liable to the other for Damages suffered by the other to the extent that those Damages are the consequence of: (a) events or conditions beyond the control of the indemnifying party, including without limitation changes in economic conditions; (b) actions of the indemnifying party which were reasonable based on facts and circumstances existing at the time and known to the indemnifying party at the time the service was provided; or (c) errors made by the indemnifying party due to its reliance on facts and materials provided to the indemnifying party by the indemnified party. Neither party shall be entitled to indemnification under this Agreement for Damages related to any Debt Obligation issued by the Client more than three years prior to the date on which a claim for indemnification is first asserted in writing and delivered to the party from which indemnification is asked. Whenever the Client or the Advisor becomes aware of a claim with respect to which it may be entitled to indemnification hereunder, it shall promptly advise the other in writing of the nature of the claim. If the claim arises from a claim made against the indemnified party by a third party, the indemnifying party shall have the right, at its expense, to contest any such claim, to assume the defense thereof, to employ legal counsel in connection therewith, and to compromise or settle the same, provided that any compromise or settlement by the indemnifying party of such claim shall not be deemed an admission of liability hereunder. The remedies set forth in this paragraph shall be the sole remedies available to either party against the other in connection with any Damages suffered by it.

5. Confidentiality; Disclosure of Information.

Client Information. All information, files, records, memoranda and other data of the Client which the Client provides to the Advisor or which the Advisor becomes aware of in the performance of its duties hereunder ("Client Information") shall be deemed by the parties to be the property of the Client. The Advisor may disclose the Client Information to third parties in connection with the performance by it of its duties hereunder.

Advisor Information. The Client acknowledges that in connection with the performance by the Advisor of its duties hereunder, the Client may become aware of internal files, records, memoranda and other data, including without limitation computer programs of the Advisor ("Advisor Information"). The Client acknowledges that all Advisor Information, except reports prepared by the Advisor for the Client, is confidential and proprietary to the Advisor, and agrees that the Client will not, directly or indirectly, disclose the same or any part thereof to any person or entity except upon the express written consent of the Advisor.

6. Miscellaneous

No Underwriting Participation. The Advisor shall not during the term of this Agreement directly or indirectly engage in the underwriting of any Debt Obligation.

Delegation of Duties. The Advisor shall not delegate its duties hereunder to any third party without the express written consent of the Client.

No Third Party Beneficiary. No third party shall have any rights or remedies under this Agreement.

Entire Contract; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior written or oral negotiations, understandings or agreements with respect hereto. This Agreement may be amended in whole or in part by mutual consent of the parties, and this Agreement shall not preclude the Client and the Advisor from entering into separate agreements for other projects.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota.

Severability. To the extent any provision of this Agreement shall be determined invalid or unenforceable, the invalid or unenforceable portion shall be deleted from this Agreement, and the validity and enforceability of the remainder shall be unaffected.

Notice. All notices required hereunder shall be in writing and shall be deemed to have been given when delivered, transmitted by first class, registered or certified mail, postage prepaid and addressed as follows:

If to the Client:

If to the Advisor, to:

Springsted Incorporated
380 Jackson Street, Suite 300
St. Paul, MN 55101-2887
Attention: Managing Principal

The foregoing Agreement is hereby entered into on behalf of the respective parties by signature of the following persons each of whom is duly authorized to bind the parties indicated.

FOR CLIENT

Title

SPRINGSTED Incorporated

Barry W. Fick

Barry W. Fick
Senior Vice President

Title

Attest:

Finance

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

JM

Attorney

2-16-09

Date

**APPENDIX A OF AGREEMENT BETWEEN
the City of Rapid City, South Dakota**

AND

Springsted Incorporated

Effective as of February _____, 2009

SCHEDULE OF ADVISOR'S COMPENSATION FOR SERVICES RELATING TO CLIENT'S DEBT OBLIGATIONS:

Section 1. General obligation debt:

Fix Rate Bond Fees		
Base Fee	\$5,000	
Plus a Per Bond Fee	\$1.00/\$1,000	Up to \$10 million
	\$0.50/\$1,000	\$10 to \$75 million

The foregoing schedule shall include the Advisor's services through closing of a Debt Obligation. If the Advisor performs post-closing services relative to a Debt Obligation, it shall be compensated for such services at the hourly rates set out in Section 4 below. For bond issues larger than \$75 million, the basic fee will be the same as for a bond issue of \$75 million. In the event the Client issues more than one Debt Obligation for a project within 1 year from the closing date of the initial Debt Obligation, the Compensation for the Debt Obligations completed after the first Debt Obligation shall be reduced to reflect work on the first Debt Obligation that is used in subsequent Debt Obligations. The reduction in Compensation shall be agreed upon by the Advisor and the Client prior to commencing work on any applicable Debt Obligation subsequent to the first Debt Obligation.

Section 2. Variable rate and lease obligations:
1.5 times the fee set out in Section 1 above.

Section 3. Expenses:
The Client shall be responsible for issuance expenses including, without exclusion of other expenses: (i) printing and distributing the Official Statement, (ii) publication of notices, (iii) legal fees, (iv) printing, (v) delivery and settlement, (vi) travel, (vii) rating fees, (viii) out-of-pocket Debt Obligation related expenses, and (ix) governmental and governmental agency fees and charges. Travel (excluding Rating Agency visits) and Out-of-pocket Debt Obligation related expenses shall not exceed \$3,000 per Debt Obligation.

Section 4. Schedule of hourly rates for non-Debt Obligation related services:

Principal, Senior Officer	\$215	Associate	\$140
Officer, Project Manager	\$185	Support Staff	\$ 60
Senior Associate	\$150		

Section 5. In the event it is necessary for the Advisor to repeat Debt Obligation services because of events beyond the Advisor's control, the Advisor shall be compensated for such repetitive services at the hourly rates set out in the foregoing Section 4 of this Appendix. The Advisor shall not be entitled

to compensation under this section for failed referenda unless otherwise provided by agreement between the Client and the Advisor.

Section 6. Due Dates:

1. The Advisor's fees for a Debt Obligation shall be contingent upon closing of the Debt Obligation, except that if the Debt Obligation is awarded but cannot be closed by reason of an error or act of commission or omission by the Client, the Advisor shall be paid the amount which would have been due upon closing. If, however, the reason for non-closing is beyond the control of the Client and without fault of the Client, then the Advisor shall be compensated at one-half the amount which would have been due upon closing.
2. Amounts due the Advisor for expenses and services charged at hourly rates shall not be contingent.
3. All amounts due the Advisor shall be due upon the Client's receipt of billing.

Section 7. The fees set out herein shall be effective for 12 months from the effective date of the Agreement and shall extend to any Debt Obligation for which the Advisor has performed a service pursuant to the Agreement relative to the Debt Obligation within said 12-month period. Thereafter, the Advisor's compensation shall be at the rates charged other similar clients as of the time a Debt Obligation is commenced.

ABANDONMENT:

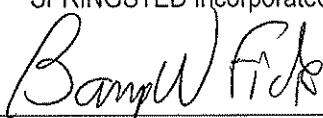
If a Client Debt Obligation is abandoned for any reason and the Advisor is without fault for such abandonment, the Advisor shall be paid a fee in the amount that would have been due if the Advisor's services to the point of abandonment had been charged at the hourly rate set out in Section 4 herein. A Debt Obligation shall be deemed abandoned upon notice by the Client to the Advisor of abandonment or whenever the Client has taken no action with respect to the Debt Obligation within one year, whichever occurs first.

Delay in the issuance of Debt Obligations resulting from failed authorization referenda shall not constitute abandonment unless otherwise provided by agreement between the Client and the Advisor.

This Appendix is acknowledged to be a part of the Agreement, effective as of February _____, 2009, between the Client and the Advisor.

FOR CLIENT

SPRINGSTED Incorporated



Barry W. Fick
Senior Vice President

Title

Title