

AGREEMENT FOR SHELTER SERVICES BETWEEN CITY OF RAPID CITY AND
THE HUMANE SOCIETY OF THE BLACK HILLS.

This Agreement is made and entered into this 1st day of
Dec., 2003, by the City of Rapid City, a South Dakota municipal
corporation, hereinafter, "CITY" and the Humane Society of the Black Hills, Inc., a
South Dakota non-profit corporation, with its principal place of business in Rapid City,
South Dakota, hereinafter, "SOCIETY".

WHEREAS, the City has a need to provide animal sheltering services within the
City of Rapid City; and

WHEREAS, the SOCIETY currently operates an animal shelter within the City of
Rapid City; and

WHEREAS, the parties have previously been engaged in a mutually beneficial
contract whereby the SOCIETY has provided shelter services to the CITY; and

WHEREAS, the parties desire to continue their mutually beneficial association.

NOW, THEREFORE, in consideration of the mutual covenants herein contained
the parties hereby agree as follows:

1. This agreement shall be effective beginning April 1, 2004 and shall terminate
December 31, 2009, unless terminated earlier as provided herein.
2. SOCIETY is at all times an independent contractor and no relationship of agency
is intended to be created by this agreement. SOCIETY shall be solely responsible for
employing the personnel necessary to provide the services required by this agreement.
SOCIETY shall furnish a list of all employees including title and job description upon
request of CITY. SOCIETY shall provide its own insurance.
3. SOCIETY shall provide the CITY the following services:
 - A. Maintain and operate a facility for the shelter of animals in accordance
with contemporary standards of the humane treatment of animals.
 - B. Maintain regular posted office hours of not less than forty (40) hours at the
animal shelter for the purpose of transacting business in connection with the obligations
of the SOCIETY under this Agreement, and for the receiving of animals or for accepting
applications for redemption of impounded animals. Said scheduled hours shall be
provided to the CITY. Additionally, SOCIETY shall:
 - (i) Appoint and/or maintain competent and qualified agents for
carrying out the obligations under this Agreement.

- (ii) Collect fees for animal licenses, rabies observation, spay and neuter deposits, impounding and authorized microchip implantation, humane traps, boarding, and euthanization fees, and any other fees required by law. SOCIETY shall be permitted to retain all monies collected. CITY shall not be responsible for the payment of any costs for services for which a fee has already been collected by SOCIETY;
- (iii) Maintain complete books and records of all funds collected, and of all animals taken into custody and impounded, showing the date, place, and manner whereby the animals are brought into custody with a description of the animal and a record of its final disposition;
- (iv) Submit monthly reports to the Finance Officer of the City listing the following information in regard to the previous month:
 - (1) Total number of animals impounded at the shelter facility, including, when available, the location where animal came from;
 - (2) Total number of animals brought in by animal Humane Officers;
 - (3) Total number of animals brought in by law enforcement;
 - (4) Total number of animals brought in by others;
 - (5) Purpose each animal was brought to shelter;
 - (6) Total number of days animals kept prior to euthanization;
 - (7) Total number of days animals kept for rabies observation;
 - (8) Total number of days animals kept by order of the Rapid City Police Department or judicial order;
 - (9) Total number of rabies tests performed;
 - (10) Final disposition of animals;
 - (11) Number of animals registered/licensed and total fees collected;
 - (12) Number of animals receiving microchip implantation;
 - (13) Total monies collected through reclaim fees by owners;
 - (14) Any other information requested by CITY.
- (v) Provide sufficient personnel, paid or otherwise, as well as additional kennels, vehicles, telephone service and offices as may be needed, and any other facilities that may be required to humanely house dogs, cats, and other animals that may be impounded. All books and records of SOCIETY shall be open for inspection by the designee(s) of CITY upon reasonable request to determine accuracy and compliance with this Agreement and applicable law;
- (vi) All unclaimed or unredeemed animals seized and impounded by lawful authority which are in the possession of SOCIETY shall become the property of SOCIETY upon its compliance with the three (3) day impoundment period required by Section 6.08.240 of

the Rapid City Municipal Code. It is understood by the parties that all animals impounded and held for rabies observation are required to remain at the shelter for a period of ten (10) days, and animals impounded pursuant to any action or law will remain in the custody of the shelter pending the outcome of a judicial proceeding and order of the court.

C. SOCIETY shall be responsible for the cost (not to exceed \$50.00) of any necessary emergency treatment for animals picked up by law enforcement officials when SOCIETY personnel are not available. Law enforcement officials picking up injured animals during times that the SOCIETY personnel are not available shall take the animal to a designated facility capable of providing an appropriate level of care, and will notify SOCIETY as soon as possible.

4. CITY shall pay SOCIETY Sixteen Thousand Seven Hundred Twenty Four dollars (\$16,724.00) on or before the first day of each month for the period from April 1, 2004 through December 31, 2005. Beginning January 1, 2006 the monthly payment to the SOCIETY shall be increased by the lesser of 3% or a percentage equal to the annual increase of the Consumer Price Index as designated for all urban customers for the most recent year ending December 31.

5. SOCIETY shall be entitled to retain all boarding fees collected pursuant to its operation of the shelter. In addition, SOCIETY shall be entitled to retain all license fees and impoundment fees imposed by CITY ordinance.

6. SOCIETY shall not be entitled to any fine amounts imposed by a Court of law as a result of any violation of any provision of CITY ordinance. This section shall not prevent SOCIETY from seeking restitution for actual costs incurred.

7. No assignment of this agreement is valid unless CITY first grants its approval in writing.

8. No waiver of any obligation arising under this agreement shall be held to be a waiver of any right arising out of a subsequent breach.

9. If any party materially breaches any part of this agreement, the non-breaching party shall provide to the breaching party written notice of such breach. Thereafter, the breaching party shall have a reasonable opportunity to correct the breach. If the breach is not corrected within thirty (30) days or such longer period as may be mutually agreed upon, the non-breaching party may terminate this agreement upon written notice to the breaching party.

10. The parties agree that time is of the essence with regard to the enforcement of the City's animal control ordinances and state law provisions governing the same.

11. Representatives for the CITY and SOCIETY shall jointly participate and be present in a press conference showing cooperation and goodwill between the parties to this negotiation and describing possible changes in operations and hours based on current budget constraints and the ongoing refinement of the mission of the SOCIETY

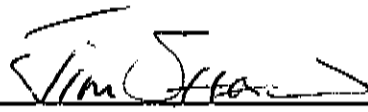
12. This Agreement and the rights and obligations of the parties hereto shall be governed by the laws of the State of South Dakota. Any dispute arising out of this agreement shall be litigated only in the Seventh Judicial Circuit Court for Pennington County, located in Rapid City, Pennington County, South Dakota.

13. This document contains the entire agreement of the parties. No other promises or consideration form any part of the parties' agreement. All prior proposals, negotiations or discussion are merged herein or intentionally omitted.

DATED this 1st day of Dec, 2003.

CITY OF RAPID CITY

HUMANE SOCIETY OF
THE BLACK HILLS, INC.

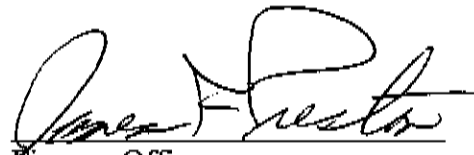


Mayor



President

ATTEST:



Finance Officer

(SEAL)

State of South Dakota)
) ss.
County of Pennington)

On this the 4 day of Dec., 2003, 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, a municipal corporation, and that they as such Mayor and Finance Officer, being

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City
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and other laws affecting creditors' rights. The Mayor, City Finance Officer and City Attorney are further authorized to take such other actions as may be required to effectuate the terms and intent of this Resolution. In the event of the absence or disability of the Mayor, City Finance Officer or City Attorney, the President of the City Council, the Assistant Finance Officer or the Assistant City Attorney are hereby authorized to act in the place and stead of the Mayor, City Finance Officer and City Attorney, and to take all actions and execute all documents approved hereby. The City Finance Officer is authorized to designate the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended, if bond counsel determines that such designation is appropriate.

Section 8. Ratification. All actions heretofore taken by the City or any of its officers in connection with the Bonds are hereby ratified and confirmed.

Section 9. Amendment. This Resolution may be amended at any time prior to the issuance of the Bonds by adoption of an administrative resolution.

Dated this 7th day of November, 2005.

CITY OF RAPID CITY
s/ Jim Shaw, Mayor

ATTEST:
s/ James F. Preston
Finance Officer
(SEAL)

- 102. No. LF110205-22 Approve a Travel Request for Recreation Director Doug Lowe to attend the Pacific Northwest Resource Management School, Port Townsend, WA, February 5 - 10, 2006, at an approximate cost of \$1,798.
- 103. Authorize staff to sign 2006 Black Hills Home Builders Association Home Show Exhibitor registration form for the Public Works Department in the sum of \$2,125.
- 104. No. LF110205-23 Authorize the Mayor and Finance Officer to sign Agreement for Animal Control Services between the City of Rapid City and the Humane Society of the Black Hills.
- ~~105.~~ No. LF110205-24 Authorize the Mayor and Finance Officer to sign Amendment No. 3 to the Agreements for Animal Shelter Services between City of Rapid City and the Humane Society of the Black Hills.
- 106. No. LF110205-25 Acknowledge Raffle Request from Takahē Waonspe Early Head Start.
- 107. No. LF110205-26 Acknowledge Raffle Request from South Dakota School of Mines and Technology.
- 108. No. LF110205-27 Authorize the Mayor and Finance Officer to sign Contract for Private Development Tax Increment District Number Fifty between Stoney Creek Plaza, LLC and City of Rapid City.
- 109. No. LF110205-28 Authorize the Mayor and Finance Officer to sign Amended Contract for Private Development for Tax Increment District Number Forty Four between GLM Land Corporation and Mall Drive, LLC and By-Pass Development, LLC and the City of Rapid City.
- 110. No. LF110205-29 Approve a Travel Request for Karie Price to attend The Fundamentals of Bankruptcy Law in South Dakota Seminar in Sioux Falls, South Dakota, from November 14-15, 2005, in an approximate amount of \$742.