



Bob Brandt
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September 7, 2010

Pauline Sumption
Finance Officer
City of Rapid City
300 6th St.
Rapid City, SD 57701

Dear Pauline,

Would you please consider an amendment to the Developers Agreement between the City of Rapid City and Capital Development to allow for partial payment to be made that falls under the bid limits for work performed on the relocation of Philadelphia Street and the demolition of the old Philadelphia Street/construction of the new bike path near the Settlers Creek (formerly LaVilla Vista) Townhomes as part of Road TIF #50.

As you are well aware of, procedural errors committed by Bryan Gonzalez, then an employee of Capital Development resulted in the City correctly disallowing any repayment of the \$805,000 that Capital Development was due under the TIF.

The initial contract between Capital Development and Grizzly Excavation signed by Don Wieseler on July 17, 2007 in the amount of \$553,370.99 was for the construction of the new street, adjoining retaining walls and the city sewer main. The second contract signed by Michael Wieseler on October 26, 2007 included the demolition of the old Philadelphia Street, grading and reseeding the drainage ditch, modification of the storm sewers at the east end of the drainage ditch and the grading and gravel for the new bike path along the Executive Golf Course. A separate contract between MLN Concrete and Capital Development was issued for the placement of the concrete for the bike path. These two contracts totaled over \$80,000.

We believe there is ample evidence to support our claim that the work was done under separate contracts and separate phases and Capital Development could be reimbursed up to \$50,000 for each of the two phases if you, Jason Green, Mayor Hanks and the City Council agree.

Thank you for considering our request.

Sincerely,

Bob Brandt