

**AGREEMENT BETWEEN THE CITY OF RAPID CITY AND ZANDSTRA  
CONSTRUCTION TO ALLOW FOR ACCEPTANCE OF PUBLIC  
IMPROVEMENTS BEFORE THE COMPLETION OF SIDEWALKS FOR  
ELKS COUNTRY ESTATES SUBDIVISION.**

This agreement is entered into on this 27<sup>th</sup> day of October, 2010, by and between the City of Rapid City, a municipal corporation located at 300 Sixth Street, Rapid City, SD 57702, herein after referred to as the "City" and Zandstra Construction, P.O. Box 1940, Rapid City, SD 57709, herein after referred to as the "Developer."

WHEREAS, the Developer owns certain residential lots within Elks Country Estates Subdivision in Rapid City; and

WHEREAS, prior to approval of the final plat for Elks Country Estates Subdivision, the Developer was required to post surety to guarantee the completion of various public improvements within the subdivision; and

WHEREAS, this surety includes the cost for completing sidewalks within the subdivision; and

WHEREAS, the Developer has completed all of the improvements required under the City's Subdivision Regulations with the exception of various sidewalk segments fronting non-contiguous residential lots; and

WHEREAS, the Developer has requested that it be allowed to construct the remaining sidewalks in conjunction with the construction of the homes on the individual lots; and

WHEREAS, this manner of constructing sidewalks in residential areas is consistent with current development practices and is also consistent with policies and ordinances that have been recently adopted by the City; and

WHEREAS, this subdivision was approved prior to the adoption of the new policy; and

WHEREAS, the Developer has requested that the City accept the completed improvements and start the running of the warranty period once the improvements have been officially accepted; and

WHEREAS, the City is willing to accommodate the Developer's request if it can insure that the sidewalks are completed.

NOW THEREFORE, the parties agree as follows:

1. The Developer will provide an updated estimate of the cost to construct all required sidewalks that remain to be built within the subdivision. The Developer will

then provide the City with a new surety or may reduce the original surety in an amount sufficient to cover the cost of installing the sidewalks as shown in the updated estimate. The surety shall be in a form acceptable to and approved by the City Attorney's Office. The Developer may assign its obligations under this agreement. However, the Developer agrees that even after it has assigned its obligations, the surety it has provided will continue to secure completion of the sidewalks, until such time as an alternative surety, in a form acceptable to the City, has been provided.

2. In exchange for the Developer providing the updated estimate and a surety sufficient to cover the cost of completing the sidewalks within the subdivision, the City will conduct a final inspection of all improvements, other than the sidewalks, within Elks Country Estates Subdivision required under the City's Subdivision Regulations. Upon the improvements passing the final inspection and the Developer providing the City with sufficient surety to cover the cost of any punch list items and the sidewalks per Paragraph 1 of this agreement, the City will issue a letter to the Developer officially accepting the public improvements. Upon issuance of the letter of acceptance by the City the two year warranty period will begin to run.

3. The Developer agrees that all sidewalks will be installed within two years of the approval of this agreement. If any sidewalks in the Elks Country Estates Subdivision are not completed by this time, the City has the right to draw on the surety and construct the sidewalk. If the amount of the surety is insufficient to fully cover the cost of constructing the sidewalks, the Developer agrees to pay to the City the difference between the amount of the surety and the actual cost of constructing the sidewalk.

4. The following lots are covered by this agreement:

Lots 8 through 12 of Block 8, Lots 5 through 9 of Block 9, Lots 17 through 23 of Block 10, Lots 4 through 18 of Block 11 and Lots 1 through 10 of Block 13, Elks Country Estates, located in the SE ¼ of Section 16, Township 1 North, Range 8 East, Black Hills Meridian, Rapid City, Pennington County, South Dakota.

5. The Developer acknowledges that the City's agreement to accept the public improvements for the subdivision and start the running of the warranty period prior to the completion of the sidewalks required under the City's Subdivision Regulations is sufficient consideration for the promises made herein.

6. The City may undertake any legal or equitable action available to enforce the provisions of this agreement in addition to any remedy provided herein. In the event the City is required to undertake any action to enforce the terms of this agreement or its subdivision regulations in connection with this agreement, the undersigned, heirs, assigns or successors in interest agree the City may recover from the Developer its reasonable expenses, including attorney's fees incurred with respect to such action.

7. This document represents the entire agreement of the parties. No other writing is a part of this agreement. All other prior representations, writings, oral statements or

negotiations have been merged into this document and are either included herein or intentionally excluded.

8. 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 venued and litigated in the Circuit Court for the Seventh Judicial Circuit, located in Rapid City, Pennington County, South Dakota.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

CITY OF RAPID CITY

\_\_\_\_\_  
Alan Hanks, Mayor

ATTEST:

\_\_\_\_\_  
Finance Officer

(SEAL)

ZANDSTRA CONSTRUCTION

\_\_\_\_\_  
By: Steve Zandstra  
Its: President

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

On this \_\_\_ day of \_\_\_\_\_, 2010, before me, the undersigned officer, personally appeared Alan Hanks 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]  
STATE OF SOUTH DAKOTA     )  
  )ss.  
COUNTY OF PENNINGTON     )

\_\_\_\_\_  
Notary Public, State of South Dakota  
My Commission Expires: \_\_\_\_\_

On this 27<sup>th</sup> day of October, 2010, before me, the undersigned officer, personally appeared Steve Zandstra, who acknowledged himself to be the President of ZANDSTRA CONSTRUCTION, and that as such, being duly authorized to do so, executed the foregoing instrument for the purposes herein contained.

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

[SEAL]

Danny Jones  
\_\_\_\_\_  
Notary Public, State of South Dakota  
My Commission Expires: 8-26-2014