March 5, 2002

Ms. Vicki Fisher
Asst. Planner
Rapid City Planning Dept.
300 6<sup>th</sup> Street
Rapid City, SD 57701

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Rapid City Planning Department

Dear Ms. Fisher,

We have received copies of the most recent staff report regarding our Layout Plat request No. 01PL102 and variance request No. 01SV031 for the property we call "Morningstar Ranch". We acknowledge and appreciate the fact that the staff comments have been completed updated. It is with regret that I formally make the request that you withdraw these agenda items and these applications from further review.

After considering the many months and staff meetings that have passed on these issues, we have concluded the only realistic way to proceed with the Morningstar property is to re-apply for the authorization to extend sewer and water to the property. We will simultaneously submit a higher density development plan that should remove staff objections regarding sewer and garner Planning, Public Works and Engineering departments' approval for the project.

We are in the process of completing the formation of a single entity to work with Rapid Valley Water and Rapid City Wastewater in order to facilitate a smoother operational format that would be acceptable to Staff and the Council. This new project will generate large monthly sewer revenues for the City and the utility extensions will help to serve areas west of the city's plant that are environmentally sensitive. We understand that Council approval as well as Staff support will be needed to make these plans come to life.

We respectfully submit that we would hope to have the moral and technical support of the full Staff for this new higher density sewered development plan. FEMA has also indicated that the final LOMR document regarding the correction of the floodway, should be completed shortly.

Thank you again for your time and attention to our requests and we look forward to working with Planning and the other departments on this project, in the future.

Yours truly.

Ronald A. Baker, President

American West Communities, Inc.