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Rapid City Growth  
Management Department

February 9, 2007

Ms. Karen Bulman  
City of Rapid City  
300 6<sup>th</sup> Street  
Rapid City, SD 57702

Dear Karen:

This letter is to request an allocation of contingency funds of TID number 46 to the Park and Lift Station portions of the project plan. Attached is a summary of the costs to date and the requested allocations. The actual costs being greater than anticipated are summarized on the attached.

Additionally, we are requesting an increase of \$30,000.00 in the amount allocated for TID number 32 for the replacement of the drainage on Muirfield Drive. This is due to greater contract costs than estimated by our consulting engineer. The positive news is the major drainage project for Red Rock completed under our private development agreement at the same time as the Muirfield project was approximately \$120,000.00 under the TID project plan.

Please contact me with any questions you may have or additional information you may need.

Thank you in advance for your assistance.

Best regards,

Kevin L. Buntrock

<u>Description</u>	<u>Park</u>	<u>Lift Station</u>	
<b>Project Costs to Date</b>			
Engineering, Design & Construction Management	\$ 42,988.67	\$ 131,102.30	
Construction	\$ 279,807.38	\$ 407,416.69	
Operation	\$ 4,094.94	\$ 25,095.75	
<b>Total Spent To Date</b>	<b><u>\$ 326,890.99</u></b>	<b><u>\$ 563,614.74</u></b>	
<b>Estimate to Complete</b>			
KLJ Fees		\$ 24,756.75	
Mainline Construction		\$ 3,000.00	
Other	\$ 20,000.00	\$ 20,000.00	
<b>Total Estimate to Complete</b>	<b><u>\$ 346,890.99</u></b>	<b><u>\$ 611,371.49</u></b>	
<b>Original TID Allocation</b>	<b><u>\$ 300,000.00</u></b>	<b><u>\$ 500,000.00</u></b>	
<b>Variance</b>	<b><u>\$ (46,890.99)</u></b>	<b><u>\$ (111,371.49)</u></b>	
<b>TID Allocation Request</b>	<b><u>\$ 50,000.00</u></b>	<b><u>\$ 120,000.00</u></b>	
<b>Contingency</b>	<b><u>\$ 50,000.00</u></b>	<b><u>\$ 120,000.00</u></b>	<b><u>\$ 170,000.00</u></b>

**1. Lift Station project variance is due to:**

- a. Design scope changes by City of Rapid City.
- b. City hiring of outside consultant for review process.
- c. Longer operation by contractor and developer.

**2. Park variance is due in part to longer operation by Developer.**