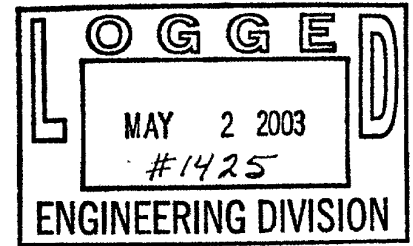


Larry Chilstrom
Engineering Division
City of Rapid City
300 Sixth Street
Rapid City SD 57701



May 2, 2003

Re: ST03-1269 PROPOSED ALLEY PAVING PROJECT

Dear Mr. Chilstrom,

I received your letter dated April 24, 2003. The subject matter of the letter was a complete surprise to me, especially the part about the assessment of \$780.57 to be applied to my property for the work to be done in the alley. I was relieved to find at the end of the letter a sentence that appeared to provide an avenue for appeal. However, in our conversations in your office and the subsequent phone message from you, I was given the distinct impression that there is no way to stop or delay the project.

I believe the project should be delayed due to the following factors:

I believe that notice of this project was not properly made to me. Notice given to the previous owner can in no way be considered to be given properly to me. I had no involvement or representation when these decisions were being made.

Regardless of ownership of the alley right-of-way, the only use of the alley constitutes the function of a private driveway and as such should not be eligible for public funds.

There is no access to the alley from my property, so there is no demonstrable benefit to my property to justify the assessment.

If there is a dust control benefit to my property, it is very limited due to the gravel driveway along most of my north property line, which will not be paved. This driveway is used by at least the tenants of the 8 apartments in the building to the north of mine. And, judging from the information available to me now, I would guess that that property owner may not be assessed anything but will receive direct benefit from the entire length of the project. This should alter the assessment to reflect actual beneficial use as a factor.

If there is any dust control benefit to my property, it is limited further by prevailing winds which blow across the private gravel driveway towards the proposed paving project area, leaving my property to be affected by virtually the same amount of dust after the project as it is now. This should alter the assessment to reflect the proportionate benefit by percentage of the adjacent property line that will be in contact with the new pavement as a mitigating factor.

It is not justifiable to spend public money on a new paving project in a very old neighborhood (that has dealt with the gravel alley for the entire life of any structures there) when the public streets for blocks around that site have significant problems that need to be addressed.

Any one of the above factors should be enough to cause a re-examination of the justifications for assessment. I believe that this list of objections should be sufficient cause to re-open the justification of the project, or at least the justification of the assessments.

Sincerely,

Kelly J Kelleem, Owner
Moonstone LLC
1430 Haines Av Suite 108-375
Rapid City, SD 57701