

**AGREEMENT BETWEEN THE CITY OF RAPID CITY AND VARIOUS DEVELOPERS FOR REIMBURSEMENT OF COSTS FOR CONSTRUCTING A WATER LINE**

This Agreement is made and entered into by and between the City of Rapid City, a municipal corporation located at 300 Sixth Street, Rapid City, South Dakota 57701, herein after referred to as the "City" and Harold and Judy Bies and Lyle and Audry Petersen, of 23138 Radar Hill Road, Rapid City, South Dakota 57703, hereinafter referred to as "Developers."

WHEREAS, as part of the construction of the Southeast Connector in Rapid City it was necessary for the City to reroute certain existing water mains; and

WHEREAS, a 12 inch water main was rerouted through an easement granted to the City by the Developers across their land; and

WHEREAS, the Developers acknowledged at that time that the easement was granted that they received a benefit from the line being built and agreed to pay to the City a portion of the cost of constructing the 12 inch water line; and

WHEREAS, a price has been negotiated that is agreeable to the parties.

NOW THEREFORE, the parties agree as follows:

1. The Developers will pay to the City \$26,195.50 for their share of the construction of the 12 inch water line across their property located at the northwest corner of the intersection of the Southeast Connector and Highway 79 which is legally described as:

Parcel A, less lots 1 and 2 of Parcel A, less Heartland Drive and Less Lot H1 of MKJ Subdivision, located in Township One North (T1N), Range Eight East (R8E), Section 18 of the Black Hills Meridian, Rapid City, Pennington County, State of South Dakota.

2. The parties acknowledge that the money paid to the City represents the fair value of the benefit received by the Developers for the construction of the 12 inch line which can be used to provide service to their property. The parties further acknowledge that this amount takes into account the following:

- a. That an 8 inch waterline would have been sufficient to serve the Developers' property; and
- b. That the State accepted the lowest combined bid on the project as a whole not the lowest bid on the City's portion of the project which included the construction of this water line.

3. The Developers may divide their share of the construction cost in any manner that they deem just and equitable but will all be jointly and severally liable to the City for the \$26,195.50.

4. The Developers will pay the amount owing under this Agreement within 30 days after the agreement goes into effect.

5. This Agreement will be effective when it has been signed by all of the parties.

6. This Agreement constitutes the entire agreement of the parties. No other writings or negotiations are part of this document.

7. 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 for the State of South Dakota, located in Rapid City, Pennington County, State of South Dakota.

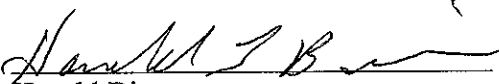
CITY OF RAPID CITY

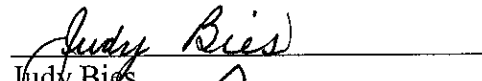
\_\_\_\_\_  
Mayor

ATTEST:

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

(SEAL)

  
\_\_\_\_\_  
Harold Bies

  
\_\_\_\_\_  
Judy Bies

  
\_\_\_\_\_  
Lyle Petersen

  
\_\_\_\_\_  
Audry Petersen

State of South Dakota )  
SS.  
County of Pennington )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2005, before me, the undersigned officer, personally appeared Jim Shaw 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.

\_\_\_\_\_  
Notary Public, South Dakota

(SEAL)

State of South Dakota )  
SS.  
County of Pennington )

On this the 2nd day of August, 2005, before me, the undersigned officer, personally appeared Harold Bies and Judy Bies, husband and wife, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained

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

Nancy M. Malone  
Notary Public, South Dakota

My Commission Expires: 11-10-08

(SEAL)

State of South Dakota )  
SS.  
County of Pennington )

On this the 2nd day of August, 2005, before me, the undersigned officer, personally appeared Lyle Petersen and Audry Petersen, husband and wife, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

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

Nancy M. Malone  
Notary Public, South Dakota

My Commission Expires: *11-10-08*

(SEAL)