

**FINANCIAL AGREEMENT
BETWEEN
DEPARTMENT OF TRANSPORTATION
AND
CITY OF RAPID CITY**

This Agreement is made by and between the State of South Dakota, acting by and through its Department of Transportation, hereinafter referred to as "STATE," and the City of Rapid City, South Dakota, hereinafter referred to as "CITY."

1. CITY PROJECT

STATE and CITY concur in the proposal for the new construction or improvement of streets identified as Project Number DEV07-878, hereinafter referred to as "CITY PROJECT." The CITY PROJECT is located on Dyess Avenue from Elgin Street to Beale Street (0.12 mile) and Beale Street from Dyess Avenue to Lowry Lane (0.52 mile) and consists of cold milling asphalt concrete, asphalt paving, traffic control, and striping.

2. CONTRACT PROCUREMENT

- A. CITY shall design, advertise, let to contract, award to lowest responsible bidder, and be the contracting party for the CITY PROJECT at no cost to the STATE. STATE shall review and approve CITY'S plans for CITY PROJECT prior to letting to ensure that the plans meet the STATE'S form and specifications.
- B. CITY shall provide all construction engineering for CITY PROJECT at no cost to the STATE, including all construction supervision and inspection, physical testing, measuring in-place quantities, and documenting locations for as-built records.
- C. The CITY'S construction cost is estimated to be Eighty-eight Thousand Dollars (\$88,000.00) based on bid items listed in Exhibit B, attached hereto and incorporated herein.
- D. In order to comply with sections A7 and A11 of Agreement Number 612978, STATE will reimburse the CITY for actual costs of CITY PROJECT up to a maximum amount of Eighty-eight Thousand Dollars (\$88,000), unless the STATE concurs with changes to costs prior to work commencing. Any such concurrence made by the STATE must be followed by a written amendment to this Agreement, pursuant to Paragraph 6, below.
- E. STATE will pay the CITY within thirty (30) days of receipt of billings from the CITY with One Hundred Percent (100%) State Funds using IM 0902(00)61 PCN 0204 as STATE project reference.

3. RECORDS RETENTION AND AUDIT

- A. All project charges will be subject to audit in accordance with STATE'S current procedures and U.S. Office of Management and Budget (OMB) Circular A-133.
- B. CITY shall maintain accurate cost accounting systems for all costs incurred under this Agreement clearly identified with activities performed under this Agreement.
- C. Upon reasonable notice, CITY shall allow STATE, through any authorized representative, to have access to and the right to examine and copy all records, books, papers, or documents of the CITY related to services provided under this Agreement during CITY'S normal business hours. All records shall be kept by CITY for a period of three (3) years after the date of final payment by STATE under this Agreement is made and all other pending matters are closed.

4. STATE may terminate this Agreement on thirty (30) days' written notice. In the event the CITY breaches any of the terms or conditions hereof, this Agreement may be terminated by the STATE at any time with or without notice.

5. INDEMNIFICATION AND HOLD HARMLESS

CITY agrees to indemnify and hold the STATE, its officers, agents, and employees harmless from and against any and all actions, suits, damages, liability, or other proceedings that arise as a result of CITY'S performance under this Agreement. This section does not require CITY to be responsible for or defend against claims or damages arising from errors or omissions of STATE, its officers, agents, or employees.

6. AMENDMENT PROVISION

This Agreement may not be amended, except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

7. CERTIFICATION REGARDING LOBBYING

CITY certifies, to the best of CITY'S knowledge and belief, that: No Federal appropriated funds have been paid or will be paid, by or on behalf of the CITY, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any of the above mentioned parties, the CITY shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

CITY shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty or not less than \$10,000 and not more than \$100,000 for each such failure.

8. CITY has designated its Mayor as the CITY'S authorized representative and has empowered the Mayor with the authority to sign this Agreement on behalf of the CITY. A copy of the CITY'S Commission minutes or resolution authorizing the execution of this Agreement by the Mayor as the CITY'S authorized representative is attached hereto as Exhibit M.

City of Rapid City, South Dakota	State of South Dakota Department of Transportation
By: _____	By: _____
Its: Mayor	Its: Project Development Engineer
Date: _____	Date: _____
Attest:	Approved as to Form:
_____	_____
City Auditor/Clerk	Assistant Attorney General

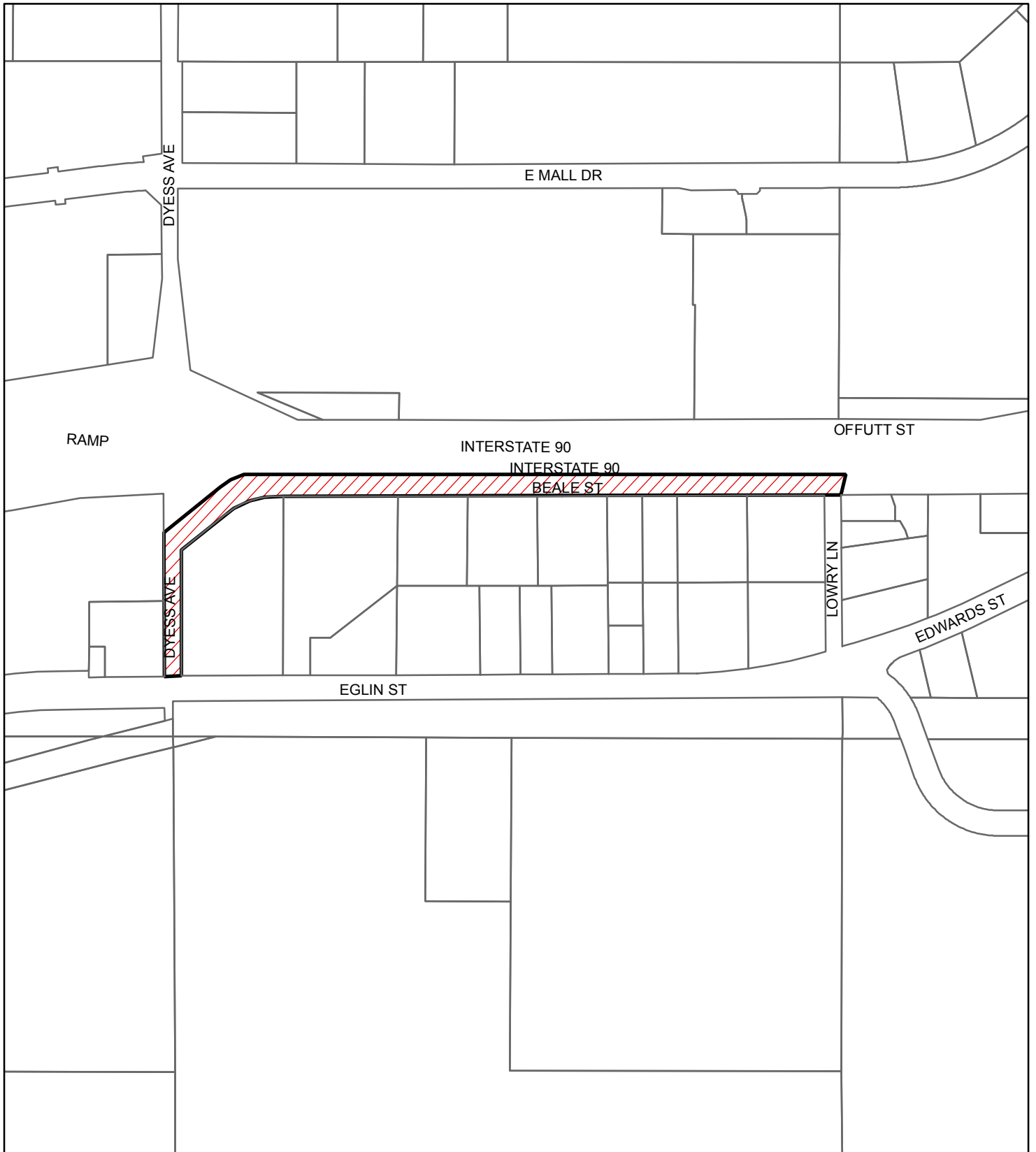
(CITY SEAL)

EXHIBIT B

DEV07-878

BID ITEM	UNIT	QUANTITY
Mobilization	LS	1
Asphalt Composite (PG64-28)	TON	790
SS-1h or CSS-1h Asphalt for Tack (0.07 gal/syd)	TON	2.4
4" Pavement Marking Paint (yellow)	LF	6400
Adjust Manhole (non-participating)	EA	7
Traffic Control	LS	1

VICINITY MAP



PROJECT NO. DEV07-878