

**AGREEMENT BETWEEN THE CITY OF RAPID CITY AND DTH, LLC FOR  
OVERSIZE WATER TRANSMISSION MAIN FOR OVERSIZE PROJECT  
IMPROVEMENTS**

THIS AGREEMENT is made and entered into by and between the CITY OF RAPID CITY, a municipal corporation, hereinafter referred to as the "City," and DTH, LLC, P.O. Box 330, Rapid City, South Dakota, 57709, hereinafter referred to as the "Developer."

WHEREAS, the Developer desires to construct an HDPE water transmission main to provide water service and fire protection for the Developer's WL Plastics project generally located in Section 21 east of Dyess Ave, Rapid City, South Dakota; and

WHEREAS, the Developer's property is located within the City of Rapid City; and

WHEREAS, the City and the Developer agree to construct a 20" HDPE water transmission main rather than an 8" water main, which is the minimum size required to meet the Developer's needs. The 20" HDPE water transmission main will allow future water main extension within the area in accordance with the City's Utility System Master Plan.

WHEREAS, it is in the City's interest to have the Developer construct the 20" HDPE water transmission main; and

WHEREAS, the Developer has submitted cost estimates to oversize the requested water transmission main and City staff has reviewed and concurs with the costs, and

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein set forth, it is agreed by the parties as follows:

1. The recitals set forth above constitute an integral part of this Agreement and are incorporated herein by this reference as if fully set forth herein as agreements of the parties.
2. The City shall reimburse the Developer a maximum of \$97,580.30 for 20" HDPE water transmission main oversize. This maximum dollar amount is based upon lengths, quantities and costs provided in exhibit A. If actual lengths, quantities, and costs are less than specified in exhibit A, the amount of reimbursement shall be adjusted accordingly. The developer shall provide certified costs.
3. Prior to project acceptance by the City, a warranty bond, or other equivalent surety, in an amount equivalent to ten percent (10%) of the total cost of the 20" HDPE water transmission main project/improvement shall be provided to the City to secure the warranty for a period of two years.





