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**Black Hills Agency, Inc.**


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Serving The Community Since 1949



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 bhagency@bhagency.org

January 31, 2002

Mr. Jim Preston  
 City Of Rapid City  
 300 6Th Street  
 Rapid City SD 57701

Dear Jim:

The steel cable that runs across West Main and St. Joe, near the 11th Street side, holds banner advertisement from time to time for non-profit entities. The cable is designed to break away in the event of high wind gusts. We have had several incidents over the years of this occurring and have received auto property damage claims for damage to vehicles from the swinging cable which has a large bolt attached to it. In fact, when the cable was first installed, the Mayor's vehicle (Carlyle) was hit under the same circumstances, causing the Mayor to swerve and almost lose control of his vehicle. The latest loss occurred on 12/5/01 and involved property damage to 5 different vehicles.

Due to the City's knowledge of the hazard to drivers the steel cable can cause (during a heavy wind), any claim alleging bodily injury could easily escalate and most likely would, simply because we are aware the cable can hit passing cars. For this reason, it is my recommendation the banner/cable be discontinued immediately, until such a time that the cable does not break away due to weather. I'm not sure that would ever happen because I believe it was designed that way intentionally.

Kindest regards,

Katherine A. Maguire  
 President

AM(A)/pe

*Member:*

February 5, 2002

Mr. Jim Preston  
Finance Officer  
City of Rapid City  
300 Sixth Street  
Rapid City, SD 57701

RE: Halley Park Banners

Dear Mr. Preston:

As a follow up to the insurance committee meeting on 1-31-02 in which the Halley Park banners were discussed, it is the recommendation of the undersigned that the City of Rapid City immediately discontinue the use of these banners due to repeated problems with the banner cables breaking away and causing property damage.

I believe that because of the previous incidents, the City of Rapid City is on notice of a potentially dangerous situation and the City could face substantial exposure if other incidents occur.

I see that the Mayor of Rapid City has also agreed that the City should immediately discontinue the use of these banners and make refunds to any parties who have rented space for future events.

Thank you for your prompt action in this matter. I can be reached at 701-255-9338 or at PO Box 7456, Bismarck, ND 58507 if you have any questions or comments.

Sincerely,

Jeff Johnson  
Senior Claims Representative  
St. Paul Fire and Marine Insurance Company