

ELECTRICAL COOPERATIVE REVENUE AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2008, by and between the City of Rapid City (the "City") and West River Electric Cooperative ("West River") and Black Hills Cooperative Electric ("Black Hills").

WHEREAS, pursuant to SDCL 49-34A-45, West River and Black Hills are required to obtain the City's agreement to reduce the gross revenue receipts tax to One Percent (1%) from the statutory amount of Two Percent (2%);

WHEREAS, the City does not own a Municipal Electrical System;

WHEREAS, the Black Hills serves less than a majority of customers in the City;

WHEREAS, West River serves less than a majority of customers in the City;

WHEREAS, the City is willing to accept less than the statutory amount of Two Percent (2%) of the gross revenue receipts of Black Hills and West River upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual covenants herein, the receipt and sufficiency of which are hereby acknowledged, the parties, wishing to be bound, hereby agree as follows:

- 1) Black Hills and West River shall each pay to the City One Percent (1%) of the Gross Receipts collect by the Cooperatives to the City as payment under SDCL 49-34A-45.
- 2) Said agreement to be effective for the Calendar Year 2010 and renewable each year thereafter by written agreement of the parties before May 1st of each year.
- 3) This contract shall inure to the benefit of, and be binding upon, the respective parties hereto, and their successors and assigns.
- 4) This contract shall be effective as of the date first set forth above.
- 5) The parties will save and hold each other harmless, and indemnify each other, from any and all damages resulting from the negligence of the other concerning the matters contemplated herein.
- 6) This contract shall be interpreted in accordance with the laws of the State of South Dakota.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first above written.

CITY OF RAPID CITY

By: _____
Alan Hanks, Mayor

ATTEST:

Finance Officer

(SEAL)

BLACK HILLS ELECTRIC COOPERATIVE

By: Daniel E. Hult

WEST RIVER ELECTRIC ASSOCIATION

By: James Fahl