

Agreement Summary with Prairie Acres LLC Mobile Home Park (The Agreements follow on next pages).

On November 16, 2015 the City of Rapid City (City) entered into an agreement with Prairie Acres LLC (Owner) where the City agreed to allow the Owner to connect to City sewer. Refer to Sewer Service Agreement between Prairie Acres LLC and City of Rapid City, South Dakota. Per the agreement, the Owner will construct a public sewer main and a private sewer main per City standards and the City will own and operate the public sewer component. At the time the agreement was executed, approximately $\frac{3}{4}$ of the Owner's property was within City limits and $\frac{1}{4}$ was in the county. As part of the agreement the Owner was to construct the sewer mains and annex the $\frac{1}{4}$ portion of the property that was not currently within City limits.

The Owner submitted drawings for approval and the City approved the project for construction, but a contingency was added to the approval stating the Owner could not discharge sewage to the City until annexation occurred. While the project was under construction, the Owner was attempting to voluntarily annex into the City. At the completion of the sewer main construction, the Owner had not been able to voluntarily annex the property. The Owner had encountered difficulties with the annexation process due to State requirements regarding registered voter signature to voluntarily annex.

On December 7, 2015, the Rapid City Common Council authorized staff to begin involuntary annexation of said property. On February 18, 2016 the City and Owner executed an amendment where the City agreed to allow the Owner to connect to City sewer and discharge sewage to the City collection system. The amendment states "The parties understand that per the Landowner's request, the City has begun the procedures to involuntary annex the properties pursuant to South Dakota Codified Laws Chapter 9-4 et seq. Landowner agrees that its owners, agents, and employees will not object to the involuntary annexation in any manner, including pursuing legal options for objection found within SDCL Chapter 9-4. In the event the property is not annexed, the property outside the City shall immediately pay 300% of the rate established by ordinance, until the property is annexed or another agreement is reached by the parties." Refer to the Amendment to Sewer Service Agreement between Prairie Acres LLC and City of Rapid City, South Dakota dated February 18, 2016.