AGREEMENT FOR CONSTRUCTION OF PUBLIC WATER MAIN BETWEEN THE
CITY OF RAPID CITY AND MAGELLAN PIPELINE COMPANY, L.P.

THIS AGREEMENT is made and entered into by and between the CITY OF RAPID CITY, a municipal corporation, of 300 Sixth Street, Rapid City, SD 57701, hereinafter referred to as the “City,” and MAGELLAN PIPELINE COMPANY, L.P., a Delaware Limited Partnership, of Tulsa, OK, hereinafter referred to as the “Developer.”

WHEREAS, the Developer desires to construct approximately 325 linear feet of 12-inch diameter public water main to provide service for the Developer’s facility located at 3225 Eglin St., Rapid City, South Dakota 57701; and

WHEREAS, the Developer plans to construct the 12-inch public water main within Section Line Highway within the limits of the City of Rapid City; and

WHEREAS, the Developer has submitted preliminary drawings for the requested water main; and

WHEREAS, upon its completion according to the terms of this Agreement, the City has agreed to accept ownership of the public water main that will be located within the Section Line Highway between Section 28 and Section 33 in Township 2 North Range 8 East.

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

1. The Developer hereby agrees to contract with a professional engineer to design the water main. The water main plans shall be designed in accordance with the City’s Infrastructure Design Criteria Manual and the City’s Standard Specifications for Public Works Construction. All plans shall be approved by the City prior to starting construction.

2. The Developer hereby agrees to contract with a professional engineer to provide construction observation services for the water transmission main construction. The City reserves the right to observe and inspect all construction activities of the public and private portions of the water main.

3. The Developer agrees to construct the water main according to the approved plans. No changes or variances from the plans shall be allowed unless approved by the City in writing.

4. The Developer shall be responsible for all construction costs associated with the public and private water main. Principle components of the public water main are approximately 325 feet of 12-inch water main and associated appurtenances.

5. The Developer shall conduct a pre-construction meeting prior to commencing construction of the water main. The Developer shall notify the City and all affected private and public utilities of the meeting date and time a minimum of five working days prior to the meeting. The Developer, the Developer’s professional engineer, and the Developer’s construction contractor shall attend the pre-construction meeting.

6. The Developer agrees to obtain all applicable permits prior to construction.
7. The Developer agrees to provide a two-year warranty that all materials furnished and installed and work completed pursuant to this contract will be new, and shall be of good quality, free from defects, and in conformance with the approved plans and specifications. The warranty shall also meet the requirements of the City’s Standard Specifications for Public Works Construction, Section 7.65.

8. 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 public 12-inch water main and appurtenances shall be provided to the City to secure the warranty for a period of two years. The surety shall be in a form acceptable to the City Attorney.

9. Acceptance of the project by the City will not be considered until all construction and testing is completed and as-built plans submitted. Upon the City’s approval of the same, acceptance will be documented by issuance of an acceptance letter by the City.

10. In the event that any section(s), or provision(s) of this Agreement is declared invalid for any reason whatsoever by any competent court, such invalidity shall not affect any other section(s) or provision(s) of this Agreement if it can be given effect without the invalid section(s) or provision(s).

11. The parties agree that the terms of this Agreement shall be governed by the laws of the State of South Dakota. In the event of any conflict of laws, the law of the State of South Dakota shall be controlling. Any legal action arising out of or relating to this agreement shall be brought only in the Circuit Court of the State of South Dakota, Seventh Judicial Circuit, located in Rapid City, Pennington County, South Dakota.

12. The parties agree that this writing constitutes the entire agreement between them and that there are no other oral or collateral agreements or understandings of any kind or character except those contained herein. No modification or amendment to this Agreement shall be valid, unless evidenced by a writing signed by the parties hereto.
CITY OF RAPID CITY

ATTEST:

Mayor

Finance Officer

(seal)

State of South Dakota )

County of Pennington )

On this the ___ day of ____________, 2018, before me, the undersigned officer, personally appeared Steve Allender and Pauline Sumption, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City, a municipal corporation, and that they as such Mayor and Finance Officer, being authorized to do so, executed the foregoing Agreement for the purposes therein contained by signing the name of the City of Rapid City by themselves as Mayor and Finance Officer.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

(seal)

Notary Public, South Dakota
My Commission Expires: ____________________
MAGELLAN PIPELINE COMPANY, L.P.

By: Magellan Pipeline GP, LLC

IIts: General Partner

STATE OF OKLAHOMA )
COUNTY OF TULSA )

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On this 5 day of APRIL, 2018, before me, the undersigned officer, personally appeared MARK A. McKENZIE, who acknowledged him/herself to be the VICE PRESIDENT of MAGELLAN PIPELINE COMPANY, L.P., and that as such, being duly authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

(SEAL)

(Notary Public)


Laurie K. England
Notary Public