

**AGREEMENT BETWEEN THE CITY OF RAPID CITY AND RAPID VALLEY
SANITARY DISTRICT TO AUTHORIZE CITY TO PROVIDE WATER SERVICE TO
CERTAIN PROPERTY WITHIN THE SANITARY DISTRICT**

This Agreement is made by and between the CITY OF RAPID CITY, a South Dakota municipal corporation, of 300 Sixth Street, Rapid City, SD 57701, (“City”) and RAPID VALLEY SANITARY DISTRICT, a South Dakota corporation of 4611 Teak Drive, Rapid City, SD 57703 (“District”).

WHEREAS, the City has recently constructed water mains that allow it to provide service the properties described below; and

WHEREAS, the District does not currently have a water main that can serve the described properties; and

WHEREAS, the District has agreed to allow the City to provide water service as described in this Agreement.

NOW THEREFORE, in consideration of the mutual agreements and promises contained herein, the parties agree as follows:

1. Property. The following property, as shown on Exhibit A, is located within the District’s boundaries and shall be referred to throughout this Agreement as the “Properties:”

- | | |
|----------------------|----------------------|
| • 3005 Anderson Road | • 3115 Anderson Road |
| • 3025 Anderson Road | • 3155 Anderson Road |
| • 3105 Anderson Road | • 7020 Longview Road |

Nothing in this Agreement shall act to remove these properties from the Sanitary District, abate or otherwise change the taxes, assessments or fees for the properties, or otherwise take any bylaw or ordinance making authority from the Sanitary District with respect to these properties.

2. Water Service. District agrees that the Properties shall be served by City’s water utility pursuant to the terms of this Agreement. City agrees to provide water service to the Properties described above according to the terms of this Agreement. Service to the Properties shall be in accordance with all City policies related to service outside of city limits and related to the East Rapid City Water Users Region.

3. Ordinances and Policies. The parties agree that the water service provided shall be according to the ordinances and policies of the City. The District agrees to execute and deliver such further instruments or documents or take such further actions as shall be necessary or convenient to effectuate the purposes contemplated by this Agreement.

4. Property Owners. This Agreement is expressly conditioned upon the property owners’ acceptance of service by the City. The property owners will be required to execute a service agreement that requires adherence to the ordinances, rates, and other rules of the City. The service agreement shall also reflect the District’s right to terminate this Agreement and provide

service to the Properties. The parties agree that abandonment of service lines connected to City water mains shall be the obligation of the property owners, and District shall require the property owners to abandon the service lines according to City requirements as a condition of the District providing water service upon termination of this Agreement.

5. Surcharge. The parties agree that the water service provided by the City shall include a surcharge on each property's water bill. The surcharge shall be equal to the amount set by resolution of the City's Common Council for the East Rapid City Water Users Region.

6. Consideration. It is agreed that no monetary consideration shall be exchanged. The parties agree that each other's promises and agreements made hereunder are good, valuable and sufficient consideration for the execution of this Agreement.

7. Term. This Agreement shall become effective on the date it is executed. The initial term of this Agreement shall be five years. This Agreement shall automatically renew for an additional five-year term upon the expiration of the initial term and upon the expiration of each renewal term. Either party may terminate this Agreement upon one hundred eighty days' notice to the other party.

8. Notices. All notices given hereunder shall be made by hand delivery or certified mail, return receipt requested, to the parties at the following addresses:

City of Rapid City
Attn: Public Works Director
300 Sixth Street
Rapid City, SD 57701

Rapid Valley Sanitary District
Attn: General Manager
4611 Teak Drive
Rapid City, SD 57703

9. Time of Essence. Time is of the essence of this Agreement.

10. Waivers. The failure by one party to require performance of any provision herein shall not affect that party's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself.

11. Amendments. This Agreement may only be amended by a written document duly executed by all parties.

12. Enforceability. This agreement is intended solely for the benefit of the parties hereto and shall not be enforceable by, or create any claim of right or right of action, in favor of any other party.

13. Entire Agreement. This Agreement constitutes the entire agreement between the parties, and supersedes all prior negotiations, agreements and understandings, whether oral or written.

14. Counterparts. This Agreement may be executed in counterparts; each such counterpart shall be deemed an original and when taken together with other signed counterparts, shall constitute one Agreement.

15. Severability. If any provision of this Agreement is held unenforceable by a court of competent jurisdiction, such holding shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

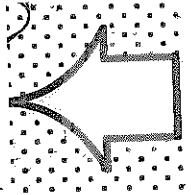
16. Construction. This agreement shall be deemed to be prepared jointly by the parties hereto and neither shall be deemed to be its sole author. In the event of any claim of ambiguity, no provision shall thereby be construed against either party.

17. Headings. The headings and numbering of the different paragraphs of this Agreement are inserted for convenience only and are not to control or affect the meaning, construction or effect of each provision.

18. Jurisdiction and Venue. This Agreement shall be interpreted under the laws of the State of South Dakota without regard to any conflict of laws provision. Any litigation under this Agreement shall be resolved in the circuit court of Pennington County, State of South Dakota.

Dated this _____ day of _____, 2017.

CITY OF RAPID CITY



Mayor

ATTEST:

Finance Officer

(SEAL)

RAPID VALLEY SANITARY DISTRICT


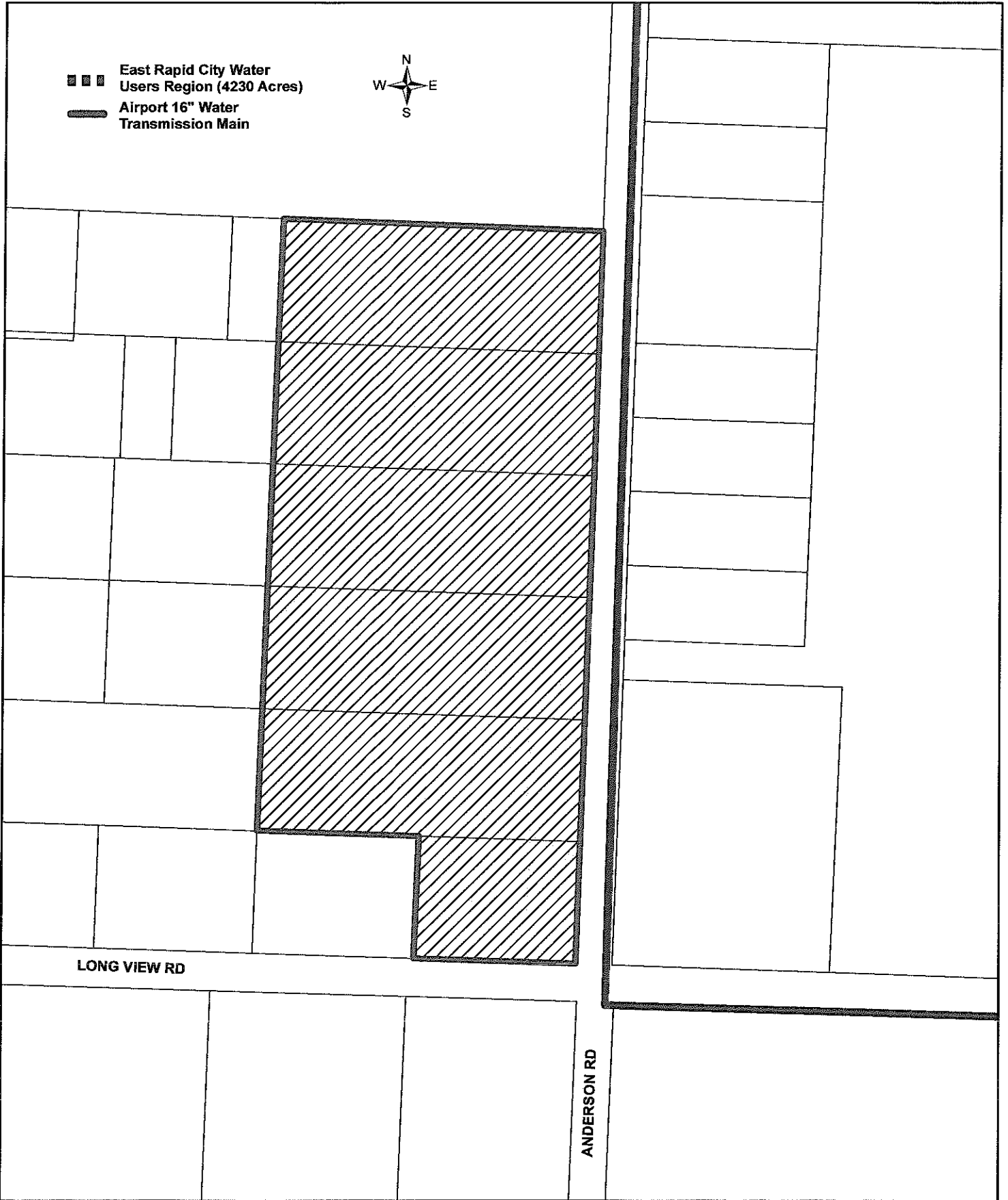
By 
Its manager

EXHIBIT A

- ■ ■ East Rapid City Water Users Region (4230 Acres)
- Airport 16" Water Transmission Main



PROPERTIES WITHIN THE RAPID VALLEY SANITARY DISTRICT AUTHORIZED TO BE PROVIDED WATER SERVICE BY THE CITY OF RAPID CITY