

SECOND AMENDMENT TO THE LEASE AGREEMENT
BY AND BETWEEN
WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY
AND
WOODBURY COUNTY, STATE OF IOWA

THIS SECOND AMENDMENT to that certain Lease Agreement (hereinafter the "Second Amendment") is entered into on or as of the 17th day of February, 2023, by and between WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY, a body corporate, organized and existing under and by virtue of Iowa Code Section 346.27, and any successor legal authority thereto ("Authority") and WOODBURY COUNTY, STATE OF IOWA, a political subdivision, organized and existing under and by virtue of the laws and Constitution of the State of Iowa ("County").

WITNESSETH:

WHEREAS, the County and the Authority have heretofore entered into that certain Lease Agreement originally dated September 1, 2020, as amended and substituted (hereinafter the "Lease"); and

WHEREAS, the County and the Authority now desire to amend the Lease to provide for the reimbursement of certain insurance expenses and to clarify the use of the Additional Rent and Maintenance Payments s; and

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Modification of Section 7.2. Section 7.2 of the Lease is hereby deleted in its entirety and a new Section 7.2 is inserted in lieu thereof as follows:

"Section 7.2. Additional Rent. The County agrees to pay additional rent ("**Additional Rent**") in the initial amount of \$200,000 per semiannual payment, said amount shall be paid to Authority in addition to the Base Rent in semiannual payments beginning on November 1, 2021, and continuing semiannually thereafter on the first day of May and November in each year. The Additional Rent shall be held in a separate maintenance and improvement fund to be used for Maintenance Expenses under Section 12.1."

2. Modification of Section 7.3. Section 7.3 of the Lease is hereby deleted in its entirety and a new Section 7.3 is inserted in lieu thereof as follows:

"Section 7.3. Maintenance Payments. The County agrees to pay the Authority Maintenance Payments in an amount equal to twenty percent (20%) of the Additional Revenues which shall be held in a separate maintenance and improvement fund to be

used for Maintenance Expenses under Section 12.1. Said Maintenance Payments shall be paid to the Authority in addition to the Base Rent and Additional Rent in semiannual payments beginning on November 1, 2021, and continuing semiannually thereafter on the first day of May and November in each year subject to temporary suspensions as provided herein. At any time the maintenance and improvement fund reaches or exceeds a balance of Eight Million Dollars (\$8,000,000), the County shall temporarily suspend the Maintenance Payments until such time as the maintenance and improvement fund balance drops below Eight Million Dollars (\$8,000,000) at which time the County shall reinstitute the Maintenance Payments until the balance in the maintenance and improvement fund reaches or exceeds a balance of Eight Million Dollars (\$8,000,000). It is the intent of the parties that the maintenance and improvement fund shall survive the termination of this Lease and be used solely for the Maintenance Expenses of the Facility. The County agrees to apply the remaining eighty percent (80%) of the Additional Revenues to the reduction of property tax liability in Woodbury County, Iowa.”

3. Modification of Section 9.1. Section 9.1 of the Lease is hereby deleted in its entirety and a new Section 9.1 is inserted in lieu thereof as follows:

“Section 9.1. Services and Utilities. The County shall furnish such heating, ventilating, air-conditioning, water, electricity and other utilities necessary for normal usage. Payment for such Services and Utilities shall be the responsibility of the County. The County shall not intentionally place a load on the utility services in the Facility in excess of that which they were designed to carry. The County further agrees to comply with all rules, regulations and requirements of the utility companies and all laws of the State of Iowa and ordinances, regulations and requirements of the municipality in which the Facility is located relating to utility use. Authority shall not be liable for any failure and/or interruptions of said utilities due to any cause beyond the Authority’s reasonable control.

The County shall also pay for all telephone services, computer and similar services, and for the costs of installing and removing all equipment involved, directly to the company furnishing such services and equipment, including any repair of damage to the Facility as a result of installation or removal of the services and equipment. Space for the installation of said services and equipment shall be designated and approved by Authority within the Facility.”

4. Modification of Section 12.1. Section 12.1 of the Lease is hereby deleted in its entirety and a new Section 12.1 is inserted in lieu thereof as follows:

“Section 12.1. Maintenance, Repairs and Replacements

A. The Authority shall maintain the Facility in good order, condition and repair; expand; improve; and make repairs and replacements to the Facility necessary for the structural soundness of the Building (the “Maintenance Expenses”). In order to maintain the Facility, the Authority shall establish a maintenance and improvement fund from which such Maintenance Expenses shall be paid. The Authority shall set-aside the

Additional Rent under Section 7.2 and the Maintenance Payments under Section 7.3 hereof into a separate account to be used for Maintenance Expenses. The Authority shall not be required to incur Maintenance Expenses in excess of what is available in the maintenance and improvement fund. In the event there are Maintenance Expenses in excess of what is available in the maintenance and improvement fund and the County agrees that the Maintenance Expenses are required, the County shall be responsible for all amounts in excess of what is available in the maintenance and improvement fund. All interest earned by the maintenance and improvement fund shall be deposited back into the maintenance and improvement fund.

B. Authority shall endeavor to make repairs and conduct maintenance in such a manner so as to avoid, to the extent reasonable and practicable, significant disturbance or inconvenience to the County or any of its officers, employees, inmates, invitees, visitors, or agents, but Authority shall not be liable or responsible to the County for inconvenience caused by making of such repairs. Maintenance, repairs or replacements to the Facility caused or occasioned by the misuse or negligence of the County, its officers, employees, inmates, invitees, visitors, or agents, or maintenance contractors shall be at the County's sole expense.

C. In the event that the Facility should become in need of repairs required to be made by Authority hereunder, the County shall give written notice within a reasonable time (or immediate telephone notice in the case of an emergency) thereof to Authority and Authority shall commence any such repairs within a reasonable time after the County's delivery of such notice and Authority shall diligently pursue the completion of such repairs as expeditiously as reasonably possible, as the circumstances may warrant. Failure of the County to provide the requisite notice shall release Authority from all responsibility for said repairs.

D. Except as otherwise provided in this Lease, Authority shall not be liable for, and there shall be no abatement of Rent with respect to any injury to or interference with the County's operations arising from any repairs, maintenance, alteration or improvement in or to any portion of the Facility, or in or to the fixtures, appurtenances or equipment therein, unless the need for such repairs or maintenance was caused by Authority's negligence or willful misconduct.

E. The County agrees that it will make all repairs to the Facility not required to be made by Authority, as set forth above, and, subject to the provisions of this Lease, to do all redecorating, remodeling, alteration, and painting required by it during the Term of the Lease, at the County's sole cost and expense. The County will also pay for any repairs to the Facility made necessary by the acts or omissions of the County, its officers, employees, inmates, invitees, visitors, or agents and will at all times maintain the Facility in a safe, clean, neat, and sanitary condition. The County shall not burn refuse in or about the Facility and shall not store refuse or garbage in or about the Facility."

5. Modification of Subsection A of Section 13.2. Subsection A of Section 13.2 of the Lease is hereby deleted in its entirety and a new Subsection A of Section 13.2 is inserted in lieu thereof as follows:

“A. Casualty Insurance. Authority shall insure the Facility. In addition to the Rent otherwise provided for herein, the County shall reimburse the Authority for all Insurance Expenses with respect to the Facility during the Term of this Lease. Such reimbursement shall be made within 30 days of the Authority submitting reasonable proof of such payment to the County. “Insurance Expenses” shall include but is not limited to the cost to Authority for any insurance coverages including comprehensive general liability insurance, casualty insurance against fire, extended coverage, vandalism and malicious mischief, collapse and such other perils as are normally found in “all-risk” forms in at least a sufficient amount to prevent Authority from becoming a co-insurer, boiler and machinery coverage and such other coverages as are reasonable or prudent for Authority to carry on the Facility. The Insurance Expense shall include the cost of premiums, fees, deductibles, and other expenses not covered by the insurance carrier if applicable. No insurance hereinabove mentioned shall cover any of the County’s personal property.

The County shall be responsible for obtaining, at the County’s option, cost and expense, insurance for property of the County (including the County’s improvements and personal property). During any period of reconstruction, the County shall obtain a builders risk policy of insurance containing such terms as are acceptable to Authority.”

6. Definitions. All capitalized words used herein and not specifically defined herein shall have the same definitions as in the Lease.

7. Conflicts. If and to the extent that any of the provisions in this Second Amendment conflict with or are otherwise inconsistent with any of the provisions of the Lease as amended, whether or not such inconsistency is expressly noted in this Second Amendment, the provisions of this Second Amendment shall prevail.

8. No Further Modifications. Except as modified by this Second Amendment, all covenants, agreements, terms, and conditions of the Lease shall remain in full force and effect and are hereby in all respects ratified and affirmed.

9. Integration. This Second Amendment contains the entire agreement of the parties as it relates to the terms to be amended and supersedes and replaces all prior agreements and understandings with regard to the subject matter of this Second Amendment and all such prior agreements and understandings, except the Lease as amended and substituted, shall be deemed void and of no force or legal effect unless set forth in this Second Amendment.

10. No Oral Amendment or Modification. No amendment or modification of this Second Amendment shall be valid or binding, unless in writing and executed by the party to be bound.

11. Counterparts. This Second Amendment may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof.

IN WITNESS WHEREOF, Authority and the County have caused this Second Amendment to be executed and attested by their duly authorized officers, all as of the date first above written.

[Remainder of page intentionally left blank; signature pages follow]

AUTHORITY:

WOODBURY COUNTY LAW ENFORCEMENT
CENTER AUTHORITY

Ron Wieck
Chairperson

ATTEST:

Dan A Moore
Secretary

STATE OF IOWA)
) SS:
COUNTY OF WOODBURY)

On this 17th day of February, 2023, before me the undersigned, a Notary Public in and for the State of Iowa, personally appeared Ron Wieck and Dan Moore, to me personally known, who being by me duly sworn, did say that they are the Chairperson and Secretary, respectively, of the Woodbury County Law Enforcement Center Authority executing the within and foregoing instrument to which this is attached; that said instrument was signed on behalf of the Woodbury County Law Enforcement Center Authority by authority of its Board of Commissioners; and that the said Chairperson and Secretary, as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said Authority, by it and by them voluntarily executed.

Karen James
Notary Public

[Signature Page to the Second Amendment to the Lease Agreement - Authority]



COUNTY:

WOODBURY COUNTY, STATE OF IOWA

[Signature]
Chairperson

ATTEST:
[Signature]
Auditor

STATE OF IOWA)
) SS:
COUNTY OF WOODBURY)

On this 14th day of February, 2023, before me the undersigned, a Notary Public in and for the State of Iowa, personally appeared Matthew Ung and Patrick Gill, to me personally known, who being by me duly sworn, did say that they are the Chairperson and County Auditor, respectively, of Woodbury County, State of Iowa executing the within and foregoing instrument to which this is attached; that said instrument was signed on behalf of Woodbury County, State of Iowa by authority of its Board of Supervisors; and that the said Chairperson and Auditor, as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said County, by it and by them voluntarily executed.



[Signature]
Notary Public

[Signature Page to the Second Amendment to the Lease Agreement - County]

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