11
8/4/26

SETTLEMENT AGREEMENT

This Settlement Agreement and Mutual Release ("**Agreement**") is made by and between the Woodbury County Law Enforcement Center Authority (the "**Authority**"), Woodbury County, Iowa (the "**County**"), Hausmann Construction, Inc. ("**Hausmann**"), Goldberg Group Architects, LLC ("**GGA**"), Introba, Inc. f/k/a Ross & Baruzzini, Inc. ("**Introba**"), and Baker Mechanical, Inc. d/b/a Baker Group ("**Baker Group**") related to and arising out of a public construction project known as the Woodbury County Law Enforcement Center Project (the "**Project**") for the design and construction of a law enforcement center located at 3701 28th Street, Sioux City, Iowa 51105 (the "**LEC**"). The Authority, the County, Hausmann, GGA, Introba, and Baker Group may be collectively referred to as the "Parties" or individually referred to as a "Party." This Agreement shall become effective upon full execution by all Parties and delivery (the "**Effective Date**").

WHEREAS, the Authority is a joint public entity created under Iowa Code § 346.27 by the City of Sioux City, Iowa (the "**City**") and the County for the purposes of acquiring, owning, constructing, and operating the LEC for the joint use of the City and the County for a variety of governmental functions, including but not limited to housing the sheriff's office, county attorney offices, courtrooms, and the jail.

WHEREAS, the Authority entered into a contract with GGA to design the LEC (the "**Design Agreement**"), a contract with Hausmann to construct the LEC (the "**Construction Agreement**"), and a contract with Baker Group for it to serve as the Authority's construction manager as advisor for the Project (the "**CMa Agreement**").

WHEREAS, GGA subsequently entered into subcontracts with other entities, including a subcontract with Introba for it to provide mechanical, electrical, plumbing, fire protection, and low voltage systems engineering work on the Project (the "**Introba Subcontract**").

WHEREAS, Hausmann entered into subcontracts with or otherwise retained various subcontractors, suppliers, and other entities to provide various labor and materials on the Project (collectively, "**Hausmann's Subcontractors**," which includes any and all persons or companies that Hausmann retained to furnish labor, services, equipment, materials, or work on the Project).

WHEREAS, the Project has achieved substantial completion, but the Authority has not yet accepted the Project as final.

WHEREAS, the Authority is currently holding $3,064,651.71 in retainage funds on the Project.

WHEREAS, the Parties have asserted various claims against each other related to the Project in a lawsuit filed in the United States District Court for the Northern District of Iowa, Case No. 5:25-cv-4041 (the "**Lawsuit**").

NOW, THEREFORE, the Parties, in consideration of the foregoing and the following mutual promises set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows to resolve the Lawsuit and other claims as further described below.

1. **<u>Notice of Settlement</u>**. Within two (2) business days of the Effective Date, the Parties shall file a joint notice of settlement in the Lawsuit requesting fifty (50) calendar days to complete the performances under this Agreement and file a joint stipulation of dismissal of the Lawsuit with prejudice.

2. **<u>Final Acceptance</u>**. No later than August 5, 2026, the Authority and the County shall

respectively review and vote upon the attached Resolutions (Exhibit 1) to finally accept the Project and approve this Agreement. If both entities approve the respective Resolutions in writing, then the Project shall be deemed to have achieved final completion, and the Authority shall be deemed to have accepted the Project as complete ("**Final Acceptance Date**"). All subsequent obligations under this Agreement are contingent upon joint approval of the Resolutions in writing.

3. **Chapter 573 Claims**.

a. No later than thirty (30) calendar days after the Final Acceptance Date, Hausmann shall cause all pending claims by Hausmann's Subcontractors on the Project under Iowa Code Chapter 573 to be fully, finally, and unconditionally released; ensure that no new claims under Iowa Code Chapter 573 are submitted by Hausmann's Subcontractors on the Project; and shall confirm in writing to counsel for the Authority that any and all claims by Hausmann's Subcontractors on the Project under Iowa Code Chapter 573 have been resolved.

b. Thereafter, within two (2) business days following the 30-day period after the Final Acceptance Date, the Authority shall confirm in writing (via an email from counsel for the Authority to counsel for all Parties) that there are no pending claims under Iowa Code Chapter 573 on the Project (the "**Confirmation Date**"). Alternatively, if the requirements under Section (3)(a) are not timely fulfilled, counsel for the Authority will notify counsel for all Parties as such.

c. All subsequent obligations under this Agreement are contingent upon Hausmann fulfilling its obligations under Section (3)(a) and there otherwise being no Iowa Code Chapter 573 claims thirty (30) calendar days after the Final Acceptance Date.

4. **Payments**. Contingent upon the obligations under Sections 2 and 3 of this Agreement being satisfied, the Parties agree as follows regarding the below noted payments (collectively, "**Settlement Payments**"):

a. *Payment by Design Parties*: Within thirty (30) calendar days of the Final Acceptance Date GGA and Introba shall transmit funds to satisfy agreed upon settlement contributions as set out in Exhibits 2 and 3 referenced below to the mediator Mark Heley's (the "**Mediator**") firm of Heley, Duncan & Melander, PLLP (the "**Mediation Firm**") to be held in trust by the Mediation Firm. If the obligations under Sections 2 and 3 of this Agreement are not satisfied, such funds shall be returned to the GGA and Introba respectively. Such payments shall be made via ACH payment, electronic transfer or check to the Mediation Firm, payable to the Heley, Duncan & Melander Trust Account. Checks can be mailed to Heley, Duncan & Melander, PLLP (ATTN: Mark Heley), 8500 Tower, Normandale Lake Blvd, Bloomington, MN 55437. Except as required under Iowa law, the individual amounts due from GGA and Introba as their respective contributions toward settlement shall remain confidential and are confirmed in confidential exhibits provided by the Mediator only to counsel for each Party in Exhibit 2 (GGA) and Exhibit 3 (Introba). The Mediator shall hold the confidential exhibits. Such exhibits shall not be disclosed to any of the other Parties except as required under Iowa law or unless and until the Mediator determines, in his sole discretion, that it is necessary to disclose the contents of one or more of said exhibits to effectuate and enforce the terms of this Agreement.

b. *Payment by the Design Parties to the Authority & County (via the Mediation Firm)*: Within ten (10) calendar days of receipt of the Confirmation Date, the Mediation Firm shall remit payment from the funds received from GGA and Introba in the amount of $3,024,651.71 to the Authority, which the Authority shall receive on behalf of the Authority and the County. Such payment shall be made via check payable to the "Woodbury County Law Enforcement Center Authority" and mailed to Fredrikson & Byron, P.A. (ATTN: Jodie McDougal), 111 E Grand Ave Ste 301, Des Moines, IA 50309. The Authority shall transfer certain remaining funds received herein to the County via separate future resolutions by the Authority and County.

c. *Payment by the Design Parties to Hausmann (via the Mediation Firm)*: Within ten (10) calendar days of the Confirmation Date, the Mediation Firm shall remit payment from the funds received from GGA and Introba in the amount of $935,348.29to Hausmann. Such payment shall be made via check payable to "Hausmann Construction, Inc." and mailed to Dvorak Law Group, LLC (ATTN: Brenda Smith), 9500 W Dodge Rd Ste 100, Omaha, NE 68114 or by ACH Payment or electronic transfer of funds.

d. *Release of Retainage by the Authority to Hausmann*: Within ten (10) calendar days of the Confirmation Date, the Authority shall release and pay the retainage funds totaling $3,064,651.71 to Hausmann. Such funds shall be submitted via check payable to "Hausmann Construction, Inc." and mailed to Dvorak Law Group, LLC (ATTN: Brenda Smith), 9500 W Dodge Rd Ste 100, Omaha, NE 68114.

Other Payment Terms:

e. *Confirmation of Receipt:* All payees receiving Settlement Payments shall, within two (2) business days of receipt, notify counsel for all Parties, via email, of such receipt, for the purpose of the timing of the stipulated Dismissal set forth in Section 5.

f. *Wiring of Funds*: Upon request of a payor or payee, wire transfer shall be an acceptable alternative method of payment of any or all of the above Settlement Payments, in which event the payor and payee shall work together to effectuate such payment, including the payor providing the payee with the necessary wire and account information.

5. **Dismissals**. Within two (2) business days of all counsel having confirmed receipt of all Settlement Payments, the Parties shall prepare and file a joint dismissal of all their respective claims in the Lawsuit with prejudice. The Parties agree that such dismissal with prejudice shall not bar any claims preserved in this Agreement.

6. **Mutual Releases**. The Parties release, waive, and forever discharge each other, and each other's representatives, members, directors, officers, executives, employees, insurers, reinsurers, sureties, predecessors and/or successors in interest, attorneys, agents, heirs, parents, subsidiaries, affiliated entities, subconsultants, subcontractors, suppliers, consultants, successors and assignees, architects, and engineers, of, from, and against any and all claims, matters, complaints, charges, demands, damages (including but not limited to any statutory damages), causes of action, debts, liabilities, controversies, judgments, liens, bond claims, warranties, disputes, costs, attorney fees, expert fees, arbitrator fees, losses, demands, awards, and suits of every kind and nature whatsoever, arising out of the Project, the LEC, the Design Agreement, the Construction Agreement, the CMa Agreement, and the Introba Subcontract, including but not limited to the Parties' claims asserted in the Lawsuit, but only to the extent that such claims were known or should

have reasonably been known by the releasing Party as of the Effective Date ("**Released Claims**"), except for the Excluded Claims.

Excluded Claims" means, and is limited to: (i) known claims relating to the boilers, which includes the boilers improperly shutting off and/or failing to turn on/start, and boiler alarms going off (including blocking alarms and "Unknown Error" codes with red or green screen), and Suter, Star Controls, and Verne Simmonds have furnished services relating to the aforementioned conditions of the boilers (the "Boiler Work"), provided however that any claim relating to the design/specification of the Boilers that was known or should have been reasonably known by the releasing Party as of the Effective Date is fully released; (ii) manufacturer and third-party warranty claims as set forth below in Section 7; and (iii) claims to enforce or for breach of this Agreement. "Released Claims" includes a claim for damages that are a future consequence of a Released Claim. Any Party may deny liability for the Excluded Claims, and do not release any claims against any other Party to this Agreement for the Excluded Claims.

7. **Warranties**. Notwithstanding the Released Claims in Section 6 herein, nothing in this Agreement shall waive the Authority's and the County's right to file a warranty claim with the manufacturer or under other specific warranties that were issued by third parties with respect to the Project under the Design Agreement, the Construction Agreement, and the CMa Agreement, including, but not limited to, claims regarding the Boilers.

8. Non-Disparagement. (a) When responding to third-party inquiries regarding the Project, the LEC, the Lawsuit, or this Agreement, each Party shall direct its authorized spokespersons, when speaking on that Party's behalf in an official capacity, to use the stipulated statement set forth in Section 9 and not to make any public statement disparaging another Party's work or professional reputation on the Project, provided however that this Section (i) only applies to inquiries regarding the Parties' original performance in the design and construction of the LEC related to the Released Claims, (ii) expires three years after the Effective Date, and (iii) does not apply to, and shall not be construed to restrict: any statement made at or in connection with a meeting subject to Iowa Code Chapter 21 (including statements/information included within agenda packets for such meetings), or in the course of deliberating, voting, or performing any statutory duty, or directing inquiries to such statements/information that are publicly available; any elected or appointed official, employee, or agent speaking in an individual capacity; any disclosure required by Iowa Code Chapters 21 or 22 or other applicable law; truthful testimony or statements compelled by legal process; or truthful communications with a licensing board, professional regulator, auditor, insurer, or surety, or in response to a prequalification or bid inquiry. The sole remedy for breach of this Section is actual damages; no Party shall seek injunctive relief, specific performance, or liquidated damages under this Section. (b) For purposes of compliance with this paragraph, the County shall mean the Board of Supervisors. (c) Neither the Authority nor County requested that this Agreement include a non-disparagement provision. Instead, other Parties desired and requested such a provision, and all Parties agreed upon the language herein. All Parties expressly agree that they have discussed the rights they are waiving under this provision with their legal counsel and that they waive such rights knowingly and voluntarily after having been fully advised by their attorneys of their rights and of the scope and effect of this provision. (d) Further, if any portion of this provision is deemed unenforceable by a court of competent jurisdiction, then the Parties agree that the entire provision shall thereafter be deemed unenforceable and stricken from this agreement without further action by any Party.

9. Stipulated Statement. Except as provided in Section 8, in response to inquiries from third parties regarding the Project, the claims asserted in the Lawsuit, and/or this Agreement, the Parties agree that a Party may, if it so chooses, provide the following stipulated statement: "The parties to the Woodbury County Law Enforcement Center Project worked together to amicably resolve the Lawsuit and outstanding claims regarding this completed Project."

10. Severability. Except as otherwise stated in Section 8, if any provision of this Agreement shall be finally determined to be invalid or unenforceable by a court of competent jurisdiction, such provision shall only be ineffective to the extent of such invalidity or unenforceability, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement.

11. No Admission. This Agreement shall not be construed as an admission of any liability or negligence, or breach of contract, or fault of any kind. This Agreement shall only be construed as a compromise and settlement of disputed claims for the purpose of avoiding further controversy, litigation, and expense.

12. Authorization. The Parties represent they have full authority to enter this Agreement and to agree to all of the terms of this Agreement, and they waive any and all defenses and arguments from any source that they have or may have to the validity or enforceability of any provision of this Agreement, including but not limited to any defenses and arguments based on or arising out of any bankruptcy laws.

13. Successors & Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their successors and assigns.

14. Voluntary Agreement & Representation by Counsel. The Parties acknowledge they are represented by legal counsel. The Parties acknowledge that they enter into this Agreement knowingly and voluntarily after having been fully advised by their attorneys of their rights in this matter and of the scope and effect of this Agreement. The Parties state that they are legally competent to execute this Agreement.

15. Integration. The Parties expressly acknowledge that they are not relying upon any statements of fact or opinions by any other Party, or by any person or entity acting on behalf of another Party, to induce them into accepting this Agreement. All agreements, representations and warranties of the Parties hereto concerning the subject matter hereof are contained herein. The Parties warrant that no other agreements, representations or warranties, except as set forth herein, exist concerning the subject matter hereof. All prior and contemporaneous conversations, negotiations, alleged agreements, representations and warranties concerning the subject matter hereof are merged herein. This is an integrated agreement. This Agreement may not be modified or amended except by a writing signed by all Parties.

16. Governing Law & Venue. This Agreement shall be governed by, construed, enforced, and interpreted according to Iowa law. The exclusive jurisdiction and venue of any action or proceeding relating to or arising out of this Agreement shall be in state or federal court in Woodbury County, Iowa.

17. Construction. This Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the Parties, and it shall be construed as being jointly drafted by the Parties and not as being drafted by any one Party. The canon of *contra proferentem* shall have no application to the interpretation, construction, or enforcement of this Agreement.

18. Attorney Fees & Costs. Any consideration for payment of attorney fees and costs related to the Lawsuit are encompassed by the payments made pursuant to Section 4. The Parties shall pay their own attorney fees, expert fees, costs, and expenses incurred as a result of the Lawsuit.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but each of which shall constitute one and the same Agreement. The Parties further agree that a faxed or scanned copy or PDF version of the signed counterpart shall be treated as an original.

20. Cooperation. The Parties hereby agree to fully cooperate to execute any and all supplementary documents, and to take all additional action that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURES TO FOLLOW

WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY:

Signature: Dana A. Moore

Name: DANA A. MOORE

Title: CHAIRPERSON

Date: 8-4-2026

WOODBURY COUNTY, IOWA:

Signature: [signature]

Name: Mark Nelson

Title: Chairman

Date: 8/4/2026

HAUSMANN CONSTRUCTION, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

GOLDBERG GROUP ARCHITECTS, LLC:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

INTROBA, INC. f/k/a ROSS & BARUZZINI, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

BAKER MECHANICAL, INC. d/b/a BAKER GROUP:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY, IOWA:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

HAUSMANN CONSTRUCTION, INC.:

Signature: ______________________

Name: STEVE THIELE

Title: Executive Vice President

Date: 8/5/2026

GOLDBERG GROUP ARCHITECTS, LLC:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

INTROBA, INC. f/k/a ROSS & BARUZZINI, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

BAKER MECHANICAL, INC. d/b/a BAKER GROUP:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY, IOWA:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

HAUSMANN CONSTRUCTION, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

GOLDBERG GROUP ARCHITECTS, LLC:

Signature: [signature]

Name: Lawrence T. Goldberg

Title: Principal

Date: 8-4-26

The Goldberg Group Architects LLC CORPORATE SEAL

INTROBA, INC. f/k/a ROSS & BARUZZINI, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

BAKER MECHANICAL, INC. d/b/a BAKER GROUP:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY:

Signature: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

WOODBURY COUNTY, IOWA:

Signature: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

HAUSMANN CONSTRUCTION, INC.:

Signature: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

GOLDBERG GROUP ARCHITECTS, LLC:

Signature: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

INTROBA, INC. f/k/a ROSS & BARUZZINI, INC.:

Signature: Karl F. Miller

Name: Karl F. Miller

Title: Senior Vice President

Date: 08/04/2026

BAKER MECHANICAL, INC. d/b/a BAKER GROUP:

Signature: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

WOODBURY COUNTY LAW ENFORCEMENT CENTER AUTHORITY:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

WOODBURY COUNTY, IOWA:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

HAUSMANN CONSTRUCTION, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

GOLDBERG GROUP ARCHITECTS, LLC:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

INTROBA, INC. f/k/a ROSS & BARUZZINI, INC.:

Signature: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

BAKER MECHANICAL, INC. d/b/a BAKER GROUP:

Signature: ______________________

Name: Mark Zimmerman

Title: CFO

Date: 8/4/26