DELAWARE COUNTY IOWA
FILED
2001 JN 27 AM 10: 58
BOOK 2001 PAGE 2332
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$10.00

LANCE A. COPPOCK, AHLERS, COONEY, DORWEILER, HAYNIE, SMITH & ALLBEE, P.C.,
100 COURT AVENUE, SUITE 600, DES MOINES, IOWA 50309-2231; PHONE: (515)243-7611

AGREEMENT FOR JOINT EXERCISE OF GOVERNMENTAL POWERS PURSUANT TO IOWA CODE CHAPTER 28E

BETWEEN
HOWARD-WINNESHIEK COMMUNITY SCHOOL DISTRICT
AND
NORTHEAST IOWA COMMUNITY COLLEGE

THIS AGREEMENT, made this 23rd day of April, 2001, by and between the Howard-Winneshiek Community School District ("District") and Northeast Iowa Community College ("College"):

WHEREAS, both parties are school corporations organized and existing under the laws of the State of Iowa, and each is a public agency as defined in Iowa Code Chapter 28E; and

WHEREAS, public agencies may enter into agreements for joint and cooperative action pursuant to Iowa Code Chapter 28E; and

WHEREAS, the District and the College will each benefit from the joint development and administration of property and facilities to meet the needs of their respective student bodies.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, IT IS HEREBY AGREED BY AND BETWEEN THE DISTRICT AND THE COLLEGE AS FOLLOWS:

ARTICLE I.
PURPOSE; PROJECT

Section 1. The purpose of this Agreement shall be to provide for the joint exercise of the respective powers of the parties hereto in connection with the project as hereinafter described pursuant to the provisions of the Code of Iowa, Chapter 28E.

Section 2. The project which is the subject of this Agreement shall be the construction, ownership, operation, maintenance, management and administration of a school building to be located in Cresco, Iowa, used jointly by the District and the College.

Section 3. The project will be constructed and operated on real estate described on Exhibit "A" attached hereto and by this reference made a part of this Agreement. The project will be financed as provided in this Agreement.

Section 4. The College and the District hereby agree that their respective annual payments for the use of the project shall be as shown on Exhibit "B" attached hereto and by this reference made a part of this Agreement.

Section 5. The parties will adopt operating procedures for the joint use of the project, including but not limited to allocation of space, time of usage and allocation of costs.

ARTICLE II.
RESPONSIBILITIES OF THE COLLEGE

Section 1. The College will construct and finance the project pursuant to the provisions of Chapter 260C.38, Code of Iowa 1999, as amended.

Section 2. Financing will be by lease agreement with purchase option for a period not exceeding ten (10) fiscal years, beginning with fiscal year 2002. The College shall secure the approval of the Director of the Department of Education before entering into the lease purchase agreement.

Section 3. In accordance with Section 260C.38 of the Code of Iowa, before entering into the lease purchase agreement the Board of Directors of the College shall first adopt plans and specifications for the proposed building which it considers suitable for the intended use, and the Board of Directors shall also adopt the proposed terms of the lease agreement and purchase option. The College shall consult with the District in the foregoing process. Thereafter, upon obtaining the approval of the Director of the Department of Education, the College shall invite bids by advertisement in accordance

with Section 260C.38 Code of Iowa, 1999, as amended. Financing will include all costs of issuance of the lease purchase agreement and any certificates of participation together with architectural, consulting and other professional fees.

Section 4. The College shall be responsible for all debt service on the project subject to the terms of this Agreement.

Section 5. Upon completion of the project the College will be responsible for all costs of operating the facility, including equipping, staffing, materials, utilities, electrical, heating and cooling, custodial services and minor maintenance. In addition to the foregoing, the parties may determine additional items of minor maintenance from time to time by adoption of operating procedures pursuant to Article I, Section 4 of this Agreement.

ARTICLE III.
RESPONSIBILITIES OF THE DISTRICT

Section 1. For its use of the property the District shall make semiannual payments to the College for a 10-year period in accordance with the schedule attached hereto as Exhibit "B". Exhibit "B" will be revised and attached to this Agreement at such time as the financing is completed and actual interest rates are known. It is the intent of the parties that such semiannual payments by the District are an amount equal to the agreed fair reimbursement to the College for District use of the project and shall be subject to the reciprocal options contained in Article IV of this Agreement.

Section 2. The District shall be responsible for capital costs, including roofs, boilers and all exterior and site maintenance costs, together with snow removal and mowing. In addition to the foregoing, the parties may determine additional items of capital cost from time to time by the adoption of operating procedures pursuant to Article I, Section 4 of this Agreement.

Section 3. All property insurance shall be secured and maintained by the College, and the District shall be listed as an additional insured as the parties interests may appear. Both parties agree to maintain liability and contractual liability insurance with limits not

less than limits on their other liability policies. The parties may from time to time provide for the purchase of additional insurance as their interests may appear and do so pursuant to the operating procedures of Article I, Section 4 of this Agreement.

Section 4. The real estate described on Exhibit "A" is owned by the District. The District will contribute said real estate to the project. The project will be constructed thereon together with necessary public access and utilities.

Section 5. The District will work with the College in arrange for architectural and building professionals to be retained and also for the coordination of the professional advisors on the project.

ARTICLE IV.
RECIPROCAL OPTIONS

Section 1. The parties recognize that the circumstances of each may change over the course of the financing of the project and they desire to provide reciprocal options with respect to the transfer of ownership and allocation of use of the project.

Section 2. At the end of the fifth year of operations, the College shall have the option to acquire the project outright (building and real estate) and terminate all interest of the District in the facility. If such option is exercised, the price to be paid will be determined based upon the following formula:

(1) 100% of the remaining debt service on the financing; and

(2) the appraised value of the real estate as of February 7, 2001 in the amount of $105,000, subject to a 2% per annum escalation to account for inflation and other increases in value.

The financing documents shall provide for the refunding or prepayment of any lease purchase obligations in order to accommodate this option.

Section 3. At the end of the fifth year of the financing if the College elects not to acquire the project outright as provided in Section 2, the College shall have the option to extend its use for an additional five year period under the terms of this Agreement and in consideration of its continued payment of $30,000 per annum.

Section 4. When the financing is complete, if the College shall not have exercised its option to acquire the project outright, the District shall have an option to receive the project (building and real estate) for the sum of $1.00. At such time should the District intend to dispose of the project by sale or lease, the College shall have the right of first refusal to lease or purchase the project on the same terms and at the same price as any third party offer the District may solicit or receive.

ARTICLE V.
MISCELLANEOUS

Section 1. No separate legal or administrative entity shall be created for the governance or administration of the terms or subject matter of this Agreement. This Agreement will be jointly administered by the Superintendent of the District or his designee and the President of the College or his designee.

Section 2. The parties recognize that it may be necessary to amend this Agreement in order to complete details of the project as it progresses. This Agreement may be amended at any time by written agreement approved by resolution of each of the parties.

Section 3. When this Agreement has been approved by resolution of each of the parties, this Agreement shall be filed with the Office of the Secretary of State of Iowa in accordance with the provisions of Chapter 28E of the Code of Iowa.

Section 4. After this Agreement has been filed with the Office of the Secretary of State, the Agreement shall be recorded in the Office of County Recorder in the counties of Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Howard, Jackson, Jones, Mitchell and Winneshiek in accordance with the provisions of Chapter 28E of the Code of Iowa.

Section 5. Subject to Article III, Section 3, this Agreement shall be effective from and after the date on which this Agreement is finally recorded in the office of each of the above county recorders.

Section 6. This Agreement shall be perpetual unless amended or terminated as herein provided.

Section 7. This Agreement shall be terminated by mutual agreement of the parties at such time as its purposes have been completed. The parties shall execute appropriate documents of conveyance of property upon termination.

Section 8. The termination of this Agreement shall not relieve either party of any obligation or liability accrued prior to the effective date of such termination. Upon termination, property, cash, assets and inventory shall be distributed in accordance with the formula to be determined by mutual agreement of the parties based upon the amount of money furnished, value of property furnished or services rendered by each party.

Section 9. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Iowa now or hereafter applicable hereto.

Section 10. This Agreement contains the entire agreement between the parties hereto and may not be changed except by amendment, in writing, approved by resolution of each of the parties hereto.

Section 11. If any provision of this Agreement shall be declared invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect.

Section 12. The terms and conditions of this Agreement shall extend to and be binding upon the successors in interest of the respective parties hereto.

APPROVED by resolution of the Board of Directors on the 23rd day of April, 2001.

HOWARD-WINNESHIEK COMMUNITY
SCHOOL DISTRICT

By: Thomas E. Platte

ATTEST:

Janet Kreitzer

APPROVED by resolution of the Board of Directors on the 9th day of April, 2001.

NORTHEAST IOWA COMMUNITY COLLEGE

By: Louis Lorkowski

ATTEST:

Janet Bullerman

STATE OF IOWA)
) ss:
COUNTY OF Howard)

On this 10th day of May, 2001, before me, a Notary Public in and for the State of Iowa, personally appeared Janet Kreitzer and Thomas E. Platte, to me personally known, who being by me duly sworn, did say that they are the Secretary and President of the Board of Directors of the Howard-Winneshiek Community School District; that the instrument was signed on behalf of and pursuant to authorization by the said Board of Directors; and that the said Janet Kreitzer and Thomas E. Platte acknowledged the execution of the instrument to be the voluntary act and deed of the Board of Directors of the Howard-Winneshiek Community School District, by it and by them voluntarily executed.

Bonday Hughes
Notary Public in and for the State of Iowa

STATE OF IOWA)
) ss:
COUNTY OF Winneshiek)

On this 9TH day of April, 2001, before me, a Notary Public in and for the State of Iowa, personally appeared Linus Rothmeyer and Janet Bellerman to me personally known, who being by me duly sworn, did say that they are the President and Secretary of the Board of Directors of the Northeast Iowa Community College; that the instrument was signed on behalf of and pursuant to authorization by the said Board of Directors; and that the said President and Secretary acknowledged the execution of the instrument to be the voluntary act and deed of the Board of Directors of the Northeast Iowa Community College, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa

PGOODRICH\269357\1\17094008

EXHIBIT "A"

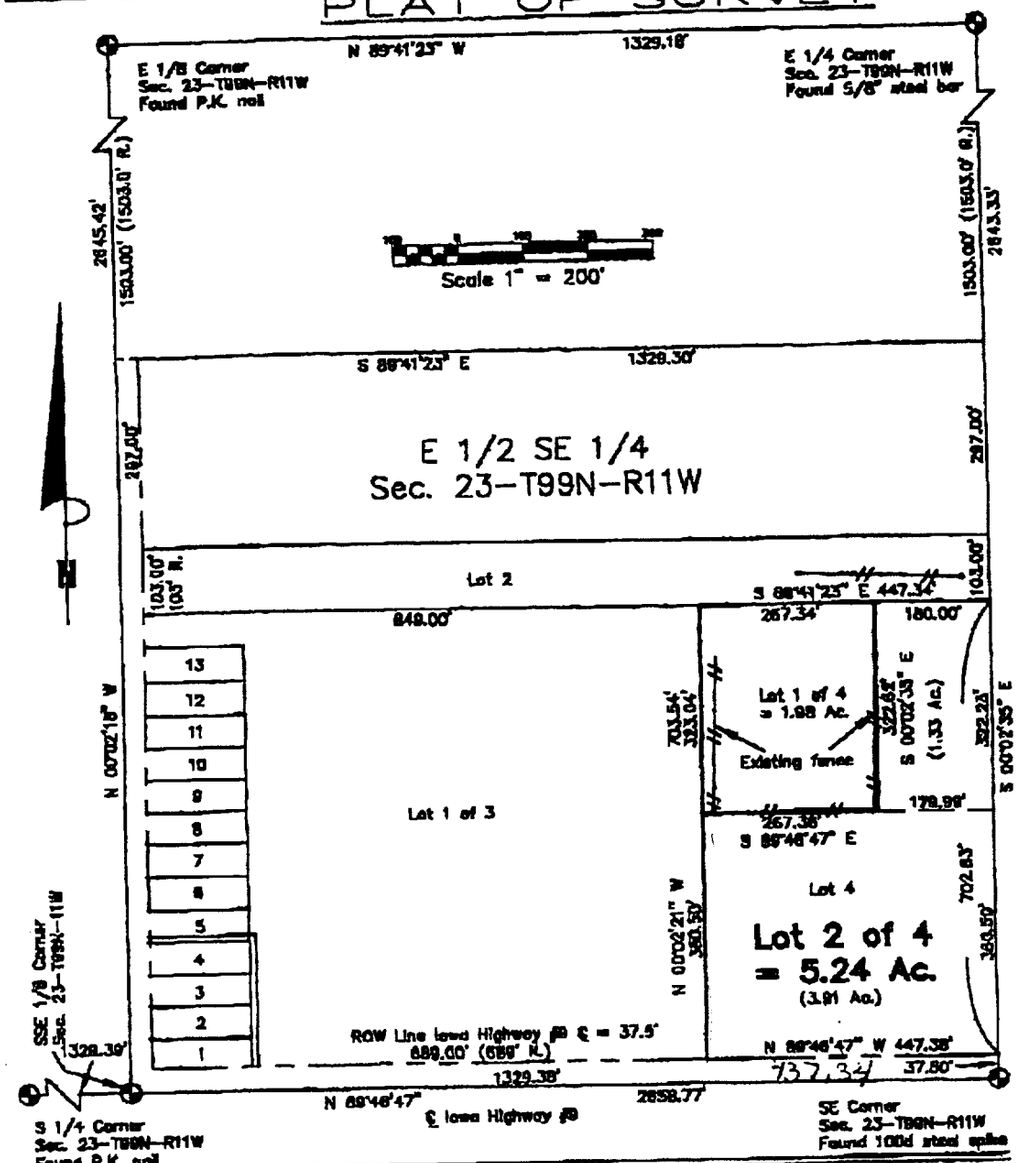
Real Estate Description

Lot 2 of 4 of 5 in the East 1/2 of the Southeast 1/4 of Section 23, Township 99 North, Range 11 West of the 5th P.M.

Post-it® Fax Note 7671	Date 1/3/01	# of pages ▶ 1
To B.W. Kass	From Winn Jr	
Co./Dept. Kyl Roberts	Co. Erdman Eng	
Phone #	Phone # 382-4184	
Fax # 382-2512	Fax # 382-3629	

Prepared by: ERDMAN ENGINEERING, P.C. 708 Commerce Drive, P.O. Box 246, Decorah, Iowa, 52101, Phone (319)382-4184

PLAT OF SURVEY



The above Plat Represents the division of Lot 4 of the subdivision of the balance of Lot 3 of the Irregular survey of the East Half of the Southeast Quarter of Section 23, Township 99 North, Range 11 West of the 5th P.M. in the City of Cresco, Howard County, Iowa, as surveyed in September 2000.

I hereby certify that this land surveying document was prepared by me or under my direct personal supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Iowa.

Lindsay Erdman
Professional Engineer and Land Surveyor, Iowa License Number 11442
My license renewal date is December 31, 2000

Date

Pages or sheets covered by this seal: P.01, MB.01

P.01

TOTAL P.01

WILLIAM A. KAYSER HWS2501

LAND APPRAISAL REPORT

Borrower HOWARD WIN SCHOOL DIST Census Tract NA Map Reference NA/TAX EXEMPT
Property Address HWY #9 EAST/
City CRESCO County HOWARD State IA Zip Code 52136
Legal Description LOT 2 OF 4 SECTION 23 TOWNSHIP 99 NORTH RANGE 11 WEST
Sale Price $ NA Date of Sale NA Loan Term NA yrs. Property Rights Appraised [X] Fee [ ] Leasehold [ ] De Minimis PUD
Actual Real Estate Taxes $ TAX EXEMPT (yr) Loan charges to be paid by seller $ Other sales concessions NA
Lender/Client HOWARD WINN SCHOOL DIST/WM.SADLER Address CRESCO IA
Occupant VACANT Appraiser WM.A.KAYSER Instructions to Appraiser FEE SIMPLE/MARKET VALUE

					Good	Avg.	Fair	Poor
Location	[X] Urban	[ ] Suburban	[ ] Rural	Employment Stability	[X]	[ ]	[ ]	[ ]
Built up	[ ] Over 75%	[X] 25% to 75%	[ ] Under 25%	Convenience to Employment	[X]	[ ]	[ ]	[ ]
Growth Rate	[ ] Fully Dev. [ ] Rapid	[X] Steady	[ ] Slow	Convenience to Shopping	[X]	[ ]	[ ]	[ ]
Property Values	[X] Increasing	[ ] Stable	[ ] Declining	Convenience to Schools	[X]	[ ]	[ ]	[ ]
Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Oversupply	Adequacy of Public Transportation	[ ]	[ ]	[ ]	[X]
Marketing Time	[X] Under 3 mos.	[ ] 4-6 mos.	[ ] Over 6 mos.	Recreational Facilities	[ ]	[X]	[ ]	[ ]
Present Land Use	10 % 1 Family ___ % 2-4 Family ___ % Apts. ___ % Condo 20 % Commercial			Adequacy of Utilities	[ ]	[X]	[ ]	[ ]
	___ % Industrial 70 % Vacant ___ %			Property Compatibility	[ ]	[X]	[ ]	[ ]
Change in Present Land Use	[ ] Not Likely [X] Likely(*) [ ] Taking Places(*)			Protection from Detrimental Conditions	[ ]	[X]	[ ]	[ ]
	(*) From VACANT To COMMERCIAL			Police and Fire Protection	[X]	[ ]	[ ]	[ ]
Predominant Occupancy	[X] Owner [ ] Tenant NA % Vacant			General Appearance of Properties	[ ]	[X]	[ ]	[ ]
Single Family Price Range	$ NA to $ ___ Predominant Value $ ___			Appeal to Market	[ ]	[X]	[ ]	[ ]
Single Family Age	NA yrs. to ___ yrs. Predominant Age ___ yrs							

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): THIS IS A DEVELOPING AREA. PART OF THE SCHOOL SYSTEM. SUBJECT IS ON BUSY HIGHWAY WITH HIGH TRAFFIC COUNT. COMMERCIAL GRAIN ELEVATOR ACROSS STREET SOUTH

Dimensions 5.24 ACRES = 5.24 ACRES Sq. ft. or Acres [ ] Corner Lot
Zoning classification NA Present improvements [X] do [ ] do not conform to zoning regulations
Highest and best use [ ] Present use [ ] Other(specify) VACANT LAND. NOT HIGHEST AND BEST USE

	Public	Other(Describe)
Elec.	[X]	
Gas	[X]	
Water	[X]	
San. Sewer	[X]	
	[X] Underground Elec. & Tel.	

OFF-SITE IMPROVEMENTS: Street Access [X] Public [ ] Private; Surface CONC; Maintenance [X] Public [ ] Private; [ ] Storm Sewer [X] Curb/Gutter; [ ] Sidewalk [X] Street Lights

Topo LEVEL
Size LARGER THAN AVG
Shape RECTANGULAR (SEE PLATT)
View AVG
Drainage ADEQUATE
Is the property located in HUD identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): NO EASEMENTS OF RECORD
THERE ARE NO KNOWN EASEMENTS OR ENCROACHMENTS THAT WOULD NEGATIVELY IMPACT VALUE.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus(-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	HWY #9 EAST/ CRESCO	HWY #9 EAST CRESCO		COMMERCE DR DECORAH		HWY#9 EAST DECORAH	
Proximity to Subject		2 BLOCKS WEST		20 MILES EAST		20 MILES EAST	
Sales Price	$ NA		$ 60,000		$ 57,000		$ 45,000
Price	$		$		$		$
Data Source	PERS INSP	CT.HSE RECDS		PERS INSP/ CT.HSE RECD		PERS INSP/CT.HSE RECD	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-)$ Adjust	DESCRIPTION	+(-)$ Adjust	DESCRIPTION	+(-)$ Adjust
	NA	3-2000	0	12-98	0	2-2000	0
Location	AVG/HWY FRONT	AVG/HWY FRONT	0	COMMERCIAL DV	0	COMM SUBDV	0
Site/View	AVG/5.24 AC	AV/286.5X275		AV./0.47 AC		AV/2.01 AC	0
	437.334 FRONT	1.81 AC		150' FRONTAGE		FRONT F UNK	0
		$209.79 F.F.	+31,678	$380.00 F.F	+$109060	$22388/AC	+72,313
Sales or Financing Concessions	NA	NA	0	NA	0	NA	0
Net. Adj. (Total)		[X] Plus [ ] Minus	$ 31,678	[X] Plus [ ] Minus	$ 109,060	[X] Plus [ ] Minus	$ 72,313
Indicated Value of Subject			$ 91,678		$ 166,060		$ 117,313

Comments on Market Data: THE FRONT FOOT ADJUSTMENT WAS DETERMINED TO BE THE BEST FOR COMPS 1 AND 2.

Comments and Conditions of Appraisal: SEE ADDITIONAL COMPS. THE EAST SIDE OF DECORAH IS A RECENTLY DEVELOPING AREA.

Final Reconciliation: COMPS #1,#3 AND #4 ARE THE MOST APPROPIATE. COMP #1 IS A MOTEL SITE IN CRESCO.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 2-7-2,001 to be XXXX to be $ $105,000.00

Appraiser(s) WM.A.KAYSER Review Appraiser (If applicable) [ ] Did [ ] Did Not Physically Inspect Property

EXHIBIT "B"

Payment Schedule

Schedule B

Northeast Iowa Community College, Iowa

Date Prepared: 04/03/01 15:29

Prepared by: U.S. Bancorp Piper Jaffray Inc.

Date	Total Debt Service (2)	Community College Obligation (1)	School District Obligation W/out College Exercise	School District Obligation With College Exercise
12/01/01	46,302		46,302	46,302
06/01/02	34,726		34,726	34,726
12/01/02	34,726		34,726	34,726
06/01/03	179,726	-30,000	149,726	149,726
12/01/03	32,044		32,044	32,044
06/01/04	182,044	-30,000	152,044	152,044
12/01/04	29,194		29,194	29,194
06/01/05	184,194	-30,000	154,194	154,194
12/01/05	26,210		26,210	26,210
06/01/06	186,210	-30,000	156,210	156,210
12/01/06	23,090		23,090	23,090
06/01/07	193,090	-30,000	163,090	163,090
12/01/07	19,733		19,733	19,733
06/01/08	194,733	-30,000 (1)	194,733	164,733
12/01/08	16,233		16,233	16,233
06/01/09	196,233	-30,000 (1)	196,233	166,233
12/01/09	12,543		12,543	12,543
06/01/10	202,543	-30,000 (1)	202,543	172,543
12/01/10	8,600		8,600	8,600
06/01/11	208,600	-30,000 (1)	208,600	178,600
12/01/11	4,350		4,350	4,350
06/01/12	204,350	-30,000 (1)	204,350	174,350
12/01/12	0			
06/01/13	0			
	2,219,470	-150,000	2,069,470	1,919,470

(1)The College's obligation for the fiscal years 2008-2012 is subject to the College's decision to exercise its option to continue operating in this facility and is also subject to the College's option to purchase the facility in 2007

(2) Debt service is based on an assumed project cost of $1,516 million and an assumed interest rate ranging from 3.7% in 2002 to 4.35% in 2012.