



Le Sueur County, MN

Tuesday, December 18, 2018

Board Meeting

Item 3

4:40 p.m. Human Services (35 min.)

Staff Contact:

Human Services Board Agenda December 18, 2018 @ 9:10 a.m.

100- INFORMATION/PRESENTATIONS:

- 110 - County, City, Tribal, and State Health and Human Services Day
 - December 12th Proclamation Activity
- 120 - Community Connections Project Update
- 130 - U of M- Hubert H Humphrey Institute Program Evaluation

200- CHARTS/GRAPHS:

- 210- Finance Graphs/Report;
- 220- Income Maintenance/Child Support Graphs;
- 230- Family Services Graphs-
 - 231- Social Services Team
 - 232- Child Services Team
 - 232.1- Out of Home Placement Report
 - 232.2- In-Home Family Therapy Report;
 - 233- Behavioral Health Team

300- BOARD APPROVAL ITEMS:

- 310 - AMH-CSP State Grant Contract CY 2019-20
- 320 - 2019 Clubhouse Lease
- 330 - Commissioner's Warrants

State of Minnesota Department of Human Services County Grant Contract

RECITALS

THIS GRANT CONTRACT, and amendments and supplements thereto, is between State of Minnesota, acting through its Department of Human Services, Behavioral Health Division (hereinafter STATE) and the county of Le Sueur, address 88 South Park Ave, Le Center, MN 56057 (hereinafter COUNTY), witnesseth that:

WHEREAS, the STATE, pursuant to Minnesota Statutes, section 256.01, subdivision 2(a)(6) and 245.461 to 245.486 (the "Minnesota Comprehensive Adult Mental Health Act") is empowered to enter into grant contracts to create and ensure a unified, accountable, comprehensive adult mental health system, and

WHEREAS, pursuant to the Minnesota Comprehensive Adult Mental Health Act, County and State will collaborate to provide supports and services that:

- (1) recognize the right of adults with mental illness to control their own lives as fully as possible;
- (2) promote the independence and safety of adults with mental illness;
- (3) reduce chronicity of mental illness;
- (4) eliminate abuse of adults with mental illness;
- (5) provide services designed to:
 - (i) increase the level of functioning of adults with mental illness or restore them to a previously held higher level of functioning;
 - (ii) stabilize adults with mental illness;
 - (iii) prevent the development and deepening of mental illness;
 - (iv) support and assist adults in resolving mental health problems that impede their functioning;
 - (v) promote higher and more satisfying levels of emotional functioning; and
 - (vi) promote sound mental health; and
- (6) provide a quality of service that is effective, efficient, appropriate, and consistent with contemporary professional standards in the field of mental health.

NOW, THEREFORE, it is agreed:

1. COUNTY'S RESPONSIBILITIES. COUNTY shall:

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- 1.1 Work to achieve the mission statement described in the Minnesota Comprehensive Adult Mental Health Act, in accordance with Attachment A, which is attached and incorporated into this grant contract.
- 1.2 Ensure all revenue received by COUNTY and it's contracted, or subcontracted providers shall be managed according to Minnesota Rules chapter 9535.1740, subp.3.
- 1.3 Have written policy and procedures governing accounting and operational procedures.
- 1.4 Ensure that all sub-contracts entered into under this agreement are written to comply with Minn. Stat. 245.466, subd. 3, and 256.0112.
- 1.5 Have a transition plan that complies with Minn. Stat. 245.466 subd. 3a.
- 1.6 Include persons with mental illness and tribal organizations of the county/region in the development, implementation, and evaluation of all Adult Mental Health Plans.
- 1.7 Ensure that Adult Mental Health Initiative projects are planned and administered according to Minn. Stat. 245.4661.
- 1.8 Ensure that Community Support Plan services are planned and administered according to Minn. Stat. 245.4712, subd. 1.
- 1.9 When applicable, ensure contracted providers bill eligible insurance first before using grant funding.
- 1.10 Complete and ensure all data reporting requirements are met, including, but not limited to, requirements related to the Mental Health Information System (MHIS) and the Social Services Information System (SSIS) as directed by the STATE.

2. CONSIDERATION AND TERMS OF PAYMENT.

2.1 Consideration. Consideration for all services performed and goods or materials supplied by COUNTY pursuant to this grant contract shall be paid by the STATE as follows:

(a.) Compensation. COUNTY will be paid in accordance with Attachment A. Attachment A, "Budget", covers two full calendar years. The total budget amount indicated in Attachment A is to be dispersed over two years. In calendar year 2019, GRANTEE shall not invoice the STATE, and STATE shall not pay GRANTEE, for more than half the total budget amount indicated in Attachment A.

All expenditures must be for services, or items necessary for the delivery of those services. "Capital" purchases are prohibited. Capital purchases are defined as something which has a useful life of more than one year and a per-unit acquisition cost which exceeds \$5,000 and is 1) land, buildings (facilities),

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equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; or 2) additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations of the items listed above that materially increase their value or useful life (not ordinary repairs and maintenance).

Revisions to the grant plan budget require prior approval from the STATE. Notwithstanding Clause 9 of this contract, revisions may be done on a form provided by the STATE. Revisions are required when adding or removing a BRASS code to the budget or adding or removing a provider(s). Amendments are required when extending the end date or changing the total grant award, pursuant to Clause 9 of this contract.

(b.) Reimbursement. Reimbursement for travel and subsistence expenses actually and necessarily incurred by COUNTY'S performance of this grant contract shall be no greater amount than provided in the current Commissioner's Plan (which is incorporated by reference) promulgated by the Commissioner of Minnesota Management and Budget. COUNTY shall not be reimbursed for travel and subsistence expense incurred outside the State of Minnesota unless it has received prior written approval for such out of state travel from the STATE.

(c.) Total obligation. The total obligation of the STATE for all compensation and reimbursements to COUNTY shall not exceed one hundred twenty two thousand twelve dollars **(\$122,012.00)**.

(d.) For compensation payable under this grant contract, which is subject to withholding under state or federal law, appropriate amounts will be deducted and withheld by the State as required.

2.2. Terms of Payment

(a.) Compensation shall be as follows:

The county will receive one initial payment of **\$15,252.00**. Following each March 31st, June 30th, September 30th and December 31st of each year of the contract, the COUNTY will report expenditures on the quarterly SEAGR report (DHS-2557) and on the BRASS-Based Grant Fiscal Report (DHS-2895). The COUNTY must use the DHS-2895 form specific to the grant. Upon receipt, the STATE will reimburse the COUNTY for expenditures reported. (b.) Within sixty (60) days of the end of the grant period, the STATE will complete a reconciliation of payments issued against expenditures reported by the COUNTY.

(c.) If actual expenditures by the COUNTY are less than listed in the total approved program budget at the end of the grant contract's term, the STATE shall reduce the final payment so as not to exceed total expenditures.

3. CONDITIONS OF PAYMENT. All services provided by COUNTY pursuant to this grant contract shall be performed to the reasonable satisfaction of the STATE, and in accord with all applicable federal, state, and local laws, ordinances, rules and regulations. COUNTY shall not receive payment for work found by the STATE to be unsatisfactory, or performed in violation of federal, state or local law, ordinance, rule or regulation.

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4. PAYMENT RECOUPMENT. The COUNTY must reimburse the STATE upon demand or the STATE may deduct from future payments under this grant contract any amounts paid by the STATE, under this or any previous grant contract, for which invoices and progress reports have not been received, or for which the COUNTY'S books, records or other documents are not sufficient to clearly substantiate that those amounts were used by the COUNTY to perform grant services and in accordance with Minn. Stat. 245.483.

5. TERMS OF GRANT CONTRACT. This grant contract shall be effective on **January 1, 2019**, or upon the date that the final required signature is obtained by the STATE, pursuant to Minnesota Statutes, section 16C.05, subdivision 2, whichever occurs later, and shall remain in effect through **December 31, 2020**, or until all obligations set forth in this grant contract have been satisfactorily fulfilled, whichever occurs first. COUNTY understands that NO work should begin under this grant contract until ALL required signatures have been obtained. STATE will notify COUNTY when all required signatures have been obtained. The COUNTY shall have a continuing obligation, after said grant period, to comply with the following provisions of grant clauses: 10. Liability; 11. State Audits; 12. Information Privacy and Security; 13. Intellectual Property Rights; and 17. Jurisdiction and Venue.

6. CANCELLATION.

6.1. For Cause or Convenience. This grant contract may be cancelled by the STATE or COUNTY at any time, with or without cause, upon thirty (30) days written notice to the other party. In the event of such a cancellation, COUNTY shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed. The STATE has the right to suspend or terminate this grant contract immediately when the STATE deems the health or welfare of the service recipients is endangered, when the STATE has reasonable cause to believe that the COUNTY has breached a material term of the grant contract, or when COUNTY'S non-compliance with the terms of the grant contract may jeopardize federal financial participation.

6.2. Insufficient Funds. The STATE may immediately terminate this grant contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination will be by written notice to the COUNTY. The STATE is not obligated to pay for any services that are provided after notice and effective date of termination. However, the COUNTY will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The STATE will not be assessed any penalty if the grant contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The STATE must provide the COUNTY notice of the lack of funding within fifteen (15) days of the STATE's receiving that notice.

6.3. Breach. Notwithstanding clause 6.1., upon STATE's knowledge of a curable material breach of the grant contract by COUNTY, STATE shall provide COUNTY written notice of the breach and thirty (30) days to cure the breach. If COUNTY does not cure the breach within the time allowed, COUNTY will be

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in default of this grant contract and STATE may cancel the grant contract immediately thereafter. If COUNTY has breached a material term of this grant contract and cure is not possible, STATE may immediately terminate this grant contract.

7. AUTHORIZED REPRESENTATIVES and RESPONSIBLE AUTHORITY.

7.1. State. The STATE'S authorized representative for the purposes of administration of this grant contract Gloria Smith or her successor. Such representative, acting on behalf of the STATE, shall have final authority for acceptance of COUNTY'S services and if such services are accepted as satisfactory, shall so certify on each invoice submitted pursuant to Clause 2.2. All notices required under this grant contract shall be made to the Authorized Representative. If the STATE's Authorized Representative changes at any time during this grant contract, STATE will notify COUNTY in a reasonable amount of time.

7.2. County. The COUNTY's Authorized Representative is Lance Wetzel or his successor. If the COUNTY's Authorized Representative changes at any time during this grant contract, the COUNTY must immediately notify the STATE. All notices required under this grant contract shall be made to the Authorized Representative.

8. ASSIGNMENT. COUNTY will not assign, transfer or subcontract any rights or obligations under this grant contract without the prior written consent of the STATE, except to the extent a subcontract is explicitly listed in Attachment A, the Approved Mental Health Plan.

9. AMENDMENTS. Any amendments to this grant contract shall be in writing, and shall be executed by the same parties who executed the original grant contract, or their successors in office.

10. LIABILITY. To the extent provided for in Minnesota Statutes, section 466.01 to 466.15, the COUNTY agrees to be responsible for any and all claims or causes of action arising from the performance of this grant contract by COUNTY or COUNTY'S agents or employees. This clause shall not be construed to bar any legal remedies COUNTY may have for the STATE'S failure to fulfill its obligations pursuant to this grant.

11. STATE AUDITS. Under Minnesota Statutes, section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices of the COUNTY and its employees, agents, or subcontractors relevant to this grant contract shall be made available and subject to examination by the STATE, including the contracting Agency/Division, Legislative Auditor, and State Auditor for a minimum of six years from the end of this grant contract.

12. INFORMATION PRIVACY AND SECURITY.

- A. It is expressly agreed that STATE will not be disclosing or providing information protected under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, (the "Data Practices Act") as "not public data" on individuals to COUNTY under this grant

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contract. "Not public data" means any data that is classified as confidential, private, nonpublic, or protected nonpublic by statute, federal law or temporary classification. Minn. Stat. § 13.02, subd. 8a.

- B. It is expressly agreed that COUNTY will not create, receive, maintain, or transmit "protected health information", as defined in the Health Insurance Portability Accountability Act ("HIPAA"), 45 C.F.R. § 160.103, on behalf of STATE for a function or activity regulated by 45 C.F.R. 160 or 164. Accordingly, COUNTY is not a "business associate" of STATE, as defined in HIPAA, 45 C.F.R. § 160.103 as a result of, or in connection with, this grant contract. Therefore, COUNTY is not required to comply with the privacy provisions of HIPAA as a result of, or for purposes of, performing under this grant contract. If COUNTY has responsibilities to comply with the Data Practices Act or HIPAA for reasons other than this grant contract, COUNTY will be responsible for its own compliance.

13. Intellectual Property Rights.

Definitions. Works means all inventions, improvements, discoveries (whether or not patentable or copyrightable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the COUNTY, its employees, agents, and subcontractors, either individually or jointly with others in the performance of the grant contract. Works includes "Documents." Documents are the originals of any data bases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the COUNTY, its employees, agents, or subcontractors, in the performance of this grant contract.

Ownership. The STATE owns all rights, title, and interest in all of the intellectual property, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this grant contract. The Works and Documents will be the exclusive property of the STATE and all such Works and Documents must be immediately returned to the STATE by the COUNTY upon request of STATE. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." If using STATE data, COUNTY must cite the data, or make clear by referencing that STATE is the source. For clarity, COUNTY may maintain copies of records and Works and Documents it creates under this grant contract.

Responsibilities.

Assignment of Rights. Whenever any Works or Documents (whether or not patentable) are made or conceived for the first time or actually or constructively reduced to practice by the COUNTY, including its employees and subcontractors, and are created and paid for under this grant contract, the COUNTY will assign all right, title, and interest it may have in the Works and the Documents to the STATE.

Filing and recording of ownership interests. The COUNTY must, at the request of the STATE, execute all papers and perform all other acts necessary to transfer or record the STATE'S ownership

interest in the Works and Documents created and paid for under this grant contract. The COUNTY must perform all acts, and take all steps necessary to ensure that all intellectual property rights in these Works and Documents are the sole property of the STATE, and that neither COUNTY nor its employees, agents, or subcontractors retain any interest in and to these Works and Documents.

Duty not to Infringe on intellectual property rights of others. The COUNTY represents and warrants that the Works and Documents created and paid for under this grant contract do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 10, the COUNTY is liable for any and all claims or causes of action arising brought against the STATE to the extent that it is based on a claim that all or part of these Works or Documents infringe upon the intellectual property rights of others. The COUNTY will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. This remedy of the STATE will be in addition to and not exclusive of other remedies provided by law.

14. WORKERS' COMPENSATION. The COUNTY certifies that it is in compliance with Minnesota Statute, section 176.181, subdivision 2, pertaining to workers' compensation insurance coverage. The COUNTY'S employees and agents will not be considered employees of the STATE. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the STATE'S obligation or responsibility.

15. VOTER REGISTRATION REQUIREMENT. COUNTY certifies that it will comply with Minnesota Statutes, section 201.162 by providing voter registration services for its employees and for the public served by the COUNTY.

16. OWNERSHIP OF EQUIPMENT. The STATE shall have the right to require transfer of all equipment purchased with grant funds (including title) to the STATE or to an eligible non-STATE party named by the STATE. This right will normally be exercised by the STATE only if the project or program for which the equipment was acquired is transferred from one grantee to another.

17. JURISDICTION AND VENUE. This grant contract, and amendments and supplements thereto, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this grant contract, or breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

18. WAIVER. If either party fails to enforce any provision of this grant contract, that failure does not waive the provision or the party's right to enforce it.

19. CONTRACT COMPLETE. This grant contract, and its attachments, contains all negotiations and agreements between the STATE and the COUNTY. No other understanding regarding this grant contract, whether written or oral may be used to bind either party.

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20. OTHER PROVISIONS.

20.1. COUNTY agrees that no religious based counseling shall take place under the auspices of this grant contract.

20.2. If the COUNTY has an independent audit, a copy of the audit shall be submitted to the STATE.

20.3. COUNTY must comply with all applicable requirements of the Open Meeting Law in Minnesota Statutes chapter 13D.

20.4. COUNTY and its subcontractors must comply with the Minnesota Department of Administration, Office of Grants Management policies for grants management.

20.5. Payment to Subcontractors. (If applicable) As required by Minnesota Statutes, section 471.425, the COUNTY must pay all subcontractors, according to the terms of the contract or, if no contract terms apply, within the standard payment period unless the COUNTY in good faith disputes the obligation. Standard payment period is defined in Minnesota Statutes, section 471.425, subdivision 2.

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IN WITNESS WHEREOF, the parties have caused this grant contract to be duly executed intending to be bound thereby.

APPROVED:

1. STATE ENCUMBRANCE VERIFICATION
Individual certifies that funds have been encumbered as required by Minnesota Statutes, chapter 16A and section 16C.05.

By: _____

Date: _____

Grant No: _____

2. COUNTY

Signatory is authorized by applicable articles, by-laws, resolutions, or ordinances to sign on behalf of the County.

By: _____

Title: _____

Date: _____

I certify that the signatories for the County have lawful authority, by virtue of the by-laws or a resolution, to bind the County to the terms of this grant contract.

(Attorney for County)

By: _____

Title: _____

Date: _____

3. STATE AGENCY

By (with delegated authority): _____

Title: _____

Date: _____

Distribution:

Agency - Original (fully executed) grant contract

County

State Authorized Representative

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COMMERCIAL LEASE

This lease is made between Le Sueur Co. Soil and Water Conserv. District of Le Sueur Co. Human Services, herein called Lessor, and Le Sueur Co. Human Services, herein called Lessee.

Lessee hereby offers to lease from Lessor the premises situated in the City of Le Center County of Le Sueur, State of MN, described as 181 W. Minn. St SE room & restroom upon the following TERMS and CONDITIONS:

- 1. Term and Rent. Lessor demises the above premises for a term of January 1, 2019, and terminating on December 31, 2019, or sooner as provided herein at the annual rental of \$100.00 monthly, or Dollars (\$) , payable in equal installments in advance on the first day of each month for that month's rental, during the term of this lease. All rental payments shall be made to Lessor, at the address specified above.
2. Use. Lessee shall use and occupy the premises for Le Sueur Co. Human Services. The premises shall be used for no other purpose. Lessor represents that the premises may lawfully be used for such purpose.
3. Care and Maintenance of Premises. Lessee acknowledges that the premises are in good order and repair, unless otherwise indicated herein. Lessee shall, at his own expense and at all times, maintain the premises in good and safe condition, including plate glass, electrical wiring, plumbing and heating installations and any other system or equipment upon the premises and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Lessee shall be responsible for all repairs required, excepting the roof, exterior walls, structural foundations, and: General Maintenance which shall be maintained by Lessor. Lessee shall also maintain in good condition such portions adjacent to the premises, such as sidewalks, driveways, lawns and shrubbery, which would otherwise be required to be maintained by Lessor.
4. Alterations. Lessee shall not, without first obtaining the written consent of Lessor, make any alterations, additions, or improvements, in, to or about the premises.
5. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.
6. Assignment and Subletting. Lessee shall not assign this lease or sublet any portion of the premises without prior written consent of the Lessor, which shall not be unreasonably withheld. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this lease.
7. Utilities. All applications and connections for necessary utility services on the demised premises shall be made in the name of Lessee only, and Lessee shall be solely liable for utility charges as they become due, including those for sewer, water, gas, electricity, and telephone services.
8. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this lease, to place upon the premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter.
9. Possession. If Lessor is unable to deliver possession of the premises at the commencement hereof, Lessor shall not be liable for any damage caused thereby, nor shall this lease be void or voidable, but Lessee shall not be liable for any rent until possession is delivered. Lessee may terminate this lease if possession is not delivered within 0 days of the commencement of the term hereof.
10. Indemnification of Lessor. Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the demised premises or any part thereof, and Lessee agrees to hold Lessor harmless from any claims for damages, no matter how caused.
11. Insurance. Lessee, at his expense, shall maintain leases and public liability insurance including bodily injury and property damage insuring Lessee and Lessor with minimum coverage as follows: Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The Certificate shall provide for a ten-day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies which may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and all rights of subrogation which might otherwise exist.
12. Eminent Domain. If the premises or any part thereof or any estate therein, or any other part of the building materially affecting Lessee's use of the premises, shall be taken by eminent domain, this lease shall terminate on the date when title vests pursuant to such taking. The rent, and any additional rent, shall be apportioned as of the termination date, and any rent paid for any period beyond that date shall be repaid to Lessee. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for any taking of fixtures and improvements owned by Lessee, and for moving expenses.

13. Destruction of Premises. In the event of a partial destruction of the premises during the term hereof, from any cause, Lessor shall forthwith repair the same, provided that such repairs can be made within sixty (60) days under existing governmental laws and regulations, but such partial destruction shall not terminate this lease, except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Lessee on the premises. If such repairs cannot be made within said sixty (60) days, Lessor, at his option, may make the same within a reasonable time, this lease continuing in effect with the rent proportionately abated as aforesaid, and in the event that Lessor shall not elect to make such repairs which cannot be made within sixty (60) days, this lease may be terminated at the option of either party. In the event that the building in which the demised premises may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof, Lessor may elect to terminate this lease whether the demised premises be injured or not. A total destruction of the building in which the premises may be situated shall terminate this lease

14. Lessor's Remedies on Default. If Lessee defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within _____ days, after the giving of such notice (or if such other default is of such nature that it cannot be completely cured within such period, if Lessee does not commence such curing within such _____ days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this lease on not less than _____ days' notice to Lessee. On the date specified in such notice the term of this lease shall terminate, and Lessee shall then quit and surrender the premises to Lessor, but Lessee shall remain liable as hereinafter provided. If this lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and their effects.

15. Security Deposit. Lessee shall deposit with Lessor on the signing of this lease the sum of _____ Dollars (\$ _____) as security for the performance of Lessee's obligations under this lease, including without limitation the surrender of possession of the premises to Lessor as herein provided. If Lessor applies any part of the deposit to cure any default of Lessee, Lessee shall on demand deposit with Lessor the amount so applied so that Lessor shall have the full deposit on hand at all times during the term of this lease.

16. Tax Increase. In the event there is any increase during any year of the term of this lease in the City, County or State real estate taxes over and above the amount of such taxes assessed for the tax year during which the term of this lease commences, whether because of increased rate or valuation, Lessee shall pay to Lessor upon presentation of paid tax bills an amount equal to _____% of the increase in taxes upon the land and building in which the leased premises are situated. In the event that such taxes are assessed for a tax year extending beyond the term of the lease, the obligation of Lessee shall be proportionate to the portion of the lease term included in such year.

17. Common Area Expenses. In the event the demised premises are situated in a shopping center or in a commercial building in which there are common areas, Lessee agrees to pay his pro-rata share of maintenance, taxes, and insurance for the common area.

18. Attorney's Fees. In case suit should be brought for recovery of the premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

19. Waiver. No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.

20. Notices. Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Lessee at the premises, or Lessor at the address shown below, or at such other places as may be designated by the parties from time to time.

21. Heirs, Assigns, Successors. This lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

22. Option to Renew. Provided that Lessee is not in default in the performance of this lease, Lessee shall have the option to renew the lease for an additional term of _____ months commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be the sum of \$ _____. The option shall be exercised by written notice given to Lessor not less than _____ days prior to the expiration of the initial lease term. If notice is not given in the manner provided herein within the time specified, this option shall expire.

23. Subordination. This lease is and shall be subordinated to all existing and future liens and encumbrances against the property.

24. Entire Agreement. The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following Exhibits, if any, have been made a part of this lease before the parties' execution hereof:

Signed this _____ day of _____

By: _____
Lessee

By: Jim Stuck Chairman
Lessor