

OSAGE - MITCHELL COUNTY  
LAW ENFORCEMENT FACILITY AGENCY AGREEMENT

This Agreement is entered into by and between the parties hereinafter identified pursuant to Chapter 28E of the Code of Iowa.

The parties agree:

1. The parties to this agreement are the City of Osage, Iowa, and the County of Mitchell, Iowa. The parties are hereinafter referred to as "Parties" or "Member" or "Members".

2. Purpose. The purpose of this agreement is to provide a means by which the Members may jointly and cooperatively proceed under Chapter 28E of the Code of Iowa to create an agency for the purpose of planning, financing, constructing and operating a law enforcement center and a jail for the mutual use and convenience of the Members. Each of the Members is authorized pursuant to separate provisions of the Code of Iowa to enter into a loan agreement and to borrow money for the purposes herein provided. The parties desire to establish the Osage - Mitchell County Law Enforcement Facility Agency to act on behalf of the parties as a joint and cooperative undertaking to enter into loan agreements and borrow money for the purpose of planning, financing, constructing and operating the facility. Proceeding jointly in this manner will allow the parties to exercise powers, privileges or authorities and make use of benefits jointly to which each of the parties separately is entitled under state and federal legislative acts; provided, however, that nothing herein shall prevent any of the parties from separately exercising any of such powers or authority.

3. Creation of Authority. The Osage - Mitchell County Law Enforcement Facility Agency (the "Agency") is hereby created as a separate legal entity and delegated the powers and duties as hereinafter provided. The proceeds of any borrowing shall be used to pay the expenses of establishing the Agency and entering into such borrowing, and to fund the purposes of the Agency.

4. Powers and Duties. The Agency shall be a public body, corporate and politic, and a separate legal entity exercising public and essential governmental functions to provide for the public health, safety and welfare and shall have the following specific powers:

(a) to adopt and have a common seal and to alter the same at pleasure;

(b) to sue and be sued;

(c) to acquire, hold, use and dispose of the reserves derived from the operation of its facilities and other monies of the Agency;

(d) to acquire, hold, use and dispose of other personal property for the purpose of the Agency;

(e) to acquire by purchase, gift, lease or otherwise, real property and easements therein, necessary or useful and convenience for the operation of the Agency, subject to all liens thereon, if any, and to hold and use the same, and to dispose of property so acquired no longer necessary for the purposes of this Agency;

(f) to accept gifts or grants of real or personal property, money, material, labor or supplies for the purpose of the Agency, and to make and perform such agreements and contracts as may be necessary or convenient in connection with the procuring, acceptance or disposition of such gifts or grants;

(g) to make and enforce by-laws or rules and regulations for the management and operation of its business and affairs and for the use, maintenance and operation of its facilities and any other of its properties, and to annul the same;

(h) to do and perform any acts and things authorized by Chapters 28E, Code of Iowa, 1989, as amended, through or by means of its officers, agents and employees, or by contracts with any person;

(i) to enter into any and all contracts, execute any and all instruments, and do and perform any and all acts or purposes of the Agency or to carry out any powers expressly given by this Agreement;

(j) to plan, finance, construct and operate a joint City-County Law Enforcement Facility/Jail for the parties;

(k) to fix, establish and maintain such reasonable rates, fees, rentals or other charges for the services and facilities of the Agency sufficient to pay the cost of maintaining, repairing and operating facilities, to pay the principal of and interest on outstanding loans and obligations of the Agency or of a Member issued on behalf of the Agency to provide for replacements, depreciation and necessary extensions and enlargements and to provide a margin of safety;

(l) to make or cause to be made studies and surveys necessary or useful and convenient to carrying out the functions of the Agency;

(m) to contract with and compensate consultants for professional services including but not limited to architects, engineers, planners, lawyers, accountants, specialists, and all others found necessary or useful and convenient to the stated purposes of the Agency;

(n) to exercise such powers as are available under the existing laws as may be necessary or useful and convenient to carrying out the functions of the Agency;

(o) to provide for a system of budgeting, accounting, auditing and reporting of all Agency funds and transactions, for a depository, and for the bonding of employees;

(p) to consult with representatives of federal, state and local agencies, departments and their officers and employees and to contract with such agencies and departments;

(q) to borrow money, make and issue negotiable bonds, certificates, bond anticipation notes, refunding bonds and notes, loan agreements and project notes, and to secure the payment of the same or any part thereof by a pledge of any or all of the Agency's net revenues and any other funds which it has a right to, or may hereafter have the right to pledge for such purposes, subject however, to prior approval of the respective Members;

(r) to provide in the proceedings authorizing such obligations for remedies upon default in the payment of principal and interest on any such obligations including but not limited to the appointment of a trustee to represent the holders of such obligations in default and the appointment of a receiver of the Agency's property, such trustee and such receiver to have the powers and duties provided for in the proceedings authorizing such obligations;

(s) to receive funds from the Members in payment for providing services;

(t) to hire employees, fix their compensation, benefits, personnel rules and regulations, and terminate their employment;

(u) to borrow money and accept grants, contributions or loans from, and to enter into contracts, leases, or other transactions with Municipal, County, State or the Federal Governments or agencies thereof;

(v) to provide members with satisfactory facilities and programs and such other activities and facilities as are deemed necessary by the Agency;

5. Financing. In performance of its duties, the Agency may cooperate with, contract with, and accept and expend

funds from federal, state or local agencies, public or semi-public, or private individuals or corporations, and shall carry out such cooperative undertakings and contracts.

The Agency may enter into necessary contracts and make expenditures for the purchase, lease or rent of required land, facilities, equipment and supplies necessary to carry out the purpose of this Agreement. The Agency shall also have the power to sublet or rent any property owned or leased and the income therefrom shall accrue to the Agency.

The Agency shall prepare a budget annually based on a fiscal year of July 1 to June 30 which budget shall be prepared and submitted to the Members prior to January 15 of each year. Prior to submission of the budget to the Members, the Agency shall hold a public hearing at which the proposed budget shall be disclosed and members of the public shall be entitled to be heard thereon.

The Agency shall not incur any indebtedness or issue any debt obligations, revenue or otherwise, without first securing the specific approval in the form of resolutions adopted by the Members.

6. Governance. The Agency shall be governed by a Board of Directors made up of five (5) directors. Two directors shall be appointed by the City of Osage and two directors shall be appointed by Mitchell County. The fifth director shall be appointed by a majority vote of the four directors appointed by the Members. All directors shall be residents of Mitchell County, Iowa. Directors may, but need not be, residents of the City of Osage. The term of directors shall be five years. The initial appointees by the City of Osage shall serve a term of two and four years respectively. The initial appointees by the County of Mitchell shall serve terms of three and five years respectively. The initial term of the fifth director appointed by the appointees of the Members shall serve an initial term of one year. Following the initial term, all terms shall be for a period of five years. Any appointee may be removed at the pleasure of the appointing party and a new director substituted by the Member. Each director shall serve from the date of his or her appointment by his or her appointing party until he or she resigns or is removed by the appointing party or his or her term expires. The director appointed by the appointees of the Members shall not be subject to removal except for malfeasance in office or disability affecting his or her ability to perform the functions of the office in which case the removal shall be by a majority vote of the remaining directors with the grounds therefore specified in the minutes of the meeting pertaining to such action. Each member of the Board of Directors shall be a voting member and all members shall have equal voting power. A majority of the current members of the Board of Directors shall constitute a quorum and action may be taken by affirmative vote

of a majority of the members in attendance at a meeting. Attendance at meetings may be in person or by telephone conference.

7. Meetings of the Board of Directors. The Board of Directors shall hold regular meetings at such time and place as they shall determine. The Chairman may, and upon request from three or more Board Members shall, immediately call a special meeting of the Board of Directors with notice and the purpose of the meeting being given to all Board Members. Notice of any meeting shall be mailed at least five days in advance of the date of the meeting. The notice shall be mailed to the address of each Board Member which shall be filed with the Secretary of the Board by each Board Member upon his or her appointment. Notice may be waived in writing signed by all current Board Members.

8. Officers. There shall be a Chairman and a Vice-Chairman elected to serve as officers of the Agency with no single person holding more than one office. There shall also be a Secretary and a Treasurer. The initial officers shall be elected by the Board of Directors at the first meeting in which there is a quorum, for terms determined by the Board of Directors at such meeting. Subsequent officers shall be elected by the Board of Directors of the first meeting at which there is a quorum following the expiration of their term of office or resignation. All officers except the Secretary and Treasurer shall be members of the Board of Directors and shall be considered to have resigned as officers upon withdrawal or otherwise terminating as a member of the Board of Directors.

9. Acting Chairman and Vice-Chairman. The Board of Supervisors of Mitchell County shall name a Chairman of the Agency and the City Council of Osage shall name a Vice-Chairman who shall be acting officers and shall serve from the effective date of this agreement until their successors are elected as provided herein.

10. Duties of Chairman. The Chairman shall call and preside at all meetings of the Board of Directors. The Chairman shall sign all agreements, contracts, deeds, bonds, notes and other instruments of the agency and perform such other functions as may be determined by the Board of Directors.

11. Duties of the Vice-Chairman. In the absence of the Chairman, the Vice-Chairman shall act in the capacity and perform the duties of the Vice-Chairman and shall perform such other duties as may be assigned by the Chairman and the Board of Directors.

12. Duties of the Secretary. The Secretary shall be the Mitchell County Auditor. The Secretary shall act as administrative officer of the Agency. The Secretary shall cause minutes of each meeting to be recorded and distributed and shall

review all minutes of meetings of the Board of Directors upon request. The Secretary shall cause the permanent records of the Agency to be kept and make them available to all members who wish to review them from time to time. The Secretary shall attest all instruments signed by the Chairman or Vice-Chairman on behalf of the Agency.

13. Duties of the Treasurer. The Treasurer shall be the Mitchell County Auditor. The Treasurer shall keep all financial records of the Agency and shall account for all expenditures and the receipt of all funds. The Treasurer shall sign all checks drawn on Agency accounts. The Treasurer, with the consent of the Board of Directors, may delegate the ministerial functions of the Treasurer's position to qualified third persons. However, the Treasurer shall maintain an oversight authority over any such designated third person and shall remain responsible for the proper conduct of all duties of the Treasurer. The Board of Directors may require that the Treasurer be bonded but the bonding of the Treasurer shall not be a requirement of the office unless so determined by the Board of Directors.

14. Duration. This Agreement shall become effective upon the execution by the parties and filing with the Secretary of the State of Iowa and shall continue in effect until it is terminated as herein provided.

15. Termination and Disposition of Property. This Agreement may not be terminated so long as any debt obligations of the authority are outstanding and no party may withdraw from the Agency so long as any debt obligation of the authority is outstanding unless provisions satisfactory to the other Member of the Agency have been agreed to. If the foregoing condition is met, this Agreement may be terminated by the unilateral action of any Member or the joint action of both Members. If terminated by the unilateral action of one of the Members, all property owned by the Agency shall become the property of the non-terminating Member. If termination is accomplished by the joint and mutual action of both Members, such termination shall provide for the disposition of property.

16. This Agreement may be altered or amended only by the joint action of the Members which shall be memorialized by appropriate resolutions by the City Council and County Board of Supervisors, respectively.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their respective duly authorized officers on the date shown.

CITY OF OSAGE

By:

Louis J. Halvorson  
Mayor

Rose Moore  
Clerk Deputy City Clerk

August 24, 1992  
(Date)

MITCHELL COUNTY, IOWA

By:

Betty M. Carter  
Chairman, Board of Supervisors

Sandra Hukstein  
County Auditor

Aug. 20, 1992  
(Date)