

Minutes of the
Makanda Township Board Meeting
March 12, 2024

1. Supervisor Lipe called the meeting to order at 7 p.m.
2. Present were Supervisor Lipe, Trustees Holub, Kolar, Stanley, York, and Clerk Einig.
3. Clerk comments: Regina said that item G (corrected later to item H) does not require any action by the board. The item was submitted by a voter who had more than fifteen signatures and gave it to Regina before March 1. So, it is automatically added to the agenda for the Annual Meeting.
4. Trustees comments: None.
5. Approval of the agenda. Brian Chapman, speaking about the progress of the broadband program, was moved to this point in the agenda. He spoke about the different sources of funds available for broadband expansion and when they will be released. He also said that since Makanda is the southernmost township in Jackson county, it will be the first one to receive broadband installations. Finally, he urged residents to do a speed test on their home internet and report it. He distributed forms for the public's use.
6. Public comments on the agenda: None.
7. Minutes of the February 13, 2024 meeting were approved.
8. Fund balances and revenue. **See attachments.**
9. Approval of bills by fund. Sara asked for the Public Risk bill to be taken out. Clay moved and Michael seconded a motion to pay all the other bills. **Motion carried unanimously.**
10. Reports:
 - A. Fire Department: Chief Lipe reported that they had 12 calls this month: 3 fire, 4 medical, 3 calls for service, and 2 traffic crashes. There is no news about the arrival of the new truck. Josh also reported extensively about preparations for the Total Eclipse on April 8th,
 - B. Road Commissioner: **See Attachments.**
 - C. CWPP: No report.
 - D. Supervisor Lipe's report: Sara reported:
 1. 1 EA inquiry; 1 GA application issued.
 2. Requested IPRF underwriters to review workers comp audit results.
 3. Received final property tax payment from Jackson County.
 4. DHS increased the GA monthly payment to \$450. Increased EA payment accordingly.
 5. Distributed Statements of Economic interest to elected officials and trustees.

E. Assessor: John Dickson reported that the Board of Review is currently holding appeal hearings. When they are finished the Supervisor of Assessments will be able to finalize the assessments for 2023. 2024 property tax bills will be based on the 2023 assessed valuations.

F. Geral Assistance: No report.

G. Broadband: No report.

H. Building committee: No report.

Lease for Stone Creek property in **Attachments**.

I. Grant committee: The FEMA grant for the tender truck was completed and submitted prior to the due date. The State Fire Marshall grant is waiting for approval.

11. Old Business:

A. Update on official actions taken through the Attorney General's office and by the township's legal Counsel regarding failed delivery by contract due date of fire truck paid for by the Township.

12. New Business:

A. Declare the eight-foot Bush Hog mower as surplus property with item to be placed on auction with sale proceeds placed into Road & Bridge miscellaneous income. **Motion passed unanimously.**

B. Declare surplus of \$20,000 in Fire Protection Fund. **Motion passed unanimously.**

C. Place on the April 9, 2024 Annual Meeting agenda approval to transfer \$20,000 from Fire Protection to Fire Protection Capital Fund. **Motion passed unanimously.**

D. Declare surplus of \$20,000 in the Town Fund. **Motion passed unanimously.**

E. Place on the agenda for the April 9, 2024 Annual Meeting a motion to transfer \$20,000 from the Town Fund to the Fire Protection Capital Fund. **Motion passed with Debbie and Fred voting no.**

F. Place on the agenda for the April 9, 2024 Annual Meeting the transfer of \$20,000 surplus funds from the Town Fund to the Building Capital Fund. **Motion passed unanimously.**

At this point Sara made a motion to amend D. to raise the amount of the surplus in the Town fund to \$40,000. Clay seconded it. Motion passed with Debbie and Fred voting no.

G. Place on the agenda for the April 9 Annual Meeting approval the purchase for the Road District of the building and property at 494 Hartline Rd, Makanda, IL (formally known as the Stone Creek Golf Course Maintenance Building). Funding will be with currently allocated and budgeted Building Capital Fund dollars and/or Road District Building funds. The maximum expenditure for this purchase is capped at \$177,000. **Motion passed unanimously.**

H. Place on the agenda for the April 9, 2024 Annual Meeting the following motion submitted by the electorate. "Motion to require the township board to create a new township office or adapt an existing township space for the purpose of securely gathering and orderly storing all public records, books, and papers of the township under the custody of the Township Clerk as it is described under 60 ILCS Section 75-5(a) within six (6) months of the passing of this motion. The township office shall be acquired or adapted by the township board using not more than the total sum of the money budgeted for the lease, acquisition or adaptation of a building; and/or using any other funds that could be made available to the township by grants, donations or fundraisers directed to the purpose of a township office. The records to be gathered and stored include all reports, forms, writings, letters, memoranda, books, papers, maps, photographs, microfilms, cards, tapes, recordings, electronic communications, recorded information and all other documentary materials from all township elected officials pertaining to the transaction of public business and that are referred to as "public records" in 60 ILCS." **Motion did not require a vote according to note in Clerk's comments.**

13. Public comments: None.

14. Adjournment. Clay moved and Debbie seconded to adjourn. **Motion passed unanimously.**

Respectfully submitted,
Regina Einig, Clerk

Attachment 1

Makanda Township Fund Balances as of 3/12/24		Receipts since 2/13/24	Remaining Budget
Brian R Pierce Jr 517 Memorial Fu	2,731.41	4.33	3,021.72
Building Capital Fund	121,644.18	297.42	
Connect Humanity Grant Fund	18,962.92	13.88	18,706.48
Fire Protection	136,886.21	3,220.40	103,454.45
Fire Protection Capital Fund	84,966.89	30.28	5,300.00
Foreign Fire Insurance Fund	579.60		
General Assistance	14,431.51	22.90	13,915.00
New Bridge	111,799.03	1,696.51	49,868.75
Road & Bridge	193,632.19	10,742.98	54,138.64
Town	<u>240,981.07</u>	<u>4,472.17</u>	<u>139,788.49</u>
	<u>923,883.60</u>	<u>20,500.87</u>	<u>388,193.53</u>
Town		425.01	
Payroll			
Verizon	Assessor monthly sen	25.02	
Banterra	Arthur Agency-monthly	99.99	
Edward Jones	Devin's retirement con	300.00	
R&B			
Payroll			
Assessor Expenses 2024		50.04	
Verizon	Assessor monthly sen	50.04	

Fire Department Expenses

<i>Vendor</i>	<i>Description</i>	<i>Cost</i>
Mediacom	Station 2 Internet	84.99
Mediacom	Station 1 Internet	317.91
South Highway Water	Water Bill Station 2	22.25
South Highway Water	Water Bill Station 1	22.25
Ameren	Gas Station 2	443.89
Ameren	Electric and Gas Station 1	431.41
Egyptian Electric	Station 2 Electric	218.77
Carbondale City	Repairs to 581	543.7
Sentinel	SCBA Cleanser	82.45
Sentinel	SCBA Flow Testing	1415
Sentinel	561 Pump Repair	246
Walmart	Station Supplies	75.51
Cintas	Hydrostatic Testing	2665.92
JCAS	CPR Certification	210
Illinois Fire Chiefs Association	Membership Renewal	125
Orkin	Station 1 and 2 Brown Recluse treatment	2500
	Total	9405.05

Makanda Township Highway Commissioner Report

March 12, 2024 Meeting

Continue to patch when we can get warm weather

Jackson County Highway Department installed 48" culvert on Zion Road and also dredged out the side ditch before and after the culvert to allow better drainage and hopefully stop flooding on Zion Road following heavy rain.

Authorized Jackson County Highway Department to install "Water On Road Following Heavy Rain" signs on Springer Ridge Road north of Boskydell where flooding occurs just past the bridge. They will also install a turn around area on each end of the flood area.

Following the installation of center striping on Boskydell East, Jackson County Highway Engineer Mitch Burdick conducted a speed study of the road and discovered that indeed the speed of traffic has slowed down. This qualifies us to request the speed limit on Boskydell East to be reduced to 45 MPH. I have done this. Mitch will present the request to the Jackson County Board who are responsible for that approval. As soon as that approval is done, Jackson County Highway Department will install the signs. IDOT requires they do the installation of these signs.

Makanda Township Oil & Chip List 2024

Old Davis Farm Road	-	.4 mi. the whole road
Autumn Ridge Road	-	.05 mi just the beginning where it comes off of Giant City Road
Boskydell Road East	-	100' in west bound lane where we had to patch where scars <u>are</u>
Indian Creek Extension	-	.2 mi gravel portion at south end of road double coat
Robbin Road	-	.13 mi
Cedar Meadows Drive	-	.16 mi
Raccoon Valley Road	-	.87 mi
Midland Hills Road	-	.57 mi
Midway Road	-	.56 mi
Sheppard Lane	-	.5 mi
Pete's Road	-	.39 mi .25 gravel on east end be double <u>coat</u>
Lakota Way	-	.44 mi .15 gravel at north end to be double <u>coat</u>
School House Road	-	.15 on east end off of Giant City Road

Total Oil & Chip Mileage 4.42 mi.

Attached below is the lease for the Stone Creek property.

COMMERCIAL LEASE WITH PURCHASE OPTION

THIS CONTRACT OF LEASE made and entered into by and between NHJ PROPERTY, LLC, an Illinois Limited Liability Company, “Landlord” and the Makanda Township Highway Department, an Illinois local governmental entity, hereinafter referred to as “Tenant”:

WITNESSETH:

1. **Premises Leased.** For and in consideration of the rents, covenants and agreements herein entered into and agreed upon by this Tenant, subject to the terms and conditions herein, the Premises commonly known as 494 Hartline Road, Makanda, Illinois, 1.32 acres and a 5000 sq. ft building, situated in the Village of Makanda, Jackson County, Illinois. Landlord hereby leases to Tenant for and during the term herein stated, the said premises including all equipment and content currently situated therein, subject to the covenants, terms, conditions, and liens herein contained.

2. **Term of Lease.** This lease shall be for a term of 36 months, commencing on the 1st day of October, 2023 and terminating on the 31st day of September, 2026, unless the tenant exercises the option to purchase the property.

3. **Use of Premises.** Tenant agrees to use the premises solely and exclusively for the purpose of office space; and the storage and maintenance of equipment and materials for the Makanda Township Highway Department. Consistent therewith, Tenant shall be permitted to store rock and aggregate, patch material, salt/chip mix and other materials necessary for Township Highway maintenance purposes. Tenant may not use the premises for any inconsistent purpose without Landlord’s prior written consent.

4. **Possession/Acceptance.** Possession shall be given to the Tenant on the 1st day of October, 2023. Tenant accepts the building, improvements, and personal property on the leased premises in their present state and without any representation or warranty by the Landlord as to the condition of such property or as to the use which may be made thereof. The Tenant is hereby subrogated to any and all rights of Landlord, if any, arising out of any defects to the leased property.

5. **Rent.**

(a) **Minimum Monthly Rent.** During the initial term of this Lease, Tenant shall pay to the Landlord at an address designated by the Landlord, in writing to the Tenant, the sum of \$18,000.00 payable monthly at the rate of \$1,500.00 per month, which payments shall be due and payable on or before the 1st day of October, 2023, and shall continue to be due and payable on or before the 1st day of each succeeding month thereafter until the termination of this lease as herein after provided. If Tenant elects not to exercise its option to purchase the property, the lease will automatically extend for two more years. The rent for the second year shall be sum of \$19,200 per year, payable monthly at the rate of \$1,600.00 per month, and the rent for the third year shall be the sum of \$20,400.00 per year, payable monthly at the rate of \$1,700.00 per month.

(b) **Timely Payment.** Tenant agrees to pay Landlord by the 1st day of each month the said amount of rent. Any late payment will be charged a late fee equal to five percent (5%) of the amount of the payment due if not received within five days of the due date.

6. **Utilities.** Tenant shall be responsible for at Tenant's sole expense, all utilities to the lease premises including but not limited to natural gas, water, sewer, and trash pickup.

7. **Repairs and Maintenance.** Tenant shall, at Tenant's own expense, make all necessary repairs and replacements to the leased property and to the pipes, heating system, plumbing system, window glass, fixtures and all other appliances and appurtenances belonging thereto and all equipment used in connection with the leased property. Such repairs and replacements, interior and exterior, ordinary as well as extraordinary, and structural as well as nonstructural, shall be made promptly, as, and when necessary. All

repairs and replacements shall be in quality and class at least equal to the original work. On default of the Tenant in making such repairs or replacements, the Landlord may, but shall not be required to make such repairs and replacements for the Tenant's account, and the expense thereof shall constitute and be collectible as additional rent.

8. **Rules and Regulations.** Tenant's use of Leased Premises shall be subject, at all times during the Lease term, to Landlord's right to adopt from time to time, modify and/or rescind reasonable rules and regulations not in conflict with any of the express provisions hereof governing the use of the parking areas, drive through, walks, signs exteriors of building, lighting and other matters affecting the general management and appearance of the Entire Premises. Tenant agrees to comply with all such rules and regulations upon notice to Tenant from Landlord. Tenant also agrees as follows:

- (a) All loading and unloading of goods shall be done in the areas, and through the entrance, designated for such purposes by Landlord
- (b) The delivery or shipping of merchandise, supplies, and fixtures to and from the Leased Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Leased Premises.
- (c) All garbage and refuse shall be kept in the kind of container specified by Landlord, or duly constituted public authority, and shall be placed outside of the Leased Premises prepared for collection in the manner and at the times and places specified by Landlord. If Landlord shall provide or designate a service for picking up refuse and garbage, Tenant shall maintain all common loading and unloading areas in a clean manner reasonably satisfactory to Landlord.
- (d) No aerial shall be erected on the roof or exterior wall of the Leased Premises or on the grounds without, and in each instance, the prior written consent of the Landlord. Any aerial so installed without such written consent shall be subject to removal without notice at any time at Tenant's expense.

- (e) Tenant shall maintain the inside of the Leased Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures inside the Leased Premises.
- (f) The plumbing fixtures shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be deposited therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant.
- (g) The expense of any spillage of water or any other liquid resulting from Tenant and any of its agents or employees shall be borne by Tenant. Notwithstanding the foregoing, Landlord has disclosed that there is a water drainage issue which results in water infiltration into the build after heavy rainfall and that the Tenant shall not be responsible for any damages to the building which may result from any such water infiltration.

9. **Insurance and Indemnity.** Landlord shall not be liable to Tenant or Tenant's employees, agents, servants, licensees, invitees or contractors, or to any other person whomsoever, for any injury to person or damage to property on or about the Leased Premises caused by the negligence or misconduct of Tenant, its agents, servants, licensees, invitees, or contractors, employees or of any other person entering the Leased Premises under express or implied invitation of Tenant, or caused by the Leased Premises becoming out of repair, or caused by leakage of gas, oil, water or steam or by electricity emanating from the Leased Premises, or due to any other cause whatsoever (except to the extent that any of the foregoing are due to Landlords' negligence or misconduct or breach of its obligations hereunder).

(a) **Landlord's Responsibility.** (Casualty Insurance) Landlord will keep the building structure insured against loss by fire or other casualty. Landlord will not insure personal property of Tenant.

(b) **Tenant's Responsibility.** (Liability Insurance).

Tenant shall at all times during the term of this lease, keep and maintain public liability insurance on the leased premises and on the business operated by the Tenant. The limits of such public liability insurance shall not be less than One Hundred Thousand Dollars (\$100,000.00) per person, Three Hundred Thousand Dollars (\$300,000.00) per accident and Fifty Thousand Dollars (\$50,000.00) property damage. The policy representing such insurance shall name Landlord, its successors or assigns, and Tenant as additional insured. Such policy shall contain a clause that the insurer will not cancel or change the insurance without giving Landlord, its successors or assigns thirty (30) days prior notice, and a certificate of such insurance shall be delivered to Landlord prior to the inception of this lease.

- (c) Tenant shall not permit the leased premises to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous, it being understood and agreed that the use of the leased premises in the proper and ordinary conduct of Tenant's business for the purposes set forth herein shall not be considered a violation of this section.

10. **Signs.** Tenant may, upon first obtaining Landlord's written consent, which consent shall not be unreasonably withheld, erect and install exterior signs on the front, rear, and as necessary for the operation of Tenant's business.

11. **Constructions and Alterations.**

- (a) **Alterations.** TENANT shall not have the right to make any alterations, improvements, and / or additions to the premises which affect the exterior thereof or any structural, mechanical, or electrical component thereof without first obtaining **Landlord's consent in writing**. All alterations, additions, improvements and fixtures, which may be made or installed by either parties hereto upon the premises and which in any manner are attached to the floors, walls or ceilings, shall become the property of the Landlord, and at the termination of this Lease, shall remain upon and be surrendered with the premises as a part thereof, without disturbance, molestation or injury.

- (b) **Liens.** Tenant shall (1) keep the Leased premises at all times during the term and any renewal term hereof free from mechanics liens and other liens of like nature created or claimed by reason of transactions made by Tenant; and (2) at all times fully protect and indemnify Landlord against all such liens or claims which may ripen into such liens and all expenses arising from such liens or claims. If Tenant shall elect to contest any such claim or lien, it shall furnish Landlord a bond from a responsible corporate surety, in the amount claimed, conditioned on the discharge of said claim for lien. If a final judgment establishing the validity of said lien or claim for any amount is entered, Tenant shall pay and satisfy same at once.

12. **Assignment.** Neither Landlord nor Tenant shall assign this Lease or sublet the leased premises without prior written consent of the Landlord, which consent shall not be unreasonably withheld. Any such assignment or subletting shall in no way relieve Tenant from liability for the obligation imposed by this Lease. Tenant may only be released from liability by a specific written release executed by Landlord.

13. **Right of Entry.** Landlord shall have the right to enter the Leased Premises during reasonable business hours for the purpose of inspecting the same or making those repairs required to be made by Landlord hereunder, or under lease to others. Tenant agrees that a set of keys for all doors in the Leased premises will be provided to Landlord.

14. **Compliance with Laws.** Tenant agrees not to violate any law, ordinance, rule or regulation of any governmental authority having jurisdiction of the leased premises and, if required solely by reason of Tenant's type of business, to make nonstructural repairs, improvements and alternations to the interior of the building on the leased premises and the common areas required by such authority.

15. **Entire Agreement.** This Lease agreement contains the entire agreement of both parties hereto and no other oral or written agreement shall be binding on the parties hereto. This

Lease agreement supersedes all prior agreements, contracts, and understandings of any kind between the parties relating to the subject matter hereof. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. **Succession.** This Lease agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

17. **Payment of Rent and Notices.** The rent payable hereunder shall be paid to Landlord at an address provided to Tenant by Landlord, in writing. Any notice provided for herein shall be given by US Post mail with postage prepaid, addressed, if to Landlord, at:

NHJ Property, LLC
c/o Tom Hoffmann
60628 Lakeview Drive
Carterville, IL 62918
and, if to the Tenant, at:

Makanda Township Highway Department
c/o Ed Hoke, Township Highway Commissioner
5420 Old US Highway 51
Carbondale, IL 62903

The person and the place to which notices are to be mailed may be changed by either party or by notice to the other party.

18. **Casualty.** The Landlord assumes no responsibility for reconstruction of buildings. Upon destruction or damage of any of the improvements on the leased premises due to fire, flooding, windstorm, tornado, hail, or other act of nature un-attributable to any actions on the part of the Tenant, the Landlord shall not be required to replace or repair the same. In the event of a partial damage to the building, Landlord shall, at its option, notify Tenant of its intent to repair the building. In such event, Tenant has the option of either terminating the entire Lease or agreeing to continue to occupy the building during repairs, at a pro-rated rent, to compensate Tenant for the

limited use caused by the damage to the building. Upon complete repair of the facility, the rent shall again be at the rate set out above.

19. **Taxes.** Landlord shall pay any and all ad valorem taxes, property taxes, any water improvement district and special assessments levied against said premises and the improvements thereon during the term of this Lease. Such taxes and assessments shall be pro-rated.

20. **Condemnation.** In the event all of the leased premises or such part thereof as renders the leased premises unsuitable for use in the activity or business of the Tenant, shall be acquired or taken by eminent domain for any public or quasi-public purpose, then the term of this Lease shall cease and terminate as of the date of taking.

In the event that a partial taking does not render the leased premises unsuitable for use in the activity or business of the Tenant, this Lease shall continue in full force and effect with a reduction in the rent proportionate to the amount and usefulness or necessity of the leased premises actually taken.

All damages awarded as a result of any taking, except such damages as are herein defined as Tenant's damages, shall be awarded to Landlord. Tenant shall be entitled to receive all damages which are compensation for damages to the leasehold estate and for removal of Tenant's business, fixtures, furniture, and equipment. Tenant's right to damages shall be a right against the taking authority alone, and Tenant shall not be entitled to recover any damages from Landlord.

21. **Title and Quiet Enjoyment.** Landlord covenants and warrants that it is the owner in fee simple absolute of the leased premises, subject to any outstanding liens or encumbrances, and may lease said premises as herein provided. Upon payment by Tenant of the rents herein provided, and upon the observance and performance of all of the covenants, terms and conditions

upon Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the leased premises for the term hereby leased without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord, subject to the terms and conditions of this Lease.

22. **Surrender of Possession on Termination.** Tenant agrees that at the end of the term of this Lease, or an extension thereof, it will surrender possession of the premises to Landlord in as good a condition as when received, reasonable wear and tear, loss or destruction by fire, act of God or unavoidable casualty excepted.

23. **Default of Tenant.** The following events shall be deemed to be events of default by Tenant under this Lease:

(a) Tenant shall fail to pay any installment of the rent hereby reserved and such failure shall continue for a period of **ten (10) days** after delivery to Tenant of written demand therefore from Landlord.

(b) Tenant shall fail to comply with any terms, provision, or covenant of this Lease, other than the payment for rent, **(10) days** after delivery to Tenant of written notice thereof from Landlord, (or if the cure cannot be effected within said **ten (10) day** period, then Landlord may grant an period of time as may be required to cure such default provided Tenant is diligently and continuously pursuing the cure to completion). Tenant shall provide Landlord such evidence as Landlord shall reasonably require to demonstrate when and how such default shall be cured.

(c) Tenant shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors.

(d) A petition filed by or against Tenant (excluding a petition filed against Tenant and dismissed within 90 days after the date of filing)

under any section or chapter of the Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or Tenant shall be adjudged bankrupt or insolvent in proceedings filed by or against Tenant thereunder.

(e) A receiver or trustee shall be appointed for all or substantially all of the assets of Tenant.

(f) Tenant shall abandon any substantial portion of the Leased Premises. Assignment or subletting by Tenant (in accordance with the terms hereof) shall not be considered an act of default.

24. **Remedies of Landlord.** Upon the occurrence of any of said events of default, Landlord shall have the option to pursue any one or more of the following remedies by the giving of ten (10) days prior written notice to Tenant at any time during the continuance of the event of default:

- (a) Terminate this Lease, in which event Tenant shall immediately surrender the Leased Premises to Landlord, and if Tenant fails so to do, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor; and Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to release the Leased Premises on satisfactory terms or otherwise.
- (b) Enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, without being liable for prosecution or any claim for damages therefor, and release the Leased Premises and receive the rent therefor; and Tenant agrees to pay to Landlord on

demand any deficiency that may arise by reason of such reletting.

- (c) Enter upon the Leased Premises by force if necessary and expel or remove Tenant. Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease. Tenant Further agrees that Landlord shall not be liable for any damages, resulting to Tenant from such action, except if caused by the negligence of Landlord.

25. **Lien of Landlord for Rent and Other Sums.** Landlord shall have, and Tenant hereby grants, a security interest in all furnishings, equipment, fixtures, inventory, accounts receivable or other personal property of every kind owned by Tenant, or the equity of Tenant therein, on the Leased Premises. The security interest is granted for the purpose of securing the payment of rent, assessments, charges, penalties, and damages herein covenanted to be paid by Tenant, and for the purpose of securing the performance of all other obligations of Tenant hereunder. Upon Tenant's default or breach or any covenants of this Lease, Landlord shall have all remedies available under the Uniform Commercial Code enacted in the State of Illinois, including, but not limited to, the right to take possession of the above-mentioned property and dispose of it by sale in a commercially reasonable manner. Tenant hereby agrees to sign a Financing Statement upon request to do so by Landlord, for the purpose of serving notice to third parties of the security interest herein granted.

26. **Expense. Attorney's Fees, Costs, and Interest Payable by Tenant.** If either party incurs any expense, including reasonable attorney's fees or costs, in connection with any action or proceeding instituted by either party by reason of any default or alleged default of the other party hereunder, the prevailing party in such action or proceeding shall be entitled to recover its said reasonable expense from the other party.

27. **Governing Law and Venue.** This lease shall be construed and interpreted under the laws of the State of Illinois and any judicial proceedings brought to interpret or enforce any of the terms or provisions of this lease shall be brought in the Circuit Court for the First Judicial Circuit in Murphysboro, Jackson County, Illinois.

28. **Option to Purchase.** At each annual anniversary date of this lease, which is October 1, the Tenant shall have the exclusive right to purchase the leasehold property, including existing equipment and contents located therein, from Landlord as long as Tenant is current on its rental payments and is not otherwise in default under the terms of this lease agreement. To exercise its option to purchase, Tenant must provide Landlord with a written notice of intent to exercise option, upon the following terms:

A) PURCHASE PRICE. The purchase price shall be \$155,000.00, which purchase price shall be allocated such that the purchase price of the building shall be \$145,000.00, and the purchase price of the existing equipment and contents shall be \$10,000.00.

B) TERMS OF OPTION/PURCHASE. Upon notifying Landlord of its election to exercise its option to purchase the sale shall be consummated pursuant to the following terms and conditions:

I. Closing. Closing shall occur within ninety (90) days from the date of Tenant's written notice of intent to purchase.

ii. Deed of Conveyance. Upon payment of the full purchase price as set forth herein, Landlord shall deliver to Buyer a recordable warranty deed sufficient to convey the real estate to Buyer in fee simple absolute, subject only to exceptions permitted herein, and also to provide sufficient money to pay for any and all transfer stamps required to be placed on said deed to allow its recordation, and a Bill of Sale for the contents and equipment.

iii. Condition of the premises. Subject to the inspection provisions set forth above, Tenant acknowledges inspection of the real estate and the improvements thereon, acquaintance with the condition thereof and acceptance of the same in the condition as of the date of Tenant's offer. Landlord represents that to the best of its knowledge and upon information available that the plumbing, electrical and air conditioning systems are in working order as of the date of the underlying lease agreement.

Buyer specifically waives any warranties of fitness for purpose.

iv. Taxes and Assessments. Taxes and assessments shall be prorated to the date of closing.

v. Evidence of Title. Within a reasonable time, not to exceed 20 days after receipt of written notice of election to exercise Option from Tenant, Landlord shall deliver to Tenant a written commitment for title insurance issued by a title insurance company regularly doing business in this area and showing a merchantable fee simple title to the above-described premises in Landlord at the present time. Landlord shall be responsible for the cost of such commitment as well as for the cost of continuations of title including an owner's policy for the amount of the sales price. Tenant shall be responsible for the cost of the final search and mortgage insurance, if necessary. If the title commitment discloses exceptions other than those permitted, Tenant shall give written notice of such exceptions to Landlord within a reasonable time. Landlord shall have a reasonable time to have such title exceptions removed, or any such exceptions which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Landlord is unable to cure such exceptions, then Tenant shall have the option to terminate this contract.

vi. Damage. Unless provided otherwise herein, the provisions of the Illinois Uniform Vendor and Purchaser Risk Act of Illinois shall apply to this Contract.

vii. Legal Description. The legal description for the leasehold property is as follows:

See Legal Description Attached hereto as Exhibit A.

29. **Memorandum.** It is agreed between the parties that in the event Landlord desires to record a memorandum of this contract for the purpose of recordation, that the Tenant shall join in the execution of said memorandum, which memorandum of contract shall describe the parties, the premises and the terms and shall incorporate such other portions thereof as the Landlord may deem appropriate to effectuate the purpose of such recordation, which memorandum shall be duly acknowledged in the manner required for recordation purposes.

THIS AGREEMENT executed at Murphysboro, Jackson County, Illinois, on the ____ day
of September, 2023.

LANDLORD:
NHJ Property, LLC

TENANT:
Makanda Township Highway Department

By: _____
Tom Hoffmann, Manager
NHJ Property, LLC

Ed Hoke, Township Highway
Commissioner