

FARM LEASE AND DREDGE MATERIAL STORAGE AGREEMENT

THIS AGREEMENT is entered into effective as of the last date of signature below by and between the North Lake Management District, a lake management district (“NLMD”) and Bradley and Nancy Olson, who live at W284 N4226 North Shore Drive, Pewaukee, Wisconsin 53072 (referred to herein as “Olson(s)” or “Owner”).

WHEREAS, the NLMD is a public inland lake protection district which is a “nonprofit conservation organization” whose purpose is undertaking a program of lake protection and rehabilitation for conservation purposes and that is described in section 501 (c) (3) of the internal revenue code and is exempt from federal income tax under section 501 (a) of the internal revenue code.

WHEREAS, the NLMD is located in unincorporated North Lake, Town of Merton and Village of Chenequa, Waukesha County, Wisconsin.

WHEREAS, the NLMD is developing a project which is defined as dredging the North Bay of North Lake which consists of the work to excavate accumulated silt which has entered North Lake that has been deposited from the Oconomowoc River. This dredging will protect and enhance the opportunities for public enjoyment of the lake.

WHEREAS, the dredged materials will be temporarily stored and dewatered on farmland in accordance with certain applicable regulations and a permit to be issued by the Wisconsin Department of Natural Resources (“WDNR”).

WHEREAS, the Olsons own the farm land located at W315 N8293 Highway 83 which consists of 60.5949 acres, tax key: MRTT032999008, the “Property.”

WHEREAS, the Property is currently farmed via a year to year lease.

WHEREAS, the portion of the Property that will be leased to NLMD consists of approximately 13 acres of farm field and approximately 40 acres of lowland marsh and is identified in the attached Exhibit A which is bordered on the east by State Road 83.

WHEREAS, the Olsons desires to continue to lease the Property and NLMD wishes to lease a portion of the property. Additionally, Olson is willing to permit NLMD to store the dredged materials from the North Bay dredge project on the Property for the purpose of dewatering and reclaiming the dredged soils for reuse.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties agree as follows:

ARTICLE ONE – LEASE OF THE PROPERTY

1. Recitals. The parties hereto acknowledge and agree that the recitals set forth above are true and correct in all respects and are fully incorporated into this Lease Agreement.

2. Leased Premises. Olson does hereby lease to NLMD the right to occupy and to use solely for storage and dewatering purposes and for no other purposes, approximately 53 acres of the Property located in Waukesha County, State of Wisconsin, and more particularly described in Exhibit A attached hereto and incorporated herein (the “Leased Premises”).

3. Holding Over. In the event NLMD should continue in occupancy of the Leased Premises following the termination of this Agreement, howsoever caused, then in such event, it shall be deemed for all purposes hereunder that NLMD is holding over on a month-to-month tenancy, terminable upon the expiration of a written 28 days' notice given by NLMD prior to the first of any month. Said holding over shall be in accordance with all of the terms and provisions of this Agreement, except the term provision. The monthly rent for any holdover period shall be \$1,667 per month.

4. Rent. NLMD shall pay to Olson an amount as rent for the use of the Leased Premises. A fee of \$38,000.00 for the first year of lease payable half at the issuance of the permit and approval of the project by the NLMD property owners and commitment for funding the project and the other half before entering the property to set up. In addition, NLMD shall pay to Olson \$20,000 for the second year of lease payable half at the issuance of all required permits to dredge Schneider's Bay and approval of the project by the NLMD property owners and commitment for funding the project and the other half before entering the property to set up for the Schneider's Bay dewatering project. Also, NLMD shall pay Olson 17.5% of the gross proceeds from the sale of the soil payable within 10 business days of receipt of any proceeds.

5. Notices. It is hereby agreed that for all purposes hereunder, notices to the parties shall be given to the parties in writing at the following address:

If to Olson: Bradley and Nancy Olson
W284 N4226 North Shore Drive
Pewaukee, WI 53072

If to NLMD: Jerry Heine
North Lake Management District
7050 North Lake Drive
Hartland, WI 53029

6. NLMD's Obligations. NLMD shall keep the Leased Premises free from foul and noxious weeds in accordance with all applicable weed laws, rules and regulations; and shall

conduct all operations in a well-organized and clean manner. NLMD shall not commit waste on the Leased Premises and shall obey all rules and regulations promulgated by the State of Wisconsin, Waukesha County, the Town of Merton and any other governmental authority having appropriate jurisdiction thereof and relating in any way to the operations of the Leased Premises. Without in any way intending to limit the generality of the foregoing, NLMD agrees to abide by the terms of the WDNR dredge permit conditions, including storm water management criteria, water quality criteria, and any waste management rules and regulations of the WDNR.

7. NLMD's Use. NLMD shall have the right to make any improvements to the Leased Premises by construction thereon of any sort of driveway entrance, gravel driveways, and parking area or other improvement similar improvement to facilitate the storage of the dredged material, dewatering of the dredged material, and the sale and removal of the dredged material. All activities on the Leased Premises shall be restricted solely to the storage, dewatering and removal of the dredged material, and all ancillary uses required in connection therewith.

8. Real Estate Taxes. During the term of the Agreement, Olson shall pay any and all real estate taxes or special assessments levied against the Leased Premises. Olson shall be responsible for the payment of any and all other taxes or charges relating to the lease premises including a prorate share of the property taxes. Olson is not required to pay any property taxes (if any) relating to the equipment or materials NLMD uses to dredge and dewater.

9. NLMD's Use of Premises Adjoining Leased Premises. Notwithstanding any provision to the contrary contained herein, Olson has the right to the exclusive use of land adjacent to the Leased Premises. NLMD acknowledges and understands that Olson owns and operates the farmland and residential house on the remainder of the Property.

10. Return of Leased Premises. At the termination of this Agreement, NLMD shall surrender possession of the Leased Premises to Olson in as good a condition as when received. NLMD shall be solely responsible for restoring the Leased Premises, including removal of any gravel driveways and parking lots and placing top soil to a depth on the original land when such lease originated.

11. Default. If NLMD shall fail to carry out any provision of this Agreement, Olson shall so notify NLMD in writing at the address set forth herein and NLMD shall then have a period of fifteen (15) days following the date of such notice, within which to cure such default; or, if the default is other than the payment of rent and such default cannot be reasonably cured within the fifteen (15) day period, NLMD shall in good faith commence within the fifteen (15) day period to cure the default and shall proceed diligently thereafter to in fact cure such default provided, however, that NLMD shall not have more than ninety (90) days to actually cure the default. In the event the default specified therein is not so cured, then in such event, Olson may elect to enter upon the Leased Premises and eject NLMD therefrom, to terminate this Agreement and/or to pursue any other rights or remedies provided for in law or in equity. Any rental which remains unpaid and outstanding for a period in excess of fifteen (15) days after its due date, shall bear interest at the rate of twelve percent (12%) per annum until paid.

ARTICLE TWO – MANAGEMENT OF THE DREDGED MATERIAL ON THE OLSON LEASED PREMISES

12. Use of Olson Property. Olson shall make available to NLMD approximately 53 acres of the Property. NLMD acknowledges that this Agreement is for the exclusive use of NLMD only and NLMD agrees that it shall have no right to assign, sublet, license or otherwise transfer its rights hereunder to any third party without the prior written consent of Olson, which consent may be withheld at the Olsons' sole and absolute discretion.

13. Compliance with Laws and Regulations. NLMD shall operate the Leased Premises in compliance with all applicable laws and regulations. The parties agree to work cooperatively to comply with the WDNR issued dredge permit, and any regulations on NLMD's dredged material storage, dewatering and sale of the dredged material operations including any zoning code issues, conditional use requirements or variances required at the Town of Merton and/or Waukesha County local level.

ARTICLE THREE – MISCELLANEOUS PROVISIONS

14. Term. The term of this Agreement and lease shall commence on the date that all three conditions are met: the WDNR dredge permit is effective, approval by the membership of NLMD property owners and a commitment of NLMD financing; and shall terminate two years from the commencement date or sooner when NLMD gives notice that the lease is ended and all conditions of restoration are satisfied. NLMD shall pay monthly rent of \$1,667 for any and all months that they maintain possession of the property after 5/30/23 for ANY reason including weather and supply interruptions regardless of the start date of the project.

15. Construction and Venue. It is agreed that this Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Wisconsin.

16. Waiver. A waiver by either party of any breach of any covenant or duty of the other party under this Agreement is not a waiver of a breach or any other covenant or duty of the other party or any subsequent breach of the same covenant or duty.

17. Counterparts. 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. The Parties' exchange of executed signature pages may be accomplished by the electronic transmittal of such pages, and electronic copies of such documents shall be treated as original documents in all respects.

18. Signatures. Signature pages may be transmitted by facsimile or by email with the signature pages attached as a PDF document. Upon delivery via either of these methods, a signature shall be deemed an original and shall be admissible in evidence.

19. Insurance. Upon execution of this Agreement, and prior to the NLMD's commencing any work on the Leased Premises, NLMDs general contractor shall provide commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing equivalent coverage) and NLMD's general contractor shall provide Olson with a Certificate of Insurance and Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing equivalent coverage) or on the combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 (or substitute forms providing equivalent coverage) naming NLMD and Olson as Additional Insureds thereunder. Additional insured coverage shall apply as primary insurance with respect to any other insurance afforded to NLMD and Olson. The coverage available to NLMD and Olson, as Additional Insureds, shall not be less than \$1 million Each Occurrence, \$2 million General Aggregate (subject to a per project general aggregate provision applicable to the project), \$2 million Products/Completed Operations Aggregate and \$1 million Personal and Advertising Injury limits. Such insurance shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the Commercial General Liability form arising from pollution, explosion, collapse, underground property damage or work performed by NLMD's general contractor and its subcontractors. All coverage shall be placed with an insurance company duly admitted in the State of Wisconsin or authorized to provide such coverage in Wisconsin and shall be reasonably acceptable to NLMD and Olson. All insurance carriers must maintain an AM Best rating of "A-" or better. Coverage shall be afforded to the Additional Insureds whether or not a claim is in litigation.

The insurance coverage required above shall be of sufficient type, scope, and duration to ensure coverage for NLMD and Olson for liability related to any manifestation date within the applicable statutes of limitation and/or repose which pertain to any work performed by or on behalf of NLMD and Olson in relation to the activities performed on the Leased Premises. NLMD agrees to maintain the above insurance for the benefit of Olson until one year after termination of this Agreement. Each Certificate of Insurance shall provide that the insurer must give NLMD and the Olsons at least 30 days' prior written notice of cancellation and termination of the coverage thereunder. Not less than two weeks prior to the expiration, cancellation or termination of any such policy, the NLMD shall supply Olson with a new and replacement Certificate of Insurance and Additional Insured endorsement as proof of renewal of said original policy. Said new and replacement endorsements shall be similarly endorsed in favor of Olson as set forth above.

Prior to commencement of the on-site activities, NLMD's general contractor shall provide Olson with a Certificate of Insurance showing liability insurance coverage for the general contractor with additional insureds NLMD and Olson and any employees, agents, or subcontractors or sub-subcontractors for any Workers' Compensation, Employer's Liability and Automobile Liability. In the event any of these policies are terminated, Certificates of Insurance showing replacement coverage shall be provided to Owner. Coverage shall be no less than the following:

Workers' Compensation and Employers' Liability Insurance: As required by law and affording thirty (30) days written notice to Olson prior to cancellation or non-renewal, providing coverage of not less than \$1,000,000 for bodily injury caused by accident and \$1,000,000 for bodily injury by disease.

Business Auto Liability Insurance: Written in the amount of not less than \$1,000,000 each accident.

Waiver of Subrogation: NLMD's general contractor shall obtain from each of its insurers a waiver of subrogation on Commercial General Liability in favor of NLMD and Olson with respect to Losses arising out of or in connection with the Work and performance of the project activities.

Contractor's Pollution Liability Insurance: Written in an amount not less than \$1,000,000 for each incident with an aggregate limit of \$2,000,000.

20. Validity. The invalidity of any provision of this Agreement will not and shall not be deemed to affect the validity of any of the other provisions. In the event that any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

21. Entire Agreement. This Agreement shall constitute the entire agreement between the parties hereto. Any prior understanding or representation of any kind preceding the date of this Agreement shall be not binding upon either party, except to the extent incorporated in this Agreement.

22. Modification. Any modification of this Agreement shall only be accomplished by a writing to that effect, executed by both parties hereto.

23. Assignment and Subletting. Neither party shall assign this Agreement, nor shall NLMD sublet any portion of the Leased Premises, without the prior written consent of other party.

24. Indemnification. Each party agrees to hold the other harmless and keep the other free, during the term of this Agreement and all extensions or renewal thereof, from any and all liability and claims of damages arising out of injury to any person or persons or property whomsoever and whatsoever, arising out of or in any way related to the acts or omissions of the indemnifying party under this Agreement.

25. Binding Effect. The terms, covenants and conditions of this Agreement shall be binding upon the successors and assigns of the parties hereto.

26. Dispute Resolution. Any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of party's equitable relief is sought, shall be submitted first to mediation and, if not resolved by such mediation, to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the American Arbitration Association (the "AAA"), then by one arbitrator having reasonable experience in business transactions of the type provided for in this Agreement and who is chosen by the AAA. The arbitration shall take place in Waukesha, Wisconsin in accordance with the AAA rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in the Waukesha County Circuit Court of Wisconsin and each of the parties to this Agreement consents to personal jurisdiction in the Waukesha County Circuit court of the State of Wisconsin. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Wisconsin Code of Civil Procedure, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings.

27. Force Majeure. If any default or delay occurs which prevents or materially impairs a party's performance and is due to a cause beyond the party's reasonable control, including but not limited to any act of god, weather, flood, fire, explosion, earthquake, casualty, accident, war, revolution, civil commotion, blockade or embargo, labor dispute, supply interruption, injunction, law, proclamation, order, regulation or governmental demand, the affected party shall promptly notify the other party in writing of such cause and shall exercise diligent efforts to resume performance under this Agreement as soon as possible. Neither party shall be liable to the other party for any loss or damage due to such cause. Neither party may terminate this Agreement because of such default or delay.

28. Costs and Expenses/Attorney's Fees. If either party materially defaults in any of the covenants or agreements herein contained, the defaulting party will pay all costs and expenses, including reasonable attorney's fees incurred by the other party if it prevails in enforcing its rights arising under this Agreement, whether incurred through legal action or otherwise.

SIGNATURE PAGE IMMEDIATELY FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of the last date of signature below.

NORTH LAKE MANAGEMENT DISTRICT

By: _____

Name: Jerry Heine

Title: Commissioner

Date

BRADLEY AND NANCY OLSON

By: _____

Name: Bradley Olson

Property Owner

Date

By: _____

Name: Nancy Olson

Property Owner

Date