



2323 Grand Avenue • Des Moines • Iowa • 50312-5307
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Chester J. Culver • Governor
Patty Judge • Lt. Governor
Terry Rich • Chief Executive Officer

A G E N D A
IOWA LOTTERY BOARD
January 5, 2010
10:00 a.m.

Teleconference
Board Members available via telephone

1. Call to Order
Approval of Minutes - 11/16/09
2. Approval of Leases
3. Mega Millions® Update
(See attachment A)
4. ***Closed Session***
 - a. Personnel

"Board meeting – board room Iowa Lottery"

If you require the assistance of auxiliary aids or services to participate in or attend the meeting because of a disability, please call our ADA coordinator at 515-725-7870, or if you are hearing impaired, call Relay TTY at 1-800-735-2942.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT (the "Amendment") is made this 22nd day of December 2009, by and between Alcoholic Beverages Division, Iowa Department of Commerce (Landlord), whose address for the purpose of this Lease is 1918 S.E. Hulsizer, Ankeny, Iowa 50021, and the **Iowa Lottery Authority** (Tenant), whose address for the purpose of this Lease is 2323 Grand Avenue, Des Moines, Iowa 50312.

WITNESSETH:

WHEREAS, the Landlord and Tenant have previously executed that certain lease agreement dated July 1, 2005 (the "Lease") pursuant to the terms of which Tenant has leased 12,300 square feet (Rentable Area or Leasable Space) at 1918 S.E. Hulsizer, Ankeny, Iowa 50021.

WHEREAS, the Landlord and Tenant have agreed to make certain modifications to the Lease:

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective **January 1, 2010**, the parties agree as follows:

SECTION 3 – Term of Lease is amended to strike the 1st paragraph and inserting in lieu thereof the following:

"It is understood and agreed that the Lease shall commence on July 1, 2005 and ending June 30, 2010. An additional two (2) year extension period is hereby agreed upon with the lease ending June 30, 2012, all dates inclusive.

SECTION 4, Paragraph 2 is amended to strike the terms contained in Paragraph 2 of the Lease and inserting in lieu thereof the following:

"For the remaining term of the lease through June 30, 2012 the quarterly rent shall remain at \$19,987.50 (which is based on \$6.50 per square foot per year) payable in arrears on October 1, January 1, April 1, and July 1."

Except as modified by the terms of this Amendment, all other terms and conditions of the Lease shall remain in full force and effect.

LANDLORD

By	Date
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TENANT

By	Date
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FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT (the "Amendment") is made this 22nd day of December 2009, by and between Sweeney Co. (Landlord), whose address for the purpose of this Lease is 26301 Siena Drive, Bonita Springs, Florida 34134, and the **Iowa Lottery Authority** (Tenant), whose address for the purpose of this Lease is 2323 Grand Avenue, Des Moines, Iowa 50312.

WITNESSETH:

WHEREAS, the Landlord and Tenant have previously executed that certain lease agreement dated July 1, 2001 (the "Lease") pursuant to the terms of which Tenant has leased 4,800 square feet (Rentable Area or Leasable Space) at 2345 Blairs Ferry Road N.E. (Suite E), Cedar Rapids, Iowa 52402.

WHEREAS, the Landlord and Tenant have agreed to make certain modifications to the Lease:

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective **January 1, 2010**, the parties agree as follows:

SECTION 3 – Term of Lease is amended to strike the 1st paragraph and inserting in lieu thereof the following:

"It is understood and agreed that the Lease shall commence on July 1, 2001 and ending June 30, 2011. An additional five (5) year extension period is hereby agreed upon with the lease ending June 30, 2016, all dates inclusive.

SECTION 6, Subsections 6.1 and 6.2 are amended to strike the terms contained in Subsections 6.1 and 6.2 of the Lease and inserting in lieu thereof the following:

6.1 "Tenant agrees to pay the following for the Leased Premises: Effective 1/1/2010 through 6/30/2011, the per month **base rent** shall be \$4,779.00 (\$11.95 per square foot) plus estimated common area maintenance (CAM) charges in the amount of \$760.00 per month (\$1.90 per square foot), in arrears. The first rent payment is due on the 1st day of February 2010, with all rent payments on or before the first (1st) day of each month thereafter during the term of this Lease. The last month's rent is due and payable on the first (1st) day of the month immediately following the last month of the Lease. "

6.2 "Beginning July 1, 2011 and each subsequent year of the lease extension, the base rent shall be adjusted to reflect the increase in the U.S. Consumer Price Index, National All Items. At the end of the first year and each subsequent year of the lease extension, the common area maintenance (CAM) may also be adjusted. All adjustments must be agreed upon by both parties."

Except as modified by the terms of this Amendment, all other terms and conditions of the Lease shall remain in full force and effect.

LANDLORD

By	Date
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TENANT

By	Date
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FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT (the “Amendment”) is made this 22nd day of December 2009, by and between Stone Creek Partners (Landlord), whose address for the purpose of this Lease is 2800 4th Street S.W., Suite 6, Mason City, Iowa 50401, and the **Iowa Lottery Authority** (Tenant), whose address for the purpose of this Lease is 2323 Grand Avenue, Des Moines, Iowa 50312.

WITNESSETH:

WHEREAS, the Landlord and Tenant have previously executed that certain lease agreement dated December 1, 2005 (the “Lease”) pursuant to the terms of which Tenant has leased 4,800 square feet (Rentable Area or Leasable Space) at 2900 4th Street S.W., Mason City, Iowa 50401.

WHEREAS, the Landlord and Tenant have agreed to make certain modifications to the Lease:

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective **January 1, 2010**, the parties agree as follows:

SECTION 3 – Term of Lease is amended to strike the paragraph and inserting in lieu thereof the following:

“It is understood and agreed that the Lease shall commence on December 1, 2005 and shall end November 30, 2015, both days inclusive.”

SECTION 6, Subsections 6.1 and 6.4 are amended to strike the terms contained in Subsections 6.1 and 6.4 of the Lease and inserting in lieu thereof the following:

6.1 “Tenant agrees to pay the following monthly rent, in arrears, for the Leased Premises:

Period Covered	Monthly Base Rent	Estimated CAM charges	
1/1/2010 – 11/30/2010	\$3040.00	\$1369.00	\$10.85 per sq. ft. per year
12/1/2010 – 11/30/2011	\$3104.00	\$1369.00	\$11.18 per sq. ft. per year
12/1/2011 – 11/30/2012	\$3168.00	\$1369.00	\$11.34 per sq. ft. per year
12/1/2012 – 11/30/2013	\$3232.00	\$1369.00	\$11.50 per sq. ft. per year
12/1/2013 – 11/30/2014	\$3296.00	\$1369.00	\$11.66 per sq. ft. per year
12/1/2014 – 11/30/2015	\$3360.00	\$1369.00	\$11.82 per sq. ft. per year

The first rent payment is due on the 1st day of February 2010, with all rent payments on or before the first (1st) day of each month thereafter during the term of this Lease. The last month’s rent is due and payable on the first (1st) day of the month immediately following the last month of the Lease. ”

6.4 “Term Extension. Landlord agrees to a hold over period beyond the original term of this Lease. The hold over period shall not constitute a renewal thereof, but such occupancy shall be deemed to be on a month-to-month basis only under the same terms and conditions stated herein. ”

Except as modified by the terms of this Amendment, all other terms and conditions of the Lease shall remain in full force and effect.

LANDLORD

By	Date
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TENANT

By	Date
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FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT (the "Amendment") is made this 22nd day of December 2009, by and between Dr. Page J. Potter and Stacey Terrill (Landlord), whose address for the purpose of this Lease is 17511 Marina Court, Bowlus, Minnesota 56314, and the **Iowa Lottery Authority** (Tenant), whose address for the purpose of this Lease is 2323 Grand Avenue, Des Moines, Iowa 50312.

WITNESSETH:

WHEREAS, the Landlord and Tenant have previously executed that certain lease agreement dated September 15, 2000 (the "Lease") pursuant to the terms of which Tenant has leased 4,800 square feet (Rentable Area or Leasable Space) at 822 Flindt Drive, Storm Lake, Iowa 50588.

WHEREAS, the Landlord and Tenant have agreed to make certain modifications to the Lease:

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective **January 1, 2010**, the parties agree as follows:

SECTION 3 – Term of Lease is amended to strike the 1st paragraph and inserting in lieu thereof the following:

"It is understood and agreed that the Lease shall commence on September 15, 2000 and ending September 14, 2010. An additional five (5) year extension period is hereby agreed upon with the lease ending September 14, 2015, all dates inclusive.

SECTION 6, Subsection 6.1 is amended to strike the terms contained in Subsection 6.1 of the Lease and inserting in lieu thereof the following:

6.1 "Tenant agrees to pay the following for the Leased Premises: Effective 1/1/2010 through 9/14/15, the per month rent is \$2,925.00 (which is based on \$7.31 per square foot per year), in arrears. Costs including property taxes above the base amount equals \$7.96 per square foot. The first rent payment is due on the 1st day of February 2010, with all rent payments on or before the first (1st) day of each month thereafter during the term of this Lease. The last month's rent is due and payable on the first (1st) day of the month immediately following the last month of the Lease. "

Except as modified by the terms of this Amendment, all other terms and conditions of the Lease shall remain in full force and effect.

LANDLORD

By	Date
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TENANT

By	Date
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FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE LEASE AGREEMENT (the "Amendment") is made this 22nd day of December 2009, by and between Omni Center LLC (Landlord), whose address for the purpose of this Lease is 300 West Broadway, Suite 1, Council Bluffs, IA 51503, and the **Iowa Lottery Authority** (Tenant), whose address for the purpose of this Lease is 2323 Grand Avenue, Des Moines, Iowa 50312.

WITNESSETH:

WHEREAS, the Landlord and Tenant have previously executed that certain lease agreement dated January 1, 2006 (the "Lease") pursuant to the terms of which Tenant has leased 3,245 square feet (Rentable Area or Leasable Space) at 300 West Broadway, Suite 8, Council Bluffs, Iowa 51503.

WHEREAS, the Landlord and Tenant have agreed to make certain modifications to the Lease:

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective **January 1, 2010**, the parties agree as follows:

SECTION 6, Subsection 6.1 is amended to strike the terms contained in Subsection 6.1 of the Lease and inserting in lieu thereof the following:

6.1 "Tenant agrees to pay the following for the Leased Premises: Effective 1/1/2010 through 12/31/2011, the per month rent shall be \$2,858.31 (base rent \$1641.43 plus \$1216.88 CAM) (which is based on \$10.56 per square foot), in arrears. The first rent payment is due on the 1st day of February 2010, with all rent payments on or before the first (1st) day of each month thereafter during the term of this Lease. The last month's rent is due and payable on the first (1st) day of the month immediately following the last month of the Lease. Effective 1/1/2012 through 12/31/2014, the per month rent shall be at the rate of \$6.74 square foot per year base rent plus \$4.50 square foot per year CAM charges. The Lease is hereby extended through 12/31/2014 with Landlord agreeing to a hold over period beyond the extension terms hereof. The hold over period shall not constitute a renewal thereof, but such occupancy shall be deemed to be on a month-to-month basis only under the same terms and conditions stated herein.

Except as modified by the terms of this Amendment, all other terms and conditions of the Lease shall remain in full force and effect.

LANDLORD

By	Date
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TENANT

By	Date
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MM RULE 33—INELIGIBLE PLAYERS.

33.1 A ticket or share for a MUSL game issued by the MUSL or any of its Party Lotteries shall not be purchased by, and a prize won by any such ticket or share shall not be paid to:

- (a) a MUSL employee, officer, or director,
- (b) a contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures,
- (c) an employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, shareholders, or owners in the local office of the firm,
- (d) an immediate family member (parent, stepparent, child, stepchild, spouse, or sibling) of an individual described in subsections (a), (b), and (c) and residing in the same household.

33.2 Those persons designated by a Party Lottery's law as ineligible to play its games shall also be ineligible to play the MUSL game in that Party Lottery's jurisdiction.

33.3 A ticket or share of the Mega Millions game may not be purchased in any lottery jurisdiction by any Party Lottery board member; commissioner; officer; employee; or spouse, child brother, sister or parent residing as a member of the same household in the principle place of residence of any such person. Prizes shall not be paid to any persons prohibited from playing Mega Millions in a particular jurisdiction by rules, governing law, or any contract executed by the Selling Lottery.