

SECOND AMENDMENT TO LEASE AGREEMENT

The City of Rapid City, a South Dakota municipal corporation, located at 300 Sixth Street, Rapid City, South Dakota 57701 (the "City"), and Baseball 320, Inc., a South Dakota nonprofit corporation, with its principle place of business at P.O. Box 601, Rapid City, South Dakota 57701 (the "Lessee"), hereby for a second time amend that certain Lease Agreement between the parties dated May 8, 2002.

WHEREAS, the City owns certain real property, legally described as follows:

Tract 8 (also in 1N-7E Section 4 & 10), Rapid City Greenway Tract Subdivision, Section 3, T1N, R7E, BHM, Pennington County, South Dakota

WHEREAS, Lessee leases from City that portion of the above-described property known as the Pete Lien Memorial Field, generally located at the intersection of Sheridan Lake Road and Canyon Lake Drive, a depiction of which is labeled Exhibit "A," and is attached and incorporated into the original Lease Agreement dated May 8, 2002, and is incorporated herein by reference (the "Premises"); and

WHEREAS, the term of the Lease Agreement expired on January 1, 2012; and

WHEREAS, the parties desire to extend the term of the Lease Agreement through January 1, 2013; and

WHEREAS, Lessee desires to build an improvement on the Premises to be known as the Post 320 Indoor Training Facility ("Training Facility"); and

WHEREAS, Lessee previously represented it would not be feasible to move the current location of the City sewer line in contemplation of construction of the Training Facility; and

WHEREAS, based on the foregoing representation, the City and Lessee entered into that certain First Amendment to Lease Agreement, dated May 16, 2011; and

WHEREAS, pursuant to the First Amendment to Lease Agreement, the parties agreed to modify the terms of the lease to reallocate certain maintenance requirements upon construction of the Training Facility; and

WHEREAS, Lessee now represents it is not feasible to move the current location of both the City sewer line, and the City water line in contemplation of construction of the Training Facility; and

WHEREAS, once constructed, the Training Facility will be located over portions of both the City sewer line and the City water line; and

WHEREAS, it is the objective of the parties to terminate the First Amendment to Lease Agreement, and replace it with this Second Amendment to Lease Agreement; and

WHEREAS, this Second Amendment to Lease Agreement is entered into in consideration of the City allowing Lessee to construct the Training Facility over the current locations of the City sewer line and the City water line.

NOW, THEREFORE the parties agree to amend the Lease Agreement as follows:

The First Amendment to Lease Agreement is hereby terminated in its entirety, and the parties now agree the Lease Agreement is hereby amended by this Second Amendment to Lease Agreement.

Section 2. Term. The term of this agreement is from January 1, 2002, to January 1, 2013.

Section 7. Maintenance.

Lessee agrees to maintain said premises under the authority of the Director of Parks and Recreation or his or her designee. Lessee agrees to repair or replace any property damaged willfully by Lessee's members or invitees which occurs while the premises are in use by Lessee. Lessee agrees to be responsible for policing the premises and to pick up and make ready for city collection of all trash, debris, and waste material of every nature, including mowing of weeds, resulting from the use of the premises by itself or any spectators in attendance at such premises. Lessee agrees to provide its own trash receptacles for use at the premises. Lessee agrees to be responsible for the preparation of the playing fields prior to all scheduled game days. Lessee also agrees to place all collected trash, debris, and waste in a designated location for removal by the City of Rapid City. City agrees to provide water to the premises for the purpose of watering the playing field grass. City specifically reserves the right to restrict water usage under this agreement if water restrictions are placed on other water users within the City. City, at its own expense, agrees to provide unique or unusual maintenance and routine maintenance to the infrastructure, including but not limited to, repair of broken water mains, all repairs and surface maintenance of parking lots, storm sewer, and sewer; with the exception of that portion of the

sewer line described and delineated with a green line in Exhibit "B," attached hereto and incorporated herein by reference ("Utility Lines underneath the Training Facility"), and that portion of the water line described and delineated with a blue line in Exhibit B, both lines to be located beneath the proposed Post 320 Indoor Training Facility ("Training Facility"). Once construction commences by groundbreaking on the Training Facility, City will cease maintaining the Utility Lines underneath the Training Facility.

Section 7.1. Proposed Post 320 Indoor Training Facility.

Lessee agrees that its expenditures in constructing the Training Facility will include removal of the existing sewer line underneath the Training Facility, and replacement of the sewer line with Schedule 40 PVC pursuant to code, the sewer line underneath the Training Facility to be sleeved under footing and cleanouts installed on both sides of the Training Facility. Lessee further agrees that its expenditures in constructing the Training Facility will include removal of the existing water line underneath the Training Facility, and replacement of the water line with a new four (4) inch PVC water line in casing pipe as described in the casing detail drawing, attached here to as Exhibit "C" and incorporated herein by reference. Installation of the new sewer line and new water line underneath the Training Facility will meet new construction installation requirements, reflecting code requirements at the time of installation. Once construction commences by groundbreaking at the Training Facility site, Lessee agrees to, at its own expense, provide all required repairs, including unique or unusual maintenance and routine maintenance, to the Utility Lines underneath the Training Facility.

Section 13. Liability.

Lessee agrees to defend, indemnify, and otherwise hold the City harmless from any and all liability arising from any operation or use under this lease of the described premises by it or

its agents or employees or any other person using the premises; and Lessee agrees this provision includes the Utility Lines underneath the Training Facility to be located beneath the proposed Training Facility. Lessee agrees to purchase or provide and maintain bodily injury and property damage insurance for each occurrence of the injury or damage in the minimum amount of One Million Dollars (\$1,000,000). The City shall be named an additional insured in said policy or policies, and lessee shall furnish to the City evidence of insurance by a certificate of insurance of required coverage.

NOW, THEREFORE the parties agree that all other terms of the Lease Agreement between City of Rapid City and Baseball 320, Inc. shall remain the same.

Dated this ____ day of _____, 2012.

CITY OF RAPID CITY

ATTEST:

Mayor

Finance Officer

(SEAL)

**APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE**

[Signature] 1/24/12
Attorney Date

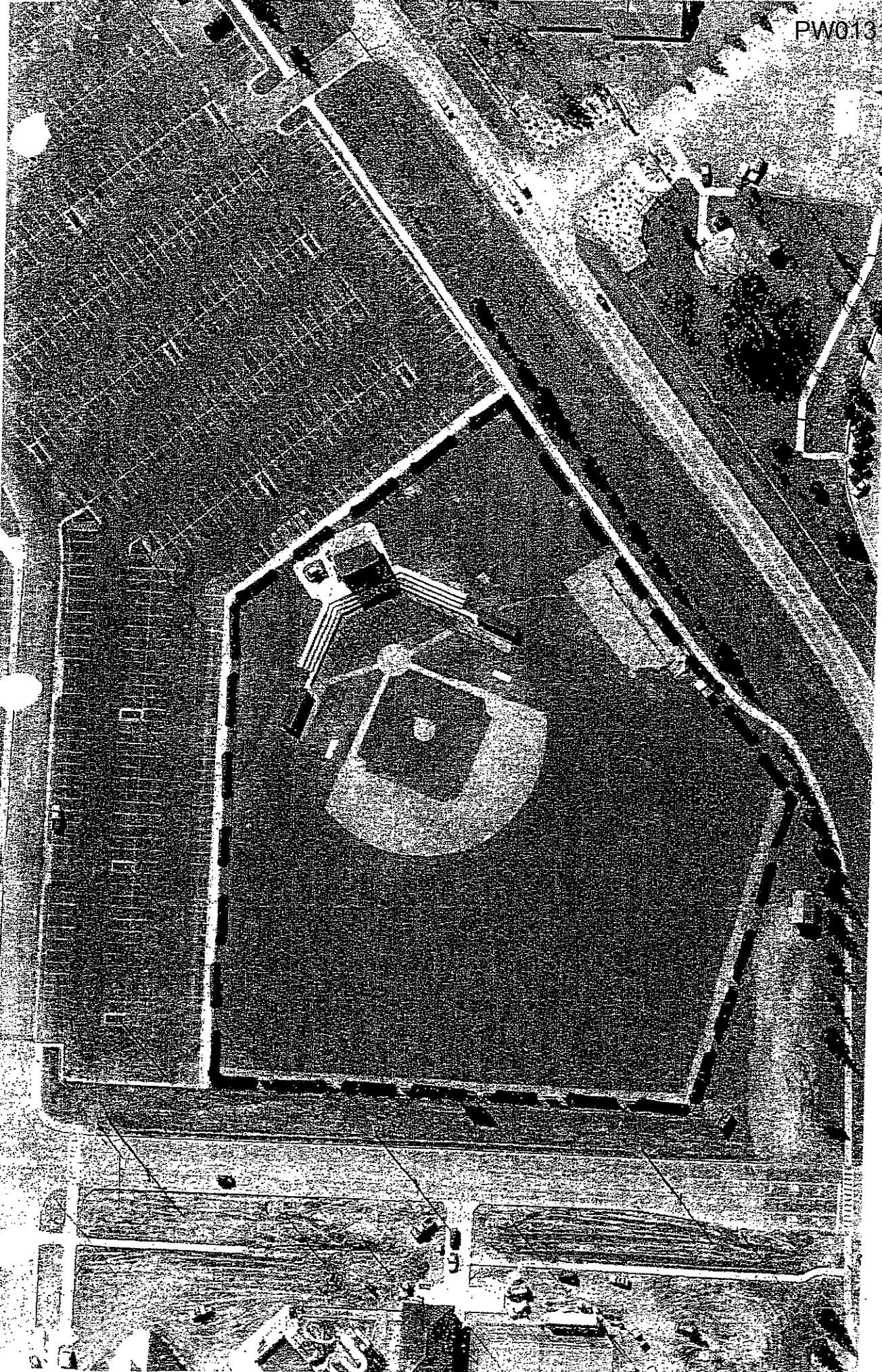
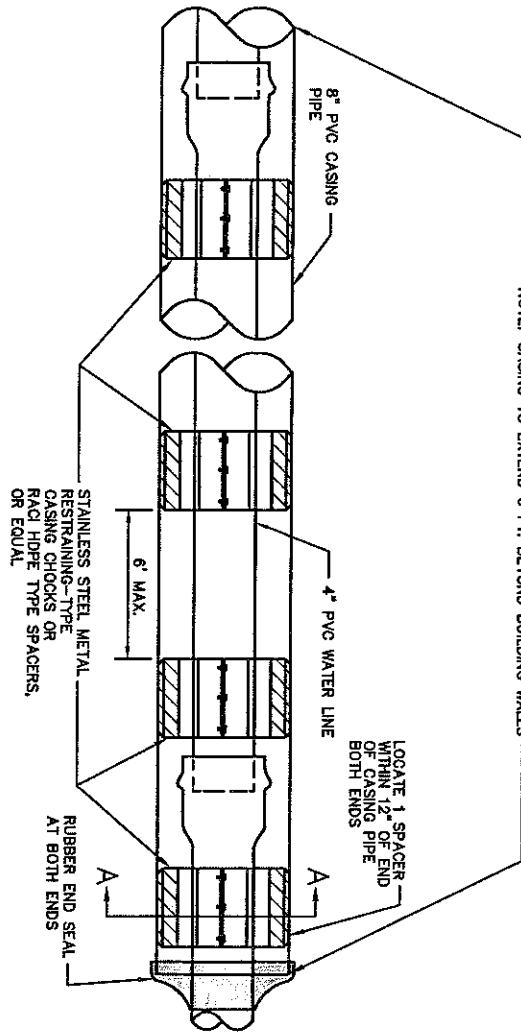


EXHIBIT A

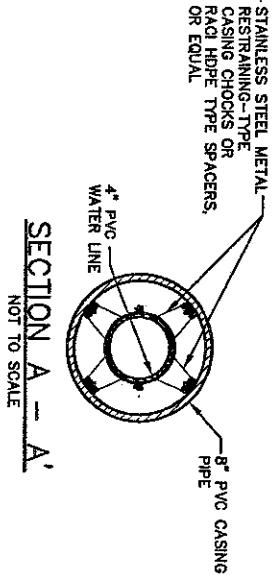


NOTE: CASING TO EXTEND 6 FT. BEYOND BUILDING WALLS

PVC CASING PIPE -- WATER LINE

NOT TO SCALE

NOTE: PROVIDE CLOSURE BOOT AT BOTH ENDS



NOT TO SCALE



EXHIBIT C

<p>Revision Date</p> <p>Sheet Name:</p> <p>WATER MAIN CASING DETAIL</p> <p>Sheet Number:</p> <p>D1</p> <p>Total Sheets:</p> <p>D1</p>	<p>REVISIONS</p> <p>DATE: 2012</p> <p>MATERIALS</p> <p>CHANGE</p>	<p>TRAINING CENTER IMPROVEMENTS</p> <p>PETE LIEN FIELD</p> <p>320 STARS BASEBALL</p> <p>RAPID CITY, SOUTH DAKOTA</p>	<p>Project No.:</p> <p>0200</p> <p>Location:</p> <p>320 STARS, RAPID CITY, SD</p> <p>Scale: AS SHOWN</p> <p>Drawn By: JDF</p> <p>Checked By: JDF</p> <p>Project Start: 2012</p> <p>Project End: 2012</p> <p>Issue Date: 2012</p> <p>June 2011</p>	<p>F M G, Inc.</p> <p>3700 Burgie Road</p> <p>Rapid City, SD 57702-0317</p> <p>(605) 342-4105 FAX (605) 342-4222</p>
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