

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: January 26, 2021

9:32 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

*Virtual meeting held due to Peacetime Emergency Declaration in response to COVID-19 Pandemic.

Members Present via Computer:

Dewey Severson, Eric Johnson, Robert Burns, Teresa Walter and Greg Myhre

Others Present via Computer/Phone:

Auditor/Treasurer Donna Trehus, IT Director Andrew Milde, Board Clerk Allison Wagner, Reporter Craig Moorhead, Reporter Charlene Selbee, Finance Director Carol Lapham, Human Resources Director Theresa Arrick-Kruger, Public Health and Human Services Director John Pugleasa, Public Health Supervisor Heather Myhre, Accredited Appraiser Cindy Cresswell, Chief Deputy Recorder Mary Betz, Engineer Brian Pogodzinski, DDA Tessia Melvin, Interim Assessor Lucas Onstad, Tom Tornstrom, Bob Schuldt, Roy Lemke

Presiding: Chairperson Burns

Call to order.

Pledge of Allegiance.

Commissioners requested that action item number four be tabled until the following meeting. Motion was made by Commissioner Johnson, seconded by Commissioner Severson to approve the agenda with the change. Motion carried unanimously.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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Motion was made by Commissioner Johnson, seconded by Commissioner Myhre to approve the special board meeting and workgroup session meeting minutes from January 12, 2021. Motion carried unanimously.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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Motion was made by Commissioner Walter, seconded by Commissioner Myhre to approve the workgroup session meeting minutes from January 19, 2021. Motion carried unanimously.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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Public Comment: No public comments were made.

Tessia Melvin from David Drown Associates (DDA) Company gave the board a compensation study update. She updated the board on the process, timeline, and scope of work for the study. It was the general consensus of the board that DDA should move forward with the scope of work as presented.

At 10:02 a.m., Commissioner Johnson moved, Commissioner Severson seconded, motion unanimously carried to go into closed session. All Commissioners, Auditor/Treasurer Donna Trehus, and Human Resources Director Theresa Arrick-Kruger attended the closed session.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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At 10:42 a.m., Commissioner Johnson moved, Commissioner Severson seconded, motion unanimously carried to end the closed session and return to the regular meeting session. Kruger provided a brief summary of the closed session. The closed session had been held to consider a strategy for labor negotiations.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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Bruce Kimmel from Ehlers presented to the board the results of the Houston County 2021A State Aid bond sale. Motion by Severson seconded by Myhre, motion unanimously carried to approve Resolution No. 20-10 below as presented.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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RESOLUTION NO. 21-10

RESOLUTION AUTHORIZING ISSUANCE, AWARDING SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF \$2,945,000 GENERAL OBLIGATION STATE AID BONDS, SERIES 2021A

BE IT RESOLVED by the Board of Commissioners (the “Board”) of Houston County, Minnesota (the “County”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. By resolution adopted on December 15, 2020, this Board hereby determined it to be in the best interests of the County to issue its General Obligation State Aid Bonds, Series 2021A (the “Bonds”) in the approximate aggregate principal amount of \$3,090,000 to finance a portion of the cost of a new highway maintenance facility in the County (the “Project”). Pursuant to Minnesota Statutes, Section 162.181, the principal amount of the Bonds will not exceed the total of the County’s state aid allotments in the years 2019 and 2020 (\$9,411,102). The principal of and interest due in any calendar year on the Bonds, including any similar obligations of the County which are outstanding (\$219,577.50), does not exceed 90 percent of the amount of

the 2020 annual allotment (\$2,601,217), received by the County from the construction account in the county state aid highway fund.

1.02. Sale. Pursuant to the Terms of Proposal and the Preliminary Official Statement prepared on behalf of the County by Ehlers & Associates, Inc. (“Ehlers”), municipal advisors to the County, sealed or electronic proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened and publicly read and considered and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of Northland Securities, Inc., in Minneapolis, Minnesota, and associates (the “Purchaser”), to purchase the Bonds at a price of \$3,050,077.42 plus accrued interest, if any, on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Chairperson and County Auditor are hereby authorized and directed to execute a contract on the part of the County with the Purchaser for the sale of the Bonds in accordance with the Terms of Proposal. The good faith deposit of the Purchaser shall be retained and deposited by the County until the Bonds have been delivered and shall be deducted from the purchase price paid at settlement.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of the date of issuance thereof, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities, shall mature on April 1 in the years and amounts stated below, and shall bear interest from date of issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2023	\$175,000	2.000%	2031	\$200,000	1.000%
2024	175,000	2.000	2032	205,000	1.000
2025	180,000	2.000	2033	205,000	1.000
2026	185,000	2.000	2034	210,000	1.100
2027	185,000	2.000	2035	210,000	1.200
2028	190,000	2.000	2036	215,000	1.300
2029	195,000	2.000	2037	215,000	1.350
2030	200,000	2.000			

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by check or draft issued by the Registrar described herein, provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.06 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.02. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07, and upon any subsequent transfer or exchange pursuant to Section 2.05, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on each April 1 and October 1, commencing October 1, 2021, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

2.03. Redemption. Bonds maturing in 2031 and later years shall be subject to redemption at the option of the County, in whole or in part, in such order of maturity dates as the County may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), in integral multiples of \$5,000, on April 1, 2030, and on any date thereafter, at a price equal to 100% of the principal amount thereof and accrued interest to the date of redemption. At least 30 days before the date specified for redemption of any Bond, the County Auditor shall cause notice of redemption to be published if and as required by law, and mailed by first class mail, postage prepaid, to the Registrar and to the Holders, as hereinafter defined, of all Bonds to be redeemed at their addresses as they appear on the Bond Register, provided that notice shall be given to any securities depository in accordance with its operational arrangements. No defect in or failure to give such notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure.

2.04. Appointment of Initial Registrar. The County hereby appoints Bond Trust Services Corporation, in Roseville, Minnesota as the initial bond registrar, transfer agent and paying agent (the “Registrar”). The Chairperson and County Auditor are authorized to execute and deliver, on behalf of the County, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The County agrees to pay the reasonable and customary charges of the Registrar for the services performed. The County reserves the right to remove the Registrar upon thirty days’ notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.05. Registration. The effect of registration and the rights and duties of the County and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate

and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the County.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The County and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on the Bond and for all other purposes; and all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the County and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the

County. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the County, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.06. Securities Depository. The following provisions shall apply, unless otherwise designated by the Purchaser:

(a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever, and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds,

with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the County may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Chairperson or County Auditor is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

2.07. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the County Auditor and shall be executed on behalf of the County by the signatures of the Chairperson and the County Auditor, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any

Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the County Auditor shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Form of Bonds. The Bonds shall be prepared in substantially the form found at EXHIBIT A hereto.

SECTION 3. USE OF PROCEEDS. There is hereby established on the official books and records of the County a General Obligation State Aid Bonds, Series 2021A Construction Fund (the “Construction Fund”), which shall continue to be maintained until payment of all costs and expenses incurred in construction of the Project to be financed by the Bonds. To the Construction Fund there shall be credited \$3,050,077.42 of the proceeds of the Bonds, representing the estimated costs of the Project (\$3,003,605.42) and costs of issuance of the Bonds (\$46,472.00), and from the Construction Fund there shall be paid capital costs incurred by the County in the construction of the Project and costs of issuance of the Bonds. Any Bond proceeds not needed for the foregoing purpose shall be transferred to the General Obligation State Aid Bonds, Series 2021A Debt Service Fund established in Section 4 hereof.

SECTION 4. GENERAL OBLIGATION STATE AID BONDS, SERIES 2021A DEBT SERVICE FUND. There is hereby created and shall be maintained on the official books and records of the County a General Obligation State Aid Bonds, Series 2021A Debt Service Fund (the “Debt Service Fund”), the moneys in which shall be used solely for the payment of the principal of and interest on the Bonds. From the proceeds of the Bonds, the amounts specified in Section 3 hereof, if any, shall be deposited in the Debt Service Fund. There is hereby irrevocably appropriated to the Debt Service Fund, out of moneys allotted and to be allotted to the County from its account in the county state aid highway fund of the State of Minnesota, such amount as shall be sufficient to pay the principal of and interest on the Bonds when due, on the dates and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest payable on</u>	
		<u>April 1</u>	<u>October 1</u>
2021	--	--	\$27,925.19
2022	--	\$23,163.75	23,163.75
2023	\$175,000	23,163.75	21,413.75
2024	175,000	21,413.75	19,663.75
2025	180,000	19,663.75	17,863.75
2026	185,000	17,863.75	16,013.75
2027	185,000	16,013.75	14,163.75
2028	190,000	14,163.75	12,263.75
2029	195,000	12,263.75	10,313.75
2030	200,000	10,313.75	8,313.75
2031	200,000	8,313.75	7,313.75
2032	205,000	7,313.75	6,288.75
2033	205,000	6,288.75	5,263.75
2034	210,000	5,263.75	4,108.75
2035	210,000	4,108.75	2,848.75
2036	215,000	2,848.75	1,451.25
2037	215,000	1,451.25	--

The County Auditor shall follow the procedure set forth in Minnesota Statutes, Section 162.181, Subdivision 4, for obtaining such funds. If at any time the moneys in the Debt Service Fund should be insufficient to pay all principal and interest due on the Bonds, the County Auditor shall nevertheless pay the same from any moneys on hand in the general fund of the County, and the moneys so used shall be restored to the general fund from the moneys next received by the County from the construction or maintenance account in the county state aid highway fund of the State of Minnesota, which are not required for the payment of additional principal and interest, or from the proceeds of taxes levied pursuant to Section 5 hereof.

SECTION 5. PLEDGE OF TAXING POWERS. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the County shall be and are hereby irrevocably pledged. However, it is estimated that the state aid highway allotments appropriated for the payment of such principal and interest in Section 4 hereof will be sufficient to pay the principal and interest when due, and accordingly no tax is levied at this time. However, if an actual or anticipated deficiency should arise in the receipt of such allotments, the County shall levy an ad valorem tax upon all taxable property in the County in accordance with Minnesota Statutes, Section 475.61, in an amount sufficient to eliminate the actual or anticipated deficiency.

SECTION 6. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the registered owners of the Bonds shall cease. The County may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum

sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The County may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The County may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal, interest and redemption premiums to become due thereon to maturity or earlier designated redemption date.

SECTION 7. TAX COVENANTS; ARBITRAGE MATTERS; REIMBURSEMENT AND CONTINUING DISCLOSURE.

7.01. Covenant. The County covenants and agrees with the owners from time to time of the Bonds, that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest on the Bonds to become includable in gross income of the recipient under the Internal Revenue Code of 1986 (the "Code") and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all affirmative actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The County has not and will not enter into any lease, management contract, operating agreement, use agreement or other contract relating to the use or operation of the Project, or any portion thereof, which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code. The County hereby approves the procedures for post-issuance compliance presented to the Board prior to this meeting.

7.02. Arbitrage Certification. The Chairperson and County Auditor being the officers of the County charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and the applicable Regulations.

7.03. Arbitrage Rebate. (a) It is hereby found that the County has general taxing powers, that no Bond is a "private activity bond" within the meaning of Section 141 of the Code, that 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the County, and that the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the County and all subordinate entities thereof during the year 2021 is

not reasonably expected to exceed \$5,000,000. Therefore, pursuant to the provisions of Section 148(f)(4)(D) of the Code, the County shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

(b) Notwithstanding the provisions of paragraph (a) of this Section 7.03, if the arbitrage rebate provisions of Section 148(f) of the Code applies to the Bonds, the County hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f) and applicable Regulations.

7.04. Reimbursement. The County certifies that the proceeds of the Bonds will not be used by the County to reimburse itself for any expenditure with respect to the Project which the County paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the County shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations; provided that a declaration of official intent shall not be required (i) with respect to certain de minimis expenditures, if any, with respect to the Project meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to “preliminary expenditures” for the Project as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the “issue price” of the Bonds.

7.05. Qualified Tax-Exempt Obligations. The Board hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations which are not private activity bonds (not treating qualified 501(c)(3) bonds under Section 145 of the Code as private activity bonds for the purpose of this representation) and are not excluded from this calculation by Section 265(b)(3)(C)(ii) of the Code which have been and will be issued by the County and all subordinate entities during calendar year 2021 does not exceed \$10,000,000.

7.06. Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the County hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The County is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the County fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding

anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The County will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the County, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the County, commencing with the fiscal year ending December 31, 2020, the following financial information and operating data in respect of the County (the “Disclosure Information”):
 - (A) the audited financial statements of the County for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the County, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the County; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: “VALUATIONS – Current Property Valuations,” “DEBT – Direct Debt,” “TAX RATES, LEVIES AND COLLECTIONS – Tax Levies and Collections” and “GENERAL INFORMATION – US Census Data – Population Trend” and “– Employment/Unemployment Data,” which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the County shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the County shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is

updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access System (EMMA) or to the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the County have materially changed or been discontinued, such Disclosure Information need no longer be provided if the County includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other County operations in respect of which data is not included in the Disclosure Information and the County determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the County shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a Material Fact):
 - (A) Principal and interest payment delinquencies;
 - (B) Non-payment related defaults, if material;
 - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) Substitution of credit or liquidity providers, or their failure to perform;
 - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - (G) Modifications to rights of security holders, if material;
 - (H) Bond calls, if material, and tender offers;
 - (I) Defeasances;
 - (J) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (K) Rating changes;
 - (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination

- of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (O) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (P) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
 - (A) the failure of the County to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

- (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the County under subsection (d)(2);
- (C) the termination of the obligations of the County under this section pursuant to subsection (d);
- (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
- (E) any change in the fiscal year of the County.

(c) Manner of Disclosure.

- (1) The County agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the County in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the County under this section shall terminate and be without further effect as of any date on which the County delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the County to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the County from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the County or the type of operations conducted by the County, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any

change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the County agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SECTION 8. CERTIFICATION OF PROCEEDINGS.

8.01. Registration. The County Auditor is hereby authorized and directed to file a certified copy of this resolution in the records of the County, together with such additional information as required, and to issue a certificate that the Bonds have been duly entered upon the County Auditor's bond register.

8.02. Certification of Records. The officers of the County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the County to the facts recited herein.

8.03. Official Statement. The Preliminary Official Statement relating to the Bonds, prepared and distributed by Ehlers is hereby approved. Ehlers is hereby authorized on behalf of the County to prepare and deliver to the Purchaser within seven business days from the date hereof a supplement to the Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934. The officers of the County are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

8.04. Authorization of Payment of Certain Costs of Issuance of the Bonds. The County authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Old National Bank, on the closing date for further distribution as directed by Ehlers.

Upon vote being taken thereon the following voted in favor thereof: Dewey Severson, Eric Johnson, Robert Burns, Teresa Walter and Greg Myhre and the following voted against the same: none. whereupon the resolution was declared duly passed and adopted.

EXHIBIT A

UNITED STATES OF AMERICA
STATE OF MINNESOTA
HOUSTON COUNTY

GENERAL OBLIGATION STATE AID BONDS, SERIES 2021A

R-_____ \$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
___%	April 1, 20__	February 24, 2021	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

HOUSTON COUNTY, MINNESOTA (the "County"), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal sum specified above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable on April 1 and October 1 in each year, commencing October 1, 2021, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond before maturity. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft drawn on Bond Trust Services Corporation, Roseville, Minnesota, as bond registrar, transfer agent and paying agent (the "Registrar"), or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the County have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$2,945,000 issued pursuant to a resolution adopted by the Board of Commissioners on January 26, 2021 (the "Resolution") to finance the cost of a new highway maintenance facility in the County and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes,

Chapter 475 and Section 162.181. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any multiple thereof, of single maturities.

Bonds having stated maturity dates in the years 2031 and thereafter are each subject to redemption at the option of the County, in whole or in part, in such order of maturity dates as the County may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), in integral multiples of \$5,000, on April 1, 2030, and on any date thereafter, at a price equal to 100% of the principal amount thereof plus interest accrued to the date of redemption. At least 30 days before the date specified for the redemption of any Bond the County will cause notice of redemption to be published if and to the extent required by law, and to be mailed by first class mail (or, if applicable, provided in accordance with the operational arrangements of the bond depository), to the registered owner of any Bond to be redeemed at the owner's address as it appears on the Bond Register maintained by the Registrar, but no defect in or failure to give such notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Upon surrender to the Registrar of any Bond which has been redeemed in part, a new Bond or Bonds will be delivered to the owner without charge, representing the unredeemed portion of the principal of the Bond so surrendered.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the County at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the County will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The County and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the County nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the County.

The Bonds have been designated as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that, prior to the issuance hereof, the Board of County Commissioners

has by the Resolution irrevocably pledged and appropriated to a separate and special debt service fund, to be maintained for the payment of this and other bonds issued under Section 162.181, as long as any of such bonds are outstanding, an amount of the moneys allotted and to be allotted to the County from its account in the county state aid highway fund sufficient to pay when due the principal of and interest on all bonds; that, if in any year the moneys so allotted and transferred to the debt service fund should be insufficient to pay all such principal and interest due in such year, the County is obligated to pay such deficiency out of its general fund and to levy a direct, irrepealable, ad valorem tax upon all taxable property within its corporate limits for the repayment of such deficiency, which levy may be made without limitation as to rate or amount; and that the issuance of this Bond does not cause the indebtedness of the County to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Houston County, Minnesota, by its Board of Commissioners, has caused this Bond to be executed on its behalf by the facsimile signatures of the Chairperson and County Auditor and has caused this Bond to be dated as of the date set forth below.

HOUSTON COUNTY, MINNESOTA

Donna Trehus, Auditor/Treasurer

Robert Burns, Chairperson

Public Health and Human Services Director Pugleasa and Public Health Supervisor Myhre provided an update on the COVID-19 pandemic and response from Public Health and Human Services. They shared with the board that their work had shifted to a vaccine effort in the County. Pugleasa stated there was a lack of available vaccine. The State had prioritized Group A1. The County had focused on vaccinating this group especially EMS providers. Myhre added that Houston County is considered a vaccine provider. When the County receives vaccines they must administer them within 72 hours. This is a tight timeline for the County with it being unclear when and how much vaccine the County will receive. Public Health had established a jot form where County residents could express interest in receiving a vaccine when vaccines become available for their priority group. Public Health will use the forms to contact people as more vaccines become available.

Commissioners requested one change to an item on the consent agenda that the Department Head meeting schedule rotation be revised. Commissioner Walter moved, Commissioner Myhre seconded, motion unanimously carried to approve the consent agenda with the change, which consisted of the following items:

1) Assign Lucas Onstad to classification C-53, Step 1, effective January 13, 2021.
(Auditor/Treasurer designated Lucas Onstad Assessor during the pending search for Assessor pursuant to Minn. Stat. § 273.061, Subd. (2b). (Krugier)

- 2) Assign Cindy Cresswell-Hatleli, to pay out of class of \$35.50/hour on a temporary basis to provide training effective January 21, 2021. (Kruger)
- 3) Approve Department Head Meetings 2021 schedule. (Lapham)
- 4) Approve guardianship contracts – Clinton Brainard, Sandra Fitting, Bonnie Gregerson, Terry Lee Lund, Vergie Rud, and Judy Storlie. (Pugleasa)
- 5) Approve Resolution No. 21-08 Authorization to Establish Absentee Ballot Board and UOCAVA Ballot Board for Township Elections as shown below. (Trehus)

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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RESOLUTION NO. 21-09

AUTHORIZATION TO ESTABLISH ABSENTEE BALLOT BOARD AND UOCAVA BALLOT BOARD FOR TOWNSHIP ELECTIONS

January 26, 2021

BE IT RESOLVED, by the Houston County Board of Commissioners, authorizes the establishment of an Absentee Ballot Board and UOCAVA Ballot Board for the Township Elections to be held on March 9, 2021 and further authorizes the Auditor/Treasurer to appoint individual members.

ACTION ITEMS

File No. 1 – Commissioner Johnson moved, Commissioner Severson seconded, motion unanimously carried to approve Change Order No. 1 from Wieser Brothers to replace (150') of 24" existing, corroded, storm sewer pipe.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 2 - Commissioner Severson moved, Commissioner Walter seconded, motion unanimously carried to approve Change Order No. 2 to upgrade the sectional doors with the light curtain in lieu of pneumatic bottom edges.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 3 – Commissioner Walter moved, Commissioner Myhre seconded, motion unanimously carried to approve purchasing two Vemeer mowers from Hammell Equipment for a net purchase price of \$13,950.00.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 4 – Item was tabled until next meeting.

File No. 5 – Commissioners discussed the LRIP (Local Road Improvement Program). Discussion included what township/city projects to sponsor/support. Cities and townships would need a sponsorship from the County in order to apply for grant funds from the program. While it

was the general consensus of the board that the County should support all interested projects, the extent of the County's involvement was also discussed. Members discussed whether or not the County should provide additional services beyond the sponsorship, such as engineering for the projects, and whether a contract should be put in place requiring cities and townships to hire their own engineering services. Members discussed liability and timeline concerns with the County providing engineering services for the projects. Commissioner Johnson asked if counties who sponsor LRIP programs could require sponsored entities to provide their own engineering. Engineer Pogodzinski said other counties did have contracts in place that required cities or townships to do their own engineering and that the State allowed this. Township representatives at the meeting expressed that hiring their own engineering firm instead of having the County provide those services would be costly for them, especially without knowing if the LRIP money would be awarded. Motion by Commissioner Myhre, seconded by Commissioner Severson to sponsor all township/city projects, but not provide additional engineering services for the projects. Motion passed 4-1 with Commissioner Johnson voting no, stating that this response was due to lack of clarity.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	No	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 6 – Motion by Johnson, seconded by Severson, motion carried unanimously to approve agreement, amendment 1 of Weiser's contract, allowing Weiser to act on the County's behalf to purchase materials for the new highway shop, tax exempt.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 7 – Motion by Walter, seconded by Severson, motion carried unanimously to approve 2021 Hiawatha Valley Mental Health Center (HVMHC) contract and rates for adult and children's mental health services.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 8 – Motion by Walter, seconded by Severson, motion carried unanimously to approve purchase of service agreement with ABC Woodland.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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File No. 9 – Motion by Walter, seconded by Severson, motion carried unanimously to approve amendment to Foster Care School Transportation agreement with La Crescent-Hokah School District. The amendment added the La Crescent-Hokah Montessori & STEM School as a party to the agreement.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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DISCUSSION ITEMS

Commissioners briefly discussed recent committee meetings.

There being no further business at 12:24 p.m., a motion was made by Commissioner Johnson, seconded by Commissioner Severson, unanimously carried to adjourn the meeting. The next meeting will be a regular meeting on Feb. 2, 2021.

Dist. 1:	Yes	Dist. 2:	Yes	Dist. 3:	Yes	Dist. 4:	Yes	Dist. 5:	Yes
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BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Robert Burns, Chairperson

Attest: _____
Donna Trehus, Auditor/Treasurer

**HOUSTON COUNTY
AGENDA REQUEST FORM
February 2, 2021**

Date Submitted: 01.27.2021

By: Tess Kruger, HRD/Facilities Mgr.

APPOINTMENT REQUEST

- None

HR CONSENT AGENDA REQUEST

Highway Department

- Assign Patrick Burns to Engineering Assistant Step 9, effective April 1, 2021. (Lateral transfer same pay rate)
- Initiate a competitive search for a Maintenance Foreman

Sheriff's Office

- Initiate a competitive search for a Licensed Deputy

FACILITIES CONSENT AGENDA REQUEST

- Approve the ZieglerCat Customer Support Agreement for (3/1/2021-2/29/2024) for \$6,600.26/year (budgeted item).

<u>Reviewed by:</u>	<input checked="" type="checkbox"/> HR Director	<input checked="" type="checkbox"/> County Sheriff	_____
	<input checked="" type="checkbox"/> Finance Director	_____ County Engineer	_____
	_____ IS Director	_____ PHHS	_____
	_____ County Attorney	<input checked="" type="checkbox"/> Other (indicate dept)	_____
	_____ Environmental Svcs		
<u>Recommendation:</u>			
<u>Decision:</u>			

CUSTOMER SUPPORT AGREEMENT

Date: 1/19/2021



Proposal No. 5262

8050 County Road 101 East
Shakopee, MN 55379
952-445-4292 / 888-320-4292

To:
GREG OLSON
HOUSTON COUNTY FACILITIES
304 S MARSHALL ST
CALEDONIA, MN 55921

Re:
3 year Customer Support Agreement (CSA) for
MODEL: C32 PGAG | 7000 | 7000 |

SERIAL: 0JSJ00807 | 172213 | 631053 WE |

WE PROPOSE TO FURNISH IN ACCORDANCE WITH THE FOLLOWING SPECIFICATIONS, TERMS AND CONDITIONS

Enclosed is a 3 year Customer Support Agreement (CSA) for the following Engines :

Model(s): C32 PGAG | 7000 | 7000 |

Serial Number(s): 0JSJ00807 | 172213 | 631053 WE |

AGREEMENT START DATE: 3/1/2021

AGREEMENT END DATE: 2/29/2024

INVOICE FREQUENCY: ☐ Annually

INVOICE AMOUNT: \$6,600.26

*Discounts applied for annual invoicing and multiple services on one contract

IMPORTANT NOTES

- CUSTOMER SUPPORT AGREEMENT PRICING WILL NOT INCREASE DURING THE TERM OF THIS AGREEMENT.
- PRICE INCLUDES PARTS, LABOR, TRAVEL AND DISPOSAL OF ALL FLUIDS PER E.P.A. STANDARDS.
- TRAINED AND CERTIFIED ENGINE/GENERATOR TECHNICIANS WILL PERFORM ALL SERVICES.

TERMS AND CONDITIONS

- Agreement pricing is based upon generator run time between 0 and 250 hours per year (standby applications).
- Invoices will be sent on the first day of each invoicing period (i.e. monthly, quarterly, semi-annually or annually).
- Either party may cancel this agreement with a (60) sixty day written notice.
- Prices assume all services to be performed during normal business hours (7:30am - 4:00pm, M-F) unless otherwise specified.
- This is a preventative maintenance agreement; repairs classified outside standard preventative maintenance will result in additional costs to the customer.
- Early cancellation of this agreement will require payment for any services provided but not yet paid for.

ACCEPTED BY:

Please Sign Name: _____

Please Print Name: _____

Date: _____

Respectfully submitted,
Ziegler Power Systems

By: Patrick Lorentz

Customer Support Representative

Level Definitions

WatchGuard Level 1 (64 Point Inspection)

Includes inspection of the following systems:

- Cooling
- Lube Oil
- Air Intake
- Fuel
- Exhaust (inside building only)
- Starting
- Engine
- Generator
- Transfer Switch
- Coolant and Oil Analysis
- Provide written report

MODEL: C32 PGAG | SERIAL: 0JSJ00807

Level 1

Mar/2021 , Mar/2022 , Mar/2023

WatchGuard Level 2 (67-Point Inspection with Oil and Filter Change)

Includes the following:

- Level 1 Inspection
- Change engine oil
- Change engine oil filter(s)
- Change engine fuel filter(s)
- Inspect air filter(s)
- Disposal of old fluids per EPA standards
- Provide written report

MODEL: C32 PGAG | SERIAL: 0JSJ00807

Level 2

Oct/2021 , Oct/2022 , Oct/2023

WatchGuard Level 3 (Cooling System Service)

Includes the following:

- Drain and refill cooling system, add coolant additives
- Replace cooling systems hoses
- Replace engine thermostats (where applicable)
- Disposal of old fluids per EPA standards
- Provide written report

MODEL: C32 PGAG | SERIAL: 0JSJ00807

Level 3

Mar/2023

WatchGuard Level 5 (Load Bank Testing)

Includes the following:

- Engine load bank test (2 - hours)
- Provide written report

MODEL: C32 PGAG | SERIAL: 0JSJ00807

Level 5

Mar/2021

Watchguard Level 9 (Battery Replacement Program)

Includes the following services

- Complete electrical system check
- Battery charger adjustment
- Test engine starter amperage
- Removal and disposal of old lead acid batteries per EPA standards
- Installation of new, low antimony batteries specifically designed for standby applications
- Provide written report

MODEL: C32 PGAG | SERIAL: 0JSJ00807

Level 9

Mar/2021

Watchguard Level 11 (Transfer Switch Inspection/Adjustment)

Includes the following services:

- Clean transfer switch as necessary
- Replace PLS/ATS battery
- Check voltage drop across main contacts with normal load
- Repair/replace faulty Incandescent lamps
- Test bypass isolation feature where applicable
- Check voltage drop across main contacts with emergency load (with approval)
- Check operation of timers (with approval)
- Check operation of remote start contacts (with approval)
- Check operation of in-phase monitor (with approval)
- Inspect arc insulators (De-energized switch only)
- Check for loose terminals and/or relays (De-energized switch only)

MODEL: 7000 | SERIAL: 172213

Level 11

Mar/2021

MODEL: 7000 | SERIAL: 631053 WE

Level 11

Mar/2021

Customer Requirements

It is the customer's responsibility to...

- Perform weekly and monthly inspections of the engine/generator
- Maintain written or computerized records of the weekly and monthly inspections.

- Contact Ziegler Power Systems with any problems or concerns noted during the weekly and monthly inspections.

Ziegler Power Systems Exclusion of Responsibility:

Ziegler Inc. is not responsible for...

- Providing a portable generator during repairs
- Fuel consumed by generator set during operation
- Building wiring
- System modifications
- Acts of nature, terrorism or war
- Uses of generator beyond rated capacity
- Main fuel tank or piping problems
- Emissions permitting
- Regulation changes
- State and local taxes
- Customer abuse/neglect

Houston County Appointment Request /Agenda Request Form

Date Submitted: January 27, 2021 **Board Date:** February 2, 2021

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

Closed session with the Board at 10am to discuss the Mound Prairie Township lawsuit litigation. Attorney Jason Kuboushek from Iverson Reuvers law firm will be present during the closed session to provide the update.

Attachments/Documentation for the Board's Review:

Justification:

Action Requested:

For County Use Only			
<u>Reviewed by:</u>	<u> </u> County Auditor	<u> </u> County Attorney	<u> </u> Zoning Administrator
	<u> </u> Finance Director	<u> </u> County Engineer	<u> </u> Environmental Services
	<u> </u> IS Director	<u> </u> Other (indicate dept)	<u> </u>
<u>Recommendation:</u>			
<u>Decision:</u>			

All agenda request forms must be submitted to the County Auditor by 4:00 p.m. on Monday in order to be considered for inclusion on the following week's agenda. The Board will review all requests and determine if the request will be heard at a County Board meeting.

Houston County Agenda Request Form

Date Submitted: January 27, 2021 Board Date: February 2, 2021

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

Considering approving the engineering agreement with Bolton & Menk for the watermain loop design and inspection. The Not-to-Exceed cost is \$14,000 for design and \$10,950 for construction services. The agreement was reviewed by Sam & Tess.

Attachments/Documentation for the Board's Review:

The engineering agreement is attached and has been review by County Attorney and County HR Director/Facility Manager.

Justification:

Action Requested:

Approve the agreement and authorize Brian's signature.

For County Use Only			
Reviewed by:	<u> </u> County Auditor	<u> </u> County Attorney	<u> </u> Zoning Administrator
	<u> </u> Finance Director	<u> </u> County Engineer	<u> </u> Environmental Services
	<u> </u> IS Director	<u> </u> Other (indicate dept)	<u> </u>
<u>Recommendation:</u>			
<u>Decision:</u>			

All agenda request forms must be submitted to the County Auditor by 4:00 p.m. on Monday in order to be considered for inclusion on the following week's agenda. The Board will review all requests and determine if the request will be heard at a County Board meeting.

AGREEMENT FOR PROFESSIONAL SERVICES

2021 WATERMAIN IMPROVEMENTS

HOUSTON COUNTY HIGHWAY DEPARTMENT and BOLTON & MENK, INC.

This Agreement, made this 26th day of January, 2021, by and between Houston County Highway Department, 1124 East Washington Street, Caledonia, MN 55921, ("CLIENT"), and BOLTON & MENK, INC., 2900 43rd Street NW, Suite 100, Rochester, MN 55901, ("CONSULTANT").

WITNESS, whereas the CLIENT requires professional services in conjunction with the 2021 Watermain Improvements, located in Caledonia, MN, looping the 6-inch watermain along East South Street to the 6-inch watermain along East Washington Street ("Project") and whereas the CONSULTANT agrees to furnish the various professional services required by the CLIENT.

NOW, THEREFORE, in consideration of the mutual covenants and promises between the parties hereto, it is agreed:

SECTION I - CONSULTANT'S SERVICES

- A. The CONSULTANT agrees to perform the various Basic Services in connection with the proposed project as described in Exhibit I.
- B. Upon mutual agreement of the parties, Additional Services may be authorized as described in Paragraph IV.B.

SECTION II - THE CLIENT'S RESPONSIBILITIES

- A. The CLIENT shall promptly compensate the CONSULTANT in accordance with Section III of this Agreement.
- B. The CLIENT shall place any and all previously acquired information in its custody at the disposal of the CONSULTANT for its use. Such information shall include, but is not limited to: boundary surveys, topographic surveys, preliminary sketch plan layouts, building plans, soil surveys, abstracts, deed descriptions, tile maps and layouts, aerial photos, utility agreements, environmental reviews, and zoning limitations. The CONSULTANT may rely upon the accuracy and sufficiency of all such information in performing services unless otherwise instructed, in writing, by CLIENT.
- C. The CLIENT will guarantee access to and make all provisions for entry upon public portions of the project and reasonable efforts to provide access to private portions and pertinent adjoining properties.
- D. The CLIENT will give prompt notice to the CONSULTANT whenever the CLIENT observes or otherwise becomes aware of any defect in the proposed project.
- E. The CLIENT shall designate a liaison person to act as the CLIENT'S representative with respect to services to be rendered under this Agreement. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define the CLIENT'S policies with respect to the project and CONSULTANT'S services.

- F. The CONSULTANT'S services do not include legal, insurance counseling, accounting, independent cost estimating, financial advisory or "municipal advisor" (as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010 and the municipal advisor registration rules issued by the SEC) professional services and the CLIENT shall provide such services as may be required for completion of the Project described in this Agreement.
- G. The CLIENT will obtain any and all regulatory permits required for the proper and legal execution of the Project. CONSULTANT will assist CLIENT with permit preparation and documentation to the extent described in Exhibit I.
- H. The CLIENT may hire, at its discretion, when requested by the CONSULTANT, an independent test company to perform laboratory and material testing services, and soil investigation that can be justified for the proper design and construction of the Project. The CONSULTANT shall assist the CLIENT in selecting a testing company. Payment for testing services shall be made directly to the testing company by the CLIENT and is not part of this Agreement. If CLIENT elects not to hire an independent test company, CLIENT shall provide CONSULTANT with guidance and direction on completing those aspects of design and construction that require additional testing data.

(Remainder of this page intentionally left blank)

SECTION III - COMPENSATION FOR SERVICES

A. FEES.

1. The CLIENT will compensate the CONSULTANT for design services in accordance with the following Schedule of Fees. Compensation for design services shall be invoiced Hourly Not-to-Exceed \$14,000 without the prior consent of CLIENT.
2. The CLIENT will compensate the CONSULTANT for construction services in accordance with the following Schedule of Fees. Compensation for construction services shall be invoiced Hourly and is estimated to be \$10,950.

Schedule of Fees

Employee Classification	Hourly Billing Rates
Project Manager (Inc. Survey, GIS, Landscape Architect)	\$130-215
Project Engineer/Surveyor/Planner/Landscape Architect	\$70-185
Design Engineer/Landscape Designer/Graduate Engineer/Surveyor	\$90-190
Senior Technician (Inc. Construction, GIS, Survey¹)	\$90-180
Technician (Inc. Construction, GIS, Survey¹)	\$65-160
Administrative/Corporate Specialists	\$60-140
GPS/Robotic Survey Equipment	NO CHARGE
CAD/Computer Usage	NO CHARGE
Routine Office Supplies	NO CHARGE
Routine Photo Copying/Reproduction	NO CHARGE
Field Supplies/Survey Stakes & Equipment	NO CHARGE
Mileage	NO CHARGE

¹ No separate charges will be made for GPS or robotic total stations on Bolton & Menk, Inc. survey assignments; the cost of this equipment is included in the rates for Survey Technicians.

3. The preceding Schedule of Fees shall apply for services provided through December 31, 2021. Hourly rates may be adjusted by CONSULTANT, in consultation with CLIENT, on an annual basis thereafter to reflect reasonable changes in its operating costs. Adjusted rates will become effective on January 1st of each subsequent year, upon written acceptance by CLIENT.
4. Rates and charges do not include sales tax. If such taxes are imposed and become applicable after the date of this Agreement; CLIENT agrees to pay any applicable sales taxes.
5. The rates in the Schedule of Fees include labor, general business and other normal and customary expenses associated with operating a professional business. Unless otherwise agreed in writing, the above rates include vehicle and personal expenses, mileage, telephone, survey stakes and routine expendable supplies; and no separate charges will be made for these activities and materials.
6. Additional services as outlined in Section I.B will vary depending upon project conditions and will be billed on an hourly basis at the rate described in Section III.A.1 and A.2.

7. Expenses required to complete the agreed scope of services or identified in this paragraph will be invoiced separately, and include but are not limited to geotechnical services and other items of this general nature required by the CONSULTANT to fulfill the terms of this Agreement. CONSULTANT shall be reimbursed at cost plus an overhead fee (not-to-exceed 10%) for these Direct Expenses incurred in the performance of the work, subject to the Total cost not to exceed fee or approved Additional services.

B. PAYMENTS AND RECORDS

1. The payment to the CONSULTANT will be made by the CLIENT upon billing at intervals not more often than monthly at the herein rates and terms.
2. If CLIENT fails to make any payment due CONSULTANT for undisputed services and expenses within 45 days after date of the CONSULTANT'S invoice, a service charge of one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is less, will be charged on any unpaid balance.
3. In addition to the service charges described in the preceding paragraph, if the CLIENT fails to make payment for undisputed services and expenses within 60 days after the date of the invoice, the CONSULTANT may, upon giving seven days' written notice to CLIENT, suspend services and withhold project deliverables due under this Agreement until CONSULTANT has been paid in full for all past due amounts for undisputed services, expenses and charges, without waiving any claim or right against the CLIENT and without incurring liability whatsoever to the CLIENT.
4. Documents Retention. The CONSULTANT will maintain records that reflect all revenues, costs incurred and services provided in the performance of the Agreement. The CONSULTANT will also agree that the CLIENT or their duly authorized representatives may, at any time during normal business hours and as often as reasonably necessary, have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., and accounting procedures and practices of the CONSULTANT which are relevant to the contract for a period of six years.

(Remainder of this page intentionally left blank)

SECTION IV - GENERAL

A. STANDARD OF CARE

Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S profession currently practicing under similar conditions. No warranty, express or implied, is made.

B. CHANGE IN PROJECT SCOPE

In the event the CLIENT changes or is required to change the scope or duration of the project from that described in Exhibit I, and such changes require Additional Services by the CONSULTANT, the CONSULTANT shall be entitled to additional compensation at the applicable hourly rates. To the fullest extent practical, the CONSULTANT shall give notice to the CLIENT of any Additional Services, prior to furnishing such Additional Services. The CONSULTANT shall furnish an estimate of additional cost, prior to authorization of the changed scope of work and Agreement will be revised in writing.

C. LIMITATION OF LIABILITY

1. General Liability of CONSULTANT. For liability other than professional acts, errors, or omissions, and to the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CLIENT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by the acts and omissions in the non-professional services of CONSULTANT or CONSULTANT'S employees, agents, or subconsultants.
2. Professional Liability of CONSULTANT. With respect to professional acts, errors and omissions and to the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless CLIENT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by a negligent act, error or omission of CONSULTANT or CONSULTANT'S employees, agents, or subconsultants. This indemnification shall include reimbursement of CLIENT'S reasonable attorneys' fees and expenses of litigation, but only to the extent that defense is insurable under CONSULTANT's liability insurance policies.
3. General Liability of Client. To the fullest extent permitted by law and subject to the maximum limits of liability set forth in Minnesota Statutes Section 466.04, CLIENT shall indemnify, defend and hold harmless CONSULTANT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by the acts or omission of CLIENT or CLIENT'S employees, agents, or other consultants.
4. To the fullest extent permitted by law, CLIENT and CONSULTANT waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and

consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, from any cause or causes. CLIENT waives all claims against individuals involved in the services provided under this Agreement and agrees to limit all claims to the CONSULTANT's corporate entity.

5. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CLIENT or the CONSULTANT. The CONSULTANT'S services under this Agreement are being performed solely for the CLIENT'S benefit, and no other entity shall have any claim against the CONSULTANT because of this Agreement or the performance or nonperformance of services provided hereunder.

D. INSURANCE

1. The CONSULTANT agrees to maintain, at CONSULTANT'S expense a commercial general liability (CGL) and excess or umbrella general liability insurance policy or policies insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT'S general business activities. The general liability coverage shall provide limits of not less than \$2,000,000 per occurrence and not less than \$2,000,000 general aggregate. Coverage shall include Premises and Operations Bodily Injury and Property Damage; Personal and Advertising Injury; Blanket Contractual Liability; Products and Completed Operations Liability.
2. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, a single limit or combined limit automobile liability insurance and excess or umbrella liability policy or policies insuring owned, non-owned and hired vehicles used by CONSULTANT under this Agreement. The automobile liability coverages shall provide limits of not less than \$1,000,000 per accident for property damage, \$2,000,000 for bodily injuries, death and damages to any one person and \$2,000,000 for total bodily injury, death and damage claims arising from one accident.
3. CLIENT shall be named Additional Insured for the above CGL and Auto liability policies.
4. The CONSULTANT agrees to maintain, at the CONSULTANT'S expense, statutory worker's compensation coverage together with Coverage B, Employer's Liability limits of not less than \$500,000 for Bodily Injury by Disease per employee, \$500,000.00 for Bodily Injury by Disease aggregate and \$500,000 for Bodily Injury by Accident.
5. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, Professional Liability Insurance coverage insuring CONSULTANT against damages for legal liability arising from a negligent act, error or omission in the performance of professional services required by this Agreement during the period of CONSULTANT'S services and for three years following date of final completion of its services. The professional liability insurance coverage shall provide limits of not less than \$2,000,000 per claim and an annual aggregate of not less than \$2,000,000 on a claims-made basis.
6. CLIENT shall maintain statutory Workers Compensation insurance coverage on all of CLIENT'S employees and other liability insurance coverage for injury and property damage to third parties due to the CLIENT'S negligence.
7. Prior to commencement of this Agreement, CONSULTANT will provide the CLIENT with certificates of insurance, showing evidence of required coverages. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or

reduced in limits by endorsement for any reason except non-payment of premium, until at least 30 days prior written notice has been given to the Certificate Holder, and at least 10 days prior written notice in the case of non-payment of premium.

E. OPINIONS OR ESTIMATES OF CONSTRUCTION COST

Where provided by the CONSULTANT as part of Exhibit I or otherwise, opinions or estimates of construction cost will generally be based upon public construction cost information. Since the CONSULTANT has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the CLIENT and the CONSULTANT does not warrant or guarantee the accuracy of construction cost opinions or estimates. The CLIENT acknowledges that costs for project financing should be based upon contracted construction costs with appropriate contingencies.

F. CONSTRUCTION SERVICES

It is agreed that the CONSULTANT and its representatives shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall CONSULTANT have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at any Project site, nor for any failure of a Contractor to comply with Laws and Regulations applicable to that Contractor's furnishing and performing of its work. CONSULTANT shall not be responsible for the acts or omissions of any Contractor. CLIENT acknowledges that on-site contractor(s) are solely responsible for construction site safety programs and their enforcement.

G. USE OF ELECTRONIC/DIGITAL DATA

1. Because of the potential instability of electronic/digital data and susceptibility to unauthorized changes, copies of documents that may be relied upon by CLIENT are limited to the printed copies (also known as hard copies) that are signed or sealed by CONSULTANT. Except for electronic/digital data which is specifically identified as a project deliverable for this Agreement or except as otherwise explicitly provided in this Agreement, all electronic/digital data developed by the CONSULTANT as part of the Project is acknowledged to be an internal working document for the CONSULTANT'S purposes solely and any such information provided to the CLIENT shall be on an "AS IS" basis strictly for the convenience of the CLIENT without any warranties of any kind. As such, the CLIENT is advised and acknowledges that use of such information may require substantial modification and independent verification by the CLIENT (or its designees).
2. Provision of electronic/digital data, whether required by this Agreement or provided as a convenience to the Client, does not include any license of software or other systems necessary to read, use or reproduce the information. It is the responsibility of the CLIENT to verify compatibility with its system and long-term stability of media. CLIENT shall indemnify and hold harmless CONSULTANT and its Subconsultants from all claims, damages, losses, and expenses, including attorneys' fees arising out of or resulting from third party use or any adaptation or distribution of electronic/digital data provided under this Agreement, unless such third party use and adaptation or distribution is explicitly authorized by this Agreement.

H. REUSE OF DOCUMENTS

1. Drawings and Specifications and all other documents (including electronic and digital versions of any documents) prepared or furnished by CONSULTANT pursuant to this Agreement are instruments of service in respect to the Project and CONSULTANT shall retain an ownership interest therein. Upon payment of all fees owed to the CONSULTANT, the CLIENT shall acquire a limited license in all identified deliverables (including Reports, Plans and Specifications) for any reasonable use relative to the Project and the general operations of the CLIENT. Such limited license to Owner shall not create any rights in third parties.
2. CLIENT may make and disseminate copies for information and reference in connection with the use and maintenance of the Project by the CLIENT. However, such documents are not intended or represented to be suitable for reuse by CLIENT or others on extensions of the Project or on any other project. Any reuse by CLIENT or, any other entity acting under the request or direction of the CLIENT, without written verification or adaptation by CONSULTANT for such reuse will be at CLIENT'S sole risk and without liability or legal exposure to CONSULTANT and CLIENT shall indemnify and hold harmless CONSULTANT from all claims, damages, losses and expenses including attorney's fees arising out of or resulting from such reuse.

I. CONFIDENTIALITY

CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than CONSULTANT'S employees and subconsultants any information obtained from CLIENT not previously in the public domain or not otherwise previously known to or generated by CONSULTANT. These provisions shall not apply to information in whatever form that comes into the public domain through no fault of CONSULTANT; or is furnished to CONSULTANT by a third party who is under no obligation to keep such information confidential; or is information for which the CONSULTANT is required to provide by law or authority with proper jurisdiction; or is information upon which the CONSULTANT must rely for defense of any claim or legal action.

J. PERIOD OF AGREEMENT

This Agreement will remain in effect for the longer of a period of two (2) years or until such other expressly identified completion date, after which time the Agreement may be extended upon mutual agreement of both parties.

K. TERMINATION

This Agreement may be terminated:

1. For cause, by either party upon 7 days written notice in the event of substantial failure by other party to perform in accordance with the terms of this Agreement through no fault of the terminating party. For termination by CONSULTANT, cause includes, but is not limited to, failure by CLIENT to pay undisputed amounts owed to CONSULTANT within 120 days of invoice and delay or suspension of CONSULTANT's services for more than 120 days for reasons beyond CONSULTANT'S cause or control; or,
2. For convenience by CLIENT upon 7 days written notice to CONSULTANT.

3. Notwithstanding, the foregoing, this Agreement will not terminate under paragraph IV.K if the party receiving such notice immediately commences correction of any substantial failure and cures the same within 10 days of receipt of the notice.
4. In the event of termination by CLIENT for convenience or by CONSULTANT for cause, the CLIENT shall be obligated to the CONSULTANT for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section III of this Agreement. CONSULTANT shall deliver and CLIENT shall have, at its sole risk, right of use of any completed or partially completed deliverables, subject to provisions of Paragraph IV. H.
5. In event of termination by CLIENT for cause and in addition to any other remedies available to CLIENT, CONSULTANT shall deliver to CLIENT and CLIENT shall have right of use of any completed or partially completed deliverables, in accordance with the provisions of Paragraph IV.H. CLIENT shall compensate CONSULTANT for all undisputed amounts owed CONSULTANT as of date of termination.

L. INDEPENDENT CONTRACTOR

Nothing in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the CONSULTANT or any of its employees as the agent, representative, or employee of the CLIENT for any purpose or in any manner whatsoever. The CONSULTANT is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

M. CONTINGENT FEE

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Agreement.

N. NON-DISCRIMINATION

The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein. **The CONSULTANT is an Equal Opportunity Employer** and it is the policy of the CONSULTANT that all employees, persons seeking employment, subcontractors, subconsultants and vendors are treated without regard to their race, religion, sex, color, national origin, disability, age, sexual orientation, marital status, public assistance status or any other characteristic protected by federal, state or local law.

O. ASSIGNMENT

Neither party shall assign or transfer any interest in this Agreement without the prior written consent of the other party.

P. SURVIVAL

All obligations, representations and provisions made in or given in Section IV and Documents Retention clause of this Agreement will survive the completion of all services of the CONSULTANT under this Agreement or the termination of this Agreement for any reason.

Q. SEVERABILITY

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon CLIENT and CONSULTANT, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

R. CONTROLLING LAW

This Agreement is to be governed by the law of the State of Minnesota and venued in courts of Minnesota; or at the choice of either party, and if federal jurisdictional requirements can be met, in federal court in the district in which the project is located.

S. DISPUTE RESOLUTION

CLIENT and CONSULTANT agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law. Any claims or disputes unresolved after good faith negotiations shall then be submitted to mediation using a neutral from the Minnesota District Court Rule 114 Roster, or if mutually agreed at time of dispute submittal, a neutral from the American Arbitration Association Construction Industry roster. If mediation is unsuccessful in resolving the dispute, then either party may seek to have the dispute resolved by bringing an action in a court of competent jurisdiction.

T. MINNESOTA GOVERNMENT DATA PRACTICES ACT (MGDPA)

All data collected, created, received, maintained, or disseminated, or used for any purposes in the course of the CONSULTANT'S performance of the Agreement is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Section 13.01, et seq. or any other applicable state statutes and state rules adopted to implement the Act, as well as state statutes and federal regulations on data privacy. The Consultant agrees to abide by these statutes, rules and regulations and as they may be amended. In the event the CONSULTANT receives a request to release data, it shall notify CLIENT as soon as practical. The CLIENT will give instructions to CONSULTANT concerning release of data to the requesting party and CONSULTANT will be reimbursed as additional services for its reasonable labor and other direct expenses in complying with any MGDPA request, but only to the extent that the request is not due to a negligent, intentional or willful act or omission by the CONSULTANT or other failure to comply with its obligations under this contract.

(Remainder of this page intentionally left blank)

SECTION V - SIGNATURES

THIS INSTRUMENT embodies the whole agreement of the parties, there being no promises, terms, conditions or obligation referring to the subject matter other than contained herein. This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument signed by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their behalf.

CLIENT: HOUSTON COUNTY

CONSULTANT: BOLTON & MENK, INC.

Signature

Brian Pogodzinski, PE
Printed Name

Date



Signature

Brian Malm, PE
Printed Name

January 26, 2021
Date



Real People. Real Solutions.

2900 43rd Street NW
Suite 100
Rochester, MN 55901

Ph: (507) 208-4332
Fax: (507) 208-4155
Bolton-Menk.com

EXHIBIT 1

January 26, 2021

Mr. Brian Pogodzinski, PE
Houston County Engineer
1124 East Washington Street
Caledonia, MN 55921

RE: 2021 Watermain Improvements Scope of Services
City of Caledonia, MN

BASIC SERVICES SCOPE OF WORK

Bolton and Menk, Inc. (BMI) will complete the following basic services scope of work:

Task I – Civil Engineering Design

- a. General project design management.
- b. Arrange and lead one (1) kick-off / design meeting (via Microsoft Teams).
- c. Configure topographic survey and Highway Department finished surface into a survey base file for design. Add watermain easement, provided by the Owner, to the drawings.
- d. Create a 3-D model for the infrastructure construction.
- e. Project design includes:
 - Pavement removals and replacement,
 - Watermain layout, including placement of a fire hydrant, and
 - Turf re-establishment.
- f. Deliverables – Construction Plans: Title Sheet, Statement of Estimated Quantities, Miscellaneous Details & Tables, Existing Conditions and Removals, Watermain Plans, and Erosion Control and Permanent Turf Establishment Plan.
- g. Deliverables – Project Manual (Quotation Format): Contract Agreements, General and Supplemental Conditions, and Technical Specifications.
- h. Permit Application & Submittal
 - Minnesota Department of Health for a watermain extension.
- i. Bidding Assistance
 - Facilitate quotation solicitations.
 - Answer contractor calls.
 - Issue addenda (if needed).
 - Receive quotations via e-mail and prepare a letter of recommendation.

Task II – Construction Services

- a. General construction project management.
- b. Construction Administration
 - Facilitate the contract documents between Houston County and the contractor.
 - Facilitate a pre-construction meeting (held virtually).

- Review shop drawings.
- Prepare monthly payment applications.
- c. Construction Staking
 - Construction staking will be performed to provide horizontal and vertical reference to the proposed watermain.
 - This agreement provides for one (1) trip to stake the watermain.
- d. Construction Observation
 - Tracking and scheduling material testing (performed by others) and other quality assurance activities required in the contract. Construction materials testing includes soil compaction testing, aggregate base gradations, concrete testing, pavement quality testing, and other testing in accordance with the project manual.
 - Addressing contractor questions,
 - Provide full time construction observation up to 40 hours (includes drive time).
 - Prepare punchlist and facilitate punchlist walk-through with the contractor and Owner (assumes one additional trip).
- e. Project Closeout
 - As-Built/Record Drawings of the implemented construction will be prepared and delivered to the County and City upon completion of the project. The watermain loop will be updated in the City's GIS system.

SCHEDULE

Schedule for performance of Services will be as follows:

- a. Design Completion – End of March 2021
- b. Receive Quotes – April 2021
- c. Construction – May 2021

ASSUMPTIONS

This proposal is based upon the following assumptions:

- a. Design will be based on topographic survey information provided by Houston County (received on January 7, 2021).
- b. Design will be based on the finished surface of the Highway Department facility provided by Houston County's design engineer Point of Beginning (received on January 8, 2021).
- c. Topographic survey necessary to supplement the project design will be performed as an additional service.
- d. Permit fees will be paid by the Consultant and reimbursed by the Owner.
- e. Construction materials testing will be performed under the agreement between AET and Bolton & Menk as a reimbursable fee.

Hello,

Dan from the SWCD here. As you may be aware of, we are currently a part of the planning process for a new comprehensive watershed management plan, with our neighbors to the north. This is just like the Root River One Watershed, One Plan, which has been a great success so far, and has funneled a lot of cost-share dollars into our area and allowed many good projects (like ponds and cover crops) to get installed. This new one will include the Pine Creek area of Houston County, which is the only part of the county that is not covered under the Root River 1W1P.

We have had a couple of Policy Committee meetings so far, and things are getting off the ground for this new plan. The next order of business is to get the MOA signed by all of the County Boards, SWCD Boards, Watershed Districts, etc. This MOA has already been reviewed and approved by the Policy Committee and by each County Attorney.

So if the Houston County Board could review and sign the attached MOA at their next board meeting, that would be greatly appreciated. This is an action item. There are three copies of the MOA attached: one-sided Word document, one-sided PDF document, and two-sided PDF document. They are all the same document, so feel free to use whichever one you want. We only need one of them signed and returned. If you want me to attend this board meeting to explain it further, I can, just let me know.

Please let me know if this can get onto next week's meeting agenda.

Thank you,

--

Dan Wermager
Water Planner/Technician
Root River SWCD
(507) 724-5261 ext. 3
danowermager@gmail.com

**ONE WATERSHED ONE PLAN
MISSISSIPPI RIVER-WINONA LA CRESCENT WATERSHED
MEMORANDUM OF AGREEMENT**

This agreement (Agreement) is made and entered into by and between:

The Counties of Houston, Olmsted, Wabasha, and Winona (Counties), by and through their respective County Board of Commissioners, and

The Olmsted, Root River, Wabasha County, and Winona County Soil and Water Conservation Districts (SWCDs), by and through their respective Soil and Water Conservation District Board of Supervisors, and

The Stockton-Rollingstone-Minnesota City Watershed District (SRMCWD), by and through its respective Board of Managers, and

The City of Winona, by and through their Council members
Collectively referred to as "Parties".

WHEREAS, the Counties of this Agreement are political subdivisions of the State of Minnesota, with authority to carry out environmental programs and land use controls, pursuant to Minnesota Statutes Chapter 375 and as otherwise provided by law; and

WHEREAS, the Soil and Water Conservation Districts (SWCDs) of this Agreement are political subdivisions of the State of Minnesota, with statutory authority to provide technical assistance to landowners and carry out erosion control and other soil and water conservation programs, pursuant to Minnesota Statutes Chapter 103C and as otherwise provided by law; and

WHEREAS, the Watershed District (SRMCWD) of this Agreement is a political subdivision of the State of Minnesota, with statutory authority to carry out conservation of the natural resources of the state by land use controls, flood control, and other conservation projects for the protection of the public health and welfare and the provident use of the natural resources, pursuant to Minnesota Statutes Chapters 103B, 103D and as otherwise provided by law; and

WHEREAS, the City of this Agreement is a municipal corporation of the State of Minnesota, with statutory authority to control, regulate and/or prevent stormwater pollution along with soil and sedimentation within its boundary, and to establish standards and specifications for conservation practices and planning activities that minimize stormwater pollution, soil erosion and sedimentation, pursuant to Minnesota Rules Chapter 7001 and 7090; and with authority to carry out land use controls, pursuant to Minnesota Statutes Chapter 462 and as otherwise provided by law; and

WHEREAS, the Parties to this Agreement have a common interest and statutory authority to prepare, adopt, and assure implementation of a comprehensive watershed management plan in the Mississippi River-Winona La Crescent Watershed (*See Attachment A for map of planning area*) to conserve soil and water resources through the implementation of practices, programs, and regulatory controls that effectively control or prevent erosion, sedimentation, siltation and related pollution in order to preserve natural resources, ensure

continued soil productivity, protect water quality, reduce damages caused by floods, preserve wildlife, protect the tax base, and protect public lands and waters; and

WHEREAS, with matters that relate to coordination of water management authorities pursuant to Minnesota Statutes Chapters 103B, 103C, and 103D, this Agreement does not change the rights or obligations of the public drainage system authorities; and

WHEREAS, the Parties have formed this Agreement for the specific goal of developing a plan pursuant to Minnesota Statutes § 103B.801, Comprehensive Watershed Management Planning, also known as *One Watershed, One Plan* for the Mississippi River-Winona La Crescent Watershed.

NOW, THEREFORE, the Parties hereto agree as follows:

- 1 Purpose:** The Parties to this Agreement recognize the importance of partnerships to plan and implement protection and restoration efforts for the Mississippi River-Winona La Crescent Watershed (*See Attachment A with a map of the planning area*). The purpose of this Agreement is to collectively develop and adopt, as local government units, a comprehensive watershed management plan pursuant to Minnesota Statutes § 103B.801 for implementation per the provisions of the Plan. Parties signing this agreement will be collectively referred to as the “Mississippi River Winona La Crescent 1W1P”, and are partnering together as a joint powers collaboration in the form of a joint powers agreement under Minnesota Statutes § Section 471.59.
- 2. Term and Termination:**
 - a. This Agreement is effective upon signature of all Parties hereto in consideration of the Board of Water and Soil Resources (BWSR) grant agreement and in accordance with BWSR’s Operating Procedures for One Watershed, One Plan; and will remain in effect until adoption of the Plan by all Parties, unless canceled or otherwise terminated according to the provisions of this Agreement or earlier terminated by law.
 - b. Parties anticipate that this Agreement will remain in full force and effect through the term of the grant agreement with BWSR, unless otherwise terminated in accordance with law or other provisions of this Agreement. The Parties acknowledge their respective and applicable obligations, if any, under Minnesota Statutes § 471.59, Subd. 5 after the purpose of the Agreement has been completed. This Agreement shall be terminated upon the end of the term of the grant agreement with BWSR unless the grant agreement is extended by the Parties. It is anticipated that this Agreement will be in place until an implementation planning grant is obtained by the Parties and a new Agreement between the Parties is in place for the implementation planning phase for the Mississippi River-Winona La Crescent Watershed.
 - c. The Parties may extend the termination date of this Agreement upon the mutual written agreement by all Parties.

3. **Adding Additional Parties:** A qualifying party within the Mississippi River-Winona La Crescent Watershed desiring to become a member of this Agreement shall adopt a resolution of its governing body prior to December 31, 2021 approving this Agreement. The qualifying party agrees to abide by the terms and conditions of this Agreement; as well as, the bylaws, policies and procedures adopted by the Policy Committee.
4. **Withdrawal of Parties:** A party desiring to leave the membership of this Agreement shall indicate its intent in writing to the Policy Committee in the form of an official resolution adopted by its governing body. Notice must be made at least 30 days in advance of leaving this Agreement.
5. **General Provisions:**
 - a. **Compliance with Laws/Standards:** The Parties agree to abide by all Federal, State or local laws; statutes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this Agreement or to the facilities, programs, and staff for which the respective Party is responsible.
 - b. **Indemnification:** Each party to this Agreement shall be liable for the acts of its officers, employees or agents and the results thereof to the extent authorized or limited by law and shall not be responsible for the acts of any other party hereto, or its officers, employees or agents. The provisions of the Municipal Tort Claims Act, Minnesota Statutes Chapter 466 and other applicable laws limiting liability of the Parties shall apply. To the full extent permitted by law, actions by the Parties, their respective officers, employees, and agents, pursuant to this Agreement are intended to be and shall be construed as a "cooperative activity". It is the intent of the Parties that they shall be deemed a "single governmental unit" for the purpose of liability, as set forth in Minnesota Statutes § 471.59, subd. 1a(a). For purposes of Minnesota Statutes § 471.59, subd. 1a(a) it is the intent of each Party that this Agreement does not create any liability or exposure of one party for the acts or omissions of the other Party(ies). Under no circumstances shall a Party be required to pay on behalf of itself and other Parties, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one Party. The limits of liability for some or all of the Parties may not be added together to determine the maximum amount of liability for any Party. Nothing in this Agreement shall be construed to waive any immunities or limitations to which a party is entitled under Minnesota Statutes Chapter 466 or otherwise.
 - c. **Records Retention and Data Practices:** The Parties agree that records created pursuant to the terms of this Agreement will be retained in a manner that meets their respective entity's adopted records retention schedules pursuant to Minnesota Statutes § 138.17. The Parties further agree that records prepared or maintained in furtherance of this Agreement shall be subject to the Minnesota Government Data Practices Act. At the time this Agreement expires, all records will be turned over to the Fiscal Agent for continued retention in accordance with 7. e and 8.f. below.
 - d. **Timeliness:** The Parties agree to perform obligations under this Agreement in a timely manner and keep each other informed about any delays that may occur.
 - e. **Amendment:** The Parties may modify this Agreement upon approval by a majority vote of all of the

Parties to the Agreement. Any amendment to this Agreement shall be in writing, adopted by each Party in the same manner as the original Agreement.

- f. **Authorized Signatories.** The parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- g. **Governing Law.** The laws of the State of Minnesota shall govern any interpretations or constructions of this Agreement without regard to its choice of law or conflict of laws principles.
- h. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein.
- i. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.
- j. **Entire Agreement.** These terms and conditions constitute the entire agreement between the parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Agreement.
- k. **Headings and Captions.** Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- l. **Force Majeure.** The Parties shall each be excused from performance under this Agreement while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, public health pandemic, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event any party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement then the party affected by force majeure shall give written notice with explanation to the other parties immediately.
- m. **Recitals.** The recitals hereto are made a part hereof.

6. **Administration:**

- a. **Establishment of Committees for Development of the Plan.**

- i. **Policy Committee.** The Parties each agree to appoint/designate one representative, who must be a current elected or appointed member of the governing body of each respective Party, to a Policy Committee for development of the watershed-based plan.

The Policy Committee will meet monthly, or as needed and as determined by the Policy Committee. The Policy Committee decides on the content of the Plan, serve as a liaison to their respective board/council, and act on behalf of their board/council. Each representative shall have one vote.

Each governing body may choose one alternate to serve on the Policy Committee, as needed in the absence of the appointed/designated member. The alternate must be an elected or appointed member of the governing body of each respective Party.

- ii. **Advisory Committee.** An Advisory Committee will be established by the Policy Committee to provide technical support on the development of the Plan, Plan content, and Plan implementation, including identification of priorities. Specific duties will be established by the Policy Committee. The Advisory Committee will consist of the local Planning Workgroup, stakeholders, the state's main water agencies, technical representatives appointed by individual Parties and/or plan review agencies (Board of Water and Soil Resources, Minnesota Department of Agriculture, Minnesota Department of Health, Minnesota Department of Natural Resources, Minnesota Pollution Control Agency, and Environmental Quality Board). The Advisory Committee will meet quarterly, or as needed. Members of the Advisory Committee may not be a current member of the governing body of any of the Parties.
- iii. **Planning Workgroup.** A Planning Workgroup will be established consisting of local staff, local water planners, local watershed staff, local SWCD staff and city staff for the purposes of logistical and day-to-day decision-making in the planning process. The Planning Workgroup will meet monthly, or as needed and may attend, in lieu of or in addition to their monthly meeting, Policy and Advisory Committee meetings.

- b. **Bylaws.** The Policy Committee will establish bylaws by March 31, 2021 to describe the functions and operations of the Policy Committee.
- c. **Submittal of the Plan.** The Policy Committee will recommend the draft plan to the Parties of this Agreement. The Policy Committee will be responsible for initiating a formal review process for the watershed-based plan conforming to Minnesota Statutes Chapters 103B and 103D including public hearings. Upon completion of local review and comment, and approval of the plan for submittal to BWSR by each party, the Policy Committee will submit the watershed-based plan jointly to the Board of Water and Soil Resources for review and approval.
- d. **Adoption of the Plan.** The Parties agree to adopt and begin implementation of the Plan within 120

days of receiving notice of state approval, and provide notice of Plan adoption pursuant to Minnesota Statutes Chapters 103B and 103D.

7. **Fiscal Agent:** Root River Soil and Water Conservation District will act as the fiscal agent for the purposes of this Agreement and agrees to:
 - a. Accept all fiscal responsibilities associated with the implementation of the BWSR grant agreement for developing a watershed-based plan and sign the grant agreement on behalf of the Parties listed within, and being responsible for BWSR reporting requirements associated with the grant agreement.
 - b. Perform financial transactions as part of grant agreement and contract implementation.
 - c. Annually provide a full and complete audit report.
 - d. Provide the Policy Committee and its members with the records necessary to describe the financial condition of the BWSR grant agreement.
 - e. Retain fiscal records consistent with the agent's records retention schedule (See 5.c.).
8. **Grant Administration:** Winona County (Water Planner) will act as the Day-to-Day Contact for the purposes of this Agreement and agrees to provide the following services:
 - a. Accept all day-to-day responsibilities associated with the implementation of the BWSR grant agreement for developing a watershed-based plan, including being the primary BWSR contact for the *One Watershed, One Plan* Grant Agreement.
 - b. Provide the Policy Committee with the records necessary to describe the planning condition of the BWSR grant agreement.
 - c. Coordination of Policy and public meetings as required by Minnesota Statutes Chapters 103B and 103D as part of the formal review process for the watershed-based plan, including establishing date, location, time, technology needs, presenters, and any necessary accommodations, such as refreshments.
 - d. Manage contracted service for data compilation, GIS mapping, data analysis, meeting facilitation, and plan writing.
 - e. Ensure that minutes of all Policy Committee meetings are recorded and made available in a timely manner to the Policy Committee, and maintain a file of all approved minutes including corrections and changes.
 - f. Retain records consistent with Day-to-Day Contact's records retention schedule until termination of the Agreement (at that time, records will be turned over to the Fiscal Agent) (See 5.c.).

9. Authorized Representatives: The following persons will be the primary contacts for all matters concerning this Agreement:

Houston County
Donna Trehus, or her assigns
County Auditor/Treasurer
304 South Marshall Street
Caledonia, MN 55921
Telephone: (507)725-5185

Root River SWCD
David Walter, or his assigns
District Administrator
805 North Hwy 44/76, Suite 1
Caledonia, MN 55921
Telephone: (507)724-5261

Olmsted County
Heidi Welsch, or her assigns
County Administrator
151 4th Street SE
Rochester, MN 55904
Telephone: (507)328-6001

Olmsted SWCD
Skip Langer, or his assigns
District Administrator
2122 Campus Drive SE
Rochester, MN 55904
Telephone: (507)328-7070

Wabasha County
Brian Buhmann, or his assigns
County Administrator
625 Jefferson Avenue
Wabasha, MN 55981
Telephone: (651)565-3051

Wabasha County SWCD
Terri Peters, or her assigns
District Administrator
611 Broadway Ave, Suite 10
Wabasha, MN 55981
Telephone: (651)565-4673

Winona County
Ken Fritz, or his assigns
County Administrator
202 West Third Street
Winona, MN 55987
Telephone: (507)457-6355

Winona County SWCD
Daryl Buck, or his assigns
District Administrator
400 Wilson St N, PO Box 39
Lewiston, MN 55952
Telephone: (507)523-2171, Ext. 112

Stockton-Rollingstone-Minnesota City
Watershed District
Machelle Frisbie, or her assigns
Watershed District Chair
110 Washington St
Rollingstone, MN 55969
Telephone: (507)410-1114

City of Winona
Steve Sarvi, or his assigns
City Manager
207 Lafayette
City Hall
Winona, MN 55987
Telephone: (507)457-8234

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

PARTY: HOUSTON COUNTY

APPROVED:

BY: _____
County Board Chair Date

ATTEST: _____
County Administrator/Deputy Clerk of the County
Board

APPROVED AS TO FORM

BY: _____
County Attorney Date

PARTY: ROOT RIVER SOIL AND WATER CONSERVATION DISTRICT

APPROVED:

BY: _____
Root River SWCD Board Chair Date

ATTEST: _____
Root River SWCD Manager

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

PARTY: OLMSTED COUNTY

APPROVED:

BY: _____
County Board Chair Date

ATTEST: _____
County Administrator/Deputy Clerk of the County
Board

APPROVED AS TO FORM

BY: _____
County Attorney Date

PARTY: OLMSTED SOIL AND WATER CONSERVATION DISTRICT

APPROVED:

BY: _____
Olmsted SWCD Board Chair Date

ATTEST: _____
Olmsted SWCD Manager

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

PARTY: WABASHA COUNTY

APPROVED:

BY: _____
County Board Chair Date

ATTEST: _____
County Administrator/Deputy Clerk of the County
Board

APPROVED AS TO FORM

BY: _____
County Attorney Date

PARTY: WABASHA COUNTY SOIL AND WATER CONSERVATION DISTRICT

APPROVED:

BY: _____
Wabasha County SWCD Board Chair Date

ATTEST: _____
Wabasha County SWCD Manager

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

PARTY: WINONA COUNTY

APPROVED:

BY: _____
County Board Chair Date

ATTEST: _____
County Administrator/Deputy Clerk of the County
Board

APPROVED AS TO FORM

BY: _____
County Attorney Date

PARTY: WINONA COUNTY SOIL AND WATER CONSERVATION DISTRICT

APPROVED:

BY: _____
Winona County SWCD Board Chair Date

ATTEST: _____
Winona County SWCD Manager

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

PARTY: STOCKTON-ROLLINGSTONE-MINNESOTA CITY WATERSHED DISTRICT

APPROVED:

BY: _____
SRMCWD Board Chair Date

ATTEST: _____
SRMCWD Secretary

IN TESTIMONY WHEREOF the Parties have duly executed this agreement by their duly authorized officers.

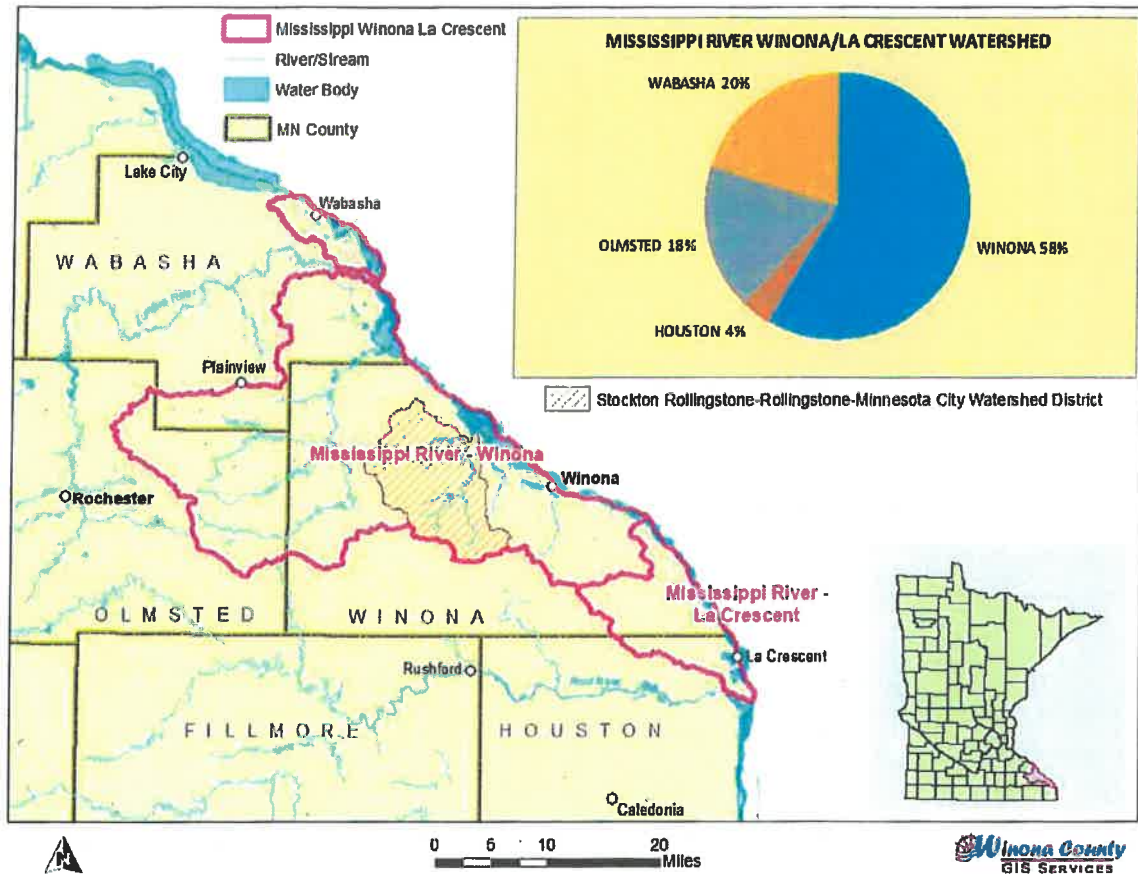
PARTY: CITY OF WINONA

APPROVED:

BY: _____
Mayor Date

ATTEST: _____
City Clerk

Attachment A



**HOUSTON COUNTY
AGENDA REQUEST FORM
FEBRUARY 2, 2021**

Date Submitted: January 29, 2021

By: Carol Lapham

- **Request to increase the SELCO 2021 appropriation budget to \$165,977 as reflected in the signed contract which was approved by the Board on July 28, 2020. This is a \$47 increase over the approved budget amount as reflected in Resolution 21-04 approved on January 5, 2021. It is presumed that the 1.5% increase that was agreed upon was rounded up to \$2,500 when SELCO compiled the 1 year contract.**

Reviewed by:

___ **HR Director**

___ **Finance Director**

___ **IS Director**

___ **County Attorney**

___ **Environmental Svcs**

County

___ **Sheriff**

County

___ **Engineer**

___ **PHHS**

Other

(indicate

___ **dept)**

Recommendation:

Decision:

SELCO – HOUSTON COUNTY CONTRACT FOR LIBRARY SERVICE

This Agreement made and entered into effective, by and among Southeastern Libraries Cooperating, a non-profit corporation as organized under Minnesota Statutes 317A, also designated as a regional public library system as recognized in Minnesota Statutes 134.20 (hereinafter referred to as "SELCO"), the County of Houston, State of Minnesota (hereinafter referred to as "County") and the Library Boards as established under Minnesota Statutes 134.11 governing the Caledonia Public Library, Hokah Public Library, Houston Public Library, LaCrescent Public Library and the Spring Grove Public Library, (hereinafter referred to as the "Libraries").

RECITALS:

- A. The State of Minnesota requires the County, pursuant to the provisions of Minnesota Statutes 134.34 and 134.341 to participate in a regional public library system, as assigned by the Minnesota Department of Education.
- B. SELCO is a regional public library system created pursuant to Minnesota statutes and is designated to serve County.
- C. SELCO and the Libraries have the authority and responsibility to determine library services to be provided to County's residents, as per this agreement.
- D. SELCO, the County and the Libraries wish to set forth their relative responsibilities in connection with their relationship under Minnesota statutes. All parties shall provide employment and services to all people without discrimination and shall comply with all federal, state, and local laws, or ordinances, rules, regulations, and executive orders pertaining to unlawful discrimination on the basis of race, color, creed, religion, national origin, sex, marital status, or status with regard to public assistance, disability, sexual orientation, or age.
- E. The Board of Commissioners of County has the continuing authority and responsibility to determine how to distribute County property tax dollars, a portion of which is to pay for public library services.

NOW, THEREFORE, the parties hereto agree as follows:

- 1. County will participate in SELCO.
- 2. County will levy and collect funds on lands not otherwise taxed for library services for the support of library services in the County in accordance with Minnesota Statutes 134.34.
- 3. The County agrees to provide funding at a level of:
2021 \$165,977
- 4. The Libraries and SELCO shall provide library service to the residents of the County at no additional fee beyond those imposed on all library users. These services will include by way of illustration but not limitation:
 - a. Onsite use of all library materials, equipment and resources, including public access Internet computers;
 - b. Onsite and remote access to licensed online electronic resources;
 - c. Checkout/circulation privileges for all circulating materials. These may include, but are not necessarily limited to, such items as books, audio and video media, and magazines;
 - d. Walk-in privileges at Minnesota public libraries;
 - e. Interlibrary loan service, accessing items in the 11 county area, as well as statewide access to MnLINK;
 - f. Access to children's services including school visits, pre-school storytimes and summer library programs;

- g. On-site reference service;
 - h. Ease of return – check out material from any library and return to any SELCO library;
 - i. Programs for various age groups; and
 - j. Commitment to cooperate with other community groups.
5. SELCO shall bill County quarterly for the funding level of the County. County shall pay such invoices within 30 days of the date of the invoice.
6. SELCO, acting as fiscal agent and after receiving County payment as outlined in clause 3, will disperse operating funds to the Libraries.
7. SELCO shall collect necessary data from County and the Libraries to report to the Minnesota Department of Education by July 1 of each year. The Commissioner of Education will certify to the County and the Libraries the minimum level of support required by Minnesota Statutes 134.34.
8. The Libraries agree to provide the County and SELCO with statistical data based on information gathered by the Minnesota Department of Education as referenced in Minnesota Statutes 134.13.
9. County will appoint a representative to the SELCO Board of Directors. A vacancy in this position shall be filled in the same manner as the original appointment was made.
10. The term of this Agreement shall be for a period of one (1) year commencing January 1, 2021. The parties agree to negotiate additional terms in good faith beginning a minimum of six (6) months prior to the termination date. If the parties fail to complete negotiations before the expiration of this Agreement, this Agreement shall remain in effect on a month-to-month basis until such negotiations are completed.
11. This agreement may be terminated as follows:
- a. By mutual written consent of all Parties;
 - b. By written notice from SELCO to County if County is in material breach of this Agreement for thirty (30) days after written notice of such breach.
 - c. By written notice from County to SELCO if SELCO is in material breach of this Agreement for thirty (30) days after written notice of such breach.
12. This document states the entire Agreement among the parties about its subject matter. No agreement affecting the subject matter of this Agreement shall be entered into by any of the Parties, unless all Parties are signatories to such agreement. This Agreement may only be changed, modified, or amended through a written instrument signed by all of the parties to it expressly referencing this Agreement.

Southeastern Libraries Cooperating (SELCO)



President of SELCO Board of Directors

Date 10/27/20


County of Houston



County Board of Commissioners, Chair

Date 26 July 2020

In Witness Whereof, Resolution of the Board of Commissioners of Houston County, Minnesota


County Auditor ~~Administrator~~

Date 28 July 2020

Caledonia Public Library


Library Board President

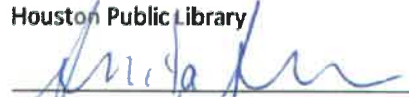
Date 5 August 2020

Hokah Public Library


Library Board President


Date 25 August 2020

Houston Public Library


Library Board President

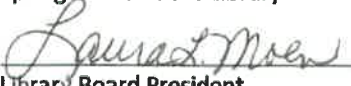
Date 8/31/2020

LaCrescent Public Library


Library Board President

Date Sept 4th 2020

Spring Grove Public Library


Library Board President

Date Sept. 12, 2020



2020 ANNUAL REPORT

HOUSTON COUNTY ECONOMIC DEVELOPMENT AUTHORITY

Introduction

2020 began as a year with positive momentum for the Houston County Economic Development Authority (EDA) and its partners! In March of 2020, the EDA began helping businesses work through unprecedented challenges caused by the COVID-19 pandemic. Despite the pandemic, Houston County businesses have proved to be resilient, innovative, and adaptive. In addition to providing COVID-19-related funding assistance, the Houston County EDA continued work on two fundamental projects: 1.) An initiative to help Houston County farmers try new things both on and off their farms, and 2.) the continued expansion of the Bluff Country Collaborative program, which has grown into a strong partnership with area schools including all Houston County School Districts, over 50 businesses, and several organizational partners. These three accomplishments, in addition to the day-to-day work of connecting with businesses and providing assistance to entrepreneurs, have set Houston County up to become a recognized leader in rural development. Thank you for your support and participation in 2020!

2020 Highlights

COVID-19 Business Relief

Administered Houston County CARES Business Relief Grant

- In the summer of 2020 the Houston County Board of Commissioners allocated \$1,130,000 of County CARES Act funds to disburse to small businesses (50 or fewer employees and \$5m or less in annual revenue) in the form of an economic support grant. La Crescent township also allocated funds towards this program. Later in the summer, the Houston County Board of Commissioners allocated an additional \$30,000 in funding for businesses directly affected by Executive Order 20-99, directing a 4-week "Dial Back" period. The Houston County EDA was tasked with creating a grant program and administering all the grant funds.
- 255 Grant applications were received. **245 eligible applicants were awarded grant funds for a total of \$1,187,166.36 in grant funds.** All eligible businesses who applied received grant funds, and all grant dollars were used.



- Eligible Houston County businesses included registered or licensed state businesses in good standing, non-profits with a physical brick and mortar building, sole proprietors who provided a schedule C tax return, and farmers who provided a schedule F tax return.

Business Development

Administered one EDA loan totaling \$30,000 for a Houston County Business

- Administered a \$30,000 loan to 7 Rivers Properties LLC for Kaddy's Kafé in La Crescent
 - Total project cost: \$225,000
 - Funds used to purchase building for restaurant business
 - The project retained 24 jobs, including 5 FTE
- Provided professional business coaching to Houston County business owners



- Partnered with the La Crescent Chamber and City of La Crescent to offer free webinar for businesses regarding COVID-19 programs and assistance for businesses
- Offered free webinars for businesses in partnership with Houston County Public Health regarding COVID-19 safety and guidelines in the workplace
- Prior to the pandemic held a free Houston County Career Fair in February at the La Crescent Area Event Center where 30 businesses participated
- Helped coordinate virtual tours in celebration of the statewide Manufacturing Week, creating the opportunity for 60+ regional students to tour regional

businesses online

Revolving Loan Fund Summary (as of Dec. 31, 2020):

Total Number of Active Loans:	13
Year End 2020 Cash on Hand Available to Lend:	\$457,771.06
Year End 2019 Cash on Hand Available to Lend:	\$436,247.21
Outstanding Principal 2020:	\$271,156.39
Outstanding Principal 2019:	\$288,524.09

Loan Investments in 2020

Total Loan Investments:	\$30,000
Total Dollars Leveraged:	\$42,000

Farming Initiative

- Continued work on a Houston County farming initiative to help farmers try new things both on and off the farm. The EDA's goal is to get to know farmers, develop plans based on their individual interests and needs, and help them adapt so that they can be successful.
- Continued partnership with Workforce Development Inc. and U of M Extension.
- Updated agriculture page on EDA website with resources for farmers:
<https://houstoncountymn.com/agriculture/>.

- Closed out an \$18,000 Southern Minnesota Initiative Foundation (SMIF) grant for farming enterprise called Driftless Grown: Helped farmers build skills as entrepreneurs and connect with resources to help strengthen their business. Aimed to support existing and budding farmers by connecting them with education, networks, resources, and new markets, as well as attract new entrepreneurs to the region through strategic branding and promotion.
- Partnered with CEDA's Harvest Entrepreneur Network (HEN) to host "*Growing Stronger Together*", a free webinar series presenting practical information for farmers throughout the region. Topic titles included Direct Marketing for Farmers, Grant Money for Farmers: How to Maximize Funding to Grow Your Business, Farmers Get Creative During Pandemic, and Ask a Lawyer: Navigating the Legal Structure of Your Businesses. The workshops were free to participants thanks to the generous support of the MN Department of Employment and Economic Development, Southern MN Initiative Foundation, and Merchant's Bank. The webinars can still be accessed by farmers and can be found on the agriculture page of the EDA website.



Bluff Country Collaborative

- Continued work on the Bluff County Collaborative (BCC), a partnership among Houston County EDA, Fillmore County EDA, area schools including all Houston County School Districts, over 50 businesses, Workforce Development Inc., Perkins Consortium, and SE Service Cooperative. This partnership aims to create work-based learning opportunities for local students. The effort looks to place students with local business experiential learning activities, creating valuable job experience, exposing them to career opportunities, and develop workforce a workforce pipeline for participating businesses.
- Secured grant funding and hired two BCC Career Navigators
- With the help of the BCC navigators set up student internships, had business speakers in classrooms, and conducted student interviews.
- Continued helping businesses participate in FutureForward, a free online tool for employers to connect with local educators and students .

2021 GOALS

- Continue to provide relief to businesses affected by the COVID-19 pandemic
- Strengthen partnerships with Houston County schools, and continue Bluff Country Collaborative initiative
- Continue to work with farmers on farming initiative
- Keep growing public awareness of the Houston County EDA
 - Convene with municipal EDAs
- Implement strategic marketing practices for Houston County and its communities
 - Continue to grow social media presence
 - Maintain distribution of brochures
 - Provide support to local businesses and entrepreneurs
 - Carry out business retention visits and tours
 - Continue to offer business coaching through the Small Business Development Center
 - Host free technical assistance trainings and business workshops