

**HOUSTON COUNTY
AGENDA REQUEST FORM
June 7, 2022**

Date Submitted: 6/2/22

By: Brian Swedberg, Chief Deputy

ACTION REQUEST:

NONE

CONSENT AGENDA REQUEST:

- **Approve 2022 State of MN Boat and Water Safety Grant. Grant amount is \$5,310.00.**

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



**2022 STATE OF MINNESOTA
ANNUAL COUNTY BOAT AND WATER SAFETY
GRANT CONTRACT AGREEMENT**

ENCUMBRANCE WORKSHEET

Contract# **PO#**

State Accounting Information:

Dept. ID R29	PC Bus. Unit R2901	Fiscal Year 2022	Source Type State	Vendor Number 0000197295-001
Total Amount \$5310	Project ID R29G70CGBLA19	Billing Location R297000221	UEI XEMPLXNMPRD93	

Accounting Distribution:

Fund 2100	Fin. Dept. ID R2937714	Appropriation ID R297400	Category 84101501	Account 441302	Activity A4CG002
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Grant Begin Date January 1, 2022	Grant End Date June 30, 2023
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Grantee Name and Address:
Houston County Sheriff's Office
306 S Marshall Street
Caledonia, MN 55921

Payment Address:
(where DNR sends the check)
Houston Co. Treasurer
304 S. Marshall St. #111
Caledonia, MN 55921

**2022 STATE OF MINNESOTA
ANNUAL COUNTY BOAT AND WATER SAFETY
GRANT CONTRACT AGREEMENT**

This grant contract agreement is between the State of Minnesota, acting through its Commissioner of Natural Resources, Enforcement Division ("State") and Houston County Sheriff's Office, 306 S Marshall Street, Caledonia, MN 55921, (XEMLXNMPRD93) ("Grantee"). The payment address for this grant contract agreement is Houston Co. Treasurer, 304 S. Marshall St. #111, Caledonia, MN 55921.

Recitals

1. Under Minnesota Statutes § 86B.701 & .705 the State is empowered to enter into this grant.
2. The State is in need of Sheriff's duties to carry out the provisions of Chapter 86B and the Boat and Water Safety Rules, hereinafter referred to as the "Minnesota Rules", including patrol, enforcement, search and rescue, watercraft inspection, issuance of temporary structure & event permits, waterway marking and accident investigation, all hereinafter referred to as the "Sheriff's Duties".
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract agreement to the satisfaction of the State. Pursuant to Minn.Stat. §16B.98, Subd.1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Contract Agreement

1 Term of Grant Contract Agreement

- 1.1 **Effective date:** January 1, 2022 or the date the State obtains all required signatures under Minn. Stat. §16B.98, Subd. 5. Once this grant contract agreement is fully executed, the Grantee may claim reimbursement for 2022 grant expenditures incurred back to effective date. Per Minn.Stat. §16B.98 Subd. 7, no payments will be made to the Grantee until this grant contract agreement is fully executed. Reimbursements will only be made for expenditures made according to the terms of this grant contract agreement.
- 1.2 **Expiration date:** June 30, 2023, or until all obligations have been satisfactorily fulfilled, whichever occurs first. Pursuant to Minnesota Statute §16A.28, Subdivision 6, the encumbrance may be certified for one year beyond the year in which funds were appropriated. The Grantee shall submit a final billing invoice within 30 days of the expiration of the grant as specified herein.
- 1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant contract agreement: 8. Liability; 9. State and Single Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

2 Grantee's Duties

The Grantee, who is not a state employee, will:

Provide county sheriff services for boat and water safety activities. As stated in Minnesota Statute § 86B.701, the Grantee will submit to the State a spending plan (Exhibit "A", which is attached and incorporated into this grant) along with this form to carry out the Sheriff's Duties. Boat and water safety activities are those outlined in Minnesota Statutes § 86B, Minnesota Rules, Chapter 6110, search and recovery operations in the waters of the State and the portions of Chapter 169A that are applicable to motorboats. Exhibit "B", which is attached and incorporated into this grant further defines the allowable expenditures. The Grantee is responsible for maintaining an adequate conflict of interest policy throughout the term of this grant contract.

The Grantee shall monitor and report any actual, potential or perceived conflicts of interest to the State's Authorized Representative.

The grantee will comply with required grants management policies and procedures set forth through Minnesota Statutes Section 16B.97, subdivision 4 (a)(1), and 2CFR 200.

Reporting Requirements: The Grantee must satisfactorily submit all activity and financial reports by the date(s) requested by the State, unless the State grants an extension in writing. Exhibit "B", which is attached and incorporated into this grant further defines reporting requirements.

3 Time

The Grantee must comply with all the time requirements described in this grant contract agreement. In the performance of this grant contract agreement, time is of the essence.

4 Consideration and Payment

4.1 **Consideration.** The State will pay for all services performed by the Grantee under this grant contract agreement as follows:

- (a) **Compensation.** The Grantee will be paid for all boat and water safety activities performed by the Grantee during the term of the grant up to Five thousand three hundred ten dollars (\$5,310).
- (b) **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract agreement will not exceed Five thousand three hundred ten dollars (\$5,310).
- (c) **Match:** *Grant funds cannot be used by the Grantee as match or for reimbursement for any other grant or program without written authorization from the State's Authorized Representative.*

4.2 **Payment**

- (a) **Invoices.** The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Submit one invoice at the end of the grant period or when all obligations have been satisfactorily fulfilled, whichever occurs first in a form prescribed by the State within the dates previously noted in "Term of Grant Contract Agreement" in this contract.

4.3 **Contracting and Bidding Requirements**

Per Minn. Stat. §471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

- (a) For projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§177.41 through 177.44. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.
- (b) The grantee must not contract with vendors who are suspended or debarred in MN:
<http://www.mmd.admin.state.mn.us/debarredreport.asp>
- (c) The grantee agrees if it subcontracts any portion of the project to another entity, the agreement with the subcontractor will contain all applicable provisions of the agreement with the state. The grantee also agrees to comply with 2 CFR 200.318-3321 and 2 CFR 200.323-326.

5 **Conditions of Payment**

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6 **Authorized Representative**

The State's Authorized Representative is Adam Block, Boating Law Administrator, Enforcement Division – Central Office, Minnesota Department of Natural Resources (DNR), 500 Lafayette Rd., St. Paul, MN 55155-4047, adam.block@state.mn.us or his/her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is Sheriff Mark Inglett, Houston County Sheriff's Office, 306 S Marshall Street, Caledonia, MN 55921. If the Grantee's Authorized Representative changes at any time during this grant contract agreement, the Grantee must immediately notify the State.

7 **Assignment, Amendments, Waiver, and Grant Contract Agreement Complete**

- 7.1 **Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this grant contract agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant contract agreement, or their successors in office.
- 7.2 **Amendments.** Any amendments to this grant contract agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract agreement, or their successors in office.
- 7.3 **Waiver.** If the State fails to enforce any provision of this grant contract agreement, that failure does not waive the provision or the State's right to enforce it.
- 7.4 **Grant Contract Agreement Complete.** This grant contract agreement, including Exhibits "A" and "B," contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract agreement, whether written or oral, may be used to bind either party.

8 **Liability**

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract agreement.

9 **Audits (State and Single)**

Under Minn. Stat. §16B.98, subd. 8, the Grantee books, records, documents, and accounting procedures and practices relevant to this grant contract agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant contract agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

If the grantee expends \$750,000 or more of Federal awards in a fiscal year, they must have a single audit according to the OMB Uniform Guidance: Cost Principles, Audit and Administrative Awards Requirements for Federal Awards. This is \$750,000 in total Federal awards received from all sources. The grantee will forward a copy of the audit report to both the State's Authorized Representative and the State Auditor.

10 Government Data Practices and Intellectual Property

10.1 **Government Data Practices.** The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract agreement. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

11 Workers' Compensation

The Grantee certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

12.1 **Publicity.** Any publicity regarding the subject matter of this grant contract agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors with respect to the program, publications, or services provided resulting from this grant contract agreement. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the grantee's website when practicable.

12.2 **Endorsement.** The Grantee must not claim that the State endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract agreement. Venue for all legal proceedings out of this grant contract agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 **Termination by the State.** The State may immediately terminate this grant contract agreement with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 **Termination for Insufficient Funding.** The State may immediately terminate this grant contract if:

(a) It does not obtain funding from the Minnesota Legislature.

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

15 Data Disclosure

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

16 American Disabilities Act

The Grantee is subject to complying with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.) and all applicable regulations and guidelines.

17 Non-Discrimination Requirements

No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. Including but not limited to:

- (a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;
- (b) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.
- (c) The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance;
- (d) Title II of the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination against qualified individuals with disabilities in services, programs, and activities of public entities.
- (e) Any other applicable non-discrimination law(s).

18 Invasive Species Prevention

The DNR requires active steps to prevent or limit the introduction, establishment, and spread of invasive species during contracted work. The contractor shall prevent invasive species from entering into or spreading within a project site by cleaning equipment prior to arriving at the project site.

If the equipment, vehicles, gear, or clothing arrives at the project site with soil, aggregate material, mulch, vegetation (including seeds) or animals, it shall be cleaned by contractor furnished tool or equipment (brush/broom, compressed air or pressure washer) at the staging area.

The contractor shall dispose of material cleaned from equipment and clothing at a location determined by the DNR Contract Administrator. If the material cannot be disposed of onsite, secure material prior to transport (sealed container, covered truck, or wrap with tarp) and legally dispose of offsite.

The contractor shall ensure that all equipment and clothing used for work in infested waters has been adequately decontaminated for invasive species (ex. zebra mussels) prior to being used in non-infested waters. All equipment and clothing including but not limited to waders, tracked vehicles, barges, boats, turbidity curtain, sheet pile, and pumps that comes in contact with any infested waters must be thoroughly decontaminated.

19 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

- 19.1 The prospective lower tier participant certifies, by submission of this grant contract agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- 19.2 Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this grant contract agreement.

20 Whistleblower Protection Rights

41 USC §4712, Enhancement of Recipient and Subrecipient Employee Whistleblower Protection

- (a) This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239).
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 USC 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

Attachments:

- _____ A. State Boat Grant Contract Agreement
- _____ B. Exhibit A
- _____ C. Exhibit B
- _____ D. Conflict of Interest Disclosure

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes § 16A.15.

Signed: Tara Rose Digitally signed by Tara Rose
Date: 2022.06.01 07:37:47 -05'00'

3. STATE AGENCY: NATURAL RESOURCES

By: _____
(With delegated authority)

SWIFT Contract # 212858

Purchase Order # 3-210105

2. GRANTEE:

The Grantee certifies that the appropriate person(s) have executed the grant contract agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

Distribution:

1. DNR - OMBS
2. Grantee
3. State's Authorized Representative

By: _____

Title: _____

Date: _____

**HOUSTON COUNTY
AGENDA REQUEST FORM
June 7, 2022**

**Date Submitted: June 1, 2022,
By: Tess Kruger, HRD/Facilities Mgr.**

ACTION

- None

APPOINTMENT REQUEST

- None

HR CONSENT AGENDA REQUEST

Auditor/Treasurer

- **Change the employment status of Heidi Lapham, Deputy Auditor/Treasurer – License Center Clerk, from probationary to regular, effective 6/14/2022**

Highway

- **Hire Alex Goergen as a probationary Maintenance Specialist, B23 Step 2, effective 06/08/2022, conditioned upon successful completion of background check**

PHHS

- **Confirm receipt of Tricia Laganieri Sand’s resignation as a probationary Child Protection Social Worker, effective 05/12/2022**
- **Approve initiating a competitive search for a Probationary Child Protection Social Worker.**

Sheriff’s Office

- **Approve initiating a competitive search for a temporary/casual employee (14 hours or less per week) – Tech Clerk I (to fill a recent vacancy)**
- **Rehire Kurt Zehnder as a temporary 67 day Sheriff’s Deputy for boat patrol**

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

Decision:



Northern Grain Belt Port Statistical Area Coming Soon



Media Contact
Bob Gollnik
608.785.9396
bob@mrrpc.com

LA CROSSE, Wis., May 15, 2022 — On April 20, 2022, the Mississippi River Regional Planning Commission (MRRPC)* submitted a Letter of Intent to the U.S. Waterborne Commerce Statistics Center to form the Northern Grain Belt Port Statistical Area (NGB PSA) as a principal U.S. Port. Once approved, the NGB PSA would encompass 11 riverfront counties in the bi-state (Wisconsin / Minnesota) region and together, based on freight tonnage, would allow for a ranking of the Port Statistical Area among the top inland ports in the United States.

Robert Sinkler, a Senior Advisor with Dawson & Associates and a member of the National Waterways Conference Board of Directors remarked that, "The NGB PSA is a major paradigm shift. It marries the global importance of this bi-state region as an essential part of the national and global supply chains with its ecological importance. You can't invest in or environmentally mitigate for a port that doesn't exist. The federal recognition is important."

The region has functioned as a port region for over 200 years but lacked federal recognition as a Port Statistical Area. "Federal recognition of the NGB PSA will not only enhance economic growth of the region, it will also support restoring ecological integrity of the Upper Mississippi River ecosystem," said Dr. Anshu Singh, Director of Sustainability for the Corn Belt Ports.

"The lack of federal recognition and attributing tonnage to the NGB PSA under-represents the economic value (value of waterborne commerce) to the nation and the world generated by the bi-state area above Locks and Dam 10 on the Mississippi River," said Nicole Wagner, Executive Director, Wisconsin Corn Growers Association. Currently, the only Principal U.S. Inland Port on the Upper Mississippi (Marine Highway 35) north of Locks and Dam 10 is the St. Paul Port Authority, MN.

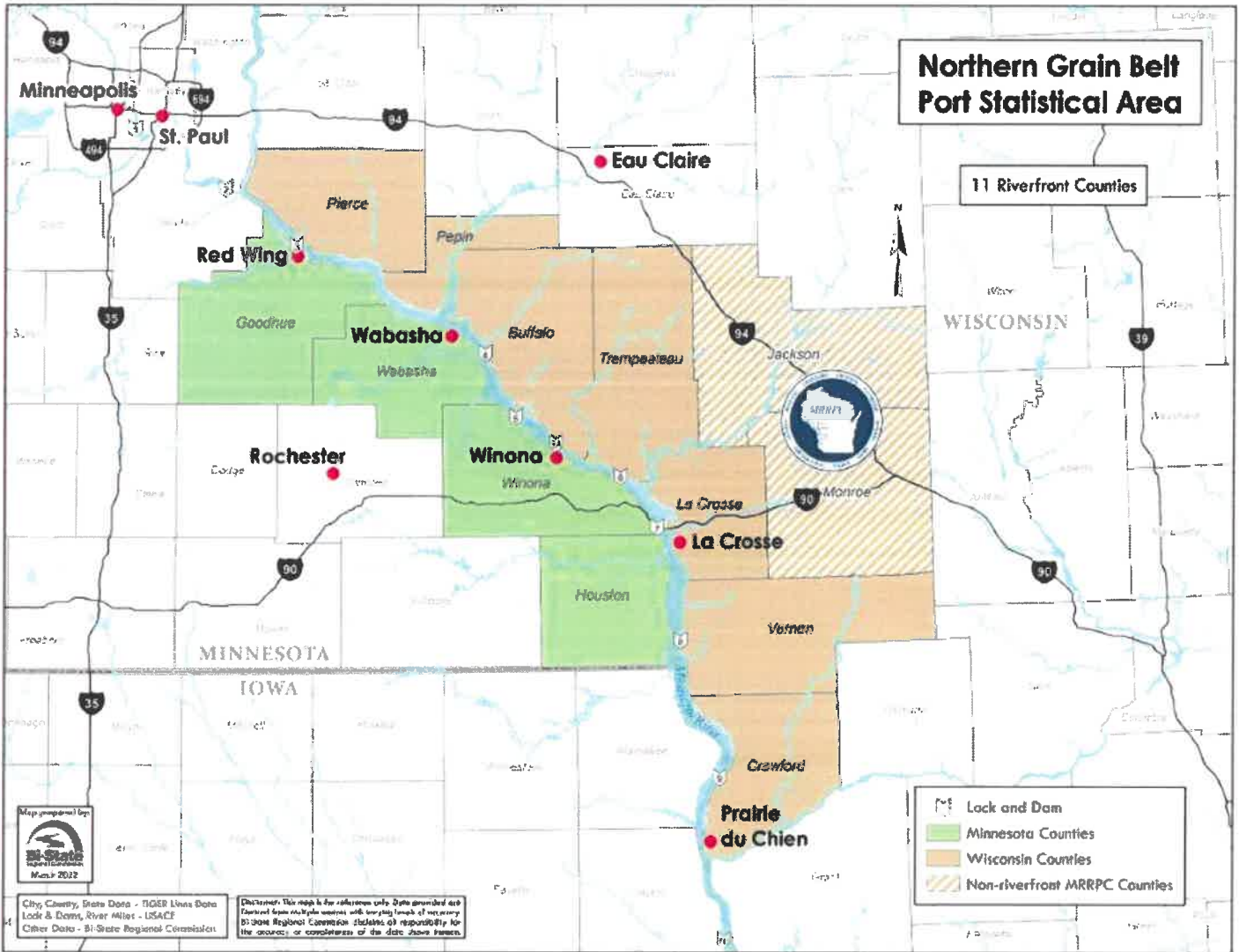
"Federal approval of the Northern Grain Belt Port Statistical Area is important for our rural communities in the bi-state region. Access to inland waterways is critical to the economic viability of our communities and allows small businesses and our farmers to export commodities around the world," said Adam Birr, Executive Director, Minnesota Corn Growers Association.

Eleven counties are listed on the Letter of Intent, four in Minnesota (Goodhue, Wabasha, Winona and Houston) and seven in Wisconsin (Pierce, Pepin, Buffalo, Trempealeau, La Crosse, Vernon and Crawford). "We expect the NGB PSA to assist in bringing valuable resources, enhance economic development, and help to raise the area's profile to improve regional, national and global visibility and competitiveness to our member counties and communities and to our neighbor counties across the river." said Peter Fletcher, Executive Director, La Crosse Area Planning Committee.

*The Mississippi River Regional Planning Commission (MRRPC) is a Commission of nine counties located along the Mississippi River in Western Wisconsin. The Commission was organized in 1964 under Wisconsin State Statutes to plan for the physical, social and economic development of the Region.



Northern Grain Belt Port Statistical Area Coming Soon



Map courtesy of Bi-State Regional Commission.

HOUSTON COUNTY

RESOLUTION NO. 22-32

A resolution of and by Houston County, Minnesota supporting the creation of the statistical boundaries of the Northern Grain Belt Port Statistical Area.

WHEREAS, the collection of waterborne commerce statistics pertaining to rivers, harbors, and waterways and the compilation and publication of such data by the U.S. Army Corps of Engineers are required by federal law; and

WHEREAS, creation of the statistical boundaries of the Northern Grain Belt Port Statistical Area more accurately reflect the regional waterborne commerce activity and increase tonnage recorded by the Waterborne Commerce Statistics Center and the U.S. Army Corps of Engineers Navigation and Civil Works Decision Support Center, allowing for the ranking of the Port Statistical Area among the inland ports in the United States further supporting local economic development and regional transportation planning; and

WHEREAS, creation of the Northern Grain Belt Port Statistical Area would better differentiate the Upper Mississippi River and Great Lakes Ports data in both Wisconsin and Minnesota; and

WHEREAS, the proposed creation of the statistical boundaries will provide the opportunity for marketing and investment opportunities which could lead to job creation and economic growth for Houston County, Minnesota; and

NOW, THEREFORE BE IT RESOLVED that Houston County, Minnesota supports the port statistical boundary creation of the Northern Grain Belt Port Statistical Area between the Upper Mississippi River Confluence with the St. Croix River and the Wisconsin River to include the entire riverfront of Houston County on the Upper Mississippi River. Said support extends for statistical data reporting purposes only and not to any waterways organization or further control of the Upper Mississippi River, nor does the port statistical area designation impact any existing or future public port, terminal, or economic development authorities, nor does it require commitment of any county resources.

PASSED AND APPROVED THIS _____ DAY OF _____, _____

Chair

Attest



Date: June 1, 2022

To: Houston County Commissioners & Staff

From: Allison Wagner, Houston County EDA

RE: \$37,500 from Revolving Loan Fund to Elsie and Lee Babler and Tamiko Hubka

Background: On 6/1/2022, Tamiko Hubka and Elsie and Lee Babler new owners of 111 E. Grove Street in Caledonia requested from the EDA financing for renovating a building that will house three businesses: Tamiko's Hair Salon and Boutique, a vintage antique store (in the adjacent barn), and vacation air bnb apartments above the commercial space. The total project costs are expected to be around \$247,500 with the owners injecting \$50,000 in equity. The owners also received an EDA revolving loan from the City of Caledonia.

The project will retain several current jobs, with the prospect of growing and hiring additional staff in the near future.

Recommendation: After due consideration and discussion, the EDA Board of Directors unanimously passed a motion on June 1, 2022 to recommend that the Houston County Commissioners approve the request for assistance by providing a \$37,500 loan at the 2022 set rate and terms (2.25% for 10 years).

Action Required: A motion made by the Board of Commissioners approving Tamiko Hubka, and Elsie and Lee Babler's request for assistance from the County's Revolving Loan Fund for building renovations at 111 E. Grove Street in Caledonia in the amount of \$37,500 at the 2022 set rate and terms (2.25% for 10 years).

**HOUSTON COUNTY
AGENDA REQUEST FORM**

Date Submitted: 06.07.22

By: Donna Trehus, Auditor/Treasurer

CONSENT AGENDA REQUEST:

ACTION ITEM REQUEST: Consider approving a Peddler's License for Todd Schmieg of Stump Jumpers, LLC for stump removal & clean up using a track driven stump grinding machine.

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

Houston County, Minnesota

Peddler's License & Registration Application

In an effort to provide the public of the County of Houston with the best quality of life within its jurisdiction, the County has determined that the following information be received from any and all persons or firms wishing to conduct:

Transient Merchant
 Canvasser/Solicitor

Peddler

1. Name and description of applicant:

Name: Tom Richard Schmieg
(First) (Middle) (Last)

Eyes Blue Hair gray Height 5ft 10 Weight & Build 252 stocky

Date of birth: _____

Drivers License # _____

(Attach copy of license)

2. Permanent Home Address: 6438 State 76

Houston MN 55943

Telephone Number: _____

Local Address: 6438 State 76 Houston MN Phone # _____

3. Description of vehicle(s) used for sales purposes:

Make & Year 2016 GMC Model: Seira

License # & State MN AED 288 (military) color: Black

4. Brief written description of the nature of the business, a description of the goods to be sold (including photographs or brochures), what company you are soliciting for and the applicant's method of operation:

Stump Removal & Clean up

Stump Jumpers LLC - track driven stump grinding machine

Continued →

5. If employed, name and address of employer: Self employed

6. List other cities/counties where licensed: City of Winona, City of Caledonia
applying in City of Houston

7. Dates requested for permit: 6/1 - 6/30

8. Have you been convicted of a felony, gross misdemeanor or any crime of theft, fraud, or issuance of a worthless check? ___ Yes No

9. If a fixed site is used for display and sale of goods, written permission of the property owner must be provided.

10. Providing false information in the application could result in denial of the license.

11. Signature of applicant must be notarized.

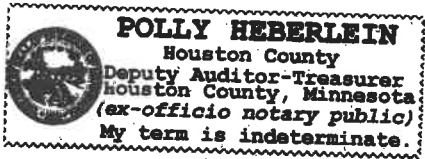
[Signature]
Signature of applicant

5/26/2022
Date

[Signature]
Notary

5-26-2022
Date

Notary Stamp



Prior to consideration of the application an investigation shall be made by the county sheriff's department of all persons listed on the license application.

Approved: Denied: ___

Checked by: [Signature] #2807

County Auditor's Office Use Only

\$25.00 non-refundable application fee plus:

- Transient Merchant (7 day license) \$25.00 per individual
- Peddler (30 day license) \$75.00 per individual
- Canvasser/Solicitor (30 day license) \$75.00 per individual

Date Paid _____ Receipt # _____ License # Expiration _____

Approved _____ Denied _____ By _____

Houston County Agenda Request Form

Date Submitted: 6/2/2022

Person requesting appointment with County Board: John Pugleasa, Director Public Health & Human Services

Will you be doing a power point or video presentation: Yes NO

Issue:

This contract with Next Chapter Technology is for the Electronic Document Management System (EDMS) project. The Board previously approved this project for ARPA funds.

Attachments/Documentation for the Board's Review:

Soft copy of agreement for review. Hard Copy for signature.

Justification:

Action Requested:

Review and approve contract as presented.

For County Use Only			
Reviewed by:	<input type="checkbox"/> County Auditor	<input type="checkbox"/> County Attorney	<input type="checkbox"/> Zoning/Environmental Service
	<input type="checkbox"/> Finance Director	<input type="checkbox"/> County Engineer	<input type="checkbox"/> HR/Personnel
	<input type="checkbox"/> IS Director	<input type="checkbox"/> Other (Indicate dept)	<input type="checkbox"/>
<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 schedule appointments as appropriate.

SOFTWARE LICENSE AGREEMENT

for

CASEWORKS FINANCIAL SERVICE EDITION, CHILD SUPPORT EDITION, and METS/MNSURE EDITION

The below, Software Licenses Agreement (“Agreement”) is entered into this 1st day of May, 2022 by and between Next Chapter Technology, Inc. (“NCT” or “Company”), with its principal place of business at 7700 Equitable Drive, Suite 200, Eden Prairie, MN 55344 and Houston County on behalf of Houston County Human Services (County), with its principal place of business at 304 S. Marshall St., Caledonia, MN 55921.

Whereas, the County Board of Commissioners authorized the purchase of an Electronic Document Management System to be implemented within the Financial Services, Child Support, and METS/MNsure Units of the County Human Services Department; and,

Whereas, NCT has developed certain software containing the functionality required to support the County Financial Services, Child Support, and METS/MNsure Unit's Electronic Document Management needs; and

Whereas, NCT has agreed to provide services and features to County; and

Whereas, County desire to receive a license from NCT to utilize the CaseWorks Software – Financial Services Edition, the CaseWorks Software – Child Support Edition, and the CaseWorks Software – METS/MNsure Edition, (hereinafter collectively “Software”) and NCT is willing to grant County a limited, non-exclusive, non-assignable, non-transferable license, under the terms and conditions provided herein, to so utilize the Software; and

Whereas, the County and NCT desire to enter into a contractual relationship for the above purpose,

NOW THEREFORE, the County and NCT agree as follows:

ARTICLE I

THE CONTRACT DOCUMENTS

The agreement documents consist of this agreement, NCT's Statement of Work (Exhibit One), the County Insurance Requirements (Exhibit Two), the Project Schedule (Exhibit Three), the Software Support Agreement (Exhibit Four), the Purchase Agreement (Exhibit Five), and the Vendor Technology Usage Agreement (Exhibit Six). These form the Agreement, and all are as fully a part of the Agreement as if repeated herein.

ARTICLE II

THE PRODUCTS AND SERVICES

NCT shall provide the products and perform all of the services required by this Agreement and those Documents as listed in Article 1.

ARTICLE III

TIME AND COMMENCEMENT

The Installation Work to be performed under this Agreement, except for updates and on-going support, shall commence on or around May 15, 2022 and must be completed by December 31, 2022 unless the parties agree otherwise due to extraordinary circumstances. County acknowledges that NCT depends upon County acquisition of hardware and third-party software as well as access, cooperation and assistance by County personnel. County delay or failure to perform its obligations or provide hardware, third party software or other cooperation or assistance in a timely manner will extend project schedule and NCT's timing of performance. NCT agrees that it has reviewed the scope of the work and has sufficient staff to fully implement all aspects of this Agreement.

ARTICLE IV
GRANT OF LICENSE TO USE NEXT CHAPTER TECHNOLOGY SOFTWARE

Upon and subject to receipt of payment by County of the applicable initial license fee, implementations fees set out in Article VI, as well as the applicable annual support fee as set out in Exhibit 4, NCT hereby grants to County, a limited, non-exclusive, non-assignable, non-transferable right and license to use and install the Software in object code and in run-time format, pursuant to the terms, fees, limitations and conditions set forth herein. The Software is being licensed, not sold, to County by NCT for use only under the terms of this License, and NCT reserves all rights not expressly granted to County.

ARTICLE V
LICENSES PURCHASED

By this agreement, County is purchasing Edition Licenses and Primary System End User Client Licenses as set forth in Exhibit Five for access and use by the County's Financial Services, Child Support, and METS/MNsure Units.

ARTICLE VI
AGREEMENT AMOUNT AND TERMS OF PAYMENT

A. Amount

The County shall pay NCT for the delivery of product (Software Licenses), the performance of the work (Services), expenses (Travel), and first year support services (Software Support). The amount for Products and Services are unchanging, or fixed, unless an agreed upon change order has been completed. These amounts are subject to additions by Change Order as described in this agreement. Travel will be invoiced at actual cost. In addition, the County agrees to pay software support fees according to the terms of the Software Support Agreement (Exhibit Four), which is incorporated herein and made part of this agreement. The amounts are follows:

Phase 1: Financial, Child Support, METS/MNsure Editions

Category	Cost
Product Licenses (Supporting detail on Exhibit 5)	129,100
Implementation Services (Supporting detail on Exhibit 1)	70,639
Implementation Services Multi-County Project Discount	(21,192)
Migration Services (Supporting detail on Exhibit 1)	5,000
Travel (Estimated)	0
Total	183,547

B. Terms of Payment NCT shall submit billing invoices to the County as follows:

Category	Terms
Phase 1 Software Licenses	<ul style="list-style-type: none"> • 50% upon contract signing and receipt of invoice. • 25% upon completion of Business Process Reviews and preparation of Business Process Documents • 25% upon completion of Go Live and Go Live Support at County.

Category	Terms
Phase 1 Implementation Services	<ul style="list-style-type: none"> • 50% upon contract signing and receipt of invoice. • 25% upon completion of Phase 1 Business Process Reviews and preparation of Business Process Documents. • 25% upon completion of Phase 1 Go-Live and Go Live Support

Category	Terms
Phase 1 Migration Services	<ul style="list-style-type: none"> • 50% upon Phase 1 Go-Live • 50% upon Phase 1 migration completion

No additional payment above the amount specified at the beginning of this section will be paid without an approved Change Order.

C. Deliverable Acceptance

At specified milestones throughout the project, NCT will deliver completed work products to the County for review and approval. This process is formally called Deliverable Acceptance. The acceptance process allows the County thirty (30) working days to formally review all work products to ensure that they meet the deliverables outlined in the Statement of Work and any changes that were formally approved through the Change Order process. NCT will strive to obtain constant feedback from the County during the project so that deliverable acceptance is a simple formality. However, in the event that a deliverable fails to meet the requirements in the Statement of Work and approved changes, the County Representative shall sign and date, and complete the "Deliverable Non-Acceptance" section of the Work Acceptance Form, in the Statement of Work. The County Representative shall also provide a reason for rejection, which will serve as a basis for discussion of the deliverable between the NCT and the County Authorized Representative. NCT will act expediently to correct all in-scope problems found with the deliverable, and will estimate any out-of-scope changes according to the change procedures established for the project.

D. Change Orders

Without invalidating this Agreement, County may request changes in the work. Price and time will be adjusted accordingly. All such changes in the work shall be in writing, signed by NCT and the County Authorized Representative, and attached to the Agreement. NCT must not provide significant work that is not specified in this agreement without first obtaining a signed change order. County's Representative authorized to submit and approve change orders is identified in Section XIV C.

E. Costs Not Provided For

No claim for services or supplies furnished by NCT, not specifically provided for in this Contract, will be honored by the County.

F. Intent

Excluding hardware and third party software, NCT shall provide all of the products and services set forth hereunder for the compensation set forth above. NCT agrees that it has made a careful examination of the product and services to be provided hereunder and that the price set forth herein is adequate compensation for the product and services to be provided under the terms of this Agreement, subject to any authorized Change Order.

ARTICLE VII
SOFTWARE USE

A. Limitations on Use

Each Edition level license granted by this License Agreement entitles County to utilize the Software on a single CPU or Multi-core Server (Physical or Virtual). Software is licensed for one production database and unlimited training databases, unless otherwise specified. Each Primary System User Level License granted by this License Agreement entitles County to utilize the Software on a user level. At any instance, the

number of active users cannot exceed the number of user licenses purchased for the respective software item. Unless specifically authorized by NCT in a separate agreement, the County shall not

- i. use the Software for any purpose other than for the County's Financial Services, Child Support, and METS/MNsure Units' functions assigned by County by the relevant governmental authorities;
- ii. allow anyone other than the County's employees and agents to have physical access to the Software;
- iii. make any copies of the Software unless granted in writing by NCT, apart from the limited right provided in Article IX;
- iv. make any modifications, enhancements, adaptations, or translations to or any of the Software except for those resulting from License interactions with the Software associated with normal use (e.g. inputted data or Software-permitted configuration selections).
- v. make full or partial copies of any documentation or other similar printed or machine-readable matter provided with the Software in order to derive the source code form of the Software:
- vi. export or re-export the Software and/or associated documentation in violation of the United States export rules and regulations; or
- vii. sell, rent, lease, lend, transfer or sublicense the NCT Software to any other party unless specifically authorized by NCT.

The breach of any of these terms by County shall, without limitation as to other terms hereof, be deemed a material breach of this License Agreement and shall entitle NCT, among its other remedies, to terminate the License.

B. Permitted Uses and Restrictions on Software

County's right to use the Software is subject to its adherence to the terms of this License Agreement. County is only granted those rights expressly set forth in this License Agreement. NCT expressly reserves all other rights. NCT warrants that it will not knowingly install any Self Help Code or any Unauthorized Code as defined below. "Self Help Code" means any back door, time bomb, drop dead device, or any other software routine designed to disable the software automatically with the passage of time or under the positive control of a person other than the licensee of the Software. "Unauthorized Code" means any virus, Trojan Horse, worm or other software routine or equipment designed to permit unauthorized access to disable, erase or otherwise harm software, equipment or data or to perform any other similar action.

Software is a "commercial item", as that term is defined in 48 C.F.R. 12.101 (Oct. 1995), consisting of "commercial computer software" and "commercial computer software documentation", as such terms are used in 48 C.F.R. 12.212 (Sept. 1995). Consistent with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4 (June 1995), all U.S. Government End Users acquire NCT's **Scanning Software** with only those rights set forth herein.

C. Limited Right to Copy Software

County may make a reasonable number of copies of the Software for backup purposes only. A backup copy must include all copyright or other proprietary notices contained on the original. County shall not otherwise copy, decompile, reverse engineer, disassemble, modify, or create derivative works of the Software.

D. No Modification to Software

County shall not modify, or attempt to modify, the Software including database structures in any manner, nor shall it merge, associate or combine, or attempt to merge, associate or combine the Software with or into any third-party software without the express written consent of NCT.

E. Support

County acknowledges the Software is meant to be supported software. Support shall be provided pursuant

to the terms and conditions set forth in the Software Support Agreement ("Support Services") between NCT and County. Support Services shall continue to be provided based on the term of the Software Support Agreement, at the rate and pursuant to the terms and conditions of the then-current Software Support Agreement.

F. Updates

Updates are only available to County if they have an executed Software Support Agreement in good standing at the time the update is released. If County does not have an executed Software Support Agreement in good standing at the time the update is released, the County shall not be entitled to receive the update and NCT shall not be obligated to sell the update to County. The release of any new version of the Software within one year of purchase of any other version of the Software by County is to be considered an "update" and shall be provided as part of the Software Support Agreement, to County under the terms applicable to provision of such updates.

G. Proprietary and Confidential Information

County acknowledges and agrees that, without affecting the scope of all licenses granted herein, the Software and associated documentation, including any and all copies hereof, in whole or in part, are and shall remain the sole and exclusive property of NCT. The County further acknowledge and agree that the Software, including, but not limited to, all code, data file structures, the specific design, structure and logic of individual programs of Software, their interactions with other portions of the Software, both internal and external, the programming techniques employed therein and other trade secrets, are the proprietary and confidential information of NCT. To the extent permitted by law, and consistent with the Minnesota Data Practices Act, Chapter 13, the County agrees to take all reasonable precautions, including those that may be reasonably requested by NCT, to protect its proprietary and confidential information. Unless otherwise agreed, in advance and in writing, in the event that County or any employee or agent of County, suggests any improvements and modifications to the Software, County acknowledges and agrees that, whether such improvements and/or modifications are implemented by NCT in whole or part, it assigns all right, title and interest, including copyrights, patents, trade secrets, and all other intellectual property rights, in any such suggestions, improvements and modifications to NCT without payment or compensation of any kind.

H. Nondisclosure

County recognizes and acknowledges the special value and the importance in protecting proprietary and confidential information. To the extent permitted by law and consistent with the Minnesota Data Practices Act, Chapter 13, all proprietary and confidential information, the disclosure of which might give an advantage to any third party, including competitors of NCT, that has been or may be furnished or disclosed to County, shall be kept confidential and used only for the purposes described in this Agreement. Unless otherwise required by applicable law, County, its employees and agents agree, not to provide, disclose or otherwise make available the proprietary and confidential information of NCT in any form to any third party. In addition, NCT acknowledges that the records and data of County must remain confidential and agrees that, unless otherwise required by applicable law, NCT, its employees and agents shall use commercially reasonable means to prevent the disclosure of such records or data or any portion thereof without the express written consent of County.

To the extent applicable, NCT agrees to implement and comply with applicable provisions of the Health Insurance and Portability and Accountability Act of 1996 (HIPAA, public law 104-191). In performing its obligations under this contract, to the extent applicable, NCT agrees to comply with the HIPAA Privacy requirements, the HIPAA Standards for Electronic Transactions, the HIPAA security requirements, and any other applicable HIPAA laws, standards and requirements now in effect or hereinafter adopted as they become law. Parties intend all data (including protected health information) will be kept within County's technical environment.

ARTICLE VIII
SECURITY

NCT agrees to:

- i. ensure that any of its staff, who provide services under this Agreement, in so far as such work is performed on the County's premises, observes the County's reasonable security

- procedures and internal rules as communicated to NCT by the County;
- ii. adhere to all County's remote access and security requirements communicated to NCT by the County. NCT is required to ensure that all of its employees and/or agents abide by the County's remote access and security requirements; and
 - iii. take commercially reasonable measures to ensure that no virus, malware, or unapproved/unauthorized code is coded into or introduced into the Software or the electronic files provided by NCT to the County.

ARTICLE IX **WARRANTY**

NCT warrants that the Software will perform as to all substantial operating features, as specified in its User Manual and based upon the specifications of the then-current release of the Software for 30 days from acceptance of original installation. This warranty shall immediately become null and void in its entirety in the event that County fails to maintain or to use the Software in accordance with the applicable terms of use, or to notify NCT promptly in the event of any suspected defects or malfunctions and/or Errors (as defined in the Software Support Agreement). NCT's sole obligation, and County's sole and exclusive remedy for breach of the warranty set forth in this section, shall be, at NCT's election, for NCT to remedy such breach in a manner consistent with NCT's regular business practices or for NCT to refund a pro rata amount of fees for the defective Software. NCT does not warrant that the operation of the Software will be uninterrupted or error-free. For 30 days from acceptance of original installation and during periods of time when the Software Support Agreement is in effect, NCT will use commercially reasonable efforts to correct any Errors in the CaseWorks Software, replace the NCT Software with functionally equivalent software, or provide a work-around or patch for the portion of the NCT software containing the Errors, hereinafter "Error Corrections". Error Corrections will be made in a manner as identified in section 3(a) of the Software Support Agreement. Error Corrections will be deemed part of the NCT Software licensed under the Software License Agreement, and shall be provided subject to the terms and conditions contained in such Software License Agreement. NCT does not warrant any hardware, third party software (including without limitation MS-SharePoint), updates/releases or support services. Updates/releases and support services are provided "As Is".

Except for the express limited warranties provided in this Article X and to the full extent permitted by law, NCT disclaims all other warranties and conditions, whether express, implied, or statutory, including warranties and conditions of merchantability, satisfactory quality, fitness for a particular purpose, performance, accuracy, reliability, security and noninfringement. NCT also makes no warranty regarding (i) non-interruption of use, (ii) freedom from bugs, (iii) the availability and/or functionality of third party products, services, API's, and/or integrations that are made available by any third party, and/or (iv) that any product or service will meet the County's requirements. Any statements or representations about the program and its functionality in any communication with the County constitute technical information and not an express representation, warranty or guarantee. Other than the express warranties contained herein and statutory warranties and remedies that cannot be disclaimed or waived under applicable law, the Software is provided as-is and with all faults. This disclaimer of warranty constitutes an essential part of this Agreement.

ARTICLE X **INDEPENDENT CONTRACTOR**

NCT is an independent contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between the County and NCT or NCT agents, servants or employees. NCT shall at all times be free to exercise initiative, judgment, and discretion as to how to best perform or provide services. NCT acknowledges and agrees that NCT, NCT agents, servants and employees, are not entitled to receive any of the benefits received by County's employees and is not eligible for workers' or unemployment compensation benefits. NCT also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due NCT and that it is NCT's sole obligation to comply with applicable provisions of all Federal

and State tax laws.

ARTICLE XI
SUBCONTRACTORS

NCT shall not employ any subcontractor to perform any services in the scope of this Agreement, unless said subcontractor is approved in writing by the County. Any such subcontractor shall be paid by NCT.

ARTICLE XII
INDEMNIFICATION AND INSURANCE

A. Indemnification

- i. **Intellectual Property Infringement Indemnification.** NCT shall defend, indemnify and hold harmless the County, its directors, officers, employees, affiliates and agents (each a "County Indemnified Party") at NCT's expense from and against any suit, claim, action or proceeding brought against County by a third party that is not a party to this Agreement or an affiliate of a party to this Agreement ("Third Party Claim") alleging that the Software as provided by NCT infringes upon a United States or Canadian patent, copyright, trademark or trade secret of that third party, subject to the procedures set forth in subsection (iii) (Procedure) of this Article XII. For the avoidance of doubt, under the foregoing indemnity NCT will, where applicable, pay any damages and costs awarded against County by final judgment of a court, or the amount of any agreed settlement regarding any such Claim. NCT shall have no liability for settlements, obligations or costs incurred without its prior written consent. Should County's use of the alleged infringing Software be enjoined, or in the event that NCT desires to minimize its potential liability hereunder, NCT will, at its option and expense, (a) substitute non-infringing Software with functionality which is substantially similar to that of the allegedly infringing Service; (b) modify the infringing Service so that it no longer infringes but its functionality remains substantially equivalent; or (c) obtain for County the right to continue use of such Service. If, in NCT's sole discretion, none of options set forth in the foregoing sentence is commercially reasonable, NCT will terminate this Agreement respect to the allegedly infringing Service(s) and refund to County on a pro-rated basis, any pre-paid fees for the allegedly infringing Service(s). NCT shall have no obligation to defend and indemnify any IP Claim to the extent the claim alleges: (i) any combination by County of equipment, processes, content or software with NCT's Software, if such claim would have been avoided but for such combination; (ii) modification of the Service(s) by a party other than NCT, if such claim would not have occurred but for such modification; or (iii) County's failure to use updated or modified product which is provided by NCT at no cost to County to avoid or cure such claim, after notice by NCT to County of the availability of such updated or modified product. The foregoing states the entire liability and obligations of NCT and County's sole remedy for infringement, alleged infringement, or any breach of warranty of non-infringement, express or implied.
- ii. **General Indemnity.** Each of County and NCT, at their own expense, will indemnify, defend, and hold harmless the other party, its subsidiaries, affiliates and assigns, and its and their respective directors, officers, employees, and agents (each, an "Indemnitee") from and against any Third Party Claims (including reasonable attorney's fees and expenses arising therefrom) ("Losses") relating to or incurred in connection with any arising out of or related to the indemnifying party's actual or alleged: (a) breach of its obligations under this Agreement; or (b) its Gross Negligence. "Gross Negligence" means a blatant violation of a legal duty with respect of the rights of others, being a conscious and voluntary disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both. Gross negligence involves conduct that is extreme, when compared with ordinary negligence. A mere failure to exercise reasonable care shall not be a gross negligence.
- iii. **Procedure.** In the event a party seeks indemnity under this Article XII (Indemnification), as the case may be (the "Indemnified Party"), the Indemnified Party will give prompt written notice to the other party (the "Indemnifying Party") of the claim against which it seeks to be indemnified. (The failure by an Indemnified Party to give such notice will not relieve the Indemnifying Party of its obligations under this Article XIII, except to the extent, if any, that the Indemnifying Party is materially prejudiced by such failure or delay.) The Indemnified Party will allow the Indemnifying Party to direct the defense and settlement of any such claim, with counsel of the Indemnifying Party's choosing, and

will provide the Indemnifying Party, at the Indemnifying Party's sole cost and expense, with information and assistance that are reasonably necessary for the defense and settlement of the claim. The Indemnified Party will have the right to retain separate counsel and to participate in (but not control) any such action, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless: (a) the retention of counsel by the Indemnified Party has been authorized in writing by the Indemnifying Party; (b) the Indemnified Party has been advised by its counsel in writing that there is a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defense of the action, in which case the Indemnifying Party will not have the right to direct the defense of the action on behalf of the Indemnified Party unless it is able to engage counsel who is not subject to so conflicted); or (c) the Indemnifying Party has not in fact retained counsel to assume the defense of the action within a reasonable period of time following receipt of the notice given pursuant to this paragraph (iii), in each of which cases the fees and expenses of such counsel will be at the expense of the Indemnifying Party. The Indemnifying Party shall have the right to settle any such claim without the consent of the Indemnified Party only so long as such settlement does not admit to any wrongdoing by any Indemnified Party, does not impose any liability or obligation (whether financial or otherwise) on any Indemnified Party and fully releases the all Indemnified Parties from liability in connection with such claim. The Indemnifying Party will not be liable for any settlement of an action effected without written consent of its duly authorized representative (which consent will not be unreasonably withheld or delayed). No Indemnifying Party will consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to the Indemnified Party a release from all liability with respect to the claim.

B. Limitation of Liability

NCT's entire liability for all claims or damages arising out of or related to this Agreement and the Software, regardless of the form of action, whether in contract, tort or otherwise, will be limited to and will not exceed, 2 times the aggregate the amount paid or payable to NCT under this Agreement during the twelve month period preceding the event giving rise to the claim. In no event will NCT be liable for loss of income, profit or savings or indirect, incidental, consequential, exemplary, punitive or special damages of any party, including third parties, even if NCT or its agent has been advised of the possibility of such damages in advance. These limitations shall apply despite the failure of the essential purpose of any remedy.

The foregoing limitations of liability allocate the risks between NCT and the County and form a material basis of the bargain between the parties. NCT's pricing reflects this allocation of risk and the limitation of liability specified herein.

C. Insurance

NCT at its own expense shall procure and maintain policies of insurance as set forth in Exhibit Two.

ARTICLE XIII

GENERAL TERMS AND CONDITIONS

A. Data Privacy

In collecting, storing, using and disseminating data on individuals in the course of providing services hereunder. NCT agrees to abide by all applicable state and federal statutes, rules and regulation covering data privacy under which County is obligated, including but not limited to HIPPA, the Minnesota Data Practices Act and all rules promulgated pursuant thereto by the Commissioner of the Department of Administration and shall not release any such data in a manner which would be prohibited to the County.

B. Disputes-Good Faith Negotiations

It is the expressed desire of all parties that a good faith effort be made to resolve all disputes prior to the resort to legal proceedings. Accordingly, it is agreed that any dispute arising under this License Agreement, including without limitation, any dispute regarding the operating of the CaseWorks, or payments due hereunder, shall be expressed to the other party in a writing which describes each dispute in detail and includes documentation sufficient to evidence the nature of the dispute. The writing shall be delivered to

the other party at the address set forth in the Notices provision hereof. The party receiving the dispute shall respond in writing within thirty (30) days and shall provide documentation supporting its response. Following such delivery and response, the parties shall engage in direct, good faith negotiations for the following thirty (30) days in an effort to resolve all disputes. If the parties are unable to reach an agreement, and in the absence of a written agreement to extend the negotiation period, either party may initiate proceedings. The foregoing provision shall not limit the ability of a party to seek injunctive relief.

C. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this agreement or in a modification of this Agreement.

Next Chapter Technology, Inc.:

Cathy Wassenaar, CEO
7700 Equitable Drive, Suite 200,
Eden Prairie, MN 55344

County:

John Pugleasa, DHS Director
Houston County Human Services
304 S. Marshall St.
Caledonia, MN 55921

D. Assignment of Interest

This Agreement shall be binding upon and inure to the benefit of each Party's successors and permitted Assignees. This Agreement and the License granted herein shall not be assigned or transferred by either party without the prior written consent of the other party. Notwithstanding the foregoing, NCT may assign this Agreement to an affiliate or successor in connection with reorganization, merger, consolidation, acquisition, or other restructuring, whether via asset sale, by sale of stock or otherwise.

E. Audit

The County or any of its duly authorized representatives shall have access to any books, documents, papers and records of NCT which are directly pertinent to the performance of this Agreement for the purpose of making audit, examination, excerpts and transactions to verify compliance with this Agreement. In the event County are not under a Support Agreement with NCT at any time, NCT or any of its duly authorized representatives shall have the right to audit County's systems, controls, equipment and records of County to verify use of the Software and associated documentation is in compliance with the terms of this Agreement. Any unauthorized copies of usage of the Software will be infringement and a material breach of this Agreement.

Upon written request, County will provide signed, written assurance that the use of the Software and associated documentation is in compliance with the terms of this Agreement. For purposes of clarification, NCT will not be given access to specific data, specific data bases or other confidential information of any third party. This provision survives termination of this Agreement.

F. Compliance with Laws

The parties shall abide by applicable Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or hereafter adopted, pertaining to this Agreement or the subject matter of this Agreement. This shall include obtaining all licenses, permits or other rights required for the provision of services contemplated by this agreement.

During the performance of this agreement, NCT agrees that no person shall, on the grounds of race, color, religion, age, sex, disability, marital status, status with regard to public assistance, criminal record, familial status, sexual orientation, creed or national origin be excluded from full employment rights or be denied the benefits of or be otherwise subjected to discrimination under any and all applicable Federal and State laws against discrimination.

Specifically, NCT agrees:

- i. That, in the hiring of common or skilled labor for the performance of work under this Agreement or any subcontract, no contractor, material supplier, or vendor shall by reason of race, color, religion, age, sex, disability, marital status, status with regard to public assistance, criminal record, familial status, sexual orientation, creed or national origin discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates.
- ii. That no contractor, material supplier or vendor shall, in any manner, discriminate against or intimidate or prevent the employment of such person or persons identified in clause i., or on being hired, prevent or conspire to prevent the persons or persons from the performance of work under any contract on account of race, color, religion, age, sex, disability, marital status, status with regard to public assistance, criminal record, familial status, sexual orientation, creed or national origin.
- iii. That a violation of clause i. or ii. is a misdemeanor; and
- iv. This Agreement may be cancelled or terminated by the County and all money due or to become due may be forfeited for a second or any subsequent violation of this Agreement.

G. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

H. Binding Effect

This Agreement shall be binding upon the parties, their affiliates, subsidiaries, successors and assigns.

I. Modifications

The County and NCT hereby acknowledge that they have read this Agreement and affirmatively state and represent that they understand its contents. Further, that the above constitutes the entire Agreement by and between the County and NCT and is binding upon themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the County and NCT.

J. Applicable Law and Venue

This Agreement will be governed by the laws of the State of Minnesota, excluding its conflict of laws rule. The operation of the United Nations Convention on Contracts for the International Sale of Goods will not apply. Venue for all proceedings related to this Agreement shall be in Rice County, Minnesota.

K. Appropriations

If the County fails to appropriate funding for this Agreement, the County may immediately terminate the Agreement with written notice. Any services provided prior to notice shall be reimbursed including the value of any Software updates.

L. Force Majeure

In the event performance of this Agreement, or any obligation hereunder, is prevented, restricted, or interfered with by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Client, or any other circumstances beyond the reasonable control and without the fault or negligence of the party affected, the party affected, upon giving prompt notice to the other party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); provided however, that the party so affected shall use diligent efforts to avoid or remove such causes of non-performance and both parties shall proceed whenever such causes are removed or cease.

M. Contractor Debarment, Suspension, and Responsibility Certification

- a. Federal Regulation 45 CFR 92.35 prohibits Houston County from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government. Similarly, Minnesota Statutes, Section 16C.03, subd. 2 provides the Commissioner of Administration with the authority to debar and suspend vendors who seek to contract with the State of Minnesota or Houston County. Vendors may be suspended or debarred when it is determined, through a duly authorized hearing process, that they have abused the public trust in a serious manner. By signing this Agreement, the Provider certifies that they are in compliance with these regulations.

- b. By signing this Agreement, the Provider certifies that it and its principals and employees:
 - 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state or local governmental County or agency; and
 - 2) Have not within a three (3) year period preceding this Agreement:
 - a) Been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract;
 - b) Violated any federal or state antitrust statutes; or
 - c) Committed embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
 - 3) Are not presently indicted or otherwise criminally or civilly charged by a governmental entity for:
 - a) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction;
 - b) Violating any federal or state antitrust statutes; or
 - c) Committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
 - 4) Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this Agreement are in violation of any of the certifications set forth above.
 - 5) Shall promptly give written notice per section C. Authorized Representative of Article XIII, of this Agreement should Provider come under investigation for allegations of fraud or a criminal offense in connection with obtaining, or performing: a public (federal, state or local government) transaction; violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

- c. "Principals" for the purpose of this certification means officers; directors; owners; partners; and persons having primary management or supervisor responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment and similar positions).

- d. Directions for on-line access to excluded providers:
 - 1) To ensure compliance with this regulation, identification of excluded entities and individuals can be found on the Office of Inspector General (OIG) website at <http://oig.hhs.gov/>If you do not have access to the website, and/or need the information in an alternative format, contact: Houston County Human Services Director, at (507) 725-5811.

ARTICLE XV
TERMINATION

Either Party may terminate this Agreement anytime by providing thirty (30) days written notice to the other party of the intent to terminate. In such event, all finished and unfinished documents, data, studies and reports prepared by NCT under this Agreement, at the option of the County, become its property, and NCT shall be entitled to receive compensation for satisfactory work completed on such documents as well as amounts due NCT for software licenses, software support and other services approved in writing by County up to effective date termination.

IN WITNESS WHEREOF; the parties hereto have executed this Agreement on the date(s) indicated below. The signatures listed below authorize the engagement of Next Chapter Technology, Inc.

Houston County Approval

Next Chapter Technology, Inc. Approval

Authorized County Representative (Signature)

Authorized NCT Representative (Signature)

(Print Name and Title)

(Print Name and Title)

Street Address

7700 Equitable Drive, Suite 200,


City, State, Zip

Eden Prairie, MN 55344

Date

Date

Approved as to form and execution



Houston County Attorney (Signature)

Samuel D. Jandt

(Print Name and Title)

306 South Marshall St.

Street Address

Caledonia, MN 55921

City, State, Zip

6/2/2022

Date



Exhibit One

CASEWORKS - FINANCIAL SERVICES EDITION

CASEWORKS - CHILD SUPPORT EDITION

CASEWORKS – METS/MNSURE EDITION

ELECTRONIC DOCUMENT MANAGEMENT SYSTEM

FOR

**HOUSTON COUNTY
HUMAN SERVICES**

STATEMENT OF *Work*

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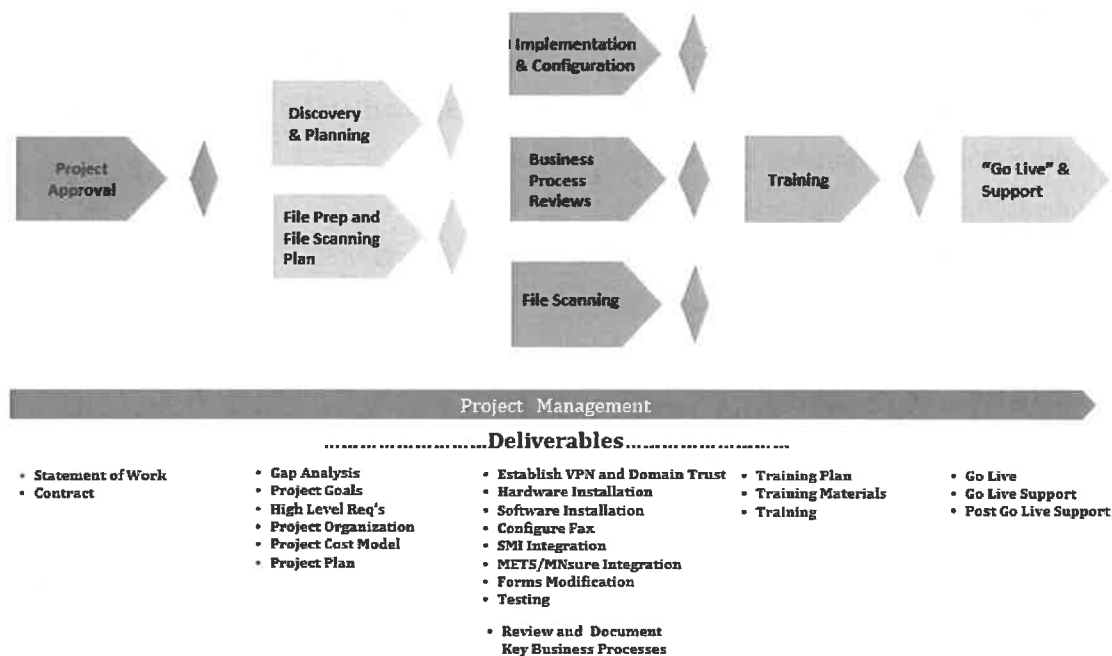
Document Overview

The objective of this document is to record project goals, in scope and out of scope activities, roles and responsibilities, and assumptions for implementing the Caseworks Software, Financial Services Edition, Child Support Edition, and METS/MNsure Edition solutions within Houston County Human Services Departments, specifically the Financial Assistance and Child Support Units.

Project Overview

The County is seeking to implement an Electronic Document Management System (EDMS) solution for their Financial Assistance Unit and Child Support Unit. The Caseworks Software integrates back office data from the County's case management System of Record with SharePoint collaboration technologies – combining them with the County's business processes to create a productivity solution that transforms the way the aforementioned units complete their work.

The overall Project Process is summarized below:



Project Goals

Goal 1: Implement an Electronic Document Management System that supports today's Programs and Services, is flexible to support future changes in State and Federal programs; and facilitates productivity gains in order to handle (some, not all) increases in case growth in the County's Financial Assistance and Child Support Units

Goal 2: Implement an Electronic Document Management System which serves as a catalyst to streamline business process, improves the sharing and the security of the electronic document across all locations, and improve compliance within the County's Financial Assistance and Child Support Units

Goal 3: Provide an Electronic Document Management System which will significantly reduce manual processing of paper (copying, handling, searching, and filing) by capturing the paper at the point of initial contact with the document; and by providing the capability to route, store, and retrieve the electronic documents after capture.

Goal 4: Provide an Electronic Document Management System which greatly improves the Worker's efficiency and effectiveness in the handling of their tasks; ultimately resulting in improved Customer Service.

Goal 5: Provide an intuitive, easy to use, and "friendly" Electronic Document Management System which greatly improves the employee experience resulting in improved employee morale and retention.

Goal 6: Provide application software and hardware which leverages the investment in the County's technology platforms standards.

Project Assumptions

- Project will be implemented in 2 phases.
- Phase 1 implementation will include the Financial Services Edition, Child Support Edition and METS/MNsure Edition.
- Maxis is the Case Management System and the System of Record for Income Maintenance
- Prism is the Case Management System and the System of Record for Child Support
- METS is the Case Management System and the System of Record for MNsure
- Off-site workers are fully supported, both during implementation and after Go Live
- All Status Meetings, Process & Forms Reviews, Training, Support will be accomplished virtually
- CaseWorks is hosted by Houston County for all editions
- CaseWorks EDMS project deliverables include:
 - Implementation of 3 CaseWorks Editions; FSE, CSE, and MSE
- Document Management Solution that supports:
 - Maxis Case Documents
 - METS/MNsure Documents
 - Child Care Assistance Documents
 - Prism Case Documents
 - Prism Person Documents
 - Business Process Review and Documentation
 - Forms Review
 - Scanning Solution
 - Electronic Forms Management Solution
 - Activity and Appointments Management Solution
- Two Quality Assurance Teams are identified to assist in Discovery, Process Reviews, and QA Reviews (FSE & MSE; CSE)
- A "Hybrid" Model will be implemented (support for Team and Individual Case Management models)
- County business process will change to align with the application software features and workflows
- Workflows based on other MN County EDMS implementations
- Scanning accomplished in Client Meeting Rooms, Scan Stations, and at the Front Desk

Caseworks Financial Services, Child Support, and METS/MNsure Editions Implementation

- Existing documents for Phase 1 will be migrated out of legacy system into CaseWorks. The County will engage an experienced vendor for the migration data extract. NCT will migrate documents and data as prepared by the County's vendor into CaseWorks.
- Counties will utilize the "local" forms already in CaseWorks, as much as possible
- Network infrastructure in place to support EDMS (e.g., Bandwidth, Connectivity, User Security, etc.)

Project Deliverables

- When completed, the Counties Human Services will have three fully implemented and supported CaseWorks Editions operational in their Human Services Department. They include CaseWorks – Financial Services Edition; CaseWorks – Child Support Edition; and CaseWorks – METS/MNsure Edition.
- The CaseWorks EDMS project deliverables include:
 - Implementation of 3 CaseWorks Editions; Financial Services (FSE), Child Support (CSE), and MNsure/METS (MSE).
 - Deploy and configure CaseWorks - Financial Services Edition, CaseWorks - Child Support Edition, and CaseWorks - METS/MNsure Edition to be accessed and used by applicable County staff.
 - Document Management Solution that supports:
 - Maxis Case Documents
 - Child Care Assistance Documents
 - MNsure Case Documents
 - Prism Case Documents
 - Prism Person Documents
 - Provider Files
 - Business Process Review and Business Process Document
 - Forms Review
 - Scanning Solution (CaseWorks Scanning)
 - Capture Solution (Print2CaseWorks)
 - Electronic Auto-filled Forms Management Solution
 - eSignature Functionality (Transaction Costs not included)
 - County Attorney Features and Support (Child Support)
 - E-Filing Support (Child Support)
 - Court Appearances Support (Child Support)
 - Activity and Appointments Management Solution
 - Privileged Case Management
 - Automated Document Retention Process
 - Copy/Transfer Documents between Units
 - Implementation Team
 - Virtual End User Training
 - Virtual Go Live Support
 - Virtual Refresher Training

Caseworks Financial Services, Child Support, and METS/MNsure Editions Implementation

- A fully supported set of CaseWorks EDMS solutions. The ongoing support include:
 - Help Desk Support (Tickets and/or Phone Calls)
 - Break/Fix Support
 - Feature Enhancements
 - Forms Maintenance

In Scope Activities

Activity	Description
Project Management	<ul style="list-style-type: none"> • Create and maintain project plan, including tracking timeline and task completion • Coordinate resources and activities • Review and manage NCT Professional Services budget • Facilitate the Weekly Status Meeting with Project Team to provide updates on next step tasks, current topics, scheduling, and overall project status.
Business Process Review	<ul style="list-style-type: none"> • Facilitate the Review of the current manual process • Document the new process representing the business processes after Caseworks Software Go Live
System Install and Configuration	<ul style="list-style-type: none"> • Install and Configure Caseworks Software Editions (FSE, CSE, and MSE) <ul style="list-style-type: none"> – Insertion of existing state and local forms – Implementation of the forms management solution – Setting up the users and DocBoxes – Establishing the workflow activities within the system – Initiating the document management capabilities – Integrating the scanning solution – Initiating the Web Services with the State systems – Setting up email integration – Implement Activity Management Solution • Support any uniqueness uncovered during Discovery • Add any unique Forms uncovered during Discovery
Solution Deployment	<ul style="list-style-type: none"> • Conduct Quality Assurance Review <ul style="list-style-type: none"> – Provide a QA Review for the Quality Assurance Team to ensure that CaseWorks is functioning as expected, based on Discovery and Planning – Resolve issues (within project scope) identified during the QA Review
Training	<ul style="list-style-type: none"> • Training <ul style="list-style-type: none"> – Provide Training Materials – Conduct Virtual End User Training • Provide virtual training to Read-only users • Provide virtual ongoing training during go live week
Documentation	<ul style="list-style-type: none"> • End user documentation • Administrator documentation
Migration - Load	<ul style="list-style-type: none"> • Load data & document extract from legacy system (Phase 1). (NOTE: NCT does NOT prepare the data & document extract)

Out of Scope Activities

Activity	Description
Migration - Data Extract	<ul style="list-style-type: none"> Work outlined in this SOW does not include data extract from existing or legacy systems,
3 rd Party integrations	<ul style="list-style-type: none"> Integration efforts with solutions <i>other than SMI and SSIS</i> are considered out of scope.
Other Divisions and Departments	<ul style="list-style-type: none"> Activities related to the implementation of Caseworks Software – FSE, CSE, and MSE other than the Financial Assistance and Child Support Units and County Attorney is considered out of scope.

Roles and Responsibilities

Common roles and responsibilities are defined so every resource will understand what is expected of them on this project. Upon joining the project, a resource will be assigned one or more of the following roles. Resources that have been assigned multiple roles are expected to meet all the responsibilities for those roles.

NCT Engagement Manager (Cathy Wassenaar)

The Engagement Manager provides high-level oversight and guidance to the Project Team to ensure that the project meets overall schedule and cost objectives.

NCT Project Manager (Dani Gorman)

The Overall Project Manager is the individual responsible for the project implementation and will manage the day-to-day activities of the project for Houston County, as well as for NCT activities.

County Project Manager (TBD)

The Project Manager will assist in the management of internal tasks and resources to insure a successful implementation of the Caseworks Software - Financial Services Edition, Child Support Edition, and METS/MNsure Edition solutions.

NCT Technical Architect/Lead (Vaughn Mulcrone)

The NCT Technical Architect is the individual responsible for the design, configuration, and installation of the Caseworks Software - Financial Services Edition, Child Support Edition, and METS/MNsure Edition solutions at the client site.

Project Sponsor (John Pogleasa)

The Project Sponsor provides high-level oversight and guidance for the project to ensure that the project solution meets overall schedule and cost objectives.

Quality Assurance Team (TBD)

The Quality Assurance team provides ongoing business expertise and insight on business processes, including input/feedback on current business processes. For the purpose of this project, this group is referred to as the Quality Assurance Team.

Caseworks Financial Services, Child Support, and METS/MNsure Editions Implementation

Information Technology Subject Matter Experts – Hardware/OS, Desktop, LAN Admin (Andy Milde)

Information Technology Subject Matter Experts/Resources provide initial and ongoing technical expertise. They will provide technical insight and serve as the liaison between NCT and County IT resources.

County Insurance Requirements:

Next Chapter Technology (NCT) shall not commence work under the Contract until it has obtained at its own cost and expense all insurance requirements herein. Such insurance coverage shall be maintained by NCT until final completion of the work.

- A. Commercial General Liability: Coverage shall have minimum limits as follows:
 - \$1,000,000 per occurrence;
 - \$2,000,000 general aggregate;
 - \$2,000,000 for products.

- B. Automobile Liability: Coverage shall have minimum limits of \$1,000,000 per occurrence, Combined Single Limit for Bodily Injury Liability and Property Damage.

- C. Umbrella Liability: Coverage shall have minimum limits of \$2,000,000 per occurrence; \$2,000,000 aggregate.

- D. Special Requirements: County is to be included as an ***Additional Insured*** on both the Comprehensive General Liability and Commercial Auto Liability Policies.

Current, valid insurance policies meeting the requirements herein identified shall be filed with County before NCT commences a project and maintained during the named project's duration. Renewal Certificates shall be sent to County within thirty (30) days prior to any expiration date. There shall also be a thirty (30) days notification to County in the event of cancellation or modification of any stipulated insurance coverage.

It shall be the responsibility of NCT to insure that any and all subcontracts comply with the same insurance requirements that NCT is required to meet.

Proposed Schedule

Phase 1 Schedule | FSE MSE & CSE (Financial Services, METS/MNsure, Child Support Units)

Task No.	Task	Resources	Start Date	End Date	Comment
1	Discovery & Planning	NCT & County	TBD	TBD	Coordinate project schedule; kickoff planning
2	2 QA Teams Defined	County	TBD	TBD	FSE/MSE & CSE (Supervisors, Leads and Office Support)
3	Technical Review(s)	NCT & IT	TBD	TBD	Infrastructure & User Setup tasks
4	Commence infrastructure setup	IT	TBD	TBD	Establish NCT's access to system
5	All Team - Kick-off Meeting	NCT & County	7/11/2022	7/15/2022	Communicate project plan; key dates; sneak peak demo of CW
6	Commence Project Management/Weekly Status Meeting	All	TBD	TBD	
7	User Matrix Complete	County	TBD	TBD	
8	Application Software Set-up & Configuration	NCT	TBD	TBD	
9	Establish data connections & FSE/MSE Daily Downloads	NCT	TBD	TBD	
10	Request PRISM one time download	County	TBD	TBD	
11	Migration Mapping	NCT & County	TBD	TBD	
11	Forms Review & Scan Titles Review	NCT & County	TBD	TBD	
12	Business Process Review and Documentation	NCT & County	TBD	TBD	
13	Forms Development	NCT	TBD	TBD	
14	Migration Extract - Sample	IT	TBD	TBD	
15	User & Workstation Setup	County IT	TBD	TBD	Scanners added w/Twain drivers, Kofax add-on, Print2CW, AdobeReader settings, desktop icons, local intranet setting, digital signature setup
16	Work Order Complete	NCT	TBD	TBD	Identifies county specific configuration
17	Application Software Customization	NCT	TBD	TBD	
18	Internal QA Review	NCT	TBD	TBD	
19	Request 2nd PRISM download	County	TBD	TBD	
20	External QA Review	NCT & County	TBD	TBD	Utilize Quality Assurance Team
21	User Set Up Training	NCT & County	TBD	TBD	2 Identical sessions one hour
22	End User Training	NCT & County	10/11/2022	10/15/2022	2 Identical sessions 8:30 - 4:00
23	Print from PRISM point to CaseWorks location	NCT & IT	TBD	TBD	
24	Go Live	NCT & County	10/17/2022	10/21/2022	Go Live Date
25	Go-Live Support	NCT & County	TBD	TBD	5 Days Go-Live Support Daily Go Live Meetings 8:30 - 9:15

Phase 2 Schedule | SSE (Adult, Children's & Licensing Units)

Task No.	Task	Resources	Start Date	End Date	Comment
1	Technical Review	NCT & County	TBD	TBD	
2	Supervisors Planning Meeting	Both	TBD	TBD	
3	All Team - Kick-off Meeting	Both	9/12/2022	9/16/2022	
4	File Prep Training	NCT	TBD	TBD	
5	Go Forward File Prep	County	TBD	TBD	
6	Business Process Reviews and Documentation	Both	TBD	TBD	
7	Forms Review	Both	TBD	TBD	
8	Create Local Forms	NCT	TBD	TBD	
9	Scanners Procurement	County	TBD	TBD	
10	Complete WorkForce One (WF1) Integration	NCT	TBD	TBD	
11	Application Software Set-up & Configuration	NCT	TBD	TBD	
12	Application Software Customization	NCT	TBD	TBD	
13	Quality Assurance Review - Scanning - Int	Both	TBD	TBD	
14	Quality Assurance Review - Scanning - Ext	Both	TBD	TBD	
15	Workstation Setup (Users)	County	TBD	TBD	
16	Scanning Training - Pre Go Live Scanning	NCT	TBD	TBD	
17	Pre-Go Live Scanning	County	TBD	TBD	
18	Quality Assurance Review - Internal	NCT	TBD	TBD	
19	Quality Assurance Review - External	Both	TBD	TBD	
20	End User Training	NCT	12/5/2022	12/9/2022	
21	Go Live	Both	12/12/2022	12/16/2022	
22	Post Go Live Support	NCT	TBD	TBD	
23	Project Management/Weekly Status Meetings	NCT	TBD	TBD	

This Software Support Agreement (“Agreement”) is entered by and between Next Chapter Technology, Inc. (“NCT” or “Company”), a Minnesota corporation, with its principal place of business at 7700 Equitable Drive, Suite 200, Eden Prairie, MN 55344 and Houston County on behalf of Houston County Human Services (County), with its principal place of business at 304 S. Marshall St., Caledonia, MN 55921.

Whereas, NCT and County have entered into a Software License Agreement, which sets forth the terms and conditions under which the County is licensing the NCT Caseworks Software - Financial Services Edition, Child Support Edition, and the METS/MNsure Edition (“Software”);

Whereas, the County acknowledges the Software is meant to be supported software and desires to obtain Software Support services described herein in connection with its use of the CaseWorks Software, and

Whereas, NCT desires to provide those software Support Services;

NOW THEREFORE, in consideration of the covenants set forth herein, the parties agree as follows:

Definitions: As used in this Agreement, the following terms shall have the following meanings:

- a. “Documentation” shall mean the written or electronic materials provided with CaseWorks Software, provided by NCT.
- b. “CaseWorks Software (Financial Services Edition, Child Support Edition, or METS/MNsure Edition)” or “CaseWorks Software” or “Software” shall mean the components of the NCT Software as described in the Software License Agreement.
- c. “Term” shall have the meaning set forth in Section 1 below.
- d. “Designated Representatives” shall mean the County employee(s) who is trained and continues to keep updated with the ongoing product details of the CaseWorks Software.
- e. “Error” shall mean material failure of the CaseWorks Software to conform substantially to its functional specifications described in its user documentation which failure is repeatable, reproducible and caused by the CaseWorks Software.

All other terms used herein shall be as defined in the Software License Agreement.

1. Term and Price. This Agreement shall begin on the date the Software License Agreement is signed by the County for an initial term ending on December 31, 2026. The term of this Agreement shall automatically renew for successive one (1) year renewal terms on January 1 of subsequent years unless either party delivers written notice to the other at least 60 days prior to the end of the then-current term of its intent not to renew. Invoicing for such renewal terms shall occur approximately 60 days prior to the date Software Support services begin and payment will be due on January 15th. In the event that the County terminates its Software Support services, and the County thereafter wish to reinstate those Software Support services (and NCT agrees to such reinstatement), in addition to the then-existing rate for Software Support services, NCT may require the County to pay a Reinstatement Fee equal to thirty five percent (35%) of such then-existing rate. All amounts due for Software Support services, including any Reinstatement Fees, are due in advance, in full, and prior to the provision of any Software Support services. The amounts due from the County will be in accordance with the schedule listed below.

Support Year	FSE & MSE	CSE	Total Annual Support
Oct – Dec 2022	6,233	3,450	9,683
Jan - Dec 2023	24,930	13,800	38,730
Jan - Dec 2024	25,678	14,214	39,892
Jan - Dec 2025	26,448	14,640	41,088
Jan - Dec 2026	27,242	15,080	42,322

2. County Responsibilities. The County will be responsible for the following:
 - a. Installing any updates to CaseWorks Software, unless the County have retained NCT, at additional charge, to complete the installation of the updates to the CaseWorks Software.
 - b. Keeping its software, hardware and network in proper working order.
 - c. Maintaining trained designated representatives with a working knowledge of the County software programs and system hardware;
 - d. Promptly notifying NCT of Errors, and upon request, providing to NCT written documentation with respect to any such Errors; and
 - e. In order to maintain its right to obtain Software Support services, including remote troubleshooting and other diagnostic and repair functions, the County must provide NCT with access (via the secured Internet) to servers running the NCT CaseWorks Software whenever necessary to troubleshoot or fix a specific problem that has arisen and for which assistance has been requested pursuant to this Software Support Agreement. The County will communicate with NCT with respect to Software Support services only through its Designated Representative.

3. Services Provided. NCT will provide Software Support services as set forth in this Agreement. All Software Support services shall be provided on a remote basis unless specific arrangements are made for on-site support as described in Section 4(d) herein below. The County's right and ability to receive Software Support services is based on NCT's ability to access the NCT CaseWorks Software and the servers on which it runs, via a secure Internet connection.
 - a. Telephone Support. Telephone assistance for the NCT Software will be available Monday through Friday (except County holidays as identified on the County website) between the hours of 8:00 a.m. and 5:00 p.m., Central Time. Requests for support outside normal support hours may be made by requesting that support on the NCT support number, or by sending an email, to NCT. NCT will use commercially reasonable efforts to respond to requests for Software Support services outside of normal hours within eight (8) business hours of its actual receipt and knowledge of such voice mail or email. After hour support for non-critical issues is provided for an additional cost calculated at NCT's then-current hourly rate (presently \$150 per hour).
 - b. Error Corrections. NCT will use commercially reasonable efforts to correct any Errors in the CaseWorks Software, replace the NCT CaseWorks Software with functionally equivalent software, or provide a work-around or patch for the portion of the NCT CaseWorks Software containing or causing the Errors, hereinafter "Error Corrections". Error Corrections will be made in the manner provided for in 3(a) above. Error Corrections will be deemed part of the NCT Software licensed under Software License Agreement, and shall be provided subject to the terms and conditions contained in such Software License Agreement.
 - c. Updates. From time to time during the term of the Software Support Agreement, NCT may provide the County with enhancements to or fixes of the existing version of the NCT Software and related Documentation (hereinafter "Updates"), which are released by NCT as part of the NCT support program. Any such Updates will be provided at no additional charge to the County who are then-receiving continuous Software Support services at time the Update is released and are not in default hereunder or under the Software License Agreement. All Updates will be deemed part of the NCT Software licensed under the Software License Agreement, and shall be provided subject to the terms and conditions contained in such Software License Agreement. Nothing herein shall be construed as requiring NCT to provide enhancements or versions or updates that are generally not made available free of charge to all other clients of NCT.
 - d. Online Support Options. Online support documentation is available on a 24 hours-a-day, 7 days-a-week basis. The information available online will, at NCT's option, include, timesaving technical tips, online support, a download library of Updates, and Documentation associated with the NCT Software.

4. Limitations. Software Support services shall not apply to the following:

- a. New NCT Software. Any product or module, which is designated by NCT as a new product, will not be included in Software Support services. Where NCT makes a new product available, the County may obtain such product from NCT pursuant to its regular purchasing practices. Upon purchasing the new product, the County already obtaining Software Support services may extend those Software Support services to the new product by paying an additional mutually agreed upon fee, at the then-current fees, for such new product Software Support services. All additional Software Support services will be provided pursuant to the terms hereof.
- b. Obsolete NCT Software. A version of a NCT Software will be deemed obsolete one hundred twenty (120) days following receipt by the County of a new update superseding the prior version of the NCT Software. NCT will not support obsolete versions of the NCT Software provided, however, that if installation of the new version requires the County to pay a new license purchase price, the County may choose not to purchase the new version and shall receive support through the end of the current support agreement period. In no event, however, shall NCT be required to support an obsolete version of the NCT Software for more than twelve (12) months from the date of release of an Update superseding the prior version of the NCT Software.
- c. Misuse. NCT will not provide Software Support services with respect to problems with the NCT Software or other product which results from any negligent conduct or misuse by the County, its employees or agents, or any other third party or for any reason beyond NCT's control, including without limitation,
 - i. damage caused by accidents, abuse, neglect, relocation or other movement;
 - ii. services which are performed by other than by NCT;
 - iii. a failure to maintain proper environmental conditions, including malfunction or modification of the County's systems or failure of the County to maintain the required configuration environment (i.e., memory disk capacity, operating system revision level, prerequisite items) specified in the Documentation or to supply adequate backups; or
 - iv. a failure to use the NCT Software in accordance with the applicable Documentation.

In addition to the specific examples identified above "misuse" shall also include any use of the product in violation of the requirements of the Software License Agreement.

- d. On Site Support. All Software Support services will be provided remotely via an online connection. Software Support services, including all diagnostic and remedial assistance at the County facilities or other remote locations is not included within the Software Support services provided hereunder. Such diagnostic and remedial assistance at the County facilities or other remote locations may be obtained by the County by purchasing separate consulting services from NCT at NCT's then-existing rates, plus expenses.
 - e. Network. The County shall take full responsibility for all maintenance and support of any network linked to the CPU containing the Software.
 - f. Reporting. The County shall keep an accurate event log showing the incident of trouble, the action taken by the County personnel with respect to the incident, as well as report of trouble by the County to NCT. Upon request by NCT, the County shall provide a report to NCT relating to the foregoing. NCT shall keep an accurate event log showing the incident of trouble, the action taken by NCT's personnel with respect to the incident, as well as a report by NCT to the County.
 - g. No Expansion of Software Support Services. No action by NCT in the performance of Software Support services shall be deemed to expand the scope of Software Support services as defined herein.
 - h. Exclusions. Software Support Services shall not include (a) support of accessories, alterations, and attachments, other devices or peripheral equipment (including without cabling not furnished by NCT), and (b) electrical work external to the Software in this Software Support Agreement.
5. Disputes; Good Faith Negotiation. It is the expressed desire of both parties that a good faith effort be made to resolve all disputes prior to the resort to judicial proceedings. Accordingly, it is agreed that any dispute arising out of the terms of this Software Support Agreement shall be made in

writing, describing each dispute in detail and include documentation sufficient to evidence the nature of the dispute. The writing shall be delivered to the other party at the address set forth in the Notices provision hereof. The party receiving the dispute shall respond in writing within thirty (30) days and shall provide documentation supporting its response. Following such delivery and response, the parties shall engage in direct, good faith negotiations for the following thirty (30) days in an effort to resolve all disputes. If the parties are unable to reach an agreement, and in the absence of a written agreement to extend the negotiation period, either party may seek judicial relief .

6. Events of Default. The following acts of commission or omission shall constitute an event of default hereunder and shall allow the non-defaulting Party to terminate this Software Support Agreement, where the default is not cured after 45 days (or for non-payment of funds due, 10 business days) of written notice following completion of required Dispute Resolution as described in paragraph 5, above.
- a. any breach of the Software License Agreement;
 - b. any unlawful, unauthorized or fraudulent use of the NCT Software or the third party software;
 - c. any failure by the County to make payment in full under this Support Agreement when due;
 - d. any import of the County data into (or export of data from) the Software using any means not specifically provided for in the applicable Documentation or otherwise specifically authorized in writing by NCT; or
 - e. a breach of any other term hereof.

This Agreement shall terminate automatically upon the termination of the Software License Agreement. Payment of Software Support services is non-refundable.

7. Indemnification.

- a. Intellectual Property Infringement Indemnification. NCT shall defend, indemnify and hold harmless the County, its directors, officers, employees, affiliates and agents (each a "County Indemnified Party") at NCT's expense from and against any suit, claim, action or proceeding brought against County by a third party that is not a party to this Agreement or an affiliate of a party to this Agreement ("Third Party Claim") alleging that the Software as provided by NCT infringes upon a United States or Canadian patent, copyright, trademark or trade secret of that third party, subject to the procedures set forth in subsection (iii) (Procedure) of this Article XIII. For the avoidance of doubt, under the foregoing indemnity NCT will, where applicable, pay any damages and costs awarded against County by final judgment of a court, or the amount of any agreed settlement regarding any such Claim. NCT shall have no liability for settlements, obligations or costs incurred without its prior written consent. Should County's use of the alleged infringing Software be enjoined, or in the event that NCT desires to minimize its potential liability hereunder, NCT will, at its option and expense, (a) substitute non-infringing Software with functionality which is substantially similar to that of the allegedly infringing Service; (b) modify the infringing Service so that it no longer infringes but its functionality remains substantially equivalent; or (c) obtain for County the right to continue use of such Service. If, in NCT's sole discretion, none of options set forth in the foregoing sentence is commercially reasonable, NCT will terminate this Agreement respect to the allegedly infringing Service(s) and refund to County on a pro-rated basis, any pre-paid fees for the allegedly infringing Service(s). NCT shall have no obligation to defend and indemnify any IP Claim to the extent the claim alleges: (i) any combination by County of equipment, processes, content or software with NCT's Software, if such claim would have been avoided but for such combination; (ii) modification of the Service(s) by a party other than NCT, if such claim would not have occurred but for such modification; or (iii) County's failure to use updated or modified product which is provided by NCT at no cost to County to avoid or cure such claim, after notice by NCT to County of the availability of such updated or modified product. The foregoing states the entire liability and obligations of NCT and County's sole remedy for infringement, alleged infringement, or any breach of warranty of non-infringement, express or implied.

- b. **General Indemnity.** Each of County and NCT, at their own expense, will indemnify, defend, and hold harmless the other party, its subsidiaries, affiliates and assigns, and its and their respective directors, officers, employees, and agents (each, an "Indemnitee") from and against any Third Party Claims (including reasonable attorney's fees and expenses arising therefrom) ("Losses") relating to or incurred in connection with any arising out of or related to the indemnifying party's actual or alleged: (a) breach of its obligations under this Agreement; or (b) its Gross Negligence. "Gross Negligence" means a blatant violation of a legal duty with respect of the rights of others, being a conscious and voluntary disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both. Gross negligence involves conduct that is extreme, when compared with ordinary negligence. A mere failure to exercise reasonable care shall not be a gross negligence.
- c. **Procedure.** In the event a party seeks indemnity under this Article XIII (Indemnification), as the case may be (the "Indemnified Party"), the Indemnified Party will give prompt written notice to the other party (the "Indemnifying Party") of the claim against which it seeks to be indemnified. (The failure by an Indemnified Party to give such notice will not relieve the Indemnifying Party of its obligations under this Article XIII, except to the extent, if any, that the Indemnifying Party is materially prejudiced by such failure or delay.) The Indemnified Party will allow the Indemnifying Party to direct the defense and settlement of any such claim, with counsel of the Indemnifying Party's choosing, and will provide the Indemnifying Party, at the Indemnifying Party's sole cost and expense, with information and assistance that are reasonably necessary for the defense and settlement of the claim. The Indemnified Party will have the right to retain separate counsel and to participate in (but not control) any such action, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless: (a) the retention of counsel by the Indemnified Party has been authorized in writing by the Indemnifying Party; (b) the Indemnified Party has been advised by its counsel in writing that there is a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defense of the action, in which case the Indemnifying Party will not have the right to direct the defense of the action on behalf of the Indemnified Party unless it is able to engage counsel who is not subject to so conflicted); or (c) the Indemnifying Party has not in fact retained counsel to assume the defense of the action within a reasonable period of time following receipt of the notice given pursuant to this paragraph (iii), in each of which cases the fees and expenses of such counsel will be at the expense of the Indemnifying Party. The Indemnifying Party shall have the right to settle any such claim without the consent of the consent of the Indemnified Party only so long as such settlement does not admit to any wrongdoing by any Indemnified Party, does not impose any liability or obligation (whether financial or otherwise) on any Indemnified Party and fully releases the all Indemnified Parties from liability in connection with such claim. The Indemnifying Party will not be liable for any settlement of an action effected without written consent of its duly authorized representative (which consent will not be unreasonably withheld or delayed). No Indemnifying Party will consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to the Indemnified Party a release from all liability with respect to the claim.
8. **Disclaimer of Warranties.** Except as specified herein, NCT hereby disclaims all other representations, warranties, conditions and covenants with respect to Software Support services provided in association with the CaseWorks Software, whether express, implied, or statutory, including warranties and conditions of merchantability, satisfactory quality, fitness for a particular purpose, performance, accuracy, reliability, security and noninfringement. NCT also makes no warranty regarding (i) non-interruption of use, (ii) freedom from bugs, (iii) the availability and/or functionality of third party products, services, API's, and/or integrations that are made available by any third party, and/or (iv) that any product or service will meet the County's requirements. This warranty shall immediately become null and void in its entirety in the event that Licensee fails to maintain or to use the Software in accordance with the applicable terms of use, or to notify NCT promptly in the event of any suspected defects or malfunctions and/or errors. NCT's sole obligation, and Licensee's sole and exclusive remedy for breach of the warranty set forth in this section, shall be, at NCT's election, for NCT to remedy such breach in a manner consistent with

NCT's regular business practices or for NCT to refund a pro rata amount of fees for the defective Software or services. NCT does not warrant that the operation of the Software will be uninterrupted or error-free or that all deficiencies, errors, defects or nonconformities will be corrected. NCT does not warrant any hardware, third party software (including without limitation MS-SharePoint), updates/releases or Software Support services. Updates/releases and Software Support Services are provided 'as is.' This disclaimer of warranty constitutes an essential part of this Agreement.

9. **Limitation of Liability.** NCT's entire liability for all claims or damages arising out of or related to this Agreement and the Software, regardless of the form of action, whether in contract, tort or otherwise, will be limited to and will not exceed, in the aggregate 2 times the amount paid or payable to NCT under this Agreement during the twelve month period preceding the event giving rise to the claim. In no event will NCT be liable for loss of income, profit or savings or indirect, incidental, consequential, exemplary, punitive or special damages of any party, including third parties, even if NCT or its agent has been advised of the possibility of such damages in advance. These limitations shall apply despite the failure of the essential purpose of any remedy.

The foregoing limitations of liability allocate the risks between NCT and the County and form a material basis of the bargain between the parties. NCT's pricing reflects this allocation of risk and the limitation of liability specified herein.

10. **No Partnership or Agency Relationship.** The relationship between NCT and the County shall not be that of partners or agents of one another or considered a joint venture, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them. Neither Party shall have the authority to assume or create any obligation on behalf of, in the name of, or binding upon the other Party.
11. **No Third Party Beneficiary.** The provisions of this Agreement are for the benefit only of the parties hereto, and it is not the intention nor shall any third party be allowed to enforce or benefit from any of the provisions hereof.
12. **Successors and Assigns.** This Support Agreement shall be binding upon and inure to the benefit of each Party's successors and permitted Assignees. This Support Agreement and the License granted herein shall not be assigned or transferred by either party without the prior written consent of the other party, except however NCT may assign this Agreement to an affiliate or successor in connection with a reorganization, merger, consolidation, acquisition, or other restructuring, whether via asset sale, by sale of stock or otherwise.
13. **Force Majeure.** In the event performance of this Agreement, or any obligation hereunder, is prevented, restricted, or interfered with by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Client, or any other circumstances beyond the reasonable control and without the fault or negligence of the party affected, the party affected, upon giving prompt notice to the other party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); provided however, that the party so affected shall use diligent efforts to avoid or remove such causes of non-performance and both parties shall proceed whenever such causes are removed or cease.
14. **Governing Law; Jurisdiction.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota, excluding its conflict of laws rules. The Uniform Commercial Code will not apply. Venue of all proceedings related to this Agreement shall be in Hennepin County, Minnesota.

15. Amendment. This Agreement, together with all attachments and exhibits, may be amended, modified or changed only by written agreement signed by authorized representatives of both parties.
16. Headings. The titles in the headings of paragraphs are intended for organization and convenience only and do not apply in the interpretation of any of the Agreement terms.
17. Rule of Construction. The parties acknowledge that they have both participated fully in the drafting of this Software Support Agreement. Accordingly, no rule of construction requiring interpretation against a drafting party shall apply in the interpretation of this Software Support Agreement.
18. Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part(s) thereof shall be stricken from this Software Support Agreement and such provision shall not affect the legality, enforceability, or validity of the remainder of this Software Support Agreement. If any provision or part thereof of this Software Support Agreement is stricken in accordance hereof, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.
19. Notices. Except as otherwise provided in this Agreement, all notices required or permitted hereunder shall be in writing and shall be deemed given upon delivery if dispatched by (a) registered or certified mail, postage pre-paid, return receipt requested (b) by overnight courier or by hand delivery, or (c) by first class mail, facsimile, or other means of communication if receipt is acknowledged in writing by the other party. Notices shall be provided to the following named persons or their successors unless otherwise stated in this agreement or in a modification of this Agreement.

Next Chapter Technology:

Cathy Wassenaar, CEO
7700 Equitable Drive, Suite 200,
Eden Prairie, MN 55344

County:

John Pogleasa, DHS Director
Houston County Human Services
304 S. Marshall St.
Caledonia, MN 55921

20. Binding Effect. This Agreement shall be binding upon the parties, their affiliates, subsidiaries, successors and assigns, particularly any successor including any successor to NCT or successor governmental organizations authorized to provide the public safety functions currently provided by the County and any successors or assigns of such authority.
21. No Waiver. Failure to enforce any provision of the Agreement by either party shall not constitute a waiver of that party's right to enforce that section, paragraph or portion of this Agreement.
22. Responsibility for Costs. Except as otherwise provided in this Agreement, each party shall pay all of its own fees and expenses incurred or to be incurred in negotiating this Agreement, in closing and carrying out the transactions contemplated by this Agreement, and in any litigation between the parties related to the enforcement of terms of this Agreement.
23. Representation of Authority. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Software Support Agreement is a valid and legal agreement binding on

such parties and enforceable in accordance with its terms and that all approvals required to perfect such authority have been received

24. Entire Agreement. This Agreement, along with the Software License Agreement, as well as any other documents acknowledged by the Parties, in writing, to be applicable, contains the entire understanding of the parties with respect to the provision of Software Support services and supersedes all previous verbal and written agreements, representations or warranties of any kind made by or between the parties. If any conflict between these documents becomes apparent, the Software License Agreement shall be deemed to be the controlling document.



May 15, 2022

John Pogleasa, DHS Director
Houston County Human Services
304 S. Marshall St.
Caledonia, MN 55921

Purchase Agreement

Description	Unit Cost	Units	Total
Primary System - Client Licenses	1,250	16	20,000
Scanning Solution - Client Licenses	600	16	9,600
Read-Only/Approver - Client Licenses	250	6	1,500
Activity Management - Edition License	15,000	1	15,000
Records Center - Edition License	10,000	2	20,000
Case Management - Edition License	10,000	2	20,000
Forms Management - Edition License	10,000	2	20,000
Archive Module	6,500	2	13,000
CaseWorks MNsure - Edition License	10,000	1	10,000
Total Licensing	63,600		129,100

Additional software licenses can be based on the following fee schedule:

- 1. CaseWorks Primary System License \$ 1,250
- 2. CaseWorks Scan Solution License \$ 600
- 3. Caseworks - Read Only License \$ 250

The annual software support cost is calculated at 30% of the licenses cost. The cost includes the maintenance and support of all forms.

This Purchase Agreement is valid for 30 days.

Vendor Technology Usage Agreement

Exhibit Six

Vendor personnel have no expectation of privacy in any electronic communications, use of County property, or Internet access. County reserves the right to review, audit, or monitor any information technology used by vendor personnel which attaches to or makes use of the County's network (s).

- 1.All vendor personnel shall use only accounts authorized by County's Security Staff.
- 2.Vendor personnel may access only those resources for which they are specifically authorized.
- 3.Vendor personnel are personally responsible for safeguarding their account and log-on information. Passwords shall adhere to current County password requirements. Passwords shall remain confidential. Passwords shall never be displayed, printed, or otherwise recorded in an unsecured manner.
- 4.Vendor personnel are not permitted to script their user IDs and passwords for log-on access.
- 5.Vendor personnel are not permitted to allow another person to log-on to any computer utilizing their, if provided, personal account, nor are they permitted to utilize someone else's account to log-on to a computer. Authorized system or service accounts may be used by multiple people.
- 6.Vendor personnel may not leave their workstation logged onto the network while away from their area. Vendor personnel may elect to lock the workstation rather than logging off when leaving for very short time periods.
- 7.Vendor personnel shall maintain a log, left with the computer, of all software loaded onto any County computer. The software must have been approved in writing by County.
- 8.Vendor personnel shall execute only applications that pertain to their specific contract work.
- 9.Vendor personnel shall promptly report log-on problems or any other computer errors to the County Network Administrator.
- 10.Vendor personnel shall promptly notify the County, in no event later than twelve (12) hours, if they have any reason to suspect a breach of security or potential breach of security.
- 11.Vendor personnel shall promptly report anything that they deem to be a security loophole or weakness in the computer network to the County.
- 12.Vendor personnel shall not install or use any type of encryption device or software on any County hardware, which has not been approved in writing by the County.
- 13.Vendor personnel shall not attach any device to the County network without written approval from the County.
- 14.Vendor personnel may not remove any computer hardware from any County building for any reason, without prior written approval from the County.
- 15.Vendor personnel shall not delete, disable, or bypass any authorized encryption device, or anti-virus or other software program, installed on County hardware.

16.Vendor personnel shall not attach any network or phone cables to any County device without written approval from the County.

17.Vendor personnel may not copy any data and/or software from any County resource for personal use.

18.County data and/or software shall not be removed from any County Building without prior written approval from the County.

19.Vendor personnel may not utilize County computer systems or networks for any of the following reasons:

- a. Game playing;
- b. Internet surfing not required for their work activity;
- c. Non-related work activity; or
- d. Any illegal activity.
- e. Downloading of files from the Internet. If files are needed for your work, contact County IT personnel.

20.Vendor personnel are prohibited from intercepting or monitoring network traffic by any means, including the use of network sniffers, unless authorized in writing by the County.

21.Vendor personnel may not give out any County computer information to anyone. Exception: other vendor personnel needing the information to complete tasks. Information includes but is not limited to: IP addresses, security configurations, etc.

22.All data storage media shall be erased or destroyed prior to disposal.

23.Vendor personnel may not remove or delete any computer software without the written approval of the County.

24.Vendor personnel shall not attempt to obtain or distribute County system or user passwords.

25.Vendor personnel shall not attempt to obtain or distribute door pass codes/passkeys to secured rooms at any County facility for which they are not authorized.

26.All equipment issued to vendor personnel will be returned in good condition to County upon termination of the County/Vendor Personnel relationship.

27.Vendor personnel may not use County information technology to send or receive threatening, obscene, abusive, sexually explicit language or pictures.

28.Vendor personnel are prohibited from intentionally causing County to break copyright laws.

29.Use by vendor personnel of any County information technology will acknowledge acceptance of the above-referenced policies. Any vendor who violates any of these policies shall be subject to disciplinary action, including total removal from the County project as well as being subject to Minnesota civil and criminal liability.

30.Vendor personnel may not disclose of any private or confidential client information regardless of physical form or storage media (paper, computer, voice mail, microfiche, imaged, video or voice recordings). Vendor personnel will not attempt to access not public data for personal purposes.

31.**Vendor Acknowledgement** "Responsibilities of Persons Who Have Access to Not Public Data has been read and its' conditions will be complied with by all vendor personnel.

Vendor Acknowledgment

RESPONSIBILITIES OF PERSONS WHO HAVE ACCESS TO NOT PUBLIC DATA

VENDORS

As a vendor working with County, you may have access to records containing information which is protected from unauthorized use. For example, you may have access to special work areas, computers or other files. This information is protected by law, policy, contracts, agreements, or licenses regarding the disclosure both at work and outside the office.

Unauthorized use of data includes making copies of data or computer software and related materials without the permission of the originator or data subject. Unauthorized disclosure of data means releasing information over the phone, in verbal conversations, and in written form. Unauthorized disclosure also includes using the information obtained in connection with your vendor work duties in any manner different from the scope of your specified duties.

Protection of this data from unauthorized use or disclosure depends on the cooperation of all staff and vendors. The information in this handout explains some of these restrictions on information within the County so that you will understand what information is protected and your responsibilities in regard to that information.

NOT PUBLIC DATA

The following describes the private and confidential types of information, the restrictions on the use of it, and some examples of each type of information.

Not public data means any data which the law declares is not available to the public. It is a broad term which includes any government data classified by statute, federal law, or temporary classification as confidential, private, nonpublic, or protected nonpublic data, either singly or in any combination.

Generally, if the data you work with identifies a person it is private or confidential data. Use and access within the agency is restricted to those employees or vendors who need the information to do their jobs.

A. Private data is government data maintained on individuals who are identified or can be identified in the data. Only the following persons are permitted access to private data:

1. the individual who is the subject of the data or a designated representative;
2. anyone to whom the individual gives signed consent to view the data;
3. employees of the welfare system whose work assignments reasonably require access to the data;
4. anyone the law says can view the data.

Examples of private data include most welfare system data about individual clients, medical data, child abuse data, pre-commitment screening investigations and pre-admission screening investigations, chemical dependency data about patients, and personnel data.

B. Confidential data is data that identifies individuals and cannot be disclosed to the public or even to the individual who is the subject of the data. The subject of the data CANNOT authorize anyone else to see or receive copies of the data by signing a consent for release of information.

Examples of confidential data are adoption data and the names of individuals who report child or vulnerable adult abuse. Some medical data is confidential if the medical care provider deems that access to the data will be harmful to the patient. Most investigations of

individuals are confidential, but investigations involving corporations, agencies or vendors are protected nonpublic.

PENALTIES FOR UNLAWFUL USE OF DATA

Data Practices Act Penalties The Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, provides for disciplinary action for any government employee who knowingly violates the provisions of the Act. **Any person, even those who are not employees**, who willfully violate the provisions of the Act, may be charged with a misdemeanor.

Action for Damages A political subdivision, responsible authority, statewide system, or state agency which violates any provision of this chapter is liable to a person or representative of a decedent who suffers any damage as a result of the violation, and the person damaged or a representative in the case of private data on decedents or confidential data on decedents may bring an action against the political subdivision, responsible authority, statewide system or state agency to cover any damages sustained, plus costs and reasonable attorney fees. In the case of a willful violation, the political subdivision, statewide system or state agency shall, in addition, be liable to exemplary damages of not less than \$100, nor more than \$10,000 for each violation. The state is deemed to have waived any immunity to a cause of action brought under this chapter.