

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: April 4, 2023

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present:

Dewey Severson, Eric Johnson, Robert Burns, Bob Schuldt, and Greg Myhre

Others Present:

Auditor/Treasurer Donna Trehus, Reporter Rachel Stock, Reporter Charlene Selbee, Finance Director Carol Lapham, Public Health and Human Services Director John Puleasa, Board Clerk/EDA Director Allison Wagner, Recorder Mary Betz, Deputy Auditor/Treasurer Mark Bennett, Deputy Auditor/Treasurer Polly Heberlein, Engineer Brian Pogodzinski, Environmental Services Director Martin Herrick, Human Resources Director Theresa Arrick-Kruger, Deputy Auditor/Treasurer Nikki Konkel, and Amanda Bennett

Presiding: Chairperson Severson

Call to order.

Pledge of Allegiance.

Motion was made by Commissioner Johnson, seconded by Commissioner Myhre, motion unanimously carried to approve the agenda.

Motion was made by Commissioner Myhre, seconded by Commissioner Johnson, motion carried four to one to approve the March 28, 2023 meeting minutes. Commissioner Schuldt abstained as he had been unable to attend the meeting due to being sick.

Public Comment: No public comments were made.

APPOINTMENTS

None.

CONSENT AGENDA

Motion by Commissioner Burns, seconded by Commissioner Myhre, motion unanimously carried to approve the consent agenda.

- 1) Hire Andrea Hinit as a 1.0 FTE probationary Adult Services Social Worker, C41 Step 1, effective 04/24/2023, conditioned on successful completion of background check.

ACTION ITEMS

File No. 1 – Commissioner Myhre moved, Commissioner Johnson seconded, motion unanimously carried to approve a CUP for Anthony & Joyce Heppner to operate an agriculture oriented business in the ag district in Spring Grove Township with the conditions stated in the CUP.

File No. 2 – Commissioner Myhre moved, Commissioner Burns seconded, motion unanimously carried to renew the 25 Year Lease Contract No. DACW37-1-22-0057 (Wildcat) between Army Corps of Engineers and Houston County.

File No. 3 – Commissioners discussed possible ARPA fund distributions and the capital improvement fund. Commissioner Johnson moved, Commissioner Severson seconded, motion unanimously carried to pay for a custom built roll trailer for the Environmental Services Department out of the capital improvement fund. Commissioner Myhre moved, Commissioner Schuldt seconded, to pay \$1,000 to each food shelf in Houston County out of ARPA dollars.

DISCUSSION ITEMS

Commissioners discussed recent meetings they had attended. These included a Comprehensive Land Use, SELCO, Parks, Hiawatha Valley Mental Health, and township annual meetings.

Commissioner Severson said he had attended the public hearing regarding the no wake zone near Shore Acres the previous week. He said around fifteen people had attended the hearing and there were no objections. He said they had sent the proposed ordinance to the State for review, and that they had done everything they could do at the local level regarding the possible no wake zone.

The Commissioners, Engineer Pogodzinski, Human Resources Director Kruger, and Finance Director Lapham had a lengthy discussion regarding the applicants and future contract for the management of Wildcat Park. Commissioner Severson said the parks committee had met the day before. He said they had received some new information at that meeting, and the applicants had been so close that he wondered if they should both come before the board, so the board could make the final decision on the candidates. Commissioner Johnson asked why the board would not take the recommendation of the hiring committee. Engineer Pogodzinski said he was on the hiring and parks committees. He said they had received four applications and interviewed the top two applicants. After the interviews the hiring committee had voted and a candidate had been selected as the top candidate in a four to two vote. Pogodzinski said a contract for management of the park still needed to be put into place for the board to approve. The park was scheduled to open May 1st, 2023. Pogodzinski said his staff could help assist with Wildcat Park in early May if a contract had not yet been approved. Commissioner Johnson asked “from what I gather a candidate had already

been chosen correct?”. Those on the hiring committee said the vote had been very close, but that there was a top candidate in a four to two vote. Lapham said she needed to speak up saying she was on the hiring committee. She said there was an issue with what had happened the day before. She said the top candidate had been notified the previous Friday that they needed to attend a meeting on Monday. She said the parks committee was not aware the candidate would be attending the meeting. Lapham said the meeting had turned into a “second interview” with the candidate even though at that point the candidates had been narrowed down to one. Lapham asked what information the candidate had been given prior to the meeting. Auditor Treasurer Trehus said per Kruger’s instruction she had emailed each of the candidates on Friday. Trehus thanked each candidate for applying and said that the County had narrowed their decision down to a top candidate. The top candidate had been invited to the meeting Monday. Kruger said questions were asked of the top candidate at the Monday meeting to develop the contract for services at the park. Kruger said there were still some questions that needed to be answered for the contract. Commissioner Burns said it seemed like the cart had been put before the horse. He said it sounded like someone had been told they had gotten the contracted position before the Board of Commissioners had officially approved it. It was the general consensus of the Commissioners to have Kruger work with the top candidate to get the remaining information needed for the contract so the contract could be approved at the board meeting the following week.

Mark Bennett said he was a candidate who had applied for the contracted position at Wildcat Park. He said he thought it was a conflict of interest that Carol Lapham was on the hiring committee because her daughter was friends with one of the other candidates. Lapham said she had no contact with the candidate. Bennett said he wanted his comment on the record as he had wanted a fair chance at the position.

There being no further business at 10:21 a.m., a motion was made by Commissioner Johnson, seconded by Commissioner Severson motion unanimously carried to adjourn the meeting. The next meeting would be a regular meeting on April 11, 2023.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Dewey Severson, Chairperson

Attest: _____
Donna Trehus, Auditor/Treasurer

**HOUSTON COUNTY
AGENDA REQUEST FORM
April 11, 2023**

Date Submitted: April 6, 2023

By: Tess Kruger, HRD/Facilities Mgr.

ACTION

- NONE

APPOINTMENT REQUEST

- NONE

HR CONSENT AGENDA REQUEST

Public Health & Human Services

- Change the employment status of Lead Social Worker, Erin Cognac from probationary to regular, effective 4/27/2023
- Accept the resignation of Nicole Karl, Child Support Enforcement Aide, effective effective the end of the business day 04/13/2023

Sheriff's Office

- Change the employment status of Administrative Assistant, Lauren Felten from probationary to regular, effective 4/24/2023
- Reassign Steven Garrett as a 1.0 FTE probationary Lieutenant, C44 step 9, effective 4/23/2023
- Initiate a competitive search for a 1.0 FTE Deputy Sheriff

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

Houston County

Agenda Request Form

This form is not intended for the general public. It is intended for use by county department heads, representatives of other governmental units or vendors/agencies who contract with Houston County. Members of the public may address the Board during the Public Comment Period. (See Policy for Public Comment Period).

Date Submitted: 3-Apr-23

Person requesting appointment with County Board: Martin Herrick

Issue:

Service Agreement with Dynamic Lifecycle Innovations. County Attorney Jandt has reviewed and recommended changes, which Dynamic incorporated.

Justification:

Action Requested:

Final Approval by the County Board.

For County Use Only

Reviewed by:

_____ County Auditor	_____ County Attorney	_____ Zoning Administrator
_____ Finance Director	_____ County Engineer	_____ Environmental Services
_____ IS Director	_____ Other (indicate dept)	_____

Recommendation:

Decision:

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



Service Agreement

Parties:	
Recycler:	Dynamic Lifecycle Innovations, Inc.
Customer:	Houston County, MN
Program:	Minnesota

This Agreement, on the 3rd day of March, 2023, is entered into by and between **Houston County**, 304 South Marshall Street, Room 202, Caledonia, MN 55921 (hereafter referred to as "CUSTOMER") and **Dynamic Lifecycle Innovations**, N5549 County Road Z, Onalaska, WI 54650 (hereafter referred to as "DYNAMIC").

CUSTOMER hereby engages DYNAMIC to manage CUSTOMER's electronics for end-of-life recycling and/or asset reuse/recovery, and DYNAMIC agrees to be so engaged to manage CUSTOMER's electronic waste for processing and final disposition.

A. Exhibit Term

The term of this Agreement is Twenty-four (24) Months, with the option for a Twelve (12) Month extension upon mutual agreement by both parties, commencing on March 25, 2023 and ending on March, 24, 2025. Any renewals shall be agreed upon by both parties within Sixty (60) days of the Agreement termination period.

B. Obligations of CUSTOMER: Houston County, MN

CUSTOMER must notify DYNAMIC and clearly designate, at time of scheduling drop off/pick up, what is program eligible/not program eligible. DYNAMIC is to retain all program eligible recycling credits.

CUSTOMER shall separate all electronic waste to be recycled, by material type as specified in the Pricing section, sorted on to skid pallets/Gaylord boxes, or additional sort charges may apply. To ensure safe transport, all material must be secure and stable before picked up by DYNAMIC. DYNAMIC will provide packaging guidelines to CUSTOMER upon request. In no event will CUSTOMER place hazardous waste in, or on, such packaging materials. **Hazardous waste is defined as any radioactive or pathogenic item, asbestos, or any item containing hazardous chemicals which pose a health risk to DYNAMIC's employees, other than those which are normally and routinely contained within the electronic devices to be recycled.**

CUSTOMER guarantees that electronics are collected in compliance with all applicable federal, state, and local laws, regulations, and ordinances.

CUSTOMER will maintain, at its expense, all registrations, permits, certificates, licenses, or other authorizations required to collect and transport electronics.

CUSTOMER agrees to adhere to all of the terms and conditions of this Agreement and to pay invoices for services applicable for the recycling of electronic waste provided to DYNAMIC.

C. Obligations of DYNAMIC: Dynamic Lifecycle Innovations

DYNAMIC shall respond via email or phone to request(s) for pick-ups and/or load deliveries from CUSTOMER within two (2) business days and provide confirmation of said pick-up requests, if applicable, within three (3) business days.

- All requests should be sent via email to: orderrequests@thinkdynamic.com. Request should include a Bill of Lading with the number of skids to be picked up, along with the weight, and any specific dates/times/special instructions for the trucking. Bill of Lading should also describe the origin of the shipment.

DYNAMIC shall inspect the shipment and delivery receipt upon acceptance of an electronic load to ensure that the receipt accurately reflects the shipment documentation created by CUSTOMER. DYNAMIC shall inspect any skid pallets/Gaylord boxes, when applicable, to confirm that the correct recycling materials have been received, sorted, and not tampered with prior to its delivery to DYNAMIC's processing facility. Please note that all loads will be settled based off DYNAMIC's weights when the material is received.

DYNAMIC agrees to process and recycle electronic material in accordance with applicable federal, state and local regulations.

D. Pricing

Material must be sorted to the below categories or sort fees may apply.

End of Life Recycling Services – MN Program	Rates
CRT Televisions & Monitors	Charge \$0.14/lb.
LCD Televisions & Monitors	Charge \$0.10/lb.
Projection & Wood Console Televisions	Charge \$0.16/lb.
*Desktops, Laptops, Tablets & Servers (Mixed)	Credit \$0.23/lb.
*Laptops & Tablets (Separated)	Credit \$0.70/lb.
Covered Electronic Devices or CEDs (Mixed: Desktop Printers, Fax Machines, DVD Players, VCRs & Keyboards)	Charge \$0.05/lb.
Covered Desktop Printers & Fax Machines (Separated)	No Credit/No Charge
End of Life Recycling Services – Non-Program	Rates
Miscellaneous Electronic Devices (Stereos, Stereo Speakers, Gaming Consoles, Small Household Appliances, etc.)	Charge \$0.15/lb.
Floor Copiers & Desktop Printers & Fax Machines (Separated)	Charge \$0.10/lb.
Microwaves	Charge \$0.07/lb.
Refrigerant-Containing Appliances (No Ammonia-Containing Appliances)	Charge \$11.00/unit
Broken or Salvaged Televisions & Monitors; CRT Glass	Call for Pricing
Battery-Containing Devices	Call for Pricing
Batteries, Lamps or Scrap Commodities	Call for Pricing
Miscellaneous Services	Rates
**Sort Fee for mixed TVs and Monitors	Charge \$0.05/lb.

Logistics Services	Rates
53' Semi Availability	Charged \$300/load

Pricing is for whole-units. Electronics missing commodities are subject to price downgrades.

****Sort Fee only applies to TVs and Monitors not sorted to categories outlined above.****

Any and all material deemed as Non-Conforming will be charged at Dynamic's current standard rates at Dynamic's sole discretion.

In the event that commodity pricing fluctuates more than 20% at any time during this contract, DYNAMIC reserves the right to adjust pricing to align with changing commodity market by providing 60-day written notice. This price change will be effective upon written mutual agreement. If mutual agreement is not reached, the contract will terminate at the completion of the 60-day notice.

E. Payment Terms and Invoicing

All Statements and Certificates of Recycling from DYNAMIC will be emailed out upon completion of contracted recycling service, within thirty (30) business days of delivery. Payments shall be due thirty (30) days from the date of said invoice. Any invoices not paid within such thirty (30) days shall bear interest at one and one-half percent (1 ½%) per month.

F. Data Management and Disclosure of Non-NAID Services

DYNAMIC's standard operating procedures includes the moral obligation to provide data management (data sanitization and/or destruction) in accordance to industry leading best practice standards of NIST 800-88 and Dept. of Defense, as a minimum level of service regardless of clients' requested releases at no additional charge.

DYNAMIC can be contracted to provide enhanced data management capabilities via physical or software destruction methods (or both) either on-site or at a secure DYNAMIC facility with full chain of custody, in accordance with NAID AAA certified processes. These enhanced practices such as the recording of serial numbers of destroyed computer hard drives or devices could be considered a critical element in determining, investigating and defending against regulatory non-compliance, potential data breaches, and data breach notification requirements.

Based on the pricing and all services outlined for the processing of material under this agreement, services are to be considered "Non-NAID Certified" unless otherwise mutually agreed upon in writing. CUSTOMER has been informed of DYNAMIC's data management practices and potential data security risks.

CUSTOMER willingly agrees to opt out of NAID certified services and agrees that NAID and DYNAMIC will be held harmless from all claims, loss, or threatened loss, or any expenses by reason of the liability or potential liability arising from the failure to record the serial numbers of destroyed computer hard drives or devices.

G. Indemnification

CUSTOMER shall indemnify, defend, and hold DYNAMIC, DYNAMIC's officers, and DYNAMIC's customers harmless at all times from, and after, the date of this Agreement against and with respect to all

damages, losses, costs, and expenses which DYNAMIC may suffer or incur with respect to, or in connection with:

- i. CUSTOMER's omissions, acts, or failure to perform its obligations under this Agreement.
- ii. The material breach by CUSTOMER of any other agreement, representation, warranty, or covenant contained in this Agreement.

H. Audit Right

DYNAMIC shall have the right to audit CUSTOMER to assure compliance with the terms and conditions of this Agreement, including the right to audit reporting, processes, procedures, technical systems, records, and documents reasonably identified by DYNAMIC related to performance and compliance with all applicable laws, regulations, rules, program requirements, and DYNAMIC and DYNAMIC's customer's requirements.

I. Termination

DYNAMIC reserves the right to terminate this Agreement with a 30-day written notice to the other party at any time throughout the duration of the program year, or if prior to such action, the other party materially breaches any of its representations, warranties or obligations under this Agreement. Except as may be otherwise provided in this Agreement, such breach by either party will result in the other party being responsible to reimburse the non-defaulting party for all costs incurred directly as a result of the breach of this Agreement and shall be subject to such damages as may be allowed to the fullest extent of the law in regards to the costs of enforcing this Agreement. In the event of termination due to breach, the breaching party's fines, fees, and penalties will survive termination. If the applicable state agency revises its legislation, Dynamic agrees to review the new changes, and must be acceptable to continue under this Agreement.

J. Governing Law

This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Wisconsin and Minnesota, without regard to its conflicts of laws rules.

K. Confidentiality

Each party shall hold confidential all confidential and trade secret information relating to the business of the other party and its affiliated and subsidiary companies disclosed to it by reason of this Agreement, including the terms of this Agreement, and will not disclose any of such information to any person or entity unless legally compelled to do so. Provided, however, that to the extent that a party may become so legally compelled, such party may only disclose the information if such party shall first afford the other party the opportunity to obtain an appropriate protective order or other satisfactory assurance of confidential treatment for the information required to be disclosed.

L. Force Majeure

Notwithstanding any other provision contained in this Agreement, if DYNAMIC is delayed or prevented from performing its obligations under this Agreement by any cause beyond its reasonable control

including, but not limited to, acts of God, pandemic, war or other public disorder, governmental laws or orders, strikes or labor disturbances, the unavailability of labor or fuel, or other failure or delays of transportation which by exercise of due diligence, DYNAMIC could not be expected to avoid. In such instances DYNAMIC's performance shall be suspended or excused without damages, cost or penalties while such cause exists. DYNAMIC shall use its best efforts to overcome the event and shall have reasonable time after cessation of the event to commend its performance.

M. Denial or Adjustment of Payment

If the applicable state agency or DYNAMIC determines that CUSTOMER is out of compliance with any laws, regulations and rules under which CUSTOMER must comply with at the local, state, Federal, and international level; CUSTOMER is removed by the applicable state agency from the state recycling program; and/or the Program Eligible Material collected by CUSTOMER are determined by the state agency or other government agency to no longer be eligible under the state program, then CUSTOMER shall immediately notify DYNAMIC at which point the Contract will terminate. If the state agency or other government agency determines that the Program Eligible Material volume shipped to DYNAMIC cannot be claimed by a manufacturer program, CUSTOMER must immediately repay DYNAMIC for all payments under this Contract and shall also pay DYNAMIC for any fines or penalties incurred by manufacturers or manufacturer programs to which DYNAMIC sold CUSTOMER's volume, or shortfall pounds from CUSTOMER. This amount from CUSTOMER will be considered late and a late charge of three percent (3%) shall apply if not paid to DYNAMIC within thirty (30) days of demand by DYNAMIC. CUSTOMER also confirms that all pounds purchased by DYNAMIC in this contract have not been previously sold and counted for any other state manufacturer program.

N. Representation of Authority

Each of the undersigned hereby represents and warrants that: (a) such party has all requisite power and authority to execute this Agreement; (b) the execution and delivery of this Agreement by the undersigned, and the performance of its terms thereby have been duly and validly authorized and approved by all requisite action required by law; and (c) this Agreement constitutes a valid and binding agreement of the undersigned, enforceable against each of them in accordance with the terms of the Agreement.

IN WITNESS THEREOF, the parties have caused this contract to be duly executed by their duly authorized Representatives on the dates written under their signatures below intending for this Agreement to become effective as of the Effective Date.

Date: _____

Date: _____

Signed: _____

Amanda Tischer Buros
Director of OEM Solutions
Dynamic Lifecycle Innovations

Signed: _____

Martin Herrick
Environmental Services Director
Houston County, MN

AFFIRMATIVE ACTION/EQUAL OPPORTUNITY: This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

Exhibit B1.0
Minnesota Electronics Recycling Act

This Exhibit is incorporated by reference into the Service Agreement MN-23/24-2-Houston County, MN, entered into by and between CUSTOMER and DYNAMIC on March 25, 2023.

For the purpose of this Agreement all definitions and requirements described below align with Minnesota Statute 115A.1310 to 115A.1330.

CUSTOMER confirms that all material designated as program eligible meets the requirements as listed in Exhibit B1.0.

1. Program Eligible Entities:

- a. In alignment with the Minnesota Electronics Recycling Act the phrase Program Eligible Entities means Minnesota Households.

2. Program Eligible Material

a. Covered Electronic Devices (CEDs):

- i. Computers (desktop, laptop, netbook, tablets)
- ii. Peripherals (keyboards, mice, printer, or any other device sold exclusively for external use with a computer that provides input or output into or from a computer)
- iii. Peripherals (keyboards, mice, computer speakers, external hard drives; items for external use provides input or output from a computer)
- iv. Fax machines
- v. DVD players, VCRs

b. Video Display Devices (VDDs):

- i. Televisions
- ii. Computer Monitors

3. Program Year

- a. July 1st through June 30th of each year

4. CUSTOMER agrees to operate in alignment with the Minnesota Statute 115A.1310 to 115A.1330 and guarantees that all electronics are collected in compliance with the Minnesota Electronics Recycling Act.

5. CUSTOMER must specify at time of shipment what material is classified as metro or non-metro

6. CUSTOMER as a registered collector participating in the Minnesota Electronics Recycling Act must meet all requirements as a registered collector including but not limited to:

- a. Submit by July 15th annually a complete registration to the Minnesota PCA in the format required by the PCA
- b. Submit by July 15th annually a report to the Minnesota PCA the total weight of CEDs and VDDs collected in Minnesota during the preceding program year and the names of all registered recyclers to whom the CUSTOMER delivered CEDs and VDDs.
- c. Whether the collector had a contract with a recycler or manufacturer to provide pounds toward meeting a manufacturer's obligation.

7. If the Minnesota Pollution Control Agency (MPCA) or DYNAMIC determines that CUSTOMER is out of compliance with any laws, regulations and rules under which CUSTOMER must comply with at the local, state, Federal, and international level; CUSTOMER is removed by the MPCA from the Minnesota Electronics Recycling Act; and/or the Program Eligible Material collected by CUSTOMER are determined by the MPCA or other government agency to no longer be eligible under the state program, then CUSTOMER shall immediately notify DYNAMIC at which point the Contract will terminate. If the MPCA or other government agency determines that the Program Eligible Material volume shipped to DYNAMIC cannot be claimed by a manufacturer program, CUSTOMER must immediately repay DYNAMIC for all payments under this Contract and shall also pay DYNAMIC for any fines or penalties incurred by manufacturers or manufacturer programs to which DYNAMIC sold CUSTOMER's volume, or shortfall pounds from CUSTOMER. This amount from CUSTOMER will be considered late and a late charge of three percent (3%) shall apply if not paid to DYNAMIC within thirty (30) days of demand by DYNAMIC. CUSTOMER also confirms that all pounds purchased by DYNAMIC in this contract have not been previously sold and counted for any other state manufacturer program.

**HOUSTON COUNTY
AGENDA REQUEST FORM
April 11, 2023**

Date Submitted: 4/5/23

By: Brian Swedberg, Sheriff

ACTION REQUEST:

NONE

CONSENT AGENDA REQUEST:

- **Approve applying for the 2023 State of MN Boat and Water Safety Grant for \$5,531.00.**

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

Houston County Agenda Request Form

Date Submitted: April 4, 2023 Board Date: April 11, 2023

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

Attached is an agreement from MNDot to approve advance construction for project SP 028-616-006 and SP 028-070-010. This is a Federal paving project on CSAH 16 that will utilize Federal funds that are allotted in the STIP (State Transportation Improvement Plan) for fiscal years 2023 and 2024 for a project that we just bid on April 3, 2023.

Attachments/Documentation for the Board's Review:

Agency Agreements for Federal Participation in Advance Construcion.

Justification:

This agreement will allow MNDot to receive and disburse Federal Funds on our behalf for this road project.

Action Requested:

Approve resolution and Agreement.

Commissioner _____ moved, Commissioner _____ seconded, unanimously carried to approve Resolution 23-14 Agency Agreement with DOT and DOT Agency Agreement for Federal Participation in Advance Construction.

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

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



Minnesota Department of Transportation

State Aid for Local Transportation

395 John Ireland Boulevard, MS 500

Saint Paul, MN 55155

April 4, 2023

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

SUBJECT: **SP 028-616-006/028-070-010, STBG-HSIP 2823(232)**
 CSAH 16 Full Depth Reclamation
 MnDOT Contract Number 1052544

Dear Mr. Pogodzinski:

Attached is the agreement between the Houston County and MnDOT, which allows for MnDOT to act as Houston County's agent in accepting federal aid in connection with the above referenced project.

This agreement is for Advance Construction, because you wish to begin construction of the project prior to the year it is designated in the STIP. The project will be converted to "real" funds in Federal fiscal years 2023 and 2024 or sooner as funds are available.

Please review and if approved, have the agreement signed. A County Board resolution similar to the example attached, must be passed. The certified resolution should then be placed as the last page in the agreement. Please verify that the person/title authorized to sign as stated in the resolution, corresponds to the signature (person/title) on the signature page. Please return the agreement to me for MnDOT signatures. A fully executed copy will be returned to you. If you have any questions or need any revisions, please feel free to contact me at 612.271.6210.

Sincerely,

Angela Murphy, PE
Federal Plans Engineer

Enclosures

Cc: Fausto Cabral —DSAE
 Cindy Degener—Finance
 File

An Equal Opportunity Employer



STATE OF MINNESOTA
AGENCY AGREEMENT
 for
FEDERAL PARTICIPATION IN ADVANCE CONSTRUCTION

State Project Number: 028-616-006/028-070-010__

FAIN Number: STBG-HSIP 2823(232)_____

This agreement is entered into by and between Houston County ("Local Government") and the State of Minnesota acting through its Commissioner of Transportation ("MnDOT").

RECITALS

1. MnDOT Contract Number dcp(1052054) which has been executed between the Local Government and MnDOT, appoints MnDOT as the Local Government's agent to receive and disburse transportation related federal funds, and sets forth duties and responsibilities for letting, payment, and other procedures for a federally funded contract let by the Local Government; and
2. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government's agent to accept and disburse federal funds for the construction, improvement, or enhancement of transportation financed in whole or in part by federal funds, hereinafter referred to as the "Project"; and
3. The Local Government is proposing a federal aid project for CSAH 16 Full Depth Reclamation, hereinafter referred to as the "Project"; and
4. The Project is eligible for the expenditure of federal aid funds and is programmed in the approved federally approved STIP for the fiscal years 2023 and 2024, and is identified in MnDOT records as State Projects 028-616-006 and 028-070-010, and in Federal Highway Administration ("FHWA") records as Minnesota Project STBG-HSIP 2823(232); and
5. The Local Government desires to proceed with the construction of the project in advance of the year it is programmed for the federal funds; and
6. It is permissible under Federal Highway Administration procedures to perform advance construction of eligible projects with non-federal funds, with the intent to request federal funding for the federally eligible costs in a subsequent federal fiscal year(s), if sufficient funding and obligation authority are available; and
7. The Local Government desires to temporarily provide Local Government State Aid and/or other local funds in lieu of the federal funds so that the project may proceed prior to the fiscal year(s) designated in the STIP; and
8. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

AGREEMENT TERMS

1. Term of Agreement

- 1.1. **Effective Date.** This agreement will be effective upon execution by the Local Government and by

appropriate State officials, pursuant to Minnesota Statutes Section 16C.05, and will remain in effect for five (5) years from the effective date or until all obligations set forth in this agreement have been satisfactorily fulfilled, whichever occurs first.

2. Local Government's Duties

- 2.1. The Local Government will perform all of its duties and obligations in MnDOT Contract Number dcp(1052054), which is incorporated herein by reference, in the solicitation, letting, award, and administration of the construction of the Project.

3. MnDOT's Duties

- 3.1. MnDOT will perform all of its duties in accordance with MnDOT Contract Number dcp(1052054), which is incorporated herein by reference.
- 3.2. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project, and for reimbursement of eligible costs pursuant to the terms of this agreement.
- 3.3. MnDOT will request the conversion of the Project to federal funding of eligible costs, when funding and obligation authority are available.
- 3.4. At such time that the project is converted to federal funding and such funding is received by MnDOT, MnDOT will reimburse to the Local Government the federal aid share of the federally eligible costs, previously provided by the Local Government. Reimbursement for Local Government State Aid funds used in lieu of federal funds, will be deposited in the Local Government's State Aid Account. Reimbursement for other Local Government funds used in lieu of federal funds will be forwarded to the Local Government.

4. Time

- 4.1. The Local Government must comply with all the time requirements described in this agreement. In the performance of this agreement, time is of the essence
- 4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed after the end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT, twenty four months prior to the **end date**.

5. Payment

- 5.1. It is estimated that the total cost of the Project is \$1,664,444. The remaining share will be paid by the Local Government. 80% of the eligible costs will be eligible for STBG funds in federal fiscal years 2023 and 2024. These amounts are \$339,444 and \$1,150,000, respectively. 80% of the eligible costs will be eligible for HSIP funds in federal fiscal year 2023. This amount is \$175,000.
- 5.2. The Local Government will pay any part of the cost or expense of the work that the FHWA does not pay.
- 5.3. Request for reimbursement of the federal aid share of the federally eligible costs can be made any time after the work is completed, however payment may not be made until after October 1, 2022 for federal fiscal year 2023 and October 1, 2023 for federal fiscal year 2024.. It could be earlier if funding and obligation authority are available (subject to the Area Transportation Partnership (ATP) policy).
- 5.4. The Local Government will make requests for reimbursement in accordance with the payment provisions in MnDOT Contract Number dcp(1052054), which is incorporated by reference, and will comply with the requirements of 2 CFR Part 200.

6. Authorized Representatives

- 6.1. MnDOT's Authorized Representative is:

Name: Angela Murphy, or her successor.

Title: State Aid, Federal Plans Engineer

Phone: 612-271-6210

Email: angela.murphy@state.mn.us

MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2. The Local Government's Authorized Representative is:

Name: Brian Pogodzinski, or his successor.

Title: Houston County Engineer

Phone: 507-725-3925

Email: brian.pogodzinski@co.houston.mn.us

If the Local Government's Authorized Representative changes at any time during this agreement, the Local Government will immediately notify MnDOT.

7. Assignment Amendments, Waiver, and Agreement Complete

- 7.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 7.2. **Amendments.** Any amendments to this 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 agreement, or their successors in office.
- 7.3. **Waiver.** If MnDOT fails to enforce any provision of this agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
- 7.4. **Agreement Complete.** This agreement contains all negotiations and agreements between MnDOT and the Local Government. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.
- 7.5. **Severability.** If any provision of this Agreement or the application thereof is found invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.
- 7.6. **Certification.** By signing this Agreement, the Local Government certifies that it is not suspended or debarred from receiving federal or state awards.

8. Liability and Claims

- 8.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 8.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project

including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. The Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification obligation extends to any actions related to the certification of DBE participation, even if such actions are recommended by MnDOT.

9. Audits

- 9.1. Under Minn. Stat. § 16C.05, Subd.5, the Local Government's books, records, documents, and accounting procedures and practices of the Local Government, or other party relevant to this agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this 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. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 9.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.475 will be used to determine whether costs are eligible for reimbursement under this agreement.
- 9.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

10. Government Data Practices. The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by MnDOT under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either the Local Government or MnDOT.

11. Workers Compensation. The Local Government certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will not be considered MnDOT 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 MnDOT's obligation or responsibility.

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

13. Termination; Suspension

- 13.1. **Termination by MnDOT.** MnDOT may terminate this agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 13.2. **Termination for Cause.** MnDOT may immediately terminate this agreement if MnDOT finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

13.3. Termination for Insufficient Funding. MnDOT may immediately terminate this agreement if:

13.3.1. Funding is not obtained from the Minnesota Legislature; or

13.3.2. 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 Local Government. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.

13.4. Suspension. MnDOT may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

- 14. Data Disclosure.** Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, 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 Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
- 15. Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.
- 16. Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, 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; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.
- 17. Appendix II 2 CFR Part 200 Federal Contract Clauses.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third party contractors, as applicable. In addition, the Local Government shall have the same meaning as "Contractor" in the federal requirements listed below.

- 17.1.1. **Remedies.** Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- 17.1.2. **Termination.** All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- 17.1.3. **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- 17.1.4. **Davis-Bacon Act, as amended.** (40 U.S.C. 3141-3148) When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- 17.1.5. **Contract Work Hours and Safety Standards Act.** (40 U.S.C. 3701-3708) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- 17.1.6. **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- 17.1.7. **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended.** Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued under the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 17.1.8. **Debarment and Suspension.** (Executive Orders 12549 and 12689) A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 17.1.9. **Byrd Anti-Lobbying Amendment.** (31 U.S.C. 1352) Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- 17.1.10. **Procurement of Recovered Materials.** See 2 CFR 200.322 Procurement of Recovered Materials.
- 17.1.11. **Telecommunications Certification.** By signing this agreement, Contractor certifies that, consistent with Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232 (Aug. 13, 2018), and 2 CFR 200.216, Contractor will not use funding covered by this agreement to procure or obtain, or to extend, renew, or enter into any contract to procure or obtain, any equipment, system, or service that uses “covered telecommunications equipment or services” (as that term is defined in Section 889 of the Act) as a substantial or essential component of any system or as critical technology as part of any system. Contractor will include this certification as a flow down clause in any contract related to this agreement.
- 17.2. **Drug-Free Workplace.** In accordance with 2 C.F.R. § 32.400, the Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.
- 17.3. **Nondiscrimination.** The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, disability, or age be excluded from participation in, be denied the benefits of, or otherwise be

subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance. The specific requirements of the Department of Transportation Civil Rights assurances (required by 49 C.F.R. §§ 21.7 and 27.9) can be found at https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035 and are incorporated in the agreement.

17.4. Federal Funding Accountability and Transparency Act (FFATA).

17.4.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

- a. Reporting of Total Compensation of the Local Government's Executives.
- b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:
 - i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.

- 17.4.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 17.4.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this agreement is awarded.
- 17.4.4. The Local Government will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each project. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>
- 17.4.5. The Local Government's failure to comply with the above requirements is a material breach of this agreement for which the MnDOT may terminate this agreement for cause. The MnDOT will not be obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

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Houston County

Houston County certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances

By: _____

Title: Houston County Board Chair

Date: April 11, 2023

DEPARTMENT OF TRANSPORTATION

By: _____

Title: State Aid Engineer

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Title: Houston County Auditor-Treasurer

Date: April 11, 2023

By: _____

Date: _____

RESOLUTION NO. 23-14

**MnDOT AGENCY AGREEMENT FOR FEDERAL PARTICIPATION
IN ADVANCE CONSTRUCTION**

April 11, 2023

BE IT RESOLVED, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of Houston County to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the Houston County Board Chair and the Houston County Auditor-Treasurer are hereby authorized and directed for and on behalf of Houston County to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation MnDot Contract Number 1052544," a copy which said agreement was before the County Board and which is made a part hereof by reference.

*****CERTIFICATION*****

STATE OF MINNESOTA
COUNTY OF HOUSTON

I, Donna Trehus, County Auditor/Treasurer do certify that the above is a true and correct copy of a resolution adopted by the Houston County Board of Commissioners at the session dated April 11, 2023.

WITNESS my hand and the seal of my office this 11th day of April 2023.

Signed by _____

Houston County Auditor - Treasurer

Houston County Agenda Request Form

Date Submitted: April 5, 2023

Board Date: April 11, 2023

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

This Bobcat Excavator was approved by the Board on February 8, 2022. We have received notice of a price increase in our order from \$177,161.20 to \$186,248.02. This is a \$9,086.82 price increase.

The 2022 quote did include a trade - in of \$45,000. Actual purchase price goes from 132,161.20 to 141,248.02.

Attachments/Documentation for the Board's Review:

2022 state bid information from Bobcat of Rochester and new price quote received April 4, 2023.

Justification:

Board needs to consider the price increase as presented.

Action Requested:

Approve price increase and purchase of excavator.

For County Use Only

Reviewed by:

_____ County Auditor	_____ County Attorney	_____ Zoning Administrator
_____ Finance Director	_____ County Engineer	_____ Environmental Services
_____ IS Director	_____ Other (indicate dept)	

Recommendation:

Decision:

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



Product Quotation

Quotation Number: JRR-01114v1
Date: 2023-03-31 14:26:28

Customer Name/Address:	Bobcat Delivering Dealer	ORDERS TO BE PLACED WITH: Contract Holder/Manufacturer
HOUSTON COUNTY 271977 Environmental Services ROOM 202 COURTHOUSE Caledonia, MN 55921	Bobcat of the Coulee Region, Inc., Dresbach, MN 31465 VETERANS RD DRESBACH MN 55947 Phone: (507) 643-6781 Fax: (507) 643-7053	Clark Equipment Company dba Bobcat Company 250 E Beaton Dr West Fargo, ND 58078 Phone: 701-241-8719 Fax: 855-608-0681 Contact: Heather Messmer Heather.Messmer@doosan.com

Description	Part No	Qty	Price Ea.	Total
E145 Bobcat Excavator	M3331	1	\$145,028.02	\$145,028.02
3.0m Long Arm	Hydraulic Pin Grabber Quick Coupler Piping			
4.6m Mono Fixed Boom	Lift Eye			
Auto-Idle	Mirrors, Left, and Right			
Auto Shift, 2 Speed Travel	Pin-On Attachment Mounting System			
Auto Shut-off	Power Boost			
Auxiliary Hydraulics with Selectable Flow	Power Modes: Power+, Power, Standard, Economy			
Battery Disconnect	Self-Diagnostics System			
Cab, Enclosed with Auto HVAC - ROPS	Smart Power Control (SPC)			
<ul style="list-style-type: none"> Includes: Adjustable Arm Rests, Cup Holder, Heated and Cooled Heated Air Suspension Seat, Radio (DAB) with Bluetooth Connectivity and USB, Retractable Seat Belt 	Smart Key			
Camera: Around View Monitoring	Steel Tracks - 600mm Triple Grouser			
Control Lock-Out, disabling all machine functionality	Telematics - Machine IQ			
Control Pattern Selector Valve (ISO/STD)	Two Way Piping with Pedal and Fingertip Control			
Display, 8" Touch Screen with Jog Shuttle	Motion Alarm			
<ul style="list-style-type: none"> Password protection 	Turbocharged, Tier 4, Non DPF			
Emergency Stop Switch	Vandalism Protection			
Engine/Hydraulic Monitor with Shutdown	<ul style="list-style-type: none"> Includes: Locking Access Panels and Locking Fuel Cap 			
Engine Restart Prevention System	Water Separator with Fuel Heater			
Fingertip Auxiliary Hydraulic Control	Work Lights LED: Boom (2), Front (1), LH Side (1), RH Side (1) and Rear (1)			
Foot Pedal Auxiliary Hydraulic Control	Work Modes: Dig, Lift, One Way Flow, Two Way Flow			
Fine Swing	USB Charger Port			
Horn (joystick mounted)	12 Volt Power Port			
Hydraulic joystick Controls	24 Volt Power Port			
	Warranty: 2 years, or 2000 hours whichever occurs first			

Dozer Blade	M3331-R01-C02	1	\$7,986.84	\$7,986.84
Segmented Rubber Tracks 500mm	M3331-R02-C02	1	\$8,014.96	\$8,014.96
Hydraulic Activated Pin-Grabber Attachment Quick Coupler	M3331-R03-C02	1	\$5,673.40	\$5,673.40
Hydraulic Clamp for 36" Bucket and Hydraulic Pin Grabber	M3331-R04-C06	1	\$6,392.36	\$6,392.36
Trenching Bucket 36"	M3331-A01-C02	1	\$3,757.44	\$3,757.44
	Total for this Machine			\$176,853.02

Description	Part No	Qty	Price Ea.	Total
24" Trenching Bucket	7382549	1	\$3,572.10	\$3,572.10

	Total for these items			\$3,572.10
Description	Part No	Qty	Price Ea.	Total
60" 90 Deg Tilt Bucket (From Geith)	AT18R-1500	1	\$9,095.00	\$9,095.00

Total of Items Quoted	\$189,520.12
Dealer P.D.I.	\$300.00
Freight Charges	\$0.00
Dealer Assembly Charges	\$0.00
Other Charges: Material and Logistics	\$0.00
Quote Total - US dollars	\$189,820.12

Notes:

\$186,248.20

**Prices per the Minnesota Excavators Contract - 132287 E-95(5)*
**Terms Net 60 Days. Credit cards accepted.*
**FOB Destination*
**State Sales Taxes apply. IF Tax Exempt, please include Tax Exempt Certificate with order.*
**TID# 38-0425350*
**Orders Must Be Placed with Clark Equipment Company dba Bobcat Company, Govt Sales, 250 E Beaton Drive, West Fargo, ND 58078.*

**Quote valid for 30 days*

ORDER ACCEPTED BY:

SIGNATURE

DATE

PRINT NAME AND TITLE

PURCHASE ORDER NUMBER

DELIVERY ADDRESS: _____

BILLING ADDRESS (if different than Ship To): _____

TAX EXEMPT? ☐ YES ☐ NO

Exempt in the State of _____

Tax Exempt ID:

FEDERAL - _____

STATE - _____

Expiration Date: _____

Houston County Agenda Request Form

Date Submitted: January 31, 2022 Board Date: February 8, 2022

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

Request to approval of equipment purchases for an excavator and (2) ditch mowers.
The excavator is off the state bid from Bobcat of Rochester and the mowers are from Hammell Equipment.
Both are included in our 2022 budget.

Attachments/Documentation for the Board's Review:

State bid information from Bobcat of Rochester and a quote from Hammell Equipment.

Justification:

This purchase allows the County to keep up the proper life cycle of our equipment and to maximize sale and trade-in values.

Action Requested:

Approve purchase of both the excavator and the ditch mowers.

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

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

Houston County Highway Equipment

Unit #	Agenda Item	State Bid	Budget Over/Under
#4221	Excavator		
#4081	Bobcat of Rochester E145 Bobcat Excavator Trade value	\$ 177,161.20 \$ (45,000.00)	
Grand Total for Unit #4221		\$ 132,161.20	
Over Budget		Budget \$ 125,000.00	\$ 7,161.20

Unit #	Agenda Item	State Bid	Budget Over/Under
#6221/#6222	Mowers		
#6201, 6202	Hammell Equipment (2) Vermeer Mower model M5050 3 pt Trade value	\$ 23,575.00 \$ 7,700.00	
Grand Total for Unit #6221/#6222		\$ 15,875.00	
Over Budget		Budget \$ 13,000.00	\$ 2,875.00



Product Quotation

Quotation Number: AMS-04294

Date: 2022-01-12 10:11:21

Customer Name/Address:

Bobcat Delivering Dealer

ORDERS TO BE PLACED WITH:
Contract Holder/Manufacturer

HOUSTON COUNTY 271977
Environmental Services
ROOM 202 COURTHOUSE
Caledonia, MN 55921

Mike Flanders
Bobcat of Rochester, Stewartville,
MN
630 Schumann Drive NW
Stewartville MN 55976
Phone: 507-285-0753
Fax: 504-285-5799

Clark Equipment Company
dba Bobcat Company
250 E Beaton Dr
West Fargo, ND 58078
Phone: 701-241-8719
Fax: 855-608-0681
Contact: Heather Messmer
Heather.Messmer@doosan.com

Description

E145 Bobcat Excavator

Auto-Idle

Auto Shift, 2 Speed Travel

Auto Shut-off

Auxiliary Hydraulics with Selectable Flow

Battery Disconnect

Cab, Enclosed with Auto HVAC - ROPS

- Includes: Adjustable Arm Rests, Cup Holder, Heated Air Suspension Seat, AM/FM Stereo with CD Player & MP3 Port, Retractable Seat Belt

Camera: Rear and Side

Control Lock-Out, disabling all machine functionality

Control Pattern Selector Valve (ISO/STD)

Display, 7" LCD

- Password protection

Emergency Stop Switch

Engine/Hydraulic Monitor with Shutdown

Engine Restart Prevention System

Fingertip Auxiliary Hydraulic Control

Foot Pedal Attachment Control

Horn (joystick mounted)

Hydraulic joystick Controls

Part No

M3330

Qty

1

Price Ea.

\$135,941.20

Total

\$135,941.20

0

Mirrors, Left, and Right

Hydraulic Pin Grabber Quick Coupler Ready

Pin-On Attachment Mounting System

Power Boost

Power Modes: Power+, Power, Standard,

Economy

Self-Diagnostics System

Telematics - Machine IQ

Smart Power Control (SPC)

Steel Tracks

Travel Motion & Swing Alarm

Turbocharged, Tier 4, Non DPF

Two Way Piping with Pedal and Fingertip Control

Vandalism Protection

- Includes: Locking Access Panels and Locking Fuel Cap

Work Lights: Boom (2), House (1), and Rear (1)

Work Modes: Dig, Lift, Breaker (single directional aux flow), & Shear (dual directional aux flow)

12 Volt Power Port

Warranty: 2 years, or 2000 hours whichever occurs first

Dozer Blade

Segmented Rubber Track

Hydraulic Activated Pin-Grabber Attachment Quick Coupler

Hydraulic Clamp, for 36" Bucket and Hydraulic Pin-Grabber

36" Trenching Bucket

Description

60" 90 Deg Tilt Bucket (From Geith)

M3330-R01-C02

1

\$7,986.84

\$7,986.84

M3330-R02-C02

1

\$8,014.96

\$8,014.96

M3330-R03-C02

1

\$5,673.40

\$5,673.40

M3330-R04-C06

1

\$6,392.36

\$6,392.36

M3330-A01-C02

1

\$3,757.44

\$3,757.44

Part No

Qty

Price Ea.

Total

AT18R-1500

1

\$9,095.00

\$9,095.00

Total of Items Quoted

\$176,861.20

Dealer P.D.I.

\$300.00

Dealer Assembly Charges

\$0.00

Quote Total - US dollars

\$177,161.20

***Prices per the Minnesota Excavators Contract - 132287 E-95(5)**

***Terms Net 60 Days. Credit cards accepted.**

***FOB Destination**

***State Sales Taxes apply. IF Tax Exempt, please include Tax Exempt Certificate with order.**

***TID# 38-0425350**

***Orders Must Be Placed with Clark Equipment Company dba Bobcat Company, Govt Sales, 250 E Beaton Drive, West Fargo, ND 58078.**

***Quote valid for 30 days**

ORDER ACCEPTED BY:

SIGNATURE

DATE

PRINT NAME AND TITLE

PURCHASE ORDER NUMBER

DELIVERY ADDRESS: _____

BILLING ADDRESS (if different than Ship To): _____

TAX EXEMPT? _____ **YES** _____ **NO**

Exempt in the State of _____

Tax Exempt ID:

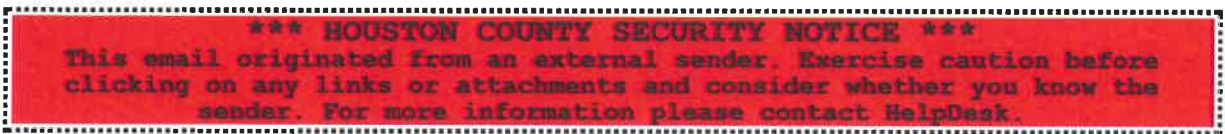
FEDERAL - _____

STATE - _____

Expiration Date: _____

From: [Chris Hartley](#)
To: [Brian Pogodzinski](#)
Subject: FW: revised E145 quote
Date: Monday, January 31, 2022 8:54:27 AM
Attachments: [HOUSTON COUNTY - E145 - AMS-04294 1.12.21.pdf](#)

From: Mike Flanders <MFlanders@sancoequipment.com>
Sent: Wednesday, January 12, 2022 12:03 PM
To: Chris Hartley <Chris.Hartley@co.houston.mn.us>
Subject: revised E145 quote



Hello Chris,

Attached is the revised quote for the E145 with the 60" ditch bucket added. Pricing looks much better this time around compared to the November – It is still up from back in July, but not as bad.

Also revisited the John Deere backhoe – will go up to \$45,000 on that for trade value.

Thank you again for the opportunity, and we will be touch.

Thank you,

Mike Flanders

Equipment Sales

MFlanders@sancoequipment.com

Phone:(507) 285-0753 x709

Mobile:(507) 206-7880



www.sancoequipment.com



www.sancoent.com

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with value added solutions.*

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please delete it.

Houston County Agenda Request Form

Date Submitted: April 5, 2023

Board Date: April 11, 2023

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

Board to discuss possibility of renting the airport land for the 2023 growing season. Discussion should consider the cost versus benefit of renting and consider the fact that construction of the taxiway is likely to begin this summer or early fall. Since planting season is here, a written agreement should be discussed asap.

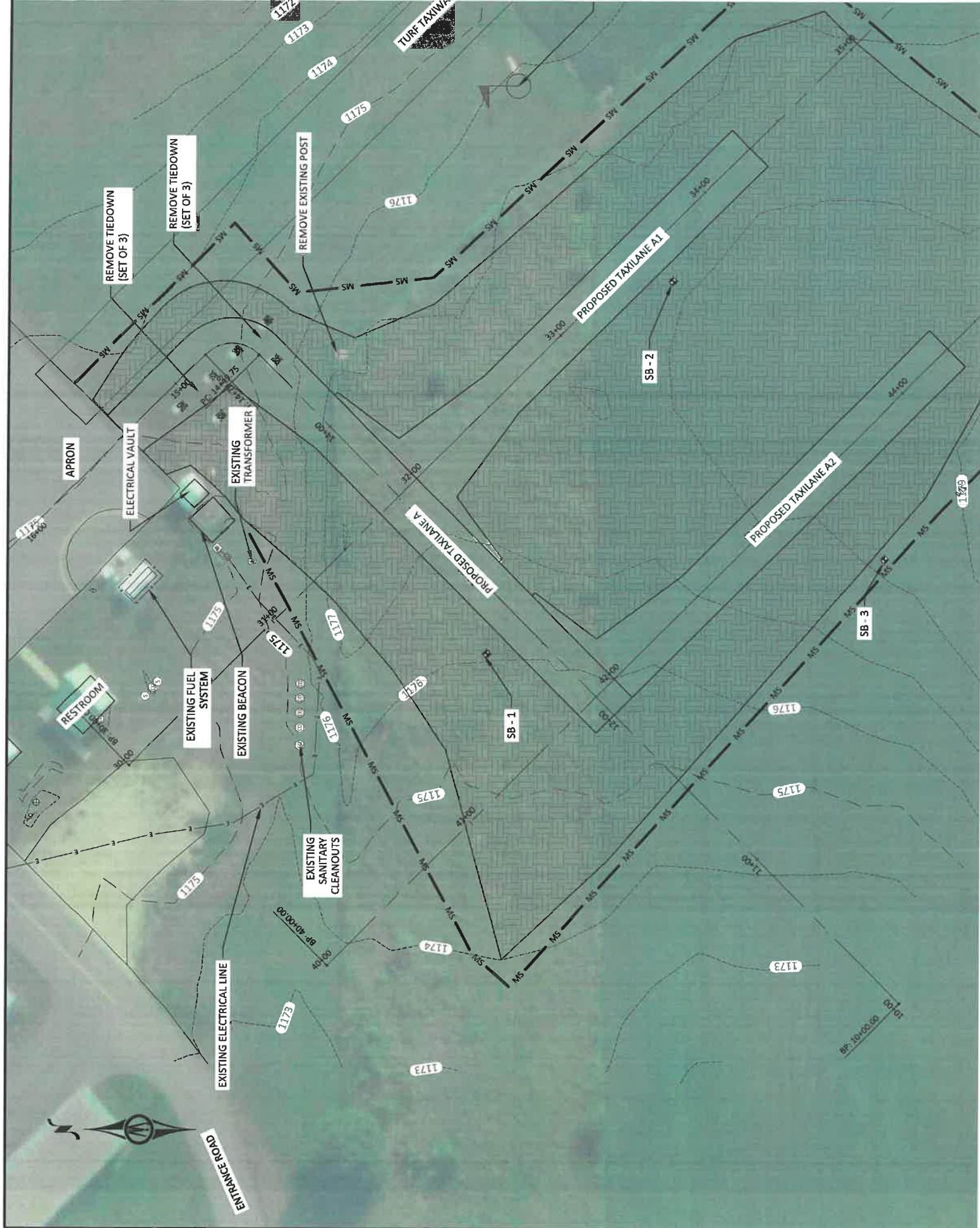
Attachments/Documentation for the Board's Review:

Justification:

Action Requested:

For County Use Only			
<u>Reviewed by:</u>	<div style="display: flex; justify-content: space-between; margin-bottom: 5px;"><div><input type="checkbox"/> County Auditor</div><div><input type="checkbox"/> County Attorney</div><div><input type="checkbox"/> Zoning Administrator</div></div> <div style="display: flex; justify-content: space-between; margin-bottom: 5px;"><div><input type="checkbox"/> Finance Director</div><div><input type="checkbox"/> County Engineer</div><div><input type="checkbox"/> Environmental Services</div></div> <div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> IS Director</div><div><input type="checkbox"/> Other (indicate dept)</div><div></div></div>		
<u>Recommendation:</u>			
<u>Decision:</u>			

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



REMOVE TIEDOWN
(SET OF 3)

REMOVE TIEDOWN
(SET OF 3)

REMOVE EXISTING POST

APRON

ELECTRICAL VAULT

EXISTING
TRANSFORMER

RESTROOM

EXISTING FUEL
SYSTEM

EXISTING BEACON

EXISTING
SANITARY
CLEANOUTS

EXISTING ELECTRICAL LINE

TURF TAXIWAY

PROPOSED TAXIWAY A1

PROPOSED TAXIWAY A

PROPOSED TAXIWAY A2

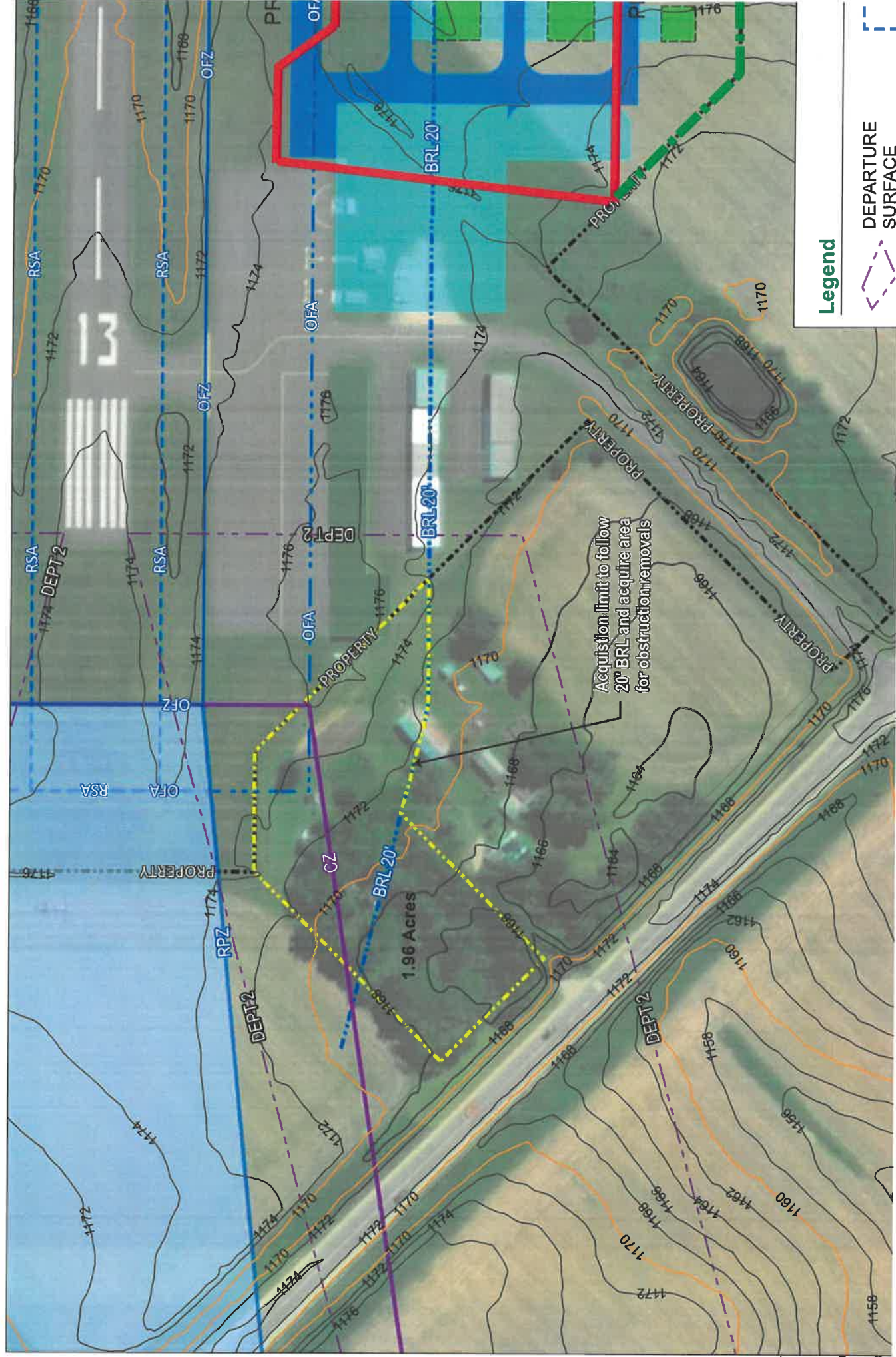
SB - 2

SB - 1

SB - 3

ENTRANCE ROAD

Houston County, MN



FARM LEASE

THIS AGREEMENT, made this ____ day of _____ by and between "Houston County", party of the first part, Lessor; and _____, party of the second part, Lessee; of the County of Houston, State of Minnesota.

WITNESSETH, that the said party of the first part, in consideration of the rents and covenants hereinafter mentioned, does hereby demise, lease and let unto the said party of the second part, and the said party of the second part does hereby hire and take from the said party of the first part, the following described premises situated in the County of Houston, and State of Minnesota, viz:

_____ acres more or less, of cropland owned by Houston County located adjacent to the runway at the Houston County Airport, being in Section 36-102-6 (Please refer to highlighted area on the attached map for a more specific depiction of the leased premises).
(Tax Parcel #P.03.0397.001)

TO HAVE AND TO HOLD, the above rented premises unto the said second party, their heirs and assigns, subject to the conditions and limitations hereinafter mentioned beginning on the 15th day of April 2023, with the terms of this Lease ending the 31st day of December 2023.

And the said second party agrees to and with the said first party to pay as rent for the above-mentioned premises, for and during the full term of this Lease, the **annual** sum of _____ (\$ _____) at Caledonia, Minnesota in yearly installments to wit:

Payment due in full at the Houston County Auditor's Office, 304 South Marshall Street, Suite 116, Caledonia, MN 55921 on or before April 15 of each year. Checks should be made payable to: Houston County Treasurer

It is further understood that the Lessee shall be responsible for payment of all real estate/personal property taxes on said parcel of property.

And it is further agreed, by and between the parties as follows: That should the said second party fail to make the above-mentioned payments as herein specified, or to pay any of the rent aforesaid when due, or fail to fulfill any of the covenants herein contained, then and in that case said first party may re-enter and take possession of the above rented premises, and hold and enjoy the same without such re-entering working a forfeiture of the rents to be paid by the said second party for the full term of this lease. That if said second party remains in possession of said premises after the expiration of the term for which they are hereby leased, such possession shall not be construed to be a renewal of this lease, but to be a tenancy at the will of the said first party, which may be terminated upon ten days notice, given by the said

first party in writing, either delivered to second party or sent to him in a sealed envelope, duly stamped and directed to him at

which is hereby declared by said second party to be his usual Post-office address. Said notice must be given following the removal of that years' crop or December 31st, whichever happens first.

And that said second party also covenants and agrees to and with the said first party, not to assign this lease or underlet the above rented premises or any part thereof, without first obtaining the written consent of the said first party and that he will at the expiration of the time as herein recited, quietly yield and surrender the aforesaid premises to the said first party, his heirs or assigns, in as good condition and repair as when taken, reasonable wear and tear and damage by the elements alone excepted. Said second party also covenants; to cultivate the hereby leased premises in as careful and husband-like manner.

The party of the second part is also to destroy all thistles and other noxious weeds growing on said land, declared by statute to be common nuisances, within the times prescribed by law, and shall keep all roadways and other parts of the land, not in crop, mowed and free from growing weeds. And the first party or his agent shall have the right to enter upon said premises at any time, without injury to the standing crops, for the purpose of making any improvements, or to prepare for the succeeding crop, or for any other purpose whatsoever.

And the said first party covenants that the said second party, on paying the rent and performing the covenants aforesaid, shall peacefully and quietly have, hold and enjoy the said remised premises and the said second party agrees to utilize the cropland thereon for the term aforesaid. In the event of any rents due hereon being collected by suit, the second party further agrees to pay all expenses which may be incurred thereby.

As security for the payment of the rents herein specified and the faithful performance and strict fulfillment of all the covenants of said second party in this lease contained, said second party does hereby grant a security interest to said first party in all crops grown or growing on said premises during the term of this lease and in products and contract rights with respect thereto and all proceeds of each. Upon any default on the part of the said second party in paying said rent or in performing any of the covenants of this lease, and at any time thereafter, said first party shall have, in addition to the rights and remedies granted hereby, all rights and remedies of a secured party under the Uniform Commercial Code or other applicable law, and said first party may require said second party to assemble said property and make it available to said first party at a place to be designated by said first party that is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling and the like, shall include the reasonable attorney's fees and legal expenses of said first party.

Lessor hereby reserves the right to terminate this lease by giving Lessee 30 day's written notice. Lessor shall only terminate this lease if Lessor determines that it would utilize the premises for any purpose other than cropland. Upon termination, Lessee shall have the

absolute right to remove any and all crops planted for that crop year or receive reasonable damages for loss of the crop for that crop year, so long as Lessee planted any crops. After removal of the crops or payment of reasonable damages, the Lessor's and Lessee's rights under this Lease Agreement shall terminate and neither party may seek additional damages thereof.

Words used in this instrument in the masculine gender include the feminine and neuter, the singular number includes the plural and the plural the singular.

Additional Terms:

The location and height of crops relative to Part 77 Obstruction Surfaces Areas to be kept free of any crops or farming equipment include the Transitional Surface, Runway Safety Area, Object Free Area and the Obstacle Free Zone.

In the event that the Lessee damages any airport surfaces, including but not limited to the causing of ruts in soft turf, leaving Foreign Object Damage (FOD) on airport ramps or taxiways, etc., the Lessee shall be solely responsible for any and all damages and the cost of repairs. Any repairs not immediately made by the Lessee may be made by the County and billed to the Lessee. Should the lessee fail to reimburse Houston County for the cost of repairs, the Lessee hereby agrees that the County shall have the right to assess the cost of the repairs on the Lessee's real estate taxes.

It is further understood that agricultural crops have a potential for attracting birds and other wildlife which may pose a hazard to aircraft. If birds or other wildlife become a problem because of agricultural operations on the airport, the FAA expects that the airport operator/owner immediately initiate remedial action. A non-certificated airport will be considered as having a wildlife problem if wildlife activity is significant enough to cause or result in a multiple bird strike, engine ingestion, or a damaging collision with wildlife other than birds. If a wildlife problem develops, the county engineer will arrange for a site visit by a wildlife biologist from either the USDA Animal Damage Control or the State wildlife agency. The site visit will determine if the wildlife problem is a result of agricultural crops and will recommend remedial measures to help alleviate the hazard. This remedial action may include the temporary or complete termination of the agricultural operation. If the above-mentioned scenario does result in termination of the agricultural operation, the Lessee shall immediately plow under all crop residue and harrow the area smooth, and Houston County will reimburse the Lessee for the cost of the crops lost.

IN TESTIMONY WHEREOF, both parties have hereunto set their hands the day and year hereinbefore written.

LESSEE

Jamison Burg

LESSOR

Houston County Board of Commissioners
By: Eric Johnson

HOUSTON COUNTY AGENDA REQUEST FORM

Date Submitted: 4.11.23

By: Brian Pogodzinski – Highway Engineer

ACTION ITEM:

Consider approval of Wildcat Manager for the 2023 Camping Season.

Reviewed by:

XX

HR Director

County

Sheriff

XX

Finance Director

XX

County

Engineer

IS Director

PHHS

Other

(indicate

XX

County Attorney

XX

dept)

Environmental Svcs

Recommendation:

Decision:

HOUSTON COUNTY AGENDA REQUEST FORM

Date Submitted: 04.11.23

By: Donna Trehus, Auditor/Treasurer

ACTION ITEM:

Consider approving the Resolution Authorizing Houston County Staff to Execute All Necessary Documents to Ensure Houston County Participation in the Multistate Settlements Relating to Opioid Supply Chain Participants, and in the Minnesota Opioids State-Subdivision Memorandum of Agreement.

Settlement dollars will continue to be split 75% to local governments and 25% to the State. Settlement funds can be used for a very broad set of activities that is based on allowable uses delineated in the settlement.

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

Resolution 23-15

Resolution Authorizing Houston County Staff to Execute All Necessary Documents to Ensure Houston County Participation in the Multistate Settlements Relating to Opioid Supply Chain Participants, and in the Minnesota Opioids State-Subdivision Memorandum of Agreement.

WHEREAS, the State of Minnesota and numerous Minnesota cities and counties are engaged in nationwide civil litigation against opioid supply chain participants related to the opioid crisis; and

WHEREAS, the Minnesota Attorney General has signed on to multistate settlement agreements with several opioid supply chain participants, but those settlement agreements are still subject to sign-on by local governments and final agreement by the companies and approval by the courts; and

WHEREAS, there is a deadline of April, 18 2023, for a sufficient threshold of Minnesota cities and counties to sign on to the above-referenced multistate settlement agreements, and failure to timely sign on may diminish the amount of funds received by not only that city or county but by all Minnesota cities and counties from the settlement funds; and

WHEREAS, representatives of Minnesota's local governments, the Office of the Attorney General, and the State of Minnesota have reached agreement on the intrastate allocation of these settlement funds between the State, and the counties and cities, as well as the permissible uses of these funds, which will be memorialized in the Minnesota Opioids State-Subdivision Memorandum of Agreement, as amended (the "State-Subdivision Agreement"); and

WHEREAS, the State-Subdivision Agreement creates an opportunity for local governments and the State to work collaboratively on a unified vision to deliver a robust abatement and remediation plan to address the opioid crisis in Minnesota;

NOW, THEREFORE, BE IT RESOLVED, Houston County supports and agrees to the State-Subdivision Agreement; and

BE IT FURTHER RESOLVED, Houston County supports and opts in to all future multistate settlement agreements with opioid supply chain participants; and

BE IT FURTHER RESOLVED, Houston County authorizes Houston County staff to execute all necessary documents to ensure Houston County participation in the multistate settlement agreements, including the Participation Agreement and accompanying Release, and in the State-Subdivision Agreement.

*******CERTIFICATION*******

STATE OF MINNESOTA
COUNTY OF HOUSTON

I, Donna Trehus, County Auditor/Treasurer do certify that the above is a true and correct copy of a resolution adopted by the Houston County Board of Commissioners at the session dated April 11, 2023.

WITNESS my hand and the seal of my office this 11th day of April 2023.

Signed by _____

Houston County Auditor - Treasurer

AMENDED MINNESOTA OPIOIDS STATE-SUBDIVISION MEMORANDUM OF AGREEMENT

WHEREAS, the State of Minnesota, Minnesota counties and cities, and their people have been harmed by misconduct committed by certain entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic;

WHEREAS, certain Minnesota counties and cities, through their counsel, and the State, through its Attorney General, are separately engaged in ongoing investigations, litigation, and settlement discussions seeking to hold opioid manufacturers and distributors accountable for the damage caused by their misconduct;

WHEREAS, the State and Local Governments share a common desire to abate and alleviate the impacts of the misconduct described above throughout Minnesota;

WHEREAS, while the State and Local Governments recognize the sums which may be available from the aforementioned litigation will likely be insufficient to fully abate the public health crisis caused by the opioid epidemic, they share a common interest in dedicating the most resources possible to the abatement effort;

WHEREAS, the investigations and litigation with several companies have resulted in National Settlement Agreements with those companies, which the State has already committed to join;

WHEREAS, Minnesota's share of settlement funds from the National Settlement Agreements will be maximized only if all Minnesota counties, and cities of a certain size, participate in the settlements;

WHEREAS, the National Settlement Agreements will set a default allocation between each state and its political subdivisions unless they enter into a state-specific agreement regarding the distribution and use of settlement amounts;

WHEREAS, this Amended Memorandum of Agreement is intended to facilitate compliance by the State and by the Local Governments with the terms of the National Settlement Agreements and is intended to serve as a State-Subdivision Agreement under the National Settlement Agreements;

WHEREAS, this Amended Memorandum of Agreement is also intended to serve as a State-Subdivision Agreement under resolutions of claims concerning alleged misconduct in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and cities and allow for the allocation between a state and its political subdivisions to be set through a state-specific agreement; and

WHEREAS, specifically, this Amended Memorandum of Agreement is intended to serve under the Bankruptcy Resolutions concerning Purdue Pharma, Mallinckrodt, and Endo as a qualifying Statewide Abatement Agreement.

I. Definitions

As used in this MOA (including the preamble above):

“Approved Uses” shall mean forward-looking strategies, programming, and services to abate the opioid epidemic that fall within the list of uses on **Exhibit A**. Consistent with the terms of the National Settlement Agreements and Bankruptcy Resolutions, “Approved Uses” shall include the reasonable administrative expenses associated with overseeing and administering Opioid Settlement Funds. Reimbursement by the State or Local Governments for past expenses are not Approved Uses.

“Backstop Fund” is defined in Section VI.B below.

“Bankruptcy Defendants” mean any Opioid Supply Chain Participants that have filed for federal bankruptcy protection, including, but not limited to, Purdue Pharma L.P., Mallinckrodt plc, and Endo International plc.

“Bankruptcy Resolution(s)” means resolutions of claims concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic by the Bankruptcy Defendants entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and municipalities and allow for the allocation between the state and its political subdivisions to be set through a state-specific agreement.

“Counsel” is defined in Section VI.B below.

“County Area” shall mean a county in the State of Minnesota plus the Local Governments, or portion of any Local Government, within that county.

“Governing Body” means (1) for a county, the county commissioners of the county, and (2) for a municipality, the elected city council or the equivalent legislative body for the municipality.

“Legislative Modification” is defined in Section II.C below.

“Litigating Local Governments” mean a Local Government that filed an opioid lawsuit(s) on or before December 3, 2021, as defined in Section VI.B below.

“Local Abatement Funds” are defined in Section II.B below.

“Local Government” means all Minnesota political subdivisions within the geographic boundaries of the state of Minnesota.

“MDL Matter” means the matter captioned *In re National Prescription Opiate Litigation*, MDL 2804, pending in the United States District Court for the Northern District of Ohio.

“Memorandum of Agreement” or “MOA” means this agreement, the Amended Minnesota Opioids State-Subdivision Memorandum of Agreement.

“National Settlement Agreements” means a national opioid settlement agreement with the Parties and one or more Opioid Supply Chain Participants concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic, which includes structural or payment provisions requiring or anticipating the participation of both the State and its political subdivisions in the national opioid settlement agreement and allows for the allocation of Opioid Settlement Funds between the State and its political subdivisions to be set through a state-specific agreement.

“Opioid Settlement Funds” shall mean all funds allocated by the National Settlement Agreements and any Bankruptcy Resolutions to the State and Local Governments for purposes of opioid remediation activities or restitution, as well as any repayment of those funds and any interest or investment earnings that may accrue as those funds are temporarily held before being expended on opioid remediation strategies.

“Opioid Supply Chain Participants” means entities that engage in, have engaged in, or have provided consultation services regarding the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic, including, but not limited to, Janssen, AmerisourceBergen, Cardinal Health, McKesson, Teva Pharmaceuticals, Allergan plc, CVS Health Corporation, Walgreens Boots Alliance, Inc., and Walmart Inc. “Opioid Supply Chain Participants” also means all subsidiaries, affiliates, officers, directors, employees, or agents of such entities.

“Parties” means the State and the Participating Local Governments.

“Participating Local Government” means a political subdivision within the geographic boundaries of the State of Minnesota that has signed this Memorandum of Agreement and has executed a release of claims by signing on to the National Settlement Agreements. For the avoidance of doubt, a Local Government must sign this MOA to become a “Participating Local Government.”

“Region” is defined in Section II.H below.

“State” means the State of Minnesota by and through its Attorney General, Keith Ellison.

“State Abatement Fund” is defined in Section II.B below.

II. Allocation of Settlement Proceeds

- A. Method of distribution. Pursuant to the National Settlement Agreements and any Bankruptcy Resolutions, Opioid Settlement Funds shall be distributed directly to the State and directly to Participating Local Governments in such proportions and for such uses as set forth in this MOA, provided Opioid Settlement Funds shall not be considered funds of

the State or any Participating Local Government unless and until such time as each distribution is made.

- B. Overall allocation of funds. Opioid Settlement Funds will be initially allocated as follows: (i) 25% directly to the State (“State Abatement Fund”), and (ii) 75% directly to abatement funds established by Participating Local Governments (“Local Abatement Funds”). This initial allocation is subject to modification by Sections II.F, II.G, and II.H, below.

C. Statutory change.

1. The Parties agree to work together in good faith to propose and lobby for legislation in the 2022 Minnesota legislative session to modify the distribution of the State’s Opiate Epidemic Response Fund under Minnesota Statutes section 256.043, subd. 3(d), so that “50 percent of the remaining amount” is no longer appropriated to county social services, as related to Opioid Settlement Funds that are ultimately placed into the Minnesota Opiate Epidemic Response Fund (“Legislative Modification”).¹ Such efforts include, but are not limited to, providing testimony and letters in support of the Legislative Modification.
2. It is the intent of the Parties that the Legislative Modification would affect only the county share under section 256.043, subd. 3(d), and would not impact the provision of funds to tribal social service agencies. Further, it is the intent of the Parties that the Legislative Modification would relate only to disposition of Opioid Settlement Funds and is not predicated on a change to the distribution of the Board of Pharmacy fee revenue that is deposited into the Opiate Epidemic Response Fund.

- D. Bill Drafting Workgroup. The Parties will work together to convene a Bill Drafting Workgroup to recommend draft legislation to achieve this Legislative Modification. The Workgroup will meet as often as practicable in December 2021 and January 2022 until recommended language is completed. Invitations to participate in the group shall be extended to the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, state agencies, the Governor’s Office, the Attorney General’s Office, the Opioid Epidemic Response Advisory Council, the Revisor’s Office, and Minnesota tribal representatives. The Workgroup will host meetings with Members of the Minnesota House of Representatives and Minnesota Senate who have been involved in this matter to assist in crafting a bill draft.

- E. No payments until August 1, 2022. The Parties agree to take all steps necessary to ensure that any Opioid Settlement Funds ready for distribution directly to the State and Participating Local Governments under the National Settlement Agreements or Bankruptcy Resolutions are not actually distributed to the Parties until on or after August 1, 2022, in order to allow the Parties to pursue legislative change that would take effect

¹ It is the intent of the Parties that counties will continue to fund child protection services for children and families who are affected by addiction, in compliance with the Approved Uses in **Exhibit A.**

before the Opioid Settlement Funds are received by the Parties. Such steps may include, but are not limited to, the Attorney General's Office delaying its filing of Consent Judgments in Minnesota state court memorializing the National Settlement Agreements. This provision will cease to apply upon the effective date of the Legislative Modification described above, if that date is prior to August 1, 2022.

- F. Effect of no statutory change by August 1, 2022. If the Legislative Modification described above does not take effect by August 1, 2022, the allocation between the Parties set forth in Section II.B shall be modified as follows: (i) 40% directly to the State Abatement Fund, and (ii) 60% to Local Abatement Funds. The Parties further agree to discuss potential amendment of this MOA if such legislation does not timely go into effect in accordance with this paragraph.
- G. Effect of later statutory change. If the Legislative Modification described above takes effect after August 1, 2022, the allocation between the Parties will be modified as follows: (i) 25% directly to the State Abatement Fund, and (ii) 75% to Local Abatement Funds.
- H. Effect of partial statutory change. If any legislative action otherwise modifies or diminishes the direct allocation of Opioid Settlement Funds to Participating Local Governments so that as a result the Participating Local Governments would receive less than 75 percent of the Opioid Settlement Funds (inclusive of amounts received by counties per statutory appropriation through the Minnesota Opiate Epidemic Response Fund), then the allocation set forth in Section II.B will be modified to ensure Participating Local Governments receive 75% of the Opioid Settlement Funds.
- I. Participating Local Governments receiving payments. The proportions set forth in **Exhibit B** provide for payments directly to: (i) all Minnesota counties; and (ii) all Minnesota cities that (a) have a population of more than 30,000, based on the United States Census Bureau's Vintage 2019 population totals, (b) have funded or otherwise managed an established health care or treatment infrastructure (e.g., health department or similar agency), or (c) have initiated litigation against AmerisourceBergen, Cardinal Health, McKesson, or Janssen as of December 3, 2021.
- J. Allocation of funds between Participating Local Governments. The Local Abatement Funds shall be allocated to Participating Local Governments in such proportions as set forth in **Exhibit B**, attached hereto and incorporated herein by reference, which is based upon the MDL Matter's Opioid Negotiation Class Model.² The proportions shall not change based on population changes during the term of the MOA. However, to the extent required by the terms of the National Settlement Agreements, the proportions set forth in **Exhibit B** must be adjusted: (i) to provide no payment from the National Settlement Agreements to any listed county or municipality that does not participate in the National

² More specifically, the proportions in Exhibit B were created based on Exhibit G to the National Settlement Agreements, which in turn was based on the MDL Matter's allocation criteria. Cities under 30,000 in population that had shares under the Exhibit G default allocation were removed and their shares were proportionally reallocated amongst the remaining subdivisions.

Settlement Agreements; and (ii) to provide a reduced payment from the National Settlement Agreements to any listed county or city that signs on to the National Settlement Agreements after the Initial Participation Date.

- K. Redistribution in certain situations. In the event a Participating Local Government merges, dissolves, or ceases to exist, the allocation percentage for that Participating Local Government shall be redistributed equitably based on the composition of the successor Local Government. In the event an allocation to a Local Government cannot be paid to the Local Government, such unpaid allocations will be allocated to Local Abatement Funds and be distributed in such proportions as set forth in Exhibit B.
- L. City may direct payments to county. Any city allocated a share may elect to have its full share or a portion of its full share of current or future annual distributions of settlement funds instead directed to the county or counties in which it is located, so long as that county or counties are Participating Local Governments[s]. If a city is located in more than one county, the city's funds will be directed based on the MDL Matter's Opioid Negotiation Class Model.

III. Special Revenue Fund

- A. Creation of special revenue fund. Every Participating Local Government receiving Opioid Settlement Funds through direct distribution shall create a separate special revenue fund, as described below, that is designated for the receipt and expenditure of Opioid Settlement Funds.
- B. Procedures for special revenue fund. Funds in this special revenue fund shall not be commingled with any other money or funds of the Participating Local Government. The funds in the special revenue fund shall not be used for any loans or pledge of assets, unless the loan or pledge is for an Approved Use. Participating Local Governments may not assign to another entity their rights to receive payments of Opioid Settlement Funds or their responsibilities for funding decisions, except as provided in Section II.L.
- C. Process for drawing from special revenue funds.
 - 1. Opioid Settlement Funds can be used for a purpose when the Governing Body includes in its budget or passes a separate resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for that purpose or those purposes during a specified period of time.
 - 2. The budget or resolution must (i) indicate that it is an authorization for expenditures of opioid settlement funds; (ii) state the specific strategy or strategies the county or city intends to fund, using the item letter and/or number in **Exhibit A** to identify each funded strategy, if applicable; and (iii) state the amount dedicated to each strategy for a stated period of time.

- D. Local government grantmaking. Participating Local Governments may make contracts with or grants to a nonprofit, charity, or other entity with Opioid Settlement Funds.
- E. Interest earned on special revenue fund. The funds in the special revenue fund may be invested, consistent with the investment limitations for local governments, and may be placed in an interest-bearing bank account. Any interest earned on the special revenue funds must be used in a way that is consistent with this MOA.

IV. Opioid Remediation Activities

- A. Limitation on use of funds. This MOA requires that Opioid Settlement Funds be utilized only for future opioid remediation activities, and Parties shall expend Opioid Settlement Funds only for Approved Uses and for expenditures incurred after the effective date of this MOA, unless execution of the National Settlement Agreements requires a later date. Opioid Settlement Funds cannot be used to pay litigation costs, expenses, or attorney fees arising from the enforcement of legal claims related to the opioid epidemic, except for the portion of Opioid Settlement Funds that comprise the Backstop Fund described in Section VI. For the avoidance of doubt, counsel for Litigating Local Governments may recover litigation costs, expenses, or attorney fees from the common benefit, contingency fee, and cost funds established in the National Settlement Agreements, as well as the Backstop Fund described in Section VI.
- B. Public health departments as Chief Strategists. For Participating Local Governments that have public health departments, the public health departments shall serve as the lead agency and Chief Strategist to identify, collaborate, and respond to local issues as Local Governments decide how to leverage and disburse Opioid Settlement Funds. In their role as Chief Strategist, public health departments will convene multi-sector meetings and lead efforts that build upon local efforts like Community Health Assessments and Community Health Improvement Plans, while fostering community focused and collaborative evidence-informed approaches that prevent and address addiction across the areas of public health, human services, and public safety. Chief Strategists should consult with municipalities located within their county in the development of any Community Health Assessment, and are encouraged to collaborate with law enforcement agencies in the county where appropriate.
- C. Administrative expenses. Reasonable administrative costs for the State or Local Government to administer its allocation of the Opioid Settlement Funds shall not exceed actual costs, 10% of the relevant allocation of the Opioid Settlement Funds, or any administrative expense limitation imposed by the National Settlement Agreements or Bankruptcy Resolution, whichever is less.
- D. Regions. Two or more Participating Local Governments may at their discretion form a new group or utilize an existing group (“Region”) to pool their respective shares of settlement funds and make joint spending decisions. Participating Local Governments may

choose to create a Region or utilize an existing Region under a joint exercise of powers under Minn. Stat. § 471.59.

E. Consultation and partnerships.

1. Each county receiving Opioid Settlement Funds must consult annually with the municipalities in the county regarding future use of the settlement funds in the county, including by holding an annual meeting with all municipalities in the county in order to receive input as to proposed uses of the Opioid Settlement Funds and to encourage collaboration between Local Governments both within and beyond the county. These meetings shall be open to the public.
2. Participating Local Governments within the same County Area have a duty to regularly consult with each other to coordinate spending priorities.
3. Participating Local Governments can form partnerships at the local level whereby Participating Local Governments dedicate a portion of their Opioid Settlement Funds to support city- or community-based work with local stakeholders and partners within the Approved Uses.

- F. Collaboration. The State and Participating Local Governments must collaborate to promote effective use of Opioid Settlement Funds, including through the sharing of expertise, training, and technical assistance. They will also coordinate with trusted partners, including community stakeholders, to collect and share information about successful regional and other high-impact strategies and opioid treatment programs.

V. **Reporting and Compliance**

- A. Construction of reporting and compliance provisions. Reporting and compliance requirements will be developed and mutually agreed upon by the Parties, utilizing the recommendations provided by the Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds.
- B. Reporting Workgroup. The Parties will work together to establish a Reporting Workgroup that includes representatives of the Attorney General's Office, state stakeholders, and city and county representatives, who will meet on a regular basis to develop reporting and compliance recommendations. The Reporting Workgroup must produce a set of reporting and compliance measures by June 1, 2022. Such reporting and compliance measures will be effective once approved by representatives of the Attorney General's Office, the Governor's Office, the Association of Minnesota Counties, and the League of Minnesota Cities that are on the Workgroup.
- C. Application of Reporting Addendum and State Law. The requirements of the Reporting and Compliance Addendum agreed to by the Minnesota Governor's Office, the Minnesota Attorney General's Office, the Association of Minnesota Counties, the League of Minnesota Cities, and members of the Minnesota Opioid Epidemic Response Advisory

Council, as well as the requirements of Minnesota Statutes section 256.042, subdivision 5(d), apply to Local Governments receiving Opioid Settlement Funds under National Settlement Agreements and Bankruptcy Resolutions within the scope of this MOA.

VI. Backstop Fund

- A. National Attorney Fee Fund. When the National Settlement Agreements provide for the payment of all or a portion of the attorney fees and costs owed by Litigating Local Governments to private attorneys specifically retained to file suit in the opioid litigation (“National Attorney Fee Fund”), the Parties acknowledge that the National Settlement Agreements may provide for a portion of the attorney fees of Litigating Local Governments.
- B. Backstop Fund and Waiver of Contingency Fee. The Parties agree that the Participating Local Governments will create a supplemental attorney fees fund (the “Backstop Fund”) to be used to compensate private attorneys (“Counsel”) for Local Governments that filed opioid lawsuits on or before December 3, 2021 (“Litigating Local Governments”). By order³ dated August 6, 2021, Judge Polster capped all applicable contingent fee agreements at 15%. Judge Polster’s 15% cap does not limit fees from the National Attorney Fee Fund or from any state backstop fund for attorney fees, but private attorneys for local governments must waive their contingent fee agreements to receive payment from the National Attorney Fee Fund. Judge Polster recognized that a state backstop fund can be designed to incentivize private attorneys to waive their right to enforce contingent fee agreements and instead apply to the National Attorney Fee Fund, with the goals of achieving greater subdivision participation and higher ultimate payouts to both states and local governments. Accordingly, in order to seek payment from the Backstop Fund, Counsel must agree to waive their contingency fee agreements relating to these National Settlement Agreements and first apply to the National Attorney Fee Fund.
- C. Backstop Fund Source. The Backstop Fund will be funded by seven percent (7%) of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the initial allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, and will not include payments resulting from the Purdue, Mallinckrodt, or Endo Bankruptcies. In the event that the initial allocation is modified pursuant to Section II.F. above, then the Backstop Fund will be funded by 8.75% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the modified allocation of 40% directly to the State Abatement Fund and 60% directly to the Local Abatement Funds, and will not include payments resulting from the Purdue, Mallinckrodt, or Endo Bankruptcies. In the event that the allocation is modified pursuant to Section II.G. or Section II.H. above, back to an allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, then the Backstop Fund will be funded by 7% of the share of each payment made to the Local Abatement Funds from the National

³ Order, In re: Nat’l Prescription Opiate Litig., Case No. 17-MD-02804, Doc. No. 3814 (N.D. Ohio August 6, 2021).

Settlement Agreements (annual or otherwise), and will not include payments resulting from the Purdue, Mallinckrodt, or Endo Bankruptcies.

- D. Backstop Fund Payment Cap. Any attorney fees paid from the Backstop Fund, together with any compensation received from the National Settlement Agreements' Contingency Fee Fund, shall not exceed 15% of the total gross recovery of the Litigating Local Governments' share of funds from the National Settlement Agreements. To avoid doubt, in no instance will Counsel receive more than 15% of the amount paid to their respective Litigating Local Government client(s) when taking into account what private attorneys receive from both the Backstop Fund and any fees received from the National Settlement Agreements' Contingency Fee Fund.
- E. Requirements to Seek Payment from Backstop Fund. A private attorney may seek payment from the Backstop Fund in the event that funds received by Counsel from the National Settlement Agreements' Contingency Fee Fund are insufficient to cover the amount that would be due to Counsel under any contingency fee agreement with a Litigating Local Government based on any recovery Litigating Local Governments receive from the National Settlement Agreements. Before seeking any payment from the Backstop Fund, private attorneys must certify that they first sought fees from the National Settlement Agreements' Contingency Fee Fund, and must certify that they agreed to accept the maximum fees payments awarded to them. Nothing in this Section, or in the terms of this Agreement, shall be construed as a waiver of fees, contractual or otherwise, with respect to fees that may be recovered under a contingency fee agreement or otherwise from other past or future settlements, verdicts, or recoveries related to the opioid litigation.
- F. Special Master. A special master will administer the Backstop Fund, including overseeing any distribution, evaluating the requests of Counsel for payment, and determining the appropriate amount of any payment from the Backstop Fund. The special master will be selected jointly by the Minnesota Attorney General and the Hennepin County Attorney, and will be one of the following individuals: Hon. Jeffrey Keyes, Hon. David Lillehaug; or Hon. Jack Van de North. The special master will be compensated from the Backstop Fund. In the event that a successor special master is needed, the Minnesota Attorney General and the Hennepin County Attorney will jointly select the successor special master from the above-listed individuals. If none of the above-listed individuals is available to serve as the successor special master, then the Minnesota Attorney General and the Hennepin County Attorney will jointly select a successor special master from a list of individuals that is agreed upon between the Minnesota Attorney General, the Hennepin County Attorney, and Counsel.
- G. Special Master Determinations. The special master will determine the amount and timing of any payment to Counsel from the Backstop Fund. The special master shall make one determination regarding payment of attorney fees to Counsel, which will apply through the term of the recovery from the National Settlement Agreements. In making such determinations, the special master shall consider the amounts that have been or will be received by the private attorney's firm from the National Settlement Agreements' Contingency Fee Fund relating to Litigating Local Governments; the contingency fee contracts; the dollar amount of recovery for Counsel's respective clients who are Litigating

Local Governments; the Backstop Fund Payment Cap above; the complexity of the legal issues involved in the opioid litigation; work done to directly benefit the Local Governments within the State of Minnesota; and the principles set forth in the Minnesota Rules of Professional Conduct, including the reasonable and contingency fee principles of Rule 1.5. In the interest of transparency, Counsel shall provide information in their initial fee application about the total amount of fees that Counsel have received or will receive from the National Attorney Fee Fund related to the Litigating Local Governments.

- H. Special Master Proceedings. Counsel seeking payment from the Backstop Fund may also provide written submissions to the special master, which may include declarations from counsel, summaries relating to the factors described above, and/or attestation regarding total payments awarded or anticipated from the National Settlement Agreements' Contingency Fee Fund. Private attorneys shall not be required to disclose work product, proprietary or confidential information, including but not limited to detailed billing or lodestar records. To the extent that counsel rely upon written submissions to support their application to the special master, the special master will incorporate said submission or summary into the record. Any proceedings before the special master and documents filed with the special master shall be public, and the special master's determinations regarding any payment from the Backstop Funds shall be transparent, public, final, and not appealable.
- I. Distribution of Any Excess Funds. To the extent the special master determines that the Backstop Fund exceeds the amount necessary for payment to Counsel, the special master shall distribute any excess amount to Participating Local Governments according to the percentages set forth in **Exhibit B**.
- J. Term. The Backstop Fund will be administered for (a) the length of the National Litigation Settlement Agreements' payments; or (b) until all Counsel for Litigating Local Governments have either (i) received payments equal to the Backstop Fund Payment Cap above or (ii) received the full amount determined by the special master; whichever occurs first.
- K. No State Funds Toward Attorney Fees. For the avoidance of doubt, no portion of the State Abatement Fund will be used to fund the Backstop Fund or in any other way to fund any Litigating Local Government's attorney fees and expenses. Any funds that the State receives from the National Settlement Agreements as attorney fees and costs or in lieu of attorney fees and costs, including the Additional Restitution Amounts, will be treated as State Abatement Funds.

VII. General Terms

A. Scope of agreement.

1. This MOA applies to the National Settlement Agreements and the Bankruptcy Resolutions.⁴
2. This MOA will also apply to future National Settlement Agreements and Bankruptcy Resolutions with Opioid Supply Chain Participants that include structural or payment provisions requiring or anticipating the participation of both the State and its political subdivisions, and allows for the allocation between the State and its political subdivisions to be set through a state-specific agreement.
3. The Parties acknowledge that this MOA does not excuse any requirements placed upon them by the terms of the National Settlement Agreements or any Bankruptcy Resolution, except to the extent those terms allow for a State-Subdivision Agreement to do so.

B. When MOA takes effect.

1. This MOA shall become effective at the time a sufficient number of Local Governments have joined the MOA to qualify this MOA as a State-Subdivision Agreement under the National Settlement Agreements or as a Statewide Abatement Agreement under any Bankruptcy Resolution. If this MOA does not thereby qualify as a State-Subdivision Agreement or Statewide Abatement Agreement, this MOA will have no effect.
2. The Parties may conditionally agree to sign on to the MOA through a letter of intent, resolution, or similar written statement, declaration, or pronouncement declaring their intent to sign on to the MOA if the threshold for Party participation in a specific Settlement is achieved.

C. Dispute resolution.

1. If any Party believes another Party has violated the terms of this MOA, the alleging Party may seek to enforce the terms of this MOA in Ramsey County District Court, provided the alleging Party first provides notice to the alleged offending Party of the alleged violation and a reasonable opportunity to cure the alleged violation.
2. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds has violated any

⁴ For the avoidance of doubt, this includes settlements reached with AmerisourceBergen, Cardinal Health, McKesson, Janssen, Teva Pharmaceuticals, Allergan plc, CVS Health Corporation, Walgreens Boots Alliance, Inc., and Walmart Inc., and Bankruptcy Resolutions involving Purdue Pharma L.P., Mallinckrodt plc, and Endo International plc.

applicable ethics codes or rules, a complaint shall be lodged with the appropriate forum for handling such matters.

3. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds violated any Minnesota criminal law, such conduct shall be reported to the appropriate criminal authorities.
- D. Amendments. The Parties agree to make such amendments as necessary to implement the intent of this MOA.
- E. Applicable law and venue. Unless otherwise required by the National Settlement Agreements or a Bankruptcy Resolution, this MOA, including any issues related to interpretation or enforcement, is governed by the laws of the State of Minnesota. Any action related to the provisions of this MOA must be adjudicated by the Ramsey County District Court. If any provision of this MOA is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.
- F. Relationship of this MOA to other agreements and resolutions. All Parties acknowledge and agree that the National Settlement Agreements will require a Participating Local Government to release all its claims as provided in the National Settlement Agreements to receive direct allocation of Opioid Settlement Funds. All Parties further acknowledge and agree that based on the terms of the National Settlement Agreements, a Participating Local Government may receive funds through this MOA only after complying with all requirements set forth in the National Settlement Agreements to release its claims. This MOA is not a promise from any Party that any National Settlement Agreements or Bankruptcy Resolution will be finalized or executed.
- G. When MOA is no longer in effect. This MOA is effective until one year after the last date on which any Opioid Settlement Funds are being spent by the Parties pursuant to the National Settlement Agreements and any Bankruptcy Resolution.
- H. No waiver for failure to exercise. The failure of a Party to exercise any rights under this MOA will not be deemed to be a waiver of any right or any future rights.
- I. No effect on authority of Parties. Nothing in this MOA should be construed to limit the power or authority of the State of Minnesota, the Attorney General, or the Local Governments, except as expressly set forth herein.
- J. Signing and execution. This MOA may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same agreement. This MOA may be executed by facsimile or electronic copy in any image format. Each Party represents that all procedures necessary to authorize such Party's execution of this MOA have been performed and that the person signing for such Party has been authorized to execute the MOA in an official capacity that binds the Party.

This Amended Minnesota Opioids State-Subdivision Memorandum of Agreement is signed

this ____ day of _____, _____ by:

Name and Title: _____

On behalf of: _____

EXHIBIT A

List of Opioid Remediation Uses

Settlement fund recipients shall choose from among abatement strategies, including but not limited to those listed in this Exhibit. The programs and strategies listed in this Exhibit are not exclusive, and fund recipients shall have flexibility to modify their abatement approach as needed and as new uses are discovered.

PART ONE: TREATMENT

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of Opioid Use Disorder (“*OUD*”) and any co-occurring Substance Use Disorder or Mental Health (“*SUD/MH*”) conditions through evidence-based or evidence-informed programs⁵ or strategies that may include, but are not limited to, those that:⁶

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication for Opioid Use Disorder (“*MOUD*”)⁷ approved by the U.S. Food and Drug Administration, including by making capital expenditures to purchase, rehabilitate, or expand facilities that offer treatment.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (“*ASAM*”) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including *MOUD*, as well as counseling, psychiatric support, and other treatment and recovery support services.

⁵ Use of the terms “evidence-based,” “evidence-informed,” or “best practices” shall not limit the ability of recipients to fund innovative services or those built on culturally specific needs. Rather, recipients are encouraged to support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions.

⁶ As used in this Exhibit, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

⁷ Historically, pharmacological treatment for opioid use disorder was referred to as “Medication-Assisted Treatment” (“*MAT*”). It has recently been determined that the better term is “Medication for Opioid Use Disorder” (“*MOUD*”). This Exhibit will use “*MOUD*” going forward. Use of the term *MOUD* is not intended to and shall in no way limit abatement programs or strategies now or into the future as new strategies and terminology evolve.

4. Improve oversight of Opioid Treatment Programs (“*OTPs*”) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.
7. Support detoxification (detox) and withdrawal management services for people with OUD and any co-occurring SUD/MH conditions, including but not limited to medical detox, referral to treatment, or connections to other services or supports.
8. Provide training on MOUD for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH or mental health conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for certified addiction counselors, licensed alcohol and drug counselors, licensed clinical social workers, licensed mental health counselors, and other mental and behavioral health practitioners or workers, including peer recovery coaches, peer recovery supports, and treatment coordinators, involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, continuing education, licensing fees, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (“*DATA 2000*”) to prescribe MOUD for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Dissemination of web-based training curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.

14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication-Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.
3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.
4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.

10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including but not limited to new Americans, African Americans, and American Indians.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

**C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED
(CONNECTIONS TO CARE)**

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund Screening, Brief Intervention and Referral to Treatment (“SBIRT”) programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MOUD in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MOUD, recovery case management or support services.

7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.
10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace.
14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
 1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (“PAARI”);

2. Active outreach strategies such as the Drug Abuse Response Team (“*DART*”) model;
 3. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
 4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (“*LEAD*”) model;
 5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
 6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MOUD, and related services.
 3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.
 4. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.
 5. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
 6. Support critical time interventions (“*CTI*”), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
 7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF THE PERINATAL POPULATION, CAREGIVERS, AND FAMILIES, INCLUDING BABIES WITH NEONATAL OPIOID WITHDRAWAL SYNDROME.

Address the needs of the perinatal population and caregivers with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal opioid withdrawal syndrome (“*NOWS*”), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MOUD, recovery services and supports, and prevention services for the perinatal population—or individuals who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to caregivers and families affected by Neonatal Opioid Withdrawal Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MOUD, for uninsured individuals with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with the perinatal population and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for *NOWS* babies; expand services for better continuum of care with infant-caregiver dyad; and expand long-term treatment and services for medical monitoring of *NOWS* babies and their caregivers and families.
5. Provide training to health care providers who work with the perinatal population and caregivers on best practices for compliance with federal requirements that children born with *NOWS* get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for caregivers with OUD and any co-occurring SUD/MH conditions, emphasizing the desire to keep families together.
7. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
8. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.
9. Provide support for Children’s Services—Fund additional positions and services, including supportive housing and other residential services, relating to children

being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs (“PDMPs”), including, but not limited to, improvements that:
 1. Increase the number of prescribers using PDMPs;
 2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
 3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MOUD referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation’s Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse, including but not limited to focusing on risk factors and early interventions.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (“SAMHSA”).
7. Engaging non-profits and faith-based communities as systems to support prevention.
8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health

workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.
7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Law enforcement expenditures related to the opioid epidemic.
2. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
3. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.
5. Support multidisciplinary collaborative approaches consisting of, but not limited to, public health, public safety, behavioral health, harm reduction, and others at the state, regional, local, nonprofit, and community level to maximize collective impact.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (e.g., health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.
4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (e.g., Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (“*ADAM*”) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MOUD and their association with treatment engagement and treatment outcomes.

M. POST-MORTEM

1. Toxicology tests for the range of opioids, including synthetic opioids, seen in overdose deaths as well as newly evolving synthetic opioids infiltrating the drug supply.
2. Toxicology method development and method validation for the range of synthetic opioids observed now and in the future, including the cost of installation, maintenance, repairs and training of capital equipment.
3. Autopsies in cases of overdose deaths resulting from opioids and synthetic opioids.
4. Additional storage space/facilities for bodies directly related to opioid or synthetic opioid related deaths.
5. Comprehensive death investigations for individuals where a death is caused by or suspected to have been caused by an opioid or synthetic opioid overdose, whether intentional or accidental (overdose fatality reviews).
6. Indigent burial for unclaimed remains resulting from overdose deaths.
7. Navigation-to-care services for individuals with opioid use disorder who are encountered by the medical examiner’s office as either family and/or social network members of decedents dying of opioid overdose.
8. Epidemiologic data management and reporting to public health and public safety stakeholders regarding opioid overdose fatalities.

EXHIBIT B

Local Abatement Funds Allocation

Subdivision	Allocation Percentage
AITKIN COUNTY	0.5760578506020%
Andover city	0.1364919450741%
ANOKA COUNTY	5.0386504680954%
Apple Valley city	0.2990817344560%
BECKER COUNTY	0.6619330684437%
BELTRAMI COUNTY	0.7640787092763%
BENTON COUNTY	0.6440948102319%
BIG STONE COUNTY	0.1194868774775%
Blaine city	0.4249516912759%
Bloomington city	0.4900195550092%
BLUE EARTH COUNTY	0.6635420704652%
Brooklyn Center city	0.1413853902225%
Brooklyn Park city	0.2804136234778%
BROWN COUNTY	0.3325325415732%
Burnsville city	0.5135361296508%
CARLTON COUNTY	0.9839591749060%
CARVER COUNTY	1.1452829659572%
CASS COUNTY	0.8895681513437%
CHIPPEWA COUNTY	0.2092611794436%
CHISAGO COUNTY	0.9950193750117%
CLAY COUNTY	0.9428475281726%
CLEARWATER COUNTY	0.1858592042741%
COOK COUNTY	0.1074594959729%
Coon Rapids city	0.5772642444915%
Cottage Grove city	0.2810994719143%
COTTONWOOD COUNTY	0.1739065270025%
CROW WING COUNTY	1.1394859174804%
DAKOTA COUNTY	4.4207140602835%
DODGE COUNTY	0.2213963257778%
DOUGLAS COUNTY	0.6021779472345%
Duluth city	1.1502115379896%
Eagan city	0.3657951576014%
Eden Prairie city	0.2552171572659%
Edina city	0.1973054822135%
FARIBAULT COUNTY	0.2169409335358%
FILLMORE COUNTY	0.2329591105316%
FREEBORN COUNTY	0.3507169823793%
GOODHUE COUNTY	0.5616542387089%

Subdivision	Allocation Percentage
GRANT COUNTY	0.0764556498477%
HENNEPIN COUNTY	19.0624622261821%
HOUSTON COUNTY	0.3099019273452%
HUBBARD COUNTY	0.4582368775192%
Inver Grove Heights city	0.2193400520297%
ISANTI COUNTY	0.7712992707537%
ITASCA COUNTY	1.1406408131328%
JACKSON COUNTY	0.1408950443531%
KANABEC COUNTY	0.3078966749987%
KANDIYOHI COUNTY	0.1581167542252%
KITTSOON COUNTY	0.0812834506382%
KOOCHICHING COUNTY	0.2612581865885%
LAC QUI PARLE COUNTY	0.0985665133485%
LAKE COUNTY	0.1827750320696%
LAKE OF THE WOODS COUNTY	0.1123105027592%
Lakeville city	0.2822249627090%
LE SUEUR COUNTY	0.3225703347466%
LINCOLN COUNTY	0.1091919983965%
LYON COUNTY	0.2935118186364%
MAHNOMEN COUNTY	0.1416417687922%
Mankato city	0.3698584320930%
Maple Grove city	0.1814019046900%
Maplewood city	0.1875101678223%
MARSHALL COUNTY	0.1296352091057%
MARTIN COUNTY	0.2543064014046%
MCLEOD COUNTY	0.1247104517575%
MEEKER COUNTY	0.3744031515243%
MILLE LACS COUNTY	0.9301506695846%
Minneapolis city	4.8777618689374%
Minnetonka city	0.1967231070869%
Moorhead city	0.4337377037965%
MORRISON COUNTY	0.7178981419196%
MOWER COUNTY	0.5801769148506%
MURRAY COUNTY	0.1348775389165%
NICOLLET COUNTY	0.1572381052896%
NOBLES COUNTY	0.1562005111775%
NORMAN COUNTY	0.1087596675165%
North St. Paul city	0.0575844069340%
OLMSTED COUNTY	1.9236715094724%
OTTER TAIL COUNTY	0.8336175418789%
PENNINGTON COUNTY	0.3082576394945%
PINE COUNTY	0.5671222706703%

Subdivision	Allocation Percentage
PIPESTONE COUNTY	0.1535154503112%
Plymouth city	0.1762541472591%
POLK COUNTY	0.8654291473909%
POPE COUNTY	0.1870129873102%
Proctor city	0.0214374127881%
RAMSEY COUNTY	7.1081424150498%
RED LAKE COUNTY	0.0532649128178%
REDWOOD COUNTY	0.2809842366614%
RENVILLE COUNTY	0.2706888807449%
RICE COUNTY	0.2674764397830%
Richfield city	0.2534018444052%
Rochester city	0.7363082848763%
ROCK COUNTY	0.2043437335735%
ROSEAU COUNTY	0.2517872793025%
Roseville city	0.1721905548771%
Savage city	0.1883576635033%
SCOTT COUNTY	1.3274301645797%
Shakopee city	0.2879873611373%
SHERBURNE COUNTY	1.2543449471994%
SIBLEY COUNTY	0.2393480708456%
ST LOUIS COUNTY	4.7407767169807%
St. Cloud city	0.7330089009029%
St. Louis Park city	0.1476314588229%
St. Paul city	3.7475206797569%
STEARNS COUNTY	2.4158085321227%
STEELE COUNTY	0.3969975262520%
STEVENS COUNTY	0.1439474275223%
SWIFT COUNTY	0.1344167568499%
TODD COUNTY	0.4180909816781%
TRAVERSE COUNTY	0.0903964133868%
WABASHA COUNTY	0.3103038996965%
WADENA COUNTY	0.2644094336575%
WASECA COUNTY	0.2857912156338%
WASHINGTON COUNTY	3.0852862512586%
WATONWAN COUNTY	0.1475626355615%
WILKIN COUNTY	0.0937962507119%
WINONA COUNTY	0.7755267356126%
Woodbury city	0.4677270171716%
WRIGHT COUNTY	1.6985269385427%
YELLOW MEDICINE COUNTY	0.1742264836427%



Date: April 6, 2023

To: Houston County Commissioners & Staff

From: Allison Wagner, Houston County EDA

RE: \$30,000 from Revolving Loan Fund to Affogato Lane Coffee Company

Background: On April 5, 2023 Kelsey and Raymond Anderson owners of Affogato Lane Coffee Company requested from the EDA financing to purchase equipment and renovate a building for a coffee business that will be located at 28 S. Walnut Street in La Crescent, MN. The total project cost for the project is around \$78,700 with the owners injecting \$13,700 in equity in addition to already purchased equipment. Currently Kelsey and Raymond have been operating the business out of a coffee truck. This project will allow the business to expand into a brick and mortar location in addition to the truck.

The project will maintain two full time jobs, and add one full time job with the prospect of growing and hiring additional full and part time staff in the future.

Recommendation: After due consideration and discussion, the EDA Board of Directors unanimously passed a motion on April 5, 2023 to recommend that the Houston County Commissioners approve the request for assistance by providing a \$30,000 loan at the 2023 set rate 3.5% and seven year term.

Action Required: A motion made by the Board of Commissioners approving request for assistance by providing a \$30,000 loan to Affogato Lane Coffee Company at the 2023 set rate 3.5% for seven years from the County's Revolving Loan Fund.



Date: April 6, 2023

To: Houston County Commissioners & Staff

From: Allison Wagner, Houston County EDA

RE: \$40,000 from Revolving Loan Fund to Western Son LLC

Background: On April 5, 2023 Michelle Gulbranson owner of Western Son LLC requested from the EDA \$40,000 in financing to build a building in the industrial park in Spring Grove for a trucking business. Her and her husband Paul Gulbranson own the business. They recently purchased two lots in the industrial park from the Spring Grove EDA. The total project cost for the project is around \$407,000 with the owners injecting \$62,000 in equity.

The project will maintain two full time jobs, and add one full time job in the future with the possibility of additional jobs.

Recommendation: After due consideration and discussion, the EDA Board of Directors unanimously passed a motion on April 5, 2023 to recommend that the Houston County Commissioners approve the request for assistance by providing a \$40,000 loan at the 2023 set rate 3.5% and ten year term.

Action Required: A motion made by the Board of Commissioners approving request for assistance by providing a \$40,000 loan to Western Son LLC at the 2023 set rate 3.5% for ten years from the County's Revolving Loan Fund.