

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 1, 2025

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Cindy Wright, Eric Johnson, Kurt Zehnder, Bob Schuldt, and Greg Myhre

Others Present: Interim Administrator Carol Lapham, Board Clerk/EDA Director/CEDA Allison Wagner, Human Resource Officer Brent Parker, and Attorney Susan Hansen

Presiding: Chairperson Johnson

Call to order Special Meeting.

Pledge of Allegiance.

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

Public Comment:

None.

At 8:00 a.m. motion was made by Commissioner Zehnder, seconded by Commissioner Myhre, motion carried unanimously to go into closed session pursuant to Minn. Stat. §13D.05, Subd. 1, (d) *attorney – client privilege*, to meet with Attorney Susan Hansen regarding the Sheriff's salary appeal for 2025. The Commissioners, Interim Administrator Carol Lapham, Human Resource Officer Brent Parker, and Attorney Susan Hansen attended the closed session.

At 8:54 a.m. motion was made by Commissioner Myhre, seconded by Commissioner Schuldt, motion carried unanimously to go back into regular session.

Public Comment:

None.

Closing Public Comment:

None.

There being no further business, a motion was made by Commissioner Myhre, seconded by Commissioner Schuldt, motion unanimously carried to adjourn the meeting at 8:55 a.m. The next meeting would be a regular meeting on July 1, 2025 at 9:00 a.m.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Eric Johnson, Chairperson

Attest: _____
Carol Lapham, Interim Administrator

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 1, 2025

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Cindy Wright, Eric Johnson, Kurt Zehnder Bob Schuldt, and Greg Myhre

Others Present: Interim Auditor/Treasurer Polly Heberlein, Fillmore County Journal Reporter Charlene Selbee, Board Clerk/EDA Director/CEDA Allison Wagner, Public Health and Human Services Director John Pugleasa, Public Health Supervisor Jordan Knoke, Financial Assistance Supervisor Karen Kohlmeyer, Human Resource Officer Brent Parker, Public Health Educator Bri Ceaser, Emergency Management Director Mark Olson, Engineer Brian Pogodzinski, Appraiser Joe Olson and Mike Burbach

Presiding: Chairperson Johnson

Call to order.

Pledge of Allegiance.

Johnson said there would be one addition to the agenda: requesting the board approve a resolution declaring a state of emergency for conditions resulting from the severe storms, heavy rains, and tornados of June 25, 2025 and resolution. Johnson said Action Item No. 3 needed to be pulled from the agenda. Motion was made by Commissioner Wright, seconded by Commissioner Schuldt, motion unanimously carried to approve the agenda with the changes.

Motion was made by Commissioner Myhre, seconded by Commissioner Zehnder, motion carried unanimously to approve the meeting minutes from June 24, 2025.

Public Comment:

None.

APPOINTMENTS

At 9:05 a.m. a motion was made by Commissioner Myhre, seconded by Commissioner Wright, motion carried unanimously to close the regular meeting and open a public hearing, pursuant to M.S. 340A.405, sub (d), the purpose of the hearing is to consider an OFF-Sale and ON-Sale Liquor License application for Money Creek Haven Inc due to new ownership.

No public comments were made on the matter.

At 9:09 a.m. a motion was made by Commissioner Zehnder, seconded by Commissioner Myhre, motion carried unanimously to end the public hearing and return to regular session.

At 9:19 a.m. a motion was made by Commissioner Zehnder, seconded by Commissioner Myhre, motion carried unanimously to go into closed session pursuant to Minn. Stat. §13D.03, Subd. 1, (b) to discuss labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25. The Commissioners, Human Resource Officer Parker, and Interim Administrator Lapham attended the closed session.

At 9:58 a.m. a motion was made by Commissioner Schuldt, seconded by Commissioner Zehnder, motion carried unanimously to end the closed session and return to the regular meeting. Interim Administrator Lapham gave a summary of the closed session saying they had discussed labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25. No official action was taken.

CONSENT AGENDA

Commissioner Zehnder moved, Commissioner Myhre seconded, motion unanimously carried to approve the consent agenda. Approved items are below.

- 1) Reassign Kiby Fitzpatrick as a 1 FTE Lead Eligibility Worker Assistant (B25 Step 9) effective July 1st, 2025.
- 2) Appoint Justin Lewis as a Diesel / Heavy Equipment Mechanic (B24 – Step 3) effective July 7, 2025, conditioned upon successful completion of a background check.

ACTION ITEMS

File No. 1 – Commissioner Zehnder moved, Commissioner Myhre seconded, motion unanimously carried to approve On-Sale and Sunday Liquor License for Money Creek Haven Inc, which would expire on 6/30/26.

File No. 2 – Commissioner Zehnder moved, Commissioner Wright seconded, motion unanimously carried to approve Off-Sale Liquor License for Money Creek Haven Inc, which would expire on 6/30/26.

File No. 3 – This item was removed from the agenda.

File No. 4 – Commissioner Wright moved, Commissioner Schuldt seconded, motion unanimously carried to approve a 2025 tax abatement for Traditions of La Crescent LLC in the amount of \$16,970 due to a fire destroying the building in October 2024. (Previously, the board had approved a 2-month abatement, but not the 2025 abatement.)

File No. 5 – Commissioner Myhre moved, Commissioner Schuldt seconded, motion unanimously carried to review and approve payments. Payments are below.

REQUEST APPROVAL FOR PAYMENT

2025/07/01 COMMISSIONER'S WARRANTS:

VENDOR NAME	AMOUNT
CALEDONIA SNO GOPHERS CLUB	2,148.96
STREICHER'S	2,442.50
MN LIFE INSURANCE COMPANY	2,458.79
VIKING RIDGE RIDERS	2,653.20
VERIZON WIRELESS	3,359.25
DELTA DENTAL	7,103.92
LIBERTY TIRE RECYCLING LLC	7,121.25
IJOE LOCAL 49 FRINGE BENEFIT FUNDS	25,040.00
BLUFF COUNTRY BRINE LLC	39,453.71
MEDICA	253,786.68
MINNOWA CONSTRUCTION INC	412,264.45
	<u>757,832.71</u>
24 VENDORS PAID LESS THAN \$2000.00	<u>11,714.75</u>
	<u>769,547.46</u>
PUBLIC HEALTH & HUMAN SERVICES	<u>69,386.37</u>
	<u>838,933.83</u>

REVIEW LICENSE CENTER PAYMENTS

2025/06/26 AUDITOR WARRANT:

VENDOR NAME	AMOUNT
HOUSTON COUNTY TREASURER	<u>64,467.90</u>
	<u>64,467.90</u>

File No. 6 – Commissioner Zehnder moved, Commissioner Myhre seconded, motion unanimously carried to approve a resolution declaring a state of emergency for conditions resulting from the severe storms, heavy rains, and tornados of June 25, 2025 and adopt Resolution No. 25-17. Resolution is below.

Resolution Declaring a State of Emergency
Resolution # 25-17

WHEREAS the severe storms, heavy rains, and tornados impacted the population of Houston County and its cities, townships, public utilities, and electric cooperatives; and

WHEREAS the severe storms, heavy rains, and tornados event has caused a significant amount of debris, roadway damage, and power distribution system damage; and

WHEREAS the Houston County Department of Emergency Management requests the Houston County Board of Commissioners to declare Houston County in a STATE OF EMERGENCY for the June 25 event of 2025;

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners declares Houston County in a State of Emergency for conditions resulting from the severe storms, heavy rains, and tornados event of June 25, 2025.

Adopted by the Houston County Board of Commissioners this 1st day of July, 2025.

DISCUSSION ITEMS

The Commissioners discussed recent and upcoming meetings including a Finance meeting and upcoming workgroup session.

Closing Public Comment:

None.

There being no further business, a motion was made by Commissioner Myhre, seconded by Commissioner Zehnder, motion unanimously carried to adjourn the meeting at 10:01 a.m. The next meeting would be a workgroup session on July 8, 2025.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Eric Johnson, Chairperson

Attest: _____
Carol Lapham, Interim Administrator

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 13, 2025

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present:

Cindy Wright, Eric Johnson, Kurt Zehnder, Robert Schuldt, and Greg Myhre

Others Present:

Interim Auditor/Treasurer Polly Heberlein, Interim Administrator Carol Lapham, Board Clerk/EDA/CEDA Director Allison Wagner, Public Health and Human Services Director John Pugleasa, Human Resource Officer Brent Parker, Sheriff Brian Swedberg, Interim Attorney Suzanne Bublitz, Assistant County Attorney Daniel Coogan, Human Resource Technician Ann Diersen, and Engineer Brian Pogodzinski

Board Workgroup Session

The Commissioners discussed the proposed draft policies and procedures with Human Resource Officer Brent Parker, Human Resource Technician Ann Diersen, and Interim Administrator Carol Lapham. Lapham suggested final edits be made and the matter return to the board for approval at the July 22nd meeting. Diersen said the draft had taken considerable time and Parker had done a nice job updating it.

The Commissioners discussed snowmobile club LUP agreements with Interim Auditor/Treasurer Polly Heberlein, Engineer Brian Pogodzinski, and Interim Attorney Suzanne Bublitz. Houston County had looked at other County agreements to draft the proposed agreements. Attorney Bublitz said she would review the latest draft, and it was the general consensus of the Commissioners to then send it to the clubs for possible approval before the agreements came back to the County for final approval.

Sheriff Swedberg shared with the board a State Statute and said according to the statute “from April 1 to August 1 it is illegal to drive an all-terrain vehicle on county roads except for agriculture use”. He said he didn’t think this was the original intent of the statute, however that was how it read. He said this was why there was a grey area and a need for a County ordinance to allow special use vehicles to use County roads all year long. State Statute also allowed Counties to create ordinances allowing the use, but only if a permit process was in place. The matter would be on a future board agenda.

The workgroup session ended at 11:26 a.m.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

WORKGROUP SESSION — June 10, 2025

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By: _____
Eric Johnson, Chairperson

Attest: _____
Carol Lapham, Interim Administrator

**HOUSTON COUNTY
AGENDA REQUEST FORM
July 15, 2025**

Date Submitted: 07/14/2025

By: Brent Parker, Human Resources Officer

ACTION

- **Consider Resolution 25 – 19 approving Houston County Title VI Policy (non-discrimination in programming and contracts).**
- **Consider beginning the formal process to transition the Houston County Auditor / Treasurer and Houston County Recorder positions from elected to appointed positions pursuant to Minnesota Statute § 375A.1205.**
- **Possible action regarding closed session discussion.**

APPOINTMENT REQUEST

- **Labor Negotiations – Closed session pursuant to Minn. Stat. §13D.03, Subd. 1, (b) to discuss labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25.**

HR CONSENT AGENDA REQUEST

- **Change the employment status of Sarah Ostern, Jailer/Dispatcher, from probationary to regular, effective July 22, 2025.**
- **Change Kelly Petersen from a Commercial Property Appraiser to Accredited Minnesota Appraiser, C41, Step 2, effective 07/03/2025**
- **Approve LAW ENFORCEMENT LABOR SERVICES, INC., LOCAL #237 tentative agreement as negotiated.**
- **Approve Intellicents Business Associate Agreement and Consultant Service Agreement.**

Reviewed by:

_____ HR Director

 X Sheriff

____ Finance Director
____ IS Director
____ County Attorney
____ Environmental Svcs

____ Engineer
____ PHHS
____ (indicate
____ other dept) _____

Recommendation:

Decision:

RESOLUTION NO. 25-19

Houston County Title VI of the Civil Rights Act of 1964 Non-Discrimination Policy

WHEREAS, it is the policy of Houston County that no person shall on the grounds of race, color, national origin, sex, disability, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any operation of Houston County as provided by Title VI of the Civil Rights Act of 1964 and related statutes.

NOW THEREFORE BE IT RESOLVED, by the Houston County Board of Commissioners that, the Houston County Title VI Non-Discrimination Policy and the Title VI Highway Department Plan for MnDOT FHWA Subrecipient and associated Title VI/Non-Discrimination Assurances required per the U.S. DOT Order No. 1050.2A, are hereby approved.

Adopted this 15 day of July 2025

HOUSTON COUNTY COMMISSIONERS

Eric Johnson
Board Chair

ATTEST

Carol Lapham
Interim County Administrator

**Houston County Title VI of the Civil Rights Act of 1964
Non-Discrimination Policy**

Adopted

July, 15 2025

Effective Date

July, 15 2025

Policy Review

This policy's next scheduled review is due July 1 2026.

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I. Non-Discrimination Policy Statement and Notice of Rights Against Discrimination

It is the policy of Houston County that no person shall on the grounds of race, color, national origin, sex, disability, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any operation of Houston County as provided by Title VI of the Civil Rights Act of 1964 and related statutes. This policy is available at the County's website www.co.houston.mn.us or by request by calling the Personnel Office at 507-725-5822.

Federal and state law prohibit discrimination on the basis of race, color, national origin, sex, disability, age, low-income status, creed, religion, marital status, sexual orientation, gender identity, and status with regard to public assistance be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any operation or program on the basis of the above protected classes for any program, service, or activity administered by the County and its contractors as provided by The Minnesota Human Rights Act, Title VI of the Civil

Rights Act of 1964; 49 CFR Part 21 (Department of Transportation Regulations for the Implementation of Title VI of the Civil Rights Act of 1964) and related statutes and regulations. The County of Houston is committed to ensuring that all of its programs incorporate access for people with limited English proficiency. Additionally, Executive Order No. 12898, 59 Fed. Reg. 7629 (Feb. 11, 1994) requires Houston County to ensure fair treatment and meaningful involvement of low-income populations in all programs and activities, and Executive Order No. 13166, 65 Fed. Reg. 50121 (Aug. 11, 2000) requires agency programs to incorporate access for people with limited English proficiency.

Nondiscrimination laws are also found in other statutes, regulations, and Executive Orders. The Federal-Aid Highway Act of 1973 prohibits discrimination based on sex. Disability was added as a protected class through Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990. Age was subsequently added in 1975 under the Age Discrimination Act. In addition, Executive Order 12898 (1994), also known as environmental justice, requires recipients of federal financial assistance to achieve environmental justice by identifying and addressing disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority and low-income populations. Executive Order 13166 (2000), limited English proficiency or LEP, requires federal agencies to ensure that recipients of federal financial assistance provide meaningful access to their programs and activities to LEP beneficiaries.

Enforcement

The Office of Civil Rights conducts the following activities to enforce Title VI:

- Providing Title VI training and technical support to staff, contractors, local governments and other MnDOT subrecipients of federal funds
- Processing Title VI complaints
- Conducting internal and external compliance reviews
- Reporting on Title VI compliance activities

II. Scope of Coverage

Title VI compliance is a condition for the receipt of federal funds. This policy applies to all operations of Houston County, including anyone who acts on behalf of Houston County. All county elected officials, employees, consultants, contractors, and volunteers must comply with Houston County policies.

The Title VI Compliance Officer and the Department Coordinators are authorized to ensure compliance with this policy, Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d *et seq.* and related statutes, and the requirements of 23 C.F.R.) Part 200 and 49 C.F.R. Part 21. The Civil Rights Restoration Act of 1987 defined “program” with the clear expectation that discrimination is prohibited throughout the entire entity or agency if any part of the organization receives federal financial assistance. State and local government, corporations, partnerships, and other private organizations or sole proprietorships are subject to Title VI in their entirety if such entity receives any federal financial assistance (FHWA Notice N 4720.6,

September 2, 1992). Federal financial assistance includes grants, training, use of equipment, donations of surplus property, and other assistance.

The following types of actions are prohibited under Title VI protections:

- Excluding individuals or groups from participation in programs or activities;
- Denying program services or benefits to individuals or groups;
- Providing a different service or benefit, or provide them in a manner different from what is provided to others;
- Denying an opportunity to participate as a member of a planning, advisory or similar body that is an integral part of the program;
- Retaliating against an individual for filing a discrimination complaint or participating in an investigation into a complaint.

III. Title VI Compliance Officer and Title VI Coordinators

The Title VI Compliance Officer and the Title VI Coordinators are responsible for ensuring full compliance with the provisions of Title VI of the Civil Rights Act of 1964 and related statutes as applicable to County operations.

The Houston County Title VI Compliance Officer is the Human Resources Director/Facilities Mgr. The Title VI Compliance Officer is responsible for identifying Title VI issues, supplying Title VI guidance and connecting Coordinators to resources and training.

Title VI Coordinators for the Houston County are the individual department directors who shall ensure appropriate implementation of Houston County of this policy to pertinent department programs and activities. To that end, the Title VI Coordinators are responsible for identifying Title VI issues within their department, coordinating Title VI guidance and training with the Title VI Compliance Officer and reporting on Title VI implementation.

The following is contact information for the Houston County Title VI Compliance Officer:

Brent Parker:

Houston County Human Resources Officer

304 South Marshall Street

Caledonia, MN 55921

bparker@hocomn.gov

Phone: (507) 725-5822

Shared Responsibilities

The County Title VI Compliance Officer and the Title VI Coordinators will coordinate their respective responsibilities as related to the following:

- Submission of required Title VI plans and annual reports on behalf of the County and a reporting department;
- Ensure County staff receive necessary Title VI training;
- Develop procedures for the prompt processing and disposition of complaints;
- Investigate complaints;
- Develop procedures for the collection and analysis of statistical data; and
- Develop program review protocols and conduct Title VI annual assessments of apposite program areas.

In addition to responsibilities set forth above the Title VI Compliance Officer shall:

- Meet with individual Title VI Coordinators to review and recommend amendments as appropriate to this policy each year prior to the submission of any requisite Title VI Implementation Plan reporting;
- Process Title VI complaints received by Title VI Coordinators;
- Work with Title VI Coordinator to develop and provide annual Title VI training programs for their respective areas;
- Conduct internal compliance reviews; and
- Attend Title VI trainings.

In addition to responsibilities set forth above Title VI Coordinators shall:

- Develop and implement requisite individual departmental Title VI Programs;
- Ensure department specific policy/programs remains current;
- Ensure Title VI training is timely delivered to department employees;
- Maintain records of Title VI compliance activities for inclusion in annual reports;
- Prepare information for department specific, requisite state and federal reports;
- Consult and work with the Title VI Compliance Officer on Title VI related questions and concerns;
- Ensure all Title VI complaints or issues are routed to the Title VI Compliance Officer in a timely manner;
- Timely respond to requests for information from the Title VI Compliance Officer;
- Implement procedures and guidelines to adequately monitor and administer department programs and projects in compliance with Title VI; and
- Attend Title VI trainings.

IV. Data Collection

Reliable data sources will be utilized to complete a demographic profile of Houston County, and update the profile periodically. Data sources may include, but are not limited to:

- U.S. Census Data
- American Community Survey
- EPA EJSCREEN
- MPCA Environmental Justice Map
- Minnesota Compass
- Minnesota State Demographic Center
- Internal sources including surveys during public engagement activities, and right of way activities.

Data will be used to determine whether public engagement is reaching all demographics and communities in Houston County, and assist in decisions on adjustments to public engagement strategies accordingly.

V. Limited English Proficiency (LEP) & Language Access Plan

Houston County will take reasonable steps to provide language assistance to persons with Limited English Proficiency (LEP) who wish to access services provided. As defined Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English.

The LEP & Language Access Plan is attached in Appendix B. This plan describes how persons who may need language assistance will be identified, the ways in which assistance may be provided, staff training that may be required, and how to notify LEP persons that assistance is available.

Houston County will use the four-factor LEP analysis which considers the following factors:

- The number or proportion of LEP persons in Houston County.;
- The frequency with which LEP persons come in contact with Houston County department programs or services;
- The nature and importance of programs or services provided by Houston County Department to the LEP population; and
- The resources and interpretation services available to Houston County and overall cost to provide LEP assistance.

The following sources of information were used in the Four Factor Analysis to determine LEP needs:

- U.S. Census American Community Survey (ACS) data
- Reports from County Staff about contact with LEP persons
- Internal Survey results, when and if available

VI. Title VI Complaint Procedures

Federal law prohibits discrimination on the basis of race, color, national origin, sex, disability, age, low-income status, creed, religion, marital status, sexual orientation, gender identity, and status with regard to public assistance in any Houston County program, services, benefits or activities.

If assistance is needed to file complaints or interpretation services are needed, please contact individual department director who is the Title VI Compliance Officer or the specific department Title VI Coordinator for that division.

Who is eligible to file a complaint?

Persons who believe that they, individually, or as a member of any specific class of persons, have been subjected to discrimination on the basis of race, color, national origin, sex, age, disability, low-income status, creed, religion, marital status, sexual orientation, gender identity, or status with regard to public assistance may file a discrimination complaint with Houston County.

Discrimination includes, but is not limited to, lack of access, harassment, retaliation and disparate impacts from a program or activity.

Lack of access means being denied the opportunity to utilize eligible programs or services or being excluded from agency activities to which others have access.

Harassment includes a wide range of abusive and humiliating verbal or physical behaviors.

Retaliation includes intimidating, threatening, coercing, or engaging in other discriminatory conduct against anyone because they filed a complaint or otherwise participated in a discrimination investigation.

Disparate impacts are adverse outcomes for a particular protected class that others do not experience in regards to an agency program or activity, regardless of whether the adverse outcome was intentional.

How to file a complaint

All complaints received by a department Title VI Coordinator will be promptly routed to the County Title VI Compliance Officer in the Personnel Office. Complaints must be submitted in writing using the "Title VI Discrimination Complaint Form" within 180 days from the last date of the alleged discrimination. Reasonable efforts will be made to assist persons with disabilities, non-English speakers, and others unable to file a written complaint. For assistance in filing a complaint, please contact the department Title VI Compliance Officer:

Brent Parker:

Houston County Human Resources Officer.

304 South Marshall Street

Caledonia, MN 55921

Phone: (507) 725-5822

bparker@hocomn.gov

Complaints may also be filed with :

Minnesota Department of Human Rights
Griggs Midway Building
540 Fairview Ave North, Suite 201
St. Paul, Minnesota 55104
651-539-1100 or 1-800-657-3704
Info.mdhr@state.mn.us

What happens after a complaint is filed?

Title VI complaints must be investigated within sixty (60) days. Investigating a complaint includes interviewing all parties involved and key witnesses. The investigator may also request relevant information such as written records, electronic information, and other sources of information from all involved parties.

Federal law prohibits retaliation against individuals because they have filed a discrimination complaint or otherwise participated in a discrimination investigation. Any alleged retaliation should be reported in writing to the investigator.

Resources

- [MnDOT FHWA Title VI Implementation Plan](#)
- [MnDOT FTA Title VI Implementation Plan](#)
- [MnDOT's Title VI website](#)
- [Federal-Aid Highway Act of 1973](#)
- [Section 504 of the Rehabilitation Act of 1973](#)
- [Americans with Disabilities Act of 1990](#)
- [Age Discrimination Act](#)
- [Executive Order 12898](#)
- [Executive Order 13166](#)
- [Civil Rights Restoration Act of 1987](#)
- [FHWA Notice N 4720.6](#)
- [Minnesota Human Rights Act](#)

APPENDIX B – LIMITED ENGLISH PROFICIENCY (LEP) & LANGUAGE ACCESS PLAN (2025)

The following general plan outlines how persons who may need language assistance will be identified, the ways in which assistance may be provided, potential staff training, and how to notify LEP persons that assistance is available. This plan will be reviewed/updated annually.

NOTICE: The Houston County Public Health and Human Services Department (PHHS) provides programs that may involve immediate, or emergency assistance and basic needs services, such as food or shelter. As such PHHS has a specific LEP and language access plan that complies with the Minnesota Department of Human Service Limited English (LEP) & Access Plan criteria. Please contact the PHHS Department for further information regarding LEP and PHHS service access.

The Houston County four-factor LEP analysis for 2025:

Factor 1. The number or proportion of LEP persons eligible to be served or likely to be encountered by a program, activity, or service of the recipient or grantee.

Based on the 2020 data, 483 of 17,593 persons in Houston County (older than the age of 5) speak a language other than English. Of those 483 persons, 156 speak English less than “very well”.

The overwhelming majority of the population 5 years and over (17,110 or 97.3%) in Houston County speak only English. Houston County staff, and Houston County contractors or sub recipients are most likely to contact LEP individuals through public meetings and other general public involvement opportunities.

Houston County staff cannot absolutely determine whether LEP population in any given language is underserved by the recipient due to language barriers. No LEP populations are over the 1,000 or 5%, translating vital documents into other languages is not required at this time; however, Houston County will continue to monitor, evaluate and provide outreach to LEP persons of any given language in the Houston County area.

Factor 2. The frequency with which LEP persons come in contact with programs, activities, or services.

Houston County Title VI Compliance Officer and Coordinators will monitor the frequency with which reporting department’s staff, and contractors have, or could have, contact with LEP persons. This includes documenting phone inquiries or office visits.

Factor 3. The nature and importance of programs, activities, or services provided to the LEP population.

Houston County uses federal funds for County programs and projects. While those projects are important, they do not involve immediate, or emergency assistance, such as medical treatment,

or any programs, activities, or services involving basic needs, such as food or shelter. And, while it is encouraged, involvement in Houston County planning and decision-making process by residents is entirely voluntary. Anyone can participate in the planning and decision-making process simply by contacting Houston County staff. Houston County does not require residents to complete application forms or to submit to interviews prior to their participation in Houston County planning and decision-making process. Planning and decision-making impacts all residents within the planning area, Houston County encourages input and involvement from all residents and makes every effort to make the planning and decision-making process as inclusive as practicable.

Factor 4. The resources available to Houston County and the overall cost to provide language assistance.

Houston County does not serve significant number of LEP persons. For this reason, Houston County weighed the cost and benefits of translating documents for potential LEP groups. Considering the expense of translating the documents, the likelihood of frequent changes in documents and other relevant factors, Houston County will consider the translation of documents (or portions thereof) on a case by case basis, as requested. In addition, web-based translations services such as Google Translate can also provide limited assistance. Spanish language assistance is available through the Minnesota Department of Commerce Spanish relay. This service is provided free of charge. The communications assistant relays call between a Spanish speaking person with a hearing or speech disability and a Spanish speaking hearing person. To place a Spanish Relay call: 1-877-627-5448 (voice, TTY, ASCII).

Language Assistance Measures

There is a low percentage of LEP individuals in Houston County, that is, persons who speak English “less than very well”. Houston County will strive to offer the following measures:

- Houston County staff will take reasonable steps to provide the opportunity for meaningful access to LEP clients who have difficulty communicating in English.
- The following resources will be available to accommodate LEP persons: Interpretive services, within reason, will be provided for public meetings, if advance notice is provided to Houston County and such services are readily available; Houston County will make translated versions (or provide for the interpretation of relevant section) of all documents/publications available upon request, within a reasonable time frame and if resources permit.

Staff Training

To ensure effective implementation of this County LEP Access Plan, training for staff that are expected to have relevant contact will occur with information reviewed such as:

- Information on the Title VI Policy and LEP responsibilities
- Documentation of language assistance requests
- Handling of potential Title VI/LEP complaints

Monitoring, Evaluation, and Updating the Plan

Houston County will review and update this LEP plan annually. An annual review and update will include the following:

- The documented number of LEP person contacts encountered
- Determine current LEP population in the service area
- Determine whether the need for translation services has changed
- Determine whether language assistance has been effective and sufficient to meet the need
- Determine whether Houston County financial resources are sufficient to fund language assistance resources needed
- Determine whether Houston County fully complies with this LEP plan
- Determine whether complaints have been received concerning the agency's failure to meet the needs of LEP individuals
- Maintain a Title VI complaint log, including LEP to determine issues and basis of complaints

Notice to LEP Persons

Houston County will make good faith efforts to notify the public that a LEP Plan and language assistance is available through the following means:

- Post a notice in a conspicuous and accessible place in the Houston County department office which provides the program or services of the LEP Plan and of the potential availability of interpretation or translation services
- Post the LEP on the Houston County website: www.co.houston.mn.us

This plan is also available at no cost in English upon request by telephone, email, mail or in person. If requested to be provided in another language and it is feasible to have it translated, it shall be provided at no cost to the requester.

APPENDIX C – TITLE VI DISCRIMINATION COMPLAINT FORM

Complete and submit this form if you have experienced discrimination by the Houston County _____ Department, its sub-recipients, or contractors on the basis of race, color, national origin, sex, age, income status, or disability, in violation of the Title VI Act of 1964 and related statutes.

Requests for additional languages or alternative formats should be directed to the Title VI Compliance Officer at 507-725-5822 or bparker@hocomn.gov

Your information:

Name _____

Address _____

City _____ State _____ Zip _____

Preferred Phone Number: _____

Preferred Email: _____

Are you represented by an attorney? Yes No

If yes: Attorney's Name: _____

Attorney's Phone: _____

Attorney's Email: _____

Basis of Alleged Discrimination (check all that apply):

- Race
- Color
- National Origin
- Sex
- Age
- Disability
- Retaliation
- Other

Agency, business or contractor that allegedly discriminated:

Name of Organization _____

Name of Person(s)/Title _____

Address _____ City _____ Zip _____

Phone _____

Please explain in detail what happened, when, where, who was involved, and how you or other persons were discriminated against. If necessary, provide a copy of written materials pertaining to your complaint:

Other persons who have knowledge of the alleged discrimination?

Name	Organization/Title (if any)	Phone

How would you like to see this complaint resolved?

Have you filed your complaint, grievance, or lawsuit with any other agency or court?

With who _____ When _____
Status (pending, resolved, etc.) _____
Complaint or case number, if known _____

Privacy Notice:

Houston County is asking you to provide information in this complaint form which includes private and/or confidential information under the Minnesota Government Data Practices Act. Houston County is asking for this private/confidential information so that it can investigate and respond to allegations of discrimination. You are not legally required to provide this information; however, if you do not provide sufficient information Houston County may not be able to properly investigate your complaint. The information you provide will be used by Houston County or other required agencies' employees whose job assignments reasonably require access to the information. Others may also have a legal right to access the information including but not limited to; the Houston County Attorney, the MN Attorney General's Office; the MN State Auditor's Office; the MN Legislative Auditor's Office; law enforcement agencies and prosecutorial authorities; persons/entities named pursuant to court order; persons/entities whom you authorize; and any other person or entity authorized by state or federal law.

By signing this complaint, I certify the truthfulness of the information provided:

_____ Signature

Date

HOUSTON COUNTY HIGHWAY DEPARTMENT

Title VI Plan for MnDOT FHWA Subrecipient

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**Appendix A – Houston County Title VI of the Civil Rights Act of 1964
Non-Discrimination Policy**

**Appendix B – The United States Department of Transportation (USDOT)
Standard Title VI/Non-Discrimination Assurances, DOT Order No. 1050.2A**

Adopted

July 15, 2025

Effective Date

July 15, 2025

Plan Review

This plan's next scheduled review is due July 1, 2026

Title VI Plan Revision Log	
Date	Summary of Revisions

I. Non-Discrimination Policy Statement and Notice

It is the policy of Houston County and by way of extension, the Houston County Highway Department, that no person shall on the grounds of race, color, national origin, sex, disability, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any operation of Houston County as provided by Title VI of the Civil Rights Act of 1964 and related statutes. The Houston County Title VI of the Civil Rights Act of 1964 NonDiscrimination Policy incorporated by reference in its entirety to the Houston County Highway Department Title VI Plan for a MnDOT FHWA Subrecipient. (Appendix A) This policy is available at the County's website www.co.houston.mn.us or by request to the Title VI Coordinator listed below.

II. Highway Department Title VI Coordinator

The Houston County Highway Department Title VI Coordinator is responsible for assuring full compliance with the provisions of Title VI of the Civil Rights Act of 1964 and related statutes and has directed that non-discrimination is required of all agency employees, contractors, and agents pursuant to 23 C.F.R. Part 200 and 49 C.F.R. Part 21.

The Houston County Board of Commissioners has assigned the position of Houston County Engineer to perform the duties of the Title VI Coordinator and ensure implementation of Houston County's Title VI program under the Highway Department's programs and activities. The position of Houston County Engineer is located within the Highway Department.

The following is contact information for the Title VI Coordinator:

Houston County Engineer

1124 E Washington St Caledonia,

MN 55921

bpogodzinski@hocomn.gov

Phone: (507) 725-3925

The Houston County Highway Department Title VI Coordinator is responsible for:

- Submitting the Highway Departments Title VI plan and annual reports to State of Minnesota Department of Transportation;
- Ensuring Highway Department staff receive necessary Title VI training;
- Developing procedures for the prompt processing and disposition of complaints;
- Investigating complaints, compiling a complaint log, and reporting to MnDOT;
- Developing procedures for the collection and analysis of statistical data;
- Developing a program to conduct Title VI reviews of program areas;
- Conducting annual Title VI assessments of pertinent program areas;
- Developing Title VI information for dissemination;

- Establishing procedures for resolving deficiency status and reducing to writing the remedial action agreed to be necessary.

III. Primary Program Area Descriptions & Review Procedures The Highway Department engages in the following program areas:

Program Area	General Description	Title VI/Non-Discrimination Concerns and Responsibilities	Review Procedures for Ensuring Non-Discrimination
Right of Way	Issues public right of way permits for utilities, driveways, and other activities. Acquires right of way for public purposes. Coordinates relocation of residents as necessary in right of way acquisitions.	Public right of way permits and relocations should not create unfair burdens for environmental justice communities.	Reviewing permits and relocations to ensure nondiscrimination.
Planning	Short-term and longterm planning of transportation projects	Using equity-based analysis as part of planning process. Public participation to meet environmental justice requirements. Collecting data from public engagement activities regarding demographics of public participants. Providing language access as needed.	Review planning decisions to ensure nondiscrimination. Reviewing public engagement activities periodically to determine whether engagement opportunities were offered to all communities. Documenting language access requests.
Maintenance	Plan, coordinate and accomplish maintenance activities on road system.	Define objectives and goals for road system without unfair impact to a protected class.	Review practices and procedures to determine impact to communities.
Construction and Maintenance Contracts	Construction and maintenance contracts as developed for road system	Ensure access and non-discrimination to bidders .	Review of bidding procedures and advertisement and contract language

IV. Title VI Assurances

The U.S. DOT requires that federal financial assistance be provided on the condition that the recipient provides an assurance that its programs and activities will be conducted in compliance with Title VI of the Civil Rights Act of 1964. The requirement is located at 49 CFR 21.7(a). To support the implementation of this requirement, the U.S. DOT provided an assurances agreement in U.S. DOT Order 1050.2A that federal fund recipients and subrecipients must sign as a condition of receiving federal financial assistance.

The assurances agreement provides specific non-discrimination language that the Houston County Highway Department is required to include in bid solicitations or requests for proposal, contracts, and real estate agreements. The Houston County Highway Department is committed to ensuring the necessary language is used as prescribed in the assurances agreement.

In accordance with this requirement, the Houston County Highway Department has signed the U.S. DOT Standard Title VI/Non-Discrimination Assurances. See Appendix B.

V. Data Collection

The Highway Department will collect relevant and reliable data in compliance with the County Title VI, Non-Discrimination Policy. The Houston County Highway Department will follow the four-factor LEP analysis as set forth in the County Title VI Non-Discrimination Policy.

The data will be used to determine whether public engagement is reaching all demographics and communities in Houston County, and assist in decisions on adjustments to public engagement strategies accordingly. Houston County has developed the following to help identify reasonable steps for providing language assistance to persons with Limited English Proficiency (LEP) who wish to access services provided. As defined Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English. The following plan outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, staff training that may be required, and how to notify LEP persons that assistance is available.

VI. Public Participation

Public notices for public meetings including staff contacts will be advertised in the official newspaper of Houston County and/or relevant localized newspaper. Project mailings will include property owners and/or residents within project limits. Meeting attendees, mailing recipients, and the general public may make oral and/or written comments to Houston County staff. Upon request, translations and/or interpretation services may be made available for persons with limited English proficiency or hearing impaired.

When feasible, Houston County will use visualization techniques such as maps, models, photographs, or project renderings to aid in greater understanding of projects, plans or other topics of discussion at meetings and in communications.

Adequate and timely communication will be used in multiple methods (newspaper, mailings, website) for public outreach. Public meetings will be attempted to be held at acceptable and accessible locations that are located in the community impacted. Opportunities for input from protected classes is made available through Houston County staff at reasonable times in addition to scheduled meetings.

Highway Department Staff Training

To ensure effective implementation of this plan, training for staff that are expected to have relevant contact will occur with information reviewed such as:

- Information on the Title VI Policy and LEP responsibilities
- Documentation of language assistance requests
- Handling of potential Title VI/LEP complaints

Monitoring, Evaluation, and Updating the Plan

Houston County will review and update the LEP plan annually. An annual review and update will include the following:

- The documented number of LEP person contacts encountered.
- Determine current LEP population in the service area.
- Determine whether the need for translation services has changed.
- Determine whether language assistance has been effective and sufficient to meet the need.
- Determine whether Houston County financial resources are sufficient to fund language assistance resources needed.
- Determine whether Houston County fully complies with this LEP plan.
- Determine whether complaints have been received concerning the agency's failure to meet the needs of LEP individuals.
- Maintain a Title VI complaint log, including LEP to determine issues and basis of complaints.

Notice to LEP Persons

Houston County will make good faith efforts to notify the public that a LEP Plan and language assistance is available through the following means:

- Post a notice in a conspicuous and accessible place in the Houston County Highway Department office of the LEP Plan and of the availability of interpretation or translation services
- Post the LEP on the Houston County website: www.co.houston.mn.us

This plan is also available at no cost in English upon request by telephone, email, mail or in person. If requested to be provided in another language and it is feasible to have it translated, it shall be provided at no cost to the requester.

VII. Title VI Complaint Procedures

Federal law prohibits discrimination on the basis of race, color, national origin, age, sex, or disability in any Houston County program or activity. This prohibition applies to all branches of Houston County, its contractors, consultants, and anyone else who acts on behalf of Houston County. If assistance is needed to file complaints or interpretation services are needed, please contact the Highway Department Title VI Coordinator.

How to file a complaint

Complaints must be submitted in writing using the “Title VI Discrimination Complaint Form” within 180 days from the last date of the alleged discrimination. Reasonable efforts will be made to assist persons with disabilities, non-English speakers, and others unable to file a written complaint. For assistance in filing a complaint, please contact the Highway Department Title VI Coordinator.

Any person who believes that they, individually, or as a member of any specific class of persons, have been subjected to discrimination on the basis of race, color, national origin, sex, age, disability, limited English proficiency, or income status may file a discrimination complaint to:

Complaints may be submitted via mail, email, or in person to:

Houston County Engineer
1124 E Washington St
Caledonia, MN 55921
bpogodzinski@hocomn.gov
Phone: (507) 725-3925

Complaints may also be filed with the following agencies:

Minnesota Department of Transportation
Office of Civil Rights
395 John Ireland Blvd, Mail Stop 170
St. Paul, MN 55155
Phone: (651) 366-3073
Fax: (651) 366-3129
Online Complaint Form: <https://www.dot.state.mn.us/civilrights/titlevi-complaint.html>

Federal Highway Administration, Minnesota Division
380 Jackson Street, Suite 500
St. Paul, MN 55101
Phone: (651) 291-6100
Fax: (651) 291-6000

Title VI Discrimination Complaint Form

The Title VI Discrimination Complaint Form is located in Appendix C of the Houston County Title VI non-discrimination policy. If you believe you have experienced discrimination by the Houston County Highway Department, its sub-recipients, or contractors on the basis of race, color, national origin, sex, age, income status, or disability, in violation of the Title VI Act of 1964 and related statutes. Requests for additional languages or alternative formats should

be directed to the Highway Department Title VI Coordinator at 507-725-3925 or by email to bpogodzinski@hocomn.gov

APPENDIX A

**Houston County Title VI of the Civil Rights Act of 1964
Non-Discrimination Policy**

APPENDIX B

**The United State Department of Transportation (USDOT)
Standard Title VI/Non-Discrimination Assurances
DOT Order No. 1050.2A**

The United States Department of Transportation (USDOT)

Standard Title VI/Non-Discrimination Assurances

DOT Order No. 1050.2A

The _____ County of Houston _____ (herein referred to as the "Recipient"), **HEREBY AGREES THAT**, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the **Federal Highway Administration (FHWA)**, is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation—Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

Modal Operating Administration may include additional Statutory/Regulatory Authorities here.

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from DOT, including the FHWA.

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non-discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

Modal Operating Administration may include additional General Assurances in this section, or reference an addendum here.

Specific Assurances

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted FHWA Program:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in §§ 21.23 (b) and 21.23 (e) of 49 C.F.R. § 21 will be (with regard to an "activity") facilitated, or will be (with regard to a

“facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.

2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all FHWA Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source:

“The _____ County of Houston _____ in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

3. The Recipient will insert the clauses of **Appendix A and E** of this Assurance in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of **Appendix B** of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in **Appendix C and Appendix D** of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance

under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

Modal Operating Administration may include additional Specific Assurances in this section.

By signing this ASSURANCE, _____ County of Houston _____ also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing the FHWA access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by the FHWA. You must keep records, reports, and submit the material for review upon request to FHWA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

_____ County of Houston _____ gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the FHWA. This ASSURANCE is binding on

_____ County of Houston _____, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in its programs. The person(s) signing below is authorized to sign this ASSURANCE on behalf of the Recipient.

_____ County of Houston _____
(Name of Recipient)

by _____
{Signature of Authorized Official}

by _____
{Signature of Authorized Official}

DATED _____

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, **Federal Highway Administration (FHWA)**, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. *[Include Modal Operating Administration specific program requirements.]*
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin. *[Include Modal Operating Administration specific program requirements.]*
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the County of Houston will accept title to the lands and maintain the project constructed thereon in accordance with the Regulations for the Administration of Federal Highway Administration (FHWA), and the policies and procedures prescribed by the FHWA of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the County of Houston all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto County of Houston and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the County of Houston, its successors and assigns.

The County of Houston, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the County of Houston will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended[, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the _____ County of Houston _____ pursuant to the provisions of Assurance 7(a):

- A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:
1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, _____ County of Houston _____ will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*
- C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the _____ County of Houston _____ will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the _____ County of Houston _____ and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by _____ County of Houston _____ pursuant to the provisions of Assurance 7(b):

- A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, _____ County of Houston _____ will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

- C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, _____ County of Houston _____ will there upon revert to and vest in and become the absolute property of _____ County of Houston _____ and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

CONSULTANT SERVICE AGREEMENT

THIS AGREEMENT, effective the 1st day of July, 2025 by and between Houston County (hereinafter called the Client), and intellicents inc., consultant and insurance agency of Albert Lea, Minnesota, a corporation under the laws of the State of Minnesota (hereinafter called intellicents).

WITNESSTH THAT:

Client hereby engages the services of intellicents as its employee benefits and insurance consultant and servicing agent of record with respect to all insured and self-insured employee group health benefit plans (herein "Plans") of Client and upon written request of Client, with regard to such other insurance products and coverages as designated by Client (herein "Other Services"). Client will engage intellicents as its benefits and insurance consultant and servicing agent for other employee benefits including but not limited to life, dental, or disability insurance at the time of next renewal or decision to market the Plans. Plans do not include workers' compensation, employer liability or any property or casualty insurance and such coverages would have to be designated as Other Services.

1. Term of Agreement

This agreement to administer the Request for Proposal (RFP) for group insurance benefits shall take effect on July 1, 2025, and continue for an initial term of six (6) months. Ancillary benefits included in the RFP will be effective January 1st, 2026 and intellicents will provide services in Addendum A. With automatic renewable consecutive annual terms thereafter until terminated by either party by giving written notice to the other ninety (90) days prior to January 1 of any year following the initial term. Ancillary insurance coverages will automatically renew on January 1.

2. Scope of Services and Representation

With respect to all services to be performed pursuant to this agreement, intellicents shall at all times and in all circumstances be the exclusive consultant and insurance representative of the Client with regard to Plans, and shall use its best efforts to ascertain, advise upon, and understand the needs of the Client (including insurance needs) with regard to Plans, and Other Services if any. intellicents shall in all matters under this contract, act in the best interest of the Client, provided however, Client recognizes that intellicents may act in the dual capacity of an insurance broker or agent to negotiate for, place, and service all or any part of the insurance purchased by the Client with regard to Plans, or Other Services if any, during the term of this agreement.

The total compensation of intellicents provided for in Section 4 of this agreement shall not be affected or decreased by reason of intellicents acting in such dual capacity.

3. Services to be Provided

intellicents shall perform for the benefit of the Client during the period of this agreement in a competent and professional manner the services described in Addendum A attached to this agreement.

4. intellicents Compensation

Request for Proposal (RFP) Fee of \$6,000 will be payable on December 1, 2025. Any applicable commissions associated with dental, life, disability or any other ancillary insurance coverage accepted will commence January 1, 2026.

Client shall pay or cause its insurer or reinsurer to pay intellicents for services performed pursuant to this agreement with regard to Plans involving any insured or self-insured health plan, a flat fee of \$6,000 payable by December 15th, 2025. For all other Plans, including life insurance, dental insurance, long-term disability insurance, etc., intellicents shall become the insurance consultant and servicing agent at time of next renewal or decision to market the plans, and at that time shall receive its sole compensation from the commissions paid by the insurance carrier. Compensation for intellicents with regard to Other Services shall be negotiated at the time such Other Services are requested.

Not less than ninety (90) days prior to each anniversary of this contract beginning on January 1, 2026 and thereafter, the intellicents representative and the Client's designated representative shall meet and review intellicents Compensation for the next year, and agree to any adjustments based upon additional work anticipated to be done by intellicents, inflation, insurance, and self-insurance type plans anticipated to be utilized by the Client. intellicents Compensation shall then be adjusted to reflect any change the next year as agreed upon in this paragraph.

5. Termination

This agreement may be terminated by either party with a sixty (60) day written notice.

This agreement may be terminated by Client immediately upon written notice to intellicents in the event (i) of bankruptcy or insolvency of intellicents or (ii) intellicents materially changes the personnel who provide service to the Client, without the Client's consent or (iii) Client determines that value is not being received from the continued use of intellicents services.

intellicents may terminate this contract immediately by written notice to Client in the event that the Client does not pay intellicents the compensation, when due.

In the event of such termination intellicents shall not have any obligation to return to the Client any portion of any compensation received by intellicents pertaining to any insurance as to which intellicents is either a broker or agent, if such insurance has a normal expiration or anniversary date subsequent to the date of such termination.

In the event of termination, all records maintained by intellicents on behalf of Client shall remain the property of the Client, and provided to Client upon request.

6. Performance

Except as otherwise provided in this agreement, the undertakings and obligation of intellicents under this agreement are for the sole benefit of the Client and shall not be construed, or represented to be, for the benefit of any other person or organization.

The Client, its staff, agents and advisors shall fully cooperate with intellicents to the extent reasonable necessary for intellicents' performance of services described in section 3 of this agreement. The Client, its staff, agents and advisors shall provide intellicents with accurate and complete information with regard to financial and operating data. possessed or reasonable available to the Client, with complete and accurate information with regard to any and all operations of the Client, or in response to intellicents' reasonable inquiries, and shall promptly advise intellicents of all known risks or claims as they occur with regard to the Client's operations.

intellicents is entitled to rely on such information and on the expertise of such individual or firm, including Client's attorneys, accountants, advisors or employees to the extent such individuals for firms purport to have such expertise.

The Client shall at all times conduct its operations in compliance with all federal, state and local laws.

7. Agent of Record

The Client hereby appoints intellicents their agent-of-record or broker-of record for all insurance companies marketing projects under the "agency system".

8. Successors

This agreement shall be binding upon and shall inure to the successors and assigns of the parties hereto.

9. Prior Agreements

This agreement shall supersede in all respects all other written and oral agreements between Client and intellicents that exist prior to July 1, 2025.

10. Authority

Each person signing this agreement represents that he or she has authority to enter into this agreement on behalf of the party represented by the individual signing.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this 1 day of July, 2025.

Houston County

intellicents inc.

By _____
Employer Representative

By _____

Its _____
Employer Representative Title

Its _____

ADDENDUM A

This Addendum A becomes a part of the Employee Benefits Consultant Service Agreement to which it is attached. Client has engaged the services of intellicents as its consultant and insurance servicing agent. intellicents shall perform for the benefit of Client the services described below:

- ✓ Request for Proposal Services
 - ✓ Creation and implementation of medical and ancillary benefit request for proposal timelines.
 - ✓ Communication of request for proposals to carriers including submission of initial request for proposal, question and answer with carriers on bid specifics, negotiation of rates on behalf of client, and other communication necessary to facilitate bid processes.
 - ✓ Collection of request for proposals from carriers including storage of bids, analysis of bids, and comparisons of bids to current benefits.
 - ✓ Presentation of request for proposal analysis and comparison to client.
 - ✓ Facilitate establishment of an insurance committee including defining roles and expectations, benefits education, presentation of data, and benefits benchmarking.
 - ✓ Written documentation of the selected insurance carrier(s) and line(s)
- ✓ Implementation of new and renewal employee benefit plans, including communication materials, employee enrollment meetings, leading discussion groups and related activities.
- ✓ Assist Client in responding to employee/dependent questions, claims issues, coverage problems and other issues that arise as the employee benefit plan(s) are implemented and following implementation.
 - Medical
 - ✓ Dental
 - ✓ Life/ADD
 - ✓ Life
 - ✓ STD/LTD
 - Worksite
 - ✓ Other
- ✓ Act as a liaison between Client and past, current and future insurance/reinsurance companies for ancillary ~~all~~ employee benefit coverages.
 - Medical
 - ✓ Dental
 - ✓ Life/ADD
 - ✓ Life
 - ✓ STD/LTD
 - Worksite
 - ✓ Other
- ✓ Conduct periodic data report development and provide recommendations for action by Client.
- Research and provide in-depth studies of claims data, including frequency and severity with recommendation for action by Client.
- Facilitate employee and dependent involvement in health care, wellness programs, preventive care and any other program that will address improving employee and dependent health and reduce overall employee benefit plan costs.
- Coordinate alternative care structures to optimize value for the employee benefit dollar spent by Client.
- ✓ Facilitate communication among Client, insurance vendor(s) and contracted providers to seek to obtain quality care to employees and dependents on a cost-efficient basis.
 - Medical
 - ✓ Dental
 - ✓ Life/ADD
 - ✓ Life
 - ✓ STD/LTD
 - Worksite

✓ Other

- Provide continuous research into other funding alternatives of employee benefit plans to benefit Client.
- ✓ Research employee benefit alternatives used by other employers and insurance vendors that are successful in providing quality care with an overall cost reduction effect.
- Research and/or develop innovative health care delivery systems on behalf of Client, Client's employees and dependents.
- Facilitate and manage regional joint employer efforts to provide quality employee benefits while reducing overall costs.
- ✓ Provide Client with access to a comprehensive online portal consisting of news and materials relevant to employee benefits and various HR-related topics, available in multiple mediums.
- ✓ Provide Client with regular industry updates, including but not limited to legislative and regulatory changes, benefits and HR-related news, coverage-specific information and more.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on this 1st day of July, 2025.

Houston County

intellicents inc.

By _____
Employer Representative

By _____

Its _____
Employer Representative Title

Its _____

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into by and between Houston County on behalf of the Plan ("Covered Entity") and intellicents, inc., a Minnesota corporation ("Business Associate").

I. Purpose

- A. Business Associate is contractually obligated to provide certain services related to one or more "covered entities" as that term is defined and regulated under HIPAA. The parties to this Agreement acknowledge that (1) Business Associate is a "business associate" as that term is defined and regulated under the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"); and (2) Business Associate provides services to one of more "covered entities" as that term is defined and regulated under HIPAA.
- B. This Agreement is intended to constitute a "business associate" agreement between the Plan, as a Covered Entity, and the Business Associate, as required under the privacy and security provisions of HIPAA, as amended. Portions of HIPAA apply directly to Business Associate as provided in the Health Information Technology for Economic and Clinical Health Act ("HITECH"), part of the American Recovery and Reinvestment Act of 2009 ("ARRA"). Business Associate's obligations under this Agreement may be the same as, or in some cases in addition to, Business Associate's own obligations under HIPAA as provided in HITECH.

II. Special Definitions

The following definitions are used by this Agreement:

- A. **ARRA** – means the American Recovery and Reinvestment Act of 2009.
- B. **Agreement** - means this Business Associate Agreement, which is an agreement required under 45 C.F.R. Section 164.314(a)(2) between a Business Associate and a Covered Entity.
- C. **Breach** – means the unauthorized acquisition, access, use, or disclosure of Protected Health Information regarding a Covered Individual that compromises the security or privacy of the Protected Health Information as determined in accordance with 45 C.F.R. Section 164.402. Notwithstanding the foregoing, a Breach does not include: (1) any unintentional acquisition, access, or use of Protected Health Information by an employee or individual acting under the authority of Covered Entity or Business Associate and in the scope of the employment or relationship between the employee or individual and Covered Entity or Business Associate, provided such information is not further acquired, accessed, used, or disclosed by any person without authorization; (2) any inadvertent disclosure by an individual who is authorized to access Protected Health Information at Covered Entity's or Business Associate's facility to another similarly situated individual at the same facility, provided such information is not further acquired, accessed, used, or disclosed by any person without authorization; and (3) a disclosure of Protected Health Information in a situation in which Business Associate has a good faith belief that the person(s) to which the unauthorized disclosure was made would not reasonably have been able to retain such information.
- D. **Business Associate** – means intellicents, inc., a person described in 45 C.F.R. Section 160.103 who performs certain functions on behalf of a Covered Entity.

- E. **Covered Electronic Transactions** – shall have the meaning given to the term “transaction” in 45 C.F.R. Section 160.103.
- F. **Covered Entity** – means the Plan, an entity described in 45 C.F.R. Section 160.103.
- G. **Covered Individual** – means a person who is eligible for payment of certain services or supplies rendered or sold to the person or the person’s eligible dependents under the terms, conditions, limitations, and exclusions of the Plan.
- H. **Data Aggregation** – means, with respect to Protected Health Information created or received by Business Associate in its capacity as a business associate (as that term is defined in 45 C.F.R. Section 160.103) of the Plan, the combining of such Protected Health Information by Business Associate with the Protected Health Information received by Business Associate in its capacity as a business associate of another covered entity (as those terms are defined in 45 C.F.R. Section 160.103), to permit data analyses that relate to the health care operations of the respective covered entities.
- I. **Designated Record Set** – means a group of records maintained by or for Covered Entity that is (1) the medical records and billing records about Individuals maintained by or for a covered health care provider, (2) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for Covered Entity, or (3) used, in whole or in part, by or for Covered Entity to make decisions about Individuals. As used herein, the term “Record” means any item, collection, or grouping of information that includes Protected Health Information and is maintained, collected, used or disseminated by or for Covered Entity.
- J. **Effective Date** – means 07/01/2025, unless specifically noted otherwise herein.
- K. **Electronic Health Record** – means an electronic record of health-related information regarding an Individual that is created, gathered, managed, and consulted by authorized health care clinicians and their staff.
- L. **Electronic Protected Health Information** – shall have the same meaning as the term “electronic protected health information” in 45 C.F.R. 160.103, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity.
- M. **HITECH** – means Health Information Technology for Economic and Clinical Health Act.
- N. **HHS** – means the United States Department of Health and Human Services.
- O. **Including** – means “including but not limited to.”
- P. **Individual** – shall have the same meaning as the term “individual” in 45 C.F.R. Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. Section 164.502(g).
- Q. **Limited Data Set** – shall have the same meaning as the term “limited data set” in 45 C.F.R. Section 164.514(e)(2).
- R. **Plan** – means the organized health care arrangement, as that term is defined in 45 C.F.R. Section 160.10.3, consisting of the plans collectively considered the organized health care arrangement, provided by the Covered Entity.

- S. **Privacy Rule** – means the Standards and Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, subparts A and E and the privacy provisions of HIPAA, as amended.
- T. **Protected Health Information** – shall have the same meaning as the term “protected health information” in 45 C.F.R. 160.103, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity. Protected Health Information specifically includes Electronic Protected Health Information.
- U. **Provider** – means a hospital or professional practitioner duly certified or licensed to provide health care services to Covered Individuals.
- V. **Required By Law** – shall have the same meaning as the term “required by law” in 45 C.F.R. Section 164.103.
- W. **Secretary** – means the Secretary of the Department of Health and Human Services or his/her designee.
- X. **Security Incident** – shall have the same meaning as the term “security incident” in 45 C.F.R. Section 164.304, unless defined differently in Covered Entity’s policies and procedures for compliance with the Security Rule, which shall be provided to the Business Associate.
- Y. **Security Rule** – means the Security Standards and Implementation Specifications at 45 C.F.R. Part 160 and Part 164, subpart C and the security provisions of HIPAA, as amended.
- Z. **Standards for Electronic Transactions Rule** - means the final regulations issued by HHS concerning standard transactions and code sets under the Administrative Simplification provisions of HIPAA, 45 C.F.R. Part 160 and Part 162.
- AA. **Subcontractor** – means an individual described in 45 C.F.R. Section 160.103 to whom the Business Associate provides protected health information that the Business Associate creates, receives, maintains, or transmits on behalf of a Covered Entity.
- BB. **Unsecured Protected Health Information** – means Protected Health Information that has not been rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary. As of August 24, 2009, the Secretary has specified the following technologies and methodologies that will render Protected Health Information unusable, unreadable, and indecipherable (i.e., secured Protected Health Information): (1) encryption as described in the Secretary’s guidance and determined by the National Institute of Standard and Technology to meet the standards described in such guidance, or (2) destruction, in accordance with the procedures identified in the Secretary’s guidance, of the media on which the Protected Health Information was stored or recorded.

III. Privacy Provisions

- A. **Introduction.** Business Associate, on behalf of Covered Entity, performs or assists in the performance of functions and activities that may involve the use, disclosure, receipt and/or creation of Protected Health Information. The "business associate" provisions of the Privacy Rule govern the terms and conditions under which the Business Associate may use or disclose Protected Health Information. In general, Business Associate agrees and intends to act such that (1) Covered Entity can fulfill its responsibilities under HIPAA; and (2) Business Associate can fulfill its contractual obligations under this Agreement. In addition, Business Associate specifically acknowledges its direct liability for the failure to comply with certain portions of the Privacy Rule as provided under HITECH and the regulations issued thereunder.
- B. **Permitted Uses and Disclosures by Business Associate.**
1. Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information (i) to perform functions, activities, or services for, or on behalf of, Covered Entity pursuant to any services agreement with the Business Associate, (ii) as permitted or required by this Agreement, and (iii) as Required by Law. Business Associate may disclose Protected Health Information to other business associates of Covered Entity, or to business associates of another covered entity that is part of an organized health care arrangement that includes Covered Entity, to the fullest extent allowed under applicable law.
 2. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of its business or to carry out its legal responsibilities.
 3. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of its business, if:
 - i) The disclosures are Required by Law, or
 - ii) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will be held confidentially and will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to such person, and the person will notify the Business Associate of any instances of which the person is aware in which the confidentiality of the information has been breached.
 4. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. Section 164.504(e)(2)(i)(B).
 5. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. Section 164.502(j)(1).
 6. Business Associate will limit the use, disclosure, or request of Protected Health Information, to the extent practicable, (i) to the Limited Data Set, or (ii) if needed by Business Associate, to the minimum necessary (as determined by Business Associate) to

accomplish the intended purpose of such use, disclosure, or request, except to the extent a broader use, disclosure, or request of Protected Health Information is allowed by the Privacy Rule. Business Associate's ability to satisfy the requirement of this Paragraph III.B.6 by use of the Limited Data Set shall be available until the effective date of subsequent guidance issued by the Secretary regarding what constitutes "minimum necessary," at which time Business Associate will take reasonable efforts to limit the use, disclosure, or request of Protected Health Information to the minimum necessary (as defined by such Secretary's guidance) to accomplish the intended purpose of such use, disclosure, or request, except to the extent a broader use, disclosure, or request of Protected Health Information is allowed by the Privacy Rule.

7. Except as otherwise authorized by the Privacy Rule, Business Associate shall not directly or indirectly receive remuneration (whether financial or nonfinancial) in exchange for any Protected Health Information of a Covered Individual unless Covered Entity has received a valid authorization from the Covered Individual that includes a specification of whether the Protected Health Information can be further exchanged for remuneration by the entity receiving Protected Health Information of that Covered Individual. This Paragraph III.B.7 shall apply to exchanges of Protected Health Information occurring on or after the compliance date applicable under the final regulations issued under HITECH that address this restriction.

8. Except as otherwise allowed by the Privacy Rule, Business Associate may not use or disclose Protected Health Information regarding a Covered Individual with respect to a communication about a product or service that encourages recipients of the communication to purchase or use the product or service unless Covered Entity receives no direct or indirect payment in exchange for making such communication and the communication is made to the Covered Individual: (i) to describe a health-related product or service (or payment for such product or service) that is provided by, or included in, the Plan, including communications about the entities participating in a health care provider network or health plan network, replacement of, or enhancements to, the Plan, and health-related products or services available only to Covered Individuals that add value to, but are not part of, the Plan; (ii) for treatment of the Covered Individual; or (iii) for case management or care coordination for the Covered Individual, or to direct or recommend alternative treatments, therapies, health care providers, or settings of care to the Covered Individual. Notwithstanding the foregoing, Business Associate may use or disclose Protected Health Information regarding a Covered Individual with respect to a communication about a product or service that encourages recipients of the communication to purchase or use the product or service if the communication relates to a prescription drug that is currently being prescribed for a Covered Individual and any financial remuneration received by Covered Entity in exchange for making the communication is reasonably related to Covered Entity's cost of making the communication. This Paragraph III.B.8 shall apply to disclosures of Protected Health Information occurring on or after the compliance date applicable under the final regulations issued under HITECH that address this restriction.

- C. **Limitations on Business Associate's Uses and Disclosures.** With respect to Protected Health Information that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity, Business Associate will not use or further disclose the Protected Health Information other than as permitted or required by this Agreement (including, but not limited to, any restrictions described in Section III.E.4) or as Required by Law.
- D. **Additional Obligations of Business Associate.** Except as otherwise specified in this Agreement, the provisions of this Paragraph III.D. apply only to Protected Health

Information that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity.

1. **Safeguards.** Business Associate will use appropriate safeguards to prevent the improper use of, disclosure of, and tampering with Protected Health Information and to reasonably and appropriately protect the confidentiality, integrity, and availability of the Protected Health Information.
2. **Reporting and Mitigation.** Business Associate will report to Covered Entity any acquisition, access, use, or disclosure of Protected Health Information of which Business Associate becomes aware, or that is reported to Business Associate by an agent or Subcontractor, that is in violation of this Agreement. Such report shall be made within ten (10) business days of its discovery (as that term is defined in 45 C.F.R. Section 164.410(a)(2)) by Business Associate. Business Associate agrees to promptly mitigate, to the extent practicable, any harmful effect that is known to Business Associate of an acquisition, access, use, or disclosure in violation of this Agreement. This obligation includes, but is not limited to, any acquisition, access, use, or disclosure of Unsecured Protected Health Information that may constitute a Breach. The determination of whether a Breach has occurred, and of the resultant action, shall be the responsibility of Covered Entity.
3. **Agents and Subcontractors.** Business Associate will enter into a written contract with any agent or Subcontractor who creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate that requires such agent or Subcontractor to comply with the same restrictions and conditions that apply by and through this Agreement to Business Associate with respect to such information.
4. **Access to Protected Health Information.** Within fifteen (15) days of a request by Covered Entity for access to Protected Health Information about a Covered Individual, Business Associate shall make available to Covered Entity or, as directed by Covered Entity, a Covered Individual such Protected Health Information contained in a Designated Record Set. If the Protected Health Information requested by Covered Entity is maintained in a Designated Record Set electronically, Business Associate shall make available, within the time period specified above, a copy of such information in the electronic form and format specified by Covered Entity, provided such information is readily producible in such form and format. If the information is not readily producible in such form and format, Business Associate shall make the information available in a readable electronic form and format as agreed to by the parties. In the event any Covered Individual requests access to Protected Health Information directly from Business Associate, Business Associate shall within five (5) days forward such request to Covered Entity. Notwithstanding anything herein to the contrary, Covered Entity shall be ultimately responsible for providing access to the requested Protected Health Information or making the determination to deny access to requested Protected Health Information.
5. **Amendment of Protected Health Information.** Within fifteen (15) days of receipt of a request from Covered Entity or a Covered Individual for the amendment of Protected Health Information or a record regarding a Covered Individual contained in a Designated Record Set, Business Associate shall (i) provide such information to Covered Entity for amendment, and (ii) incorporate any such amendments in the Protected Health Information as required by 45 C.F.R. Section 164.526. It shall be Covered Entity's responsibility to promptly notify Business Associate of the request for an amendment. Notwithstanding anything herein to the contrary, Covered Entity shall be ultimately

responsible for determining whether the requested amendment shall be made and, if the request is denied, in whole or in part, complying with 45 C.F.R. Section 164.526.

6. **Disclosure Accounting.** Business Associate agrees to track such disclosures of Protected Health Information and information related to such disclosures as is necessary to enable Covered Entity to respond to a request by a Covered Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. Section 164.528. Within fifteen (15) days of receipt of notice from Covered Entity that it has received a request for an accounting of disclosures of Protected Health Information regarding a Covered Individual, Business Associate shall make available to Covered Entity such information as is in Business Associate's possession and is required for Covered Entity to make the accounting required by 45 C.F.R. Section 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the Protected Health Information, and if known, the address of such entity or person; (iii) a brief description of the Protected Health Information disclosed; and, (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this section and applicable law. It shall be Covered Entity's responsibility to promptly notify Business Associate of the request for an accounting, and to prepare and deliver any such accounting requested. In addition to the foregoing, Business Associate shall track other disclosures and/or make available to Covered Entity such information as is necessary for Covered Entity to comply with any additional accounting requirements effective as of the compliance date applicable under final regulations implementing such requirements. Notwithstanding anything herein to the contrary, Covered Entity shall be ultimately responsible for providing the disclosure accounting to the Covered Individual.

7. **Access to Business Associate's Internal Records.** Business Associate shall make its internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity or the Secretary, for the purposes of the Secretary's determining compliance with HIPAA for Covered Entity and/or Business Associate.

8. **Electronic Transactions.** In the event the Business Associate transmits or receives any Covered Electronic Transaction on behalf of Covered Entity, it shall comply with all applicable provisions of the Standards for Electronic Transactions Rule to the extent Required by Law, and shall ensure that any agents and Subcontractors that assist Business Associate in conducting Covered Electronic Transactions on behalf of Covered Entity agree in writing to comply with the Standards for Electronic Transactions Rule to the extent Required by Law.

E. **Obligations and Rights of Covered Entity.**

1. **Notice of Privacy Practices.** Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. Section 164.520, as well as any changes to such notice.

2. **Requests by Covered Entity.** Covered Entity shall not request or direct Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity. This includes, but is not limited to, requests or directions for disclosure of Protected Health Information to the Plan

sponsor in a capacity other than acting on behalf of the Plan as Covered Entity. To the extent a dispute or difference of opinion exists between the Business Associate and Covered Entity regarding whether a use or disclosure is permissible, Business Associate may disclose the Protected Health Information under objection pursuant to the specific, written direction of Covered Entity. Any disclosures made pursuant to such specific, written direction shall be subject to the indemnification provisions of the Agreement.

3. **Changes in Permission.** Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

4. **Restrictions.** Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information to which Covered Entity has agreed in accordance with 45 C.F.R. Section 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information. Such restrictions include, but are not limited to, a Covered Individual's request not to disclose Protected Health Information for purposes of payment or health care operations where the Protected Health Information relates solely to a health item or service for which the health care provider has been paid in full out-of-pocket by, or on behalf of, the Covered Individual.

5. **Agreement Breaches by Business Associate.** If Covered Entity obtains knowledge of a pattern of activity or practice of Business Associate that constitutes a material breach or violation of Business Associate's obligations under this Agreement, Covered Entity will take reasonable steps to cure such breach or end such violation. If Covered Entity cannot successfully cure the breach or end the violation, Covered Entity shall terminate the Agreement in accordance with Section VI.B if feasible.

IV. Electronic Security Provisions

- A. **Introduction.** This section applies where Business Associate, on behalf of Covered Entity, performs or assists in the performance of functions and activities that may involve the creation, maintenance, receipt, or transmission of Electronic Protected Health Information. This Section IV along with the other sections of the Business Associate Agreement are (1) intended to meet the requirements of the "business associate" provisions of Security Rule, and (2) govern the terms and conditions under which the Business Associate may create, maintain, receive, and transmit Electronic Protected Health Information on behalf of Covered Entity. In general, Business Associate agrees and intends to act such that (1) Covered Entity can fulfill its responsibilities under HIPAA; (2) Business Associate can fulfill its responsibilities under HIPAA; and (3) Business Associate can fulfill its contractual obligations under this Agreement.
- B. **Obligations of Business Associate.** In accordance with the Security Rule, Business Associate agrees to:
1. Conduct a security risk assessment (in accordance with 45 C.F.R. Section 164.308(a)(1)(ii)(A)) and adopt and implement policies and procedures designed to ensure compliance with the Security Rule and this Agreement including, but not limited to, identifying a security officer and training personnel. This Paragraph IV.B.1 shall be effective as of the compliance date applicable under the final regulations issued under HITECH that address this requirement.
 2. Implement administrative, physical and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that Business Associate creates, maintains, receives, or transmits on behalf of Covered Entity.
 3. Report to Covered Entity any Security Incident of which Business Associate becomes aware within ten (10) business days of its discovery by the Business Associate.
 4. Promptly mitigate, to the extent practicable, any harmful effect of a Security Incident that is known to Business Associate.
 5. Enter into a written contract with any agent or Subcontractor to whom Business Associate provides Electronic Protected Health Information that requires such agent or Subcontractor to comply with the same restrictions and conditions that apply under this Section IV to Business Associate, including, but not limited to, implementing reasonable and appropriate safeguards to protect such information.
- C. **Obligations of Covered Entity.** Covered Entity shall not request or direct Business Associate to create, maintain, receive, or transmit Electronic Protected Health Information in any manner that would not be permissible under the Security Rule.

V. Breach Notification Requirements

If Business Associate accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses, or discloses Unsecured Protected Health Information, Business Associate shall notify Covered Entity of a Breach of such Unsecured Protected Health Information without unreasonable delay, but no later than sixty (60) days following discovery of the Breach. Such notice shall include an identification of each Covered Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or

disclosed during such Breach and any other available information needed by Covered Entity to enable it to comply with its notification obligations under the Privacy Rule and Security Rule. For purposes of this Section V, a Breach is deemed to have been discovered by Business Associate upon the first day on which such Breach is known, or by exercising reasonable diligence would have been known, to Business Associate (including any person, other than the individual committing the Breach, that is an employee, officer or agent of Business Associate (determined in accordance with the Federal common law of agency)).

VI. Term and Termination

- A. **Term.** The Term of this Agreement will begin and become effective on the Effective Date and shall terminate when all of the Protected Health Information created or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section VI.
- B. **Termination.** In the event that a party (the "non-breaching party") discovers and determines that the other party (the "breaching party") materially breached or violated any of its obligations under this Agreement, the non-breaching party will notify the breaching party of such breach in writing and may immediately terminate the Agreement upon notice to the breaching party or may provide the breaching party with an opportunity to take reasonable steps to cure the breach or end the violation, as applicable, within a mutually agreed upon period of time. If the breaching party's attempts to cure the breach or end the violation are unsuccessful within that period, without limiting the rights of the parties under the Agreement, the non-breaching party may immediately terminate the Agreement upon notice to the breaching party.
- C. **Effect of Relationship Termination.**
1. Except as provided in paragraphs (2) and/or (3) of this sub-section, upon termination of the Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information created or received by it on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of Business Associate and/or its Subcontractors or agents. Business Associate will not retain any copies of Protected Health Information.
 2. In the event that Business Associate determines that returning or destroying Protected Health Information is infeasible, Business Associate will notify Covered Entity of the conditions that make return or destruction infeasible. Upon mutual agreement of the parties that return or destruction of Protected Health Information is infeasible, Business Associate will extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.
 3. Should Covered Entity notify Business Associate that the information necessary to comply with the recordkeeping requirements under other applicable law includes the Protected Health Information, Business Associate shall return or provide to Covered Entity such information, including Protected Health Information.

VII. General Provisions

- A. **Regulatory References.** A reference in this Agreement to a section in the Privacy Rule or the Security Rule means the section as in effect or as amended.
- B. **Amendment.** The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity and/or Business Associate to comply with the requirements of the Privacy Rule, the Security Rule, and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- C. **Interpretation.** Any ambiguity in this Agreement shall be resolved to permit each party to comply with the Privacy Rule and the Security Rule, if applicable.
- D. **Survival.** The respective rights and obligations under this Agreement shall survive the termination of this Agreement and any related agreement, including a services agreement.
- E. **Indemnity.** Each party will indemnify, hold harmless, and defend the other party and its affiliates, officers, directors, employees or agents from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any non-permitted or violating use or disclosure of Protected Health Information or other breach of this Agreement by such party or any Subcontractor, agent, person or entity under such party's control.
- F. **No Third Party Beneficiaries.** Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties hereto, any rights obligations, or liabilities whatsoever.
- G. **Conformance with Law.** The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the parties to comply with the requirements of HIPAA as they apply to each party.
- H. **Action.** For purposes of this Agreement, whenever action is required by a party to this Agreement, such action must be taken by a person or persons with authority to act on behalf of such party to this Agreement.
- I. **Governing Law.** This Agreement shall be governed by the law of Minnesota, except to the extent preempted by federal law.
- J. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

Notices. All notices and communications required by this Agreement shall be in writing. Such notices and communications shall be given in one of the following forms: (i) by delivery in person, (ii) by a nationally-recognized, next-day courier service, (iii) by first-class, registered or certified mail, postage prepaid; or (iv) by electronic mail to the address that each party specifies in writing.

Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral, with regard to this same subject matter.

Notwithstanding the foregoing, this Agreement is intended to supplement (rather than supersede) the agreement between Business Associate and the sponsor of the Plan related to the services that Business Associate provides with respect to administration of the Plan.

Counterparts. This Agreement may be executed in counterparts, each of which so executed shall be construed to be an original, but all of which together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Transmission by facsimile or electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart. This Agreement and any amendment or modification may not be denied legal effect or enforceability solely because it is in electronic form, or because an electronic signature or electronic record was used in its formation.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth below.

intellicents, inc, as Business Associate:

This ____ day of _____, 202__

By: _____

on behalf of the Business Associate.

Print Name: _____

Title: _____

Covered Entity:

This ____ day of _____, 202__

By: _____

on behalf of the Covered Entity.

Print Name: _____

Title: _____

RESOLUTION NO. 25-

**RESOLUTION TO MAKE THE POSITIONS OF AUDITOR, TREASURER, AND
RECORDER APPOINTED PURSUANT TO MINNESOTA STATUTE § 375A.1205**

WHEREAS, the offices of County Auditor /Treasurer, and County Recorder in Houston County, Minnesota are currently vacant and being fulfilled on an interim basis by individuals appointed by the County Board; and

WHEREAS, Minnesota Statutes § 375A.1205, Subdivision 1, allows the County Board to make these offices appointed upon the occurrence of a vacancy; and

WHEREAS, the County Board believes that transitioning these positions to appointed roles will promote efficiency, enhance administrative oversight, and improve continuity in service delivery;

NOW, THEREFORE, BE IT RESOLVED:

1. The Board hereby declares its intent to make the positions of County Auditor / Treasurer, and County Recorder appointed rather than elected pursuant to Minnesota Statutes § 375A.1205.
2. This resolution shall be published in the official newspaper of Houston County, and a 30-day period shall be provided for the public to submit a valid petition requesting a referendum on this change.
3. If no valid petition is filed within 30 days after adoption of this resolution, this resolution shall become effective, and the County Board shall appoint individuals to these positions pursuant to Minnesota law.

Adopted this --- day of --- , 2025

HOUSTON COUNTY COMMISSIONERS

Eric Johnson
Board Chair

ATTEST

Carol Lapham
Interim County Administrator

Houston County Agenda Request Form

Date Submitted: July 1, 2025 Board Date: July 15, 2025

Person requesting appointment with County Board: Brian Pogodzinski

Issue:

To accept and approve the grant agreement for FAA Airport Infrastructure Grant (AIG) funding for project # 3-27-0016-015-2025, the Houston County Airport T-Hangar.

Attachments/Documentation for the Board's Review:

Grant agreement is attached.

Justification:

The T-Hangar project was awarded on March 18, 2025 contingent upon receiving the State and Federal funding. The AIG funds are part of the Federal funding to be awarded. We are still waiting on the second federal grant and the state funding grant.

Action Requested:

Please pass the attached resolution to accept these Federal AIG funds and to approve Eric Johnson to sign as Houston County's authorized official to execute this grant and sign any amendments.

Note: This grant will be signed electronically.

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

All agenda request forms must be submitted to Allison Wagner at BOC@co.houston.mn.us by 12:00 p.m. 12:00 p.m. on Thursday 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.



U.S. Department
of Transportation
**Federal Aviation
Administration**

Dakota-Minnesota
Airports District Office

6020 28th Avenue South, Suite 102
Minneapolis, MN 55450

2301 University Drive, Building 23B
Bismarck, ND 58504

June 30, 2025

Mr. Brian Pogodzinski
Airport Manager
1124 E Washington St
Caledonia, MN 55921

**Houston County Airport (CHU)
Caledonia, MN
Grant No 3-27-0016-015-2025
UEI No XEMLXNMPRD93
IIJA AIG Grant Offer Letter**

Dear Mr. Pogodzinski:

The Grant Offer for Infrastructure Investment and Jobs Act (IIJA) Airport Infrastructure Grant (AIG) Project **No. 3-27-0016-015-2025** at Houston County Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement.

To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **July 30, 2025**.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi Invoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in “inactive” status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit FAA Form 5100-140, Performance Report within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit FAA Form 5370-1, Construction Progress and Inspection Report, within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-Federal entities that expend \$1,000,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Gaven O Hair, (612) 253-4637, gaven.t.o'hair@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,



Lindsay Terry
Manager



U.S. Department of Transportation Federal Aviation Administration

FY 2025 AIRPORT INFRASTRUCTURE GRANT GRANT AGREEMENT Part I - Offer

Table with 2 columns: Field Name and Value. Fields include Federal Award Offer Date (June 30, 2025), Airport/Planning Area (Houston County Airport), Airport Infrastructure Grant Number (3-27-0016-015-2025), and Unique Entity Identifier (XEMPLXNMPRD93).

TO: County of Houston (herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.) This grant channels through the State of Minnesota.

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated June 26, 2025, for a grant of Federal funds for a project at or associated with the Houston County Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Houston County Airport (herein called the "Project") consisting of the following:

Construct/Expand Hangar (28.61% of Project)

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Infrastructure Investment and Jobs Act(IIIA) (Public Law (P.L.) 117-58) of 2021; FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application; and in consideration of (a) the Sponsor's adoption and ratification of the attached Grant Assurances dated April 2025, interpreted and applied consistent with the FAA Reauthorization Act of 2024; (b) the Sponsor's acceptance of this Offer; and (c) the

benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay (95) % of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$444,000.

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$0 for planning

\$444,000 for airport development or noise program implementation; and,

\$0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements:

- a. **Period of Performance:**

1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods (2 Code of Federal Regulations (CFR) § 200.1) except as noted in 49 U.S.C § 47142(b).

- b. **Budget Period:**

1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in paragraph 2(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period and as stated in 49 U.S.C § 47142(b). Eligible project-related costs incurred on or after November 15, 2021 that comply with all Federal funding procurement requirements and FAA standards are allowable costs.
2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which Sponsors are authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to 2 CFR § 200.308.

- c. **Close Out and Termination**

Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later

than 120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days (2 CFR § 200.344). The FAA may terminate this agreement and all of its obligations under this agreement if any of the following occurs:

- (a) (1) The Sponsor fails to obtain or provide any Sponsor grant contribution as required by the agreement;
 - (2) A completion date for the Project or a component of the Project is listed in the agreement and the Recipient fails to meet that milestone by six months after the date listed in the agreement;
 - (3) The Sponsor fails to comply with the terms and conditions of this agreement, including a material failure to comply with the Project Schedule even if it is beyond the reasonable control of the Sponsor;
 - (4) Circumstances cause changes to the Project that the FAA determines are inconsistent with the FAA's basis for selecting the Project to receive a grant; or
 - (5) The FAA determines that termination of this agreement is in the public interest.
- (b) In terminating this agreement under this section, the FAA may elect to consider only the interests of the FAA.
- (c) The Sponsor may request that the FAA terminate the agreement under this section.

3. **Ineligible or Unallowable Costs.** In accordance with P.L. 117-58, Division J, Title VIII, and 49 U.S.C. § 47110, the Sponsor is prohibited from including any costs in the grant funded portions of the project that the FAA has determined to be ineligible or unallowable, including costs incurred to carry out airport development implementing policies and initiatives repealed by Executive Order 14148, provided such costs are not otherwise permitted by statute.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, IJA (P.L. 117-58), and the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the

project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.

7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **July 30, 2025**, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds and Mandatory Disclosure.**
 - a. The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
 - b. The Sponsor, a recipient, and a subrecipient under this Federal grant must promptly comply with the mandatory disclosure requirements as established under 2 CFR § 200.113, including reporting requirements related to recipient integrity and performance in accordance with Appendix XII to 2 CFR Part 200.
10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.
11. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**
 - a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
 - b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/content/entity-registration>.
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi invoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

13. **Informal Letter Amendment of IJA Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can, subject to the availability of Federal funds, also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

14. **Environmental Standards.** The Sponsor is required to comply with all applicable environmental standards, as further defined in the Grant Assurances, for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.
15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
16. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.
17. **Build America, Buy American.** The Sponsor must comply with the requirements under the Build America, Buy America Act (P.L. 117-58).
18. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant:
- a. May not be increased for a planning project;
 - b. May be increased by not more than 15 percent for development projects, if funds are available;
 - c. May be increased by not more than the greater of the following for a land project, if funds are available:
 1. 15 percent; or
 2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in IJA (P.L. 117-58), or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial

grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. Audits for Sponsors.

PUBLIC SPONSORS. The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$1,000,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

20. Suspension or Debarment. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

- a. Verify the non-Federal entity is eligible to participate in this Federal program by:
 1. Checking the System for Award Management (SAM.gov) exclusions to determine if the non-Federal entity is excluded or disqualified; or
 2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
- b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.
- c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns it has entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debar a contractor, person, or entity.

21. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
 2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. Trafficking in Persons.

1. *Posting of contact information.*
 - a. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.
2. *Provisions applicable to a recipient that is a private entity.*
 - a. Under this Grant, the recipient, its employees, subrecipients under this Grant, and subrecipients employees must not engage in:
 - i. Severe forms of trafficking in persons;
 - ii. The procurement of commercial sex act during the period of time that the grant or cooperative agreement is in effect;
 - iii. The use of forced labor in the performance of this grant; or any subaward; or
 - iv. Acts that directly support or advance trafficking in person, including the following acts;
 - a) Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
 - b) Failing to provide return transportation of pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:
 1. Exempted from the requirement to provide or pay for such return transportation by the federal department or agency providing or entering into the grant; or
 2. The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or witness in a human trafficking enforcement action;
 - c) Soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment;
 - d) Charging recruited employees a placement or recruitment fee; or
 - e) Providing or arranging housing that fails to meet the host country's housing and safety standards.
 - b. The FAA, may unilaterally terminate this Grant, or take any remedial actions authorized by 22 U.S.C 7104b(c), without penalty, if any private entity under this Grant;
 - i. Is determined to have violated a prohibition in paragraph (2)(a) of this Grant;
 - ii. Has an employee that is determined to have violated a prohibition in paragraph (2)(a) of this Grant through conduct that is either:
 - a) Associated with performance under this Grant; or
 - b) Imputed to the recipient or subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR

Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.

3. *Provision applicable to a recipient other than a private entity.*
 - a. The FAA may unilaterally terminate this award or take any remedial actions authorized by 22 U.S.C 7104b(c), without penalty, if subrecipient than is a private entity under this award;
 - i. Is determined to have violated a prohibition in paragraph (2)(a) of this Grant or
 - ii. Has an employee that is determined to have violated a prohibition in paragraph (2)(a) of this Grant through conduct that is either:
 - a) Associated with performance under this Grant; or
 - b) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.
4. *Provisions applicable to any recipient.*
 - a. The recipient must inform the FAA and the DOT Inspector General, immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (2)(a) of this Grant.
 - b. The FAA's right to unilaterally terminate this Grant as described in paragraph (2)(b) or (3)(a) of this Grant, implements the requirements of 22 U.S.C. chapter 78 and is addition to all other remedies for noncompliance that are available to the FAA under this Grant:
 - c. The recipient must include the requirements of paragraph (2)(a) of this Grant award term in any subaward it makes to a private entity.
 - d. If applicable, the recipient must also comply with the compliance plan and certification requirements in 2 CFR 175.105(b).
5. *Definitions.* For purposes of this Grant award, term:
 - a. "Employee" means either:
 - i. An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this Grant; or
 - ii. Another person engaged in the performance of the project or program under this Grant and not compensated by the recipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or requirements.
 - b. "Private entity" means:
 - i. Any entity, including for profit organizations, nonprofit organizations, institutions of higher education, and hospitals. The term does not include foreign public entities, Indian Tribes, local governments, or states as defined in 2 CFR 200.1.
 - ii. The terms "severe forms of trafficking in persons," "commercial sex act," "sex trafficking," "Abuse or threatened abuse of law or legal process," "coercion," "debt

bondage,” and “involuntary servitude” have the meaning given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

23. **IJA Funded Work Included in a PFC Application.** Within 120 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.
24. **Exhibit “A” Property Map.** The Exhibit “A” Property Map dated July 19, 2023, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.
25. **Employee Protection from Reprisal.** In accordance with 2 CFR § 200.217 and 41 U.S.C. § 4701, an employee of a grantee, subgrantee contractor, recipient or subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. The grantee, subgrantee, contractor, recipient, or subrecipient must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. § 4712. See statutory requirements for whistleblower protections at 10 U.S.C. § 4701, 41 U.S.C. § 4712, 41 U.S.C. § 4304, and 10 U.S.C. § 4310.
26. **Prohibited Telecommunications and Video Surveillance Services and Equipment.** The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [P.L. 115-232 § 889(f)] and 2 CFR § 200.216.
27. **Critical Infrastructure Security and Resilience.** The Sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in its project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security (DHS). For airports that do not have specific DOT or DHS cybersecurity requirements, the FAA encourages the voluntary adoption of the cybersecurity requirements from the Transportation Security Administration and Federal Security Director identified for security risk Category X airports.
28. **Title VI of the Civil Rights Act.** As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21), the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities, including any amendments or updates thereto. This may include, as applicable, providing a current Title VI Program Plan to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin, sex, creed, age, disability, genetic information, in

consideration for federal financial assistance. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

29. **FAA Reauthorization Act of 2024.** This grant agreement is subject to the terms and conditions contained herein including the terms known as the Grant Assurances as they were published in the Federal Register April 2025. On May 16, 2024, the FAA Reauthorization Act of 2024 made certain amendments to 49 U.S.C. chapter 471. The Reauthorization Act will require the FAA to make certain amendments to the assurances in order to best achieve consistency with the statute. Federal law requires that the FAA publish any amendments to the assurances in the Federal Register along with an opportunity to comment. In order not to delay the offer of this grant, the existing assurances are attached herein; however, the FAA shall interpret and apply these assurances consistent with the Reauthorization Act. To the extent there is a conflict between the assurances and Federal statutes, the statutes shall apply. The full text of the FAA Reauthorization Act of 2024 is at

<https://www.congress.gov/bill/118th-congress/house-bill/3935/text>

30. **Applicable Federal Anti-Discrimination Laws.** Pursuant to Section (3)(b)(iv), Executive Order 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity, the sponsor:

- a. Agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of 31 U.S.C. 3729(b)(4); and
- b. certifies that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination laws.

31. **Federal Law and Public Policy Requirements.** The Sponsor shall ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination; and the Sponsor will cooperate with Federal officials in the enforcement of Federal law, including cooperating with and not impeding U.S. Immigration and Customs Enforcement (ICE) and other Federal offices and components of the Department of Homeland Security in and the enforcement of Federal immigration law.

32. **National Airspace System Requirements**

- a. The Sponsor shall cooperate with FAA activities installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System, including waiving permitting requirements and other restrictions affecting those activities to the maximum extent possible, and assisting the FAA in securing waivers of permitting or other restrictions from other authorities. The Sponsor shall not take actions that frustrate or prevent the FAA from installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System.
- b. If the FAA determines that the Sponsor has violated subsection (a), the FAA may impose a remedy, including:
 - (1) additional conditions on the award;

- (2) consistent with 49 U.S.C chapter 471, any remedy permitted under 2 C.F.R. 200.339–200.340, including withholding of payments; disallowance of previously reimbursed costs, requiring refunds from the Recipient to the USDOT; suspension or termination of the award; or suspension and debarment under 2 CFR part 180; or
 - (3) any other remedy legally available.
 - c. In imposing a remedy under this condition, the FAA may elect to consider the interests of only the FAA.
 - d. The Sponsor acknowledges that amounts that the FAA requires the Sponsor to refund to the FAA due to a remedy under this condition constitute a debt to the Federal Government that the FAA may collect under 2 CFR 200.346 and the Federal Claims Collection Standards (31 CFR parts 900–904).
- 33. **Signage Costs for Construction Projects.** The airport grant recipient hereby agrees that it will require the prime contractor of a Federally- assisted airport improvement project to post signs consistent with a DOT/FAA-prescribed format, as may be requested by the DOT/FAA, and further agrees to remove any signs posted in response to requests received prior to February 1, 2025.
- 34. **Title 8 - U.S.C., Chapter 12, Subchapter II - Immigration.** The sponsor will follow applicable federal laws pertaining to Subchapter 12, and be subject to the penalties set forth in 8 U.S.C. § 1324, Bringing in and harboring certain aliens, and 8 U.S.C. § 1327, Aiding or assisting certain aliens to enter.

SPECIAL CONDITIONS

35. **Environmental.** The environmental approval for this project was issued on 4/21/2021. This project includes the following mitigation measures:

CATEX

The Sponsor understands and agrees to complete the above-listed mitigation measures to standards satisfactory to the FAA. It is further mutually agreed that the reasonable cost of completing these mitigation measures is an allowable cost within the scope of this project.

36. **Building IJJA Proration.** For purposes of computing the United States' share of the allowable project costs of the project, the allowable cost of the 8-Unit T-Hangar included in the project must not exceed 28.61 percent of the actual cost of the entire building.
37. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION



(Signature)

E. Lindsay Terry

(Typed Name)

Manager, FAA-DMA-ADO

(Title of FAA Official)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated _____

County of Houston

(Name of Sponsor)

(Signature of Sponsor's Authorized Official)

By: ERIC JOHNSON

(Typed Name of Sponsor's Authorized Official)

Title: HOUSTON COUNTY BOARD CHAIR

(Title of Sponsor's Authorized Official)

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR’S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Minnesota. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor’s official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58) of 2021; FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated at _____

By: _____
(Signature of Sponsor’s Attorney)

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport Development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, 37, and 40 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

The Sponsor will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant. Performance under this agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Sponsor and any applicable sub-recipients. The applicable provisions to this agreement include, but are not limited to, the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.
- d. Hatch Act – 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.¹
- g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.¹
- l. 49 U.S.C. § 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) (prohibits discrimination on the basis of race, color, national origin).
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act – 18 U.S.C. § 874.¹
- v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.¹

- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Infrastructure Investment and Jobs Act, P.L. 117-58, Title VIII.
- cc. Build America, Buy America Act, P.L. 117-58, Title IX.
- dd. Endangered Species Act – 16 U.S.C. 1531, et seq.
- ee. Title IX of the Education Amendments of 1972, as amended – 20 U.S.C. 1681–1683 and 1685–1687.
- ff. Drug Abuse Office and Treatment Act of 1972, as amended – 21 U.S.C. 1101, et seq.
- gg. Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended – 42 U.S.C. § 4541, et seq.
- hh. Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions – 31 U.S.C. § 1352.

EXECUTIVE ORDERS

- a. Executive Order 11990 – Protection of Wetlands
- b. Executive Order 11988 – Floodplain Management
- c. Executive Order 12372 – Intergovernmental Review of Federal Programs
- d. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction¹
- e. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- f. Executive Order 14149 – Restoring Freedom of Speech and Ending Federal Censorship
- g. Executive Order 14151 – Ending Radical and Wasteful Government DEI Programs and Preferencing
- h. Executive Order 14154 – Unleashing American Energy
- i. Executive Order 14168 – Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- j. Executive Order 14173 – Ending Illegal Discrimination and Restoring Merit-Based Opportunity

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 and 1201 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.^{3, 4, 5}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.¹
- j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹
- k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 – New Restrictions on Lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1, 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

- ³ 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ Cost principles established in 2 CFR Part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁵ Audit requirements established in 2 CFR Part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere

with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. Subject to 49 U.S.C. 47107(a)(16) and (x), it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program, and it assures that it will use such program for the useful life of any pavement constructed, reconstructed, or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 - 1. Operating the airport's aeronautical facilities whenever required;
 - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
 2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
- c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. 47107.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and

other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. The airport owner or operator will maintain a current airport layout plan of the airport showing:
 - 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;

2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.
- b. Subject to subsection 49 U.S.C. 47107(x), the Secretary will review and approve or disapprove the plan and any revision or modification of the plan before the plan, revision, or modification takes effect.
 - c. The owner or operator will not make or allow any alteration in the airport or any of its facilities unless the alteration—
 1. is outside the scope of the Secretary's review and approval authority as set forth in subsection (x); or
 2. complies with the portions of the plan approved by the Secretary.
 - d. When the airport owner or operator makes a change or alteration in the airport or the facilities which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 1. eliminate such adverse effect in a manner approved by the Secretary; or
 2. bear all costs of relocating such property or its replacement to a site acceptable to the Secretary and of restoring the property or its replacement to the level of safety, utility, efficiency, and cost of operation that existed before the alteration was made, except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d to 2000d-4); creed and sex per 49 U.S.C. 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in 49 CFR 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability

1. **Programs and Activities.** If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
2. **Facilities.** Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
3. **Real Property.** Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. **Duration.**

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the sponsor retains ownership or possession of the property.

d. **Required Solicitation Language.** It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (**County of Houston**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, all businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in consideration for an award."

e. **Required Contract Provisions.**

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex, age, or

disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 1. Reinvestment in an approved noise compatibility project;
 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. 47117(e);
 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. 47114, 47115, or 47117;
 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. 47117(e);
 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. 47114, 47115, or 47117;
 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/sites/faa.gov/files/aip-pfc-checklist_0.pdf) for AIP projects as of June 26, 2025.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
 - 1. Describes the requests;
 - 2. Provides an explanation as to why the requests could not be accommodated; and
 - 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six-month period prior to the applicable due date.

40. Access to Leaded Aviation Gasoline

- a. If 100-octane low lead aviation gasoline (100LL) was made available at an airport, at any time during calendar year 2022, an airport owner or operator may not restrict or prohibit the sale of, or self-fueling with 100-octane low lead aviation gasoline.
- b. This requirement remains until the earlier of December 31, 2030, or the date on which the airport or any retail fuel seller at the airport makes available an unleaded aviation gasoline that has been authorized for use by the FAA as a replacement for 100-octane low lead aviation gasoline for use in nearly all piston-engine aircraft and engine models; and meets either an industry consensus standard or other standard that facilitates the safe use, production, and distribution of such unleaded aviation gasoline, as determined appropriate by the FAA.
- c. An airport owner or operator understands and agrees, that any violation of this grant assurance is subject to civil penalties as provided for in 49 U.S.C. § 46301(a)(8).

RESOLUTION NO. 25-18

**AUTHORIZATION TO EXECUTE
FEDERAL AVIATION AIRPORT INFRASTRUCTURE GRANT (AIG)
CONSTRUCT 8-UNIT T-HANGAR PROJECT
Grant Number 3-27-0016-015-2025**

BE IT RESOLVED by the Houston County Board of Commissioners for the County of Houston as follows:

1. That the FAA Grant No. 3-27-0016-015-2025,
“Construct / Expand Hangar” at the Houston County Airport is accepted.
2. That the Houston County Board Chairman, Eric Johnson, is authorized to execute the Contract and any amendments on behalf of the County of Houston.

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

STATE OF MINNESOTA

COUNTY OF HOUSTON

I, Carol Lapham, County Administrator - Interim, do hereby certify that the above is a true and correct copy of a resolution adopted by the Houston County Board of Commissioners at an authorized meeting held July 15, 2025, as shown by the minutes in my possession.

WITNESS my hand and seal of my office on the 15th, of July 2025.

(SEAL)

Carol Lapham, County Administrator - Interim

Prepared by: Houston County Highway Department, Caledonia, MN



**HOUSTON COUNTY
DEPARTMENT OF TRANSPORTATION**

1124 East Washington Street
Caledonia, MN 55921
TEL (507) 725-3925 FAX (507) 725-5417

Brian K. Pogodzinski, Houston County Engineer

April 2, 2025

Mr. Luke Bourassa
Airport Development Engineer
MnDOT Office of Aeronautics
395 John Ireland Boulevard
St. Paul MN 55155

RE: Grant Application
Houston County Airport (CHU)
Runway 13/31 Pavement Maintenance & 8 Unit T-Hangar Projects **(AIG Funded)**

Dear Mr. Bourassa:

Please find enclosed the bid abstracts, pre-construction photos, signed professional service agreements, FAA cost-price analysis, FAA Form SF-424, FAA Form 5100-100, and plans and specifications for the aforementioned projects at the Houston County Airport in Caledonia, Minnesota.

The aforementioned projects involve completing crack repair on Runway 13/31 and construction of an 8 Unit T-Hangar. **27.9205% of the project will be funded with AIG funds.** The remaining 72.0795% will be funded with AIP funds under a separate grant application.

The following is a breakdown of costs associated with this grant request:

8 UNIT T-HANGAR & RUNWAY 13/31 CRACK REPAIR COST BREAKDOWN				
PROFESSIONAL SERVICES	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
DESIGN ENGINEERING - BMI	\$60,000.00	\$57,000.00	\$1,500.00	\$1,500.00
CONSTRUCTION ENGINEERING - BMI	\$75,000.00	\$71,250.00	\$1,875.00	\$1,875.00
TOTAL ENGINEERING:	\$135,000.00	\$128,250.00	\$3,375.00	\$3,375.00
CONSTRUCTION	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
RUNWAY 13/31 CRACK REPAIR (FAHRNER ASPHALT)	\$40,523.09	\$38,496.94	\$1,013.08	\$1,013.08
OLYMPIC BUILDERS G.C.	\$1,497,400.00	\$1,422,530.00	\$37,435.00	\$37,435.00
TOTAL CONSTRUCTION:	\$1,537,923.09	\$1,461,026.94	\$38,448.08	\$38,448.08
ADMINISTRATION	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
HOUSTON COUNTY	\$1,000.00	\$950.00	\$25.00	\$25.00
TOTAL CITY ADMINISTRATION:	\$1,000.00	\$950.00	\$25.00	\$25.00

	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
TOTAL PROJECT:	\$1,673,923.09	\$1,590,226.94	\$41,848.08	\$41,848.08
	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
AIG FUNDING SHARE	\$467,368.42	\$444,000.00	\$11,684.21	\$11,684.21
AIP FUNDING SHARE	\$1,206,554.67	\$1,146,226.94	\$30,163.87	\$30,163.87
AIG FUNDING PARTICIPATION RATE	27.9205%			
AIP FUNDING PARTICIPATION RATE	72.0795%			

AIG - 8 UNIT T-HANGAR & RUNWAY 13/31 CRACK REPAIR				
PROFESSIONAL SERVICES	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
DESIGN ENGINEERING - BMI	\$16,752.33	\$15,914.71	\$418.81	\$418.81
CONSTRUCTION ENGINEERING - BMI	\$20,940.41	\$19,893.39	\$523.51	\$523.51
TOTAL ENGINEERING:	\$37,692.73	\$35,808.10	\$942.32	\$942.32
CONSTRUCTION	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
RUNWAY 13/31 CRACK REPAIR (FAHRNER ASPHALT)	\$11,314.27	\$10,748.55	\$282.86	\$282.86
OLYMPIC BUILDERS G.C.	\$418,082.22	\$397,178.10	\$10,452.06	\$10,452.06
TOTAL CONSTRUCTION:	\$429,396.48	\$407,926.66	\$10,734.91	\$10,734.91
ADMINISTRATION	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
HOUSTON COUNTY	\$279.21	\$265.25	\$6.98	\$6.98
TOTAL CITY ADMINISTRATION:	\$279.21	\$265.25	\$6.98	\$6.98
	TOTAL	FAA (95%)	STATE (2.5%)	LOCAL (2.5%)
TOTAL PROJECT:	\$467,368.42	\$444,000.00	\$11,684.21	\$11,684.21

Houston County requests a **Federal AIG** grant agreement in the amount of **\$ 444,000.00** for the aforementioned projects. If you need any further information or documentation, please feel welcome to contact me at brian.pogodzinski@co.houston.mn.us or 507-725-3925.

Sincerely,



Brian Pogodzinski, P.E.
County Engineer

cc: Sean Johnston, FAA DMA-ADO
Jake Martin, FAA DMA-ADO
Brian Conklin
Silas Parmar, Bolton & Menk, Inc.

Enclosures:

- Bid Abstracts
- Pre-Construction Photos

- Signed Professional Service Agreements
- FAA Cost-Price Analysis
- FAA Form 5100-100
- FAA Form SF-424
- Plans and Specifications

RESOLUTION NO. 25-18

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FEDERAL AVIATION AIRPORT INFRASTRUCTURE GRANT (AIG)
CONSTRUCT 8-UNIT T-HANGAR PROJECT
Grant Number 3-27-0016-015-2025**

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

STATE OF MINNESOTA

COUNTY OF HOUSTON

I, Carol Lapham, County Administrator - Interim, do hereby certify that the above is a true and correct copy of a resolution adopted by the Houston County Board of Commissioners at an authorized meeting held July 15, 2025, as shown by the minutes in my possession.

WITNESS my hand and seal of my office on the 15th, of July 2025.

(SEAL)

Carol Lapham, County Administrator - Interim

Prepared by: Houston County Highway Department, Caledonia, MN

HoCo BOC

From: Lynn Colsch
Sent: Thursday, July 10, 2025 11:42 AM
To: HoCo BOC
Subject: Auditor Warrants 2025/07/02

REVIEW LICENSE CENTER PAYMENTS

2025/07/02 AUDITOR WARRANTS:

<u>VENDOR NAME</u>	<u>AMOUNT</u>
HOUSTON COUNTY TREASURER	50,852.84
ISD 300 TREASURER	77,101.35
MN PACE-ST PAUL PORT AUTHORITY TREASURER CCWSD	3,749.15
TREASURER CITY OF BROWNSVILLE	39,084.82
TREASURER CITY OF CALEDONIA	101,946.30
TREASURER CITY OF EITZEN	797,063.57
TREASURER CITY OF HOKAH	74,713.45
TREASURER CITY OF HOUSTON	211,673.78
TREASURER CITY OF LA CRESCENT	350,079.25
TREASURER CITY OF SPRING GROVE	2,178,121.01
TREASURER SCHOOL DISTRICT 239	421,253.10
TREASURER SCHOOL DISTRICT 294	6,330.38
TREASURER SCHOOL DISTRICT 297	39,611.20
TREASURER SCHOOL DISTRICT 299	23,134.14
TREASURER TWP OF BLACKHAMMER	50,252.59
TREASURER TWP OF BROWNSVILLE	67,331.54
TREASURER TWP OF CALEDONIA	114,072.93
TREASURER TWP OF CROOKED CREEK	119,077.82
TREASURER TWP OF HOKAH	61,047.26
TREASURER TWP OF HOUSTON	82,923.62
TREASURER TWP OF JEFFERSON	111,422.82
TREASURER TWP OF LA CRESCENT	16,962.82
TREASURER TWP OF MAYVILLE	225,721.64
TREASURER TWP OF MONEY CREEK	98,810.02
TREASURER TWP OF MOUND PRAIRIE	166,891.61
TREASURER TWP OF SHELDON	201,813.89
TREASURER TWP OF SPRING GROVE	58,053.02
TREASURER TWP OF UNION	70,119.22
TREASURER TWP OF WILMINGTON	105,708.96
TREASURER TWP OF WINNEBAGO	122,310.50
TREASURER TWP OF YUCATAN	78,217.76
	86,815.44
	<hr/>
	6,212,267.80

3 VENDORS PAID LESS THAN \$2000.00	<u>1,460.93</u>
	<u><u>6,213,728.73</u></u>

Lynn Colsch
Finance Clerk
Houston County
304 South Marshall Street
Caledonia MN 55921

Phone: 507-725-5825

HoCo BOC

From: Lynn Colsch
Sent: Thursday, July 10, 2025 11:44 AM
To: HoCo BOC
Cc: Carol Lapham; Eliana Babinski; Susan Tostenson
Subject: Commissioner Warrants 2025/07/15

REQUEST APPROVAL FOR PAYMENT

2025/07/15 COMMISSIONER'S WARRANTS:

VENDOR NAME	AMOUNT
ACENTEK	4,492.38
ADVANCED CORRECTIONAL HEALTHCAR	7,722.15
BOND TRUST SERVICES CORPORATION	108,100.00
CALEDONIA/CITY OF	14,995.96
CEDA	7,285.33
COMMISSIONER OF TRANSPORTATION	6,271.30
CONSOLIDATED ENERGY COMPANY	4,018.00
ELECTION SYSTEMS & SOFTWARE INC	4,403.17
ENTERPRISE FM	12,261.00
GIRARD'S BUSINESS SOLUTIONS INC	2,139.00
H & R ENTERPRISES LLC	6,886.23
HILDI INC	3,800.00
HISTORICAL SOCIETY/TREAS OF	18,750.00
HOSKINS ELECTRIC INC	16,767.95
HOUSTON COUNTY TREASURER	56,943.41
INTERSTATE BILLING SERVICES	11,404.94
KNOWBE4 INC	7,095.60
LIBERTY TIRE RECYCLING LLC	3,606.00
MEYERS LAWN SERVICE	2,000.00
MILESTONE MATERIALS	2,970.46
MINNESOTA ENERGY RESOURCES	3,435.02
MINNOWA CONSTRUCTION INC	22,447.74
MN DEPT OF CORRECTIONS	71,460.11
MN STATE TREASURER	4,646.00
MNCCC	12,970.05
OFFICE OF MNIT SERVICES	2,376.11
REGENTS OF THE UNIVERSITY OF MINNE	37,500.00
RICHARD'S SANITATION LLC	23,835.96
SELCO	56,840.25
TWIN VILLAGE LLC	2,249.00
VANGUNDY EXCAVATING LLP	3,127.93
VISA	8,542.85
WEX BANK	7,555.50

WINONA CONTROLS INC	<u>4,177.67</u>
	563,077.07
65 VENDORS PAID LESS THAN \$2000.00	<u>31,421.43</u>
	594,498.50
PUBLIC HEALTH & HUMAN SERVICES	<u>154,816.70</u>
	<u><u>749,315.20</u></u>

Lynn Colsch
Finance Clerk
Houston County
304 South Marshall Street
Caledonia MN 55921

Phone: 507-725-5825