

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 28, 2026

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Cindy Wright, Eric Johnson, Kurt Zehnder (joined the meeting at 9:02 a.m.), Robert Schuldt, and Greg Myhre

Others Present: Interim Auditor/Treasurer Polly Heberlein, Fillmore County Journal Reporter Charlene Selbee, The Caledonia Argus Associate Editor Kaita Gorsuch, Coordinator Brent Parker, EDA Director & Coordinator Support Allison Wagner, Finance Director Carol Lapham, Public Health Director Jordan Knoke, Houston County Historical Society President Jenene Hosch, and Houston County Historical Society Treasurer Deb Wray

Presiding: Chairperson Myhre

Call to order.

Pledge of Allegiance.

The meeting began with a moment of silence for former Commissioner Bob Burns.

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

Commissioner Wright said there were a couple typos that needed to be updated in the previous minutes under file No. 3. Motion was made by Commissioner Johnson, seconded by Commissioner Schuldt, motion unanimously carried to approve the meeting minutes from July 21, 2026 with the corrections.

Public Comment:

None.

APPOINTMENTS

Houston County Historical Society President Jenene Hoch and Treasurer Deb Wray presented the Historical Society's projected budget from October 1, 2026-September 30, 2026 to the Commissioners. The total expenses were expected to be \$87,065. Houston County typically levied \$42,500 to go to the Historical Society. The Historical Society raised the rest of the funds through memberships, memorials, donations, and rummage sales. The Historical Society was considering changing their fiscal year and this would be presented to their board in November.

Wray said in the next three to five years most of their buildings would need maintenance repairs. Insurance costs were also going up. The Historical Society hosted events. People were encouraged to become members. They were working to improve relations with the fair board and would soon be included in some of the fair advertisements on the fair website as buildings would be open to the public during the Houston County Fair. The Board of Commissioners thanked the Houston County Historical Society for all their work.

CONSENT AGENDA

Commissioner Myhre asked about consent agenda item No. 2: approving a competitive search for 1 FTE Environmental Services / Surveyor Technician (B22). An open position in the Environmental Services office had been filled recently by an internal candidate. This had created another open position in the Environmental Services office. The open position was evaluated. The surveyor technician duties had been added to the open position as there had been a recent retirement in the surveyor's office that would not be replaced. The Environmental Services / Surveyor Technician duties had been combined. Commissioner Zehnder moved, Commissioner Wright seconded, motion carried four to one to approve the consent agenda. All Commissioners voted yes except for Commissioner Myhre who voted no. Approved items are below.

- 1) Approve a competitive search for 1 FTE Community Health Worker (B22).
- 2) Approve a competitive search for 1 FTE Environmental Services / Surveyor Technician (B22).
- 3) Review and approve payments. Payments are below.

REQUEST APPROVAL FOR PAYMENTS

2026/07/28 COMMISSIONER WARRANTS:

VENDOR NAME	AMOUNT
BKC CONSTRUCTION LLC	546,721.90
BLUFF COUNTRY BRINE LLC	8,586.60
BRUENING ROCK PRODUCTS INC	228,857.71
CALEDONIA/CITY OF	2,228.12
COMPUTER FORENSIC SERVICES LLC	48,301.41
DUNN BLACKTOP COMPANY	3,579,530.69
HOKAH CO-OP OIL ASSN	7,651.24
HOUSTON COUNTY TREASURER	13,502.88
INSIGHT PUBLIC SECTOR	7,836.55
MILESTONE MATERIALS	4,200.90
	4,447,418.00
17 VENDORS PAID LESS THAN \$2000.00	10,083.21

	4,457,501.21
PUBLIC HEALTH & HUMAN SERVICES	20,865.33
	<u>4,478,366.54</u>

REVIEW LICENSE CENTER PAYMENTS

2026/07/16 AUDITOR WARRANTS:

VENDOR NAME	AMOUNT
HOUSTON COUNTY TREASURER	<u>10,436.32</u>
	10,436.32
2 VENDORS PAID LESS THAN \$2000.00	<u>427.35</u>
	<u>10,863.67</u>

REVIEW LICENSE CENTER PAYMENTS

2026/07/22 AUDITOR WARRANTS:

VENDOR NAME	AMOUNT
UBIQUITI	<u>6,852.89</u>
	<u>6,852.89</u>

ACTION ITEMS

File No. 1 – Commissioners discussed selecting two members of the County board to be appointed to the County Canvassing Board for the State Primary Election to be held on August 11, 2026 with Interim Auditor/Treasurer Heberlein. Board members appointed to the canvassing board could not be candidates at the election per *MN 204C.31. subd 1*. The canvassing meeting would be scheduled for August 13th at 2:00 p.m. in the Commissioner’s room. Motion was made by Commissioner Zehnder, seconded by Commissioner Wright, motion carried to appoint Commissioner Zehnder and Commissioner Wright to the County Canvassing Board. Commissioners Wright, Zehnder, and Myhre voted yes. Commissioners Johnson and Schuldt abstained as they would be candidates in the election.

File No. 2 – Motion was made by Commissioner Zehnder, seconded by Commissioner Johnson, motion unanimously carried to approve an amendment that extended the contract for Medical Examiner services starting in 2027.

DISCUSSION ITEMS

Coordinator Parker said there had been a department head meeting the day prior. He was working individually with departments on capital improvement plans. Department Heads were also working on strategic planning. Coordinator Parker wished Commissioner Myhre a Happy Birthday.

The Commissioners discussed recent and upcoming meetings including a Department Head, Semcac, and Finance meeting.

Commissioner Wright said she had been speaking with Dr. W. Ben Johnson who had concerns with the Public Utilities Commission (PUC) and proposed 765kV transmission line that was being proposed in Houston County. Wright said Dr. Johnson had concerns about recent PUC process changes and the safety of the line. Commissioner Wright was frustrated with the response the County had received after submitting a resolution opposing the 765kV transmission line. She too had safety concerns.

Closing Public Comment:

None.

There being no further business, a motion was made by Commissioner Wright, seconded by Commissioner Johnson, motion unanimously carried to adjourn the meeting at 9:49 a.m. The next meeting would be a regular meeting on August 4th, 2026.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Greg Myhre, Chairperson

Attest: _____
Brent Parker, Coordinator

**BOARD OF COMMISSIONER MEETING
AGENDA REQUEST FORM**

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: August 4th, 2026

Date Request Submitted: July 30th, 2026

Submitted By (Name and Title): Brent Parker, County Coordinator

Please fill in item(s) requested for agenda in correct category below. Add numbers as needed.

Appointment Request:

- 1) **Closed Session Pursuant to Minn. Stat. § 13D.05, subd. 3(b), attorney-client privilege, to consult with the County Attorney regarding potential litigation**

Consent Agenda Request:

Action Item Request:

Discussion Item:

Background/additional information can be typed below and/or included with request:

Note: Please submit all agenda request forms and supporting documentation to the BOC email at **BOC@HoCoMN.gov** by noon the Thursday before each BOC meeting to be included on the agenda. If your department needs a resolution number, please ask for the number ahead of time via the BOC email. Resolutions should be emailed in word format so they can be easily copied and pasted into the meeting minutes. Departments are responsible for scheduling their own public hearings, but please email the BOC to verify a date and time is available prior to advertising the hearing to ensure we do not double book times. Questions regarding agenda requests and board meetings can be sent to the BOC email. Thank you!



HOUSTON COUNTY

BOARD OF COMMISSIONER MEETING

AGENDA REQUEST FORM

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: 8/4/26

Date Request Submitted: 7/28/26

Submitted By (Name and Title): Jordan Knoke- Public Health Director

Please fill in item(s) requested for agenda in correct category below. Add numbers as needed.

Appointment Request:

Consent Agenda Request:

1. Accept \$1000 donation from Medica to support Elder Day/Flu vaccine Clinic. Funds will be used for door prizes and refreshments.
2. Accept \$1000 donation from BlueCross BlueShield to support Elder Day/Flu vaccine Clinic. Funds will be used for door prizes and refreshments.

Action Item Request:

Discussion Item:

1)

Background/additional information can be typed below and/or included with request:

Note: Please submit all agenda request forms and supporting documentation to the BOC email at **BOC@HoCoMN.gov** by noon the Thursday before each BOC meeting to be included on the agenda. If your department needs a resolution number, please ask for the number ahead of time via the BOC email. Resolutions should be emailed in word format so they can be easily copied and pasted into the meeting minutes. Departments are responsible for scheduling their own public hearings, but please email the BOC to verify a date and time is available prior to advertising the hearing to ensure we do not double book times. Questions regarding agenda requests and board meetings can be sent to the BOC email. Thank you!

REQUEST APPROVAL FOR PAYMENTS**2026/08/04 COMMISSIONER WARRANTS:**

VENDOR NAME	AMOUNT
CLEAN HARBORS ENV SERVICES	6,465.90
COMMISSIONER OF TRANSPORTATION	5,332.65
DELTA DENTAL	7,992.10
FREEDOM AUTO LLC	3,660.99
GROUNDBREAKING CONNECTIONS LLC	7,083.33
IUOE LOCAL 49 FRINGE BENEFIT FUNDS	28,475.00
MEDICA	269,699.42
MILESTONE MATERIALS	2,805.95
MINNOWA CONSTRUCTION INC	6,152.35
MN LIFE INSURANCE COMPANY	2,500.82
MORRIE'S ONALASKA CHEVROLET	2,070.74
SCHNEIDER CORPORATION/THE	3,256.80
	345,496.05
26 VENDORS PAID LESS THAN \$2000.00	10,454.61
	355,950.66
PUBLIC HEALTH & HUMAN SERVICES	22897.46
	378,848.12



HOUSTON COUNTY

BOARD OF COMMISSIONER MEETING

AGENDA REQUEST FORM

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: August 4, 2026

Date Request Submitted: July 29, 2026

Submitted By (Name and Title): Brian Pogodzinski, County Engineer

Please fill in item(s) requested for agenda in correct category below. Add numbers as needed.

Appointment Request:

Consent Agenda Request:

Action Item Request:

- 1) Consider approving Resolution #20 to approve the Certificate of Final Acceptance for SAP 028-599-101, the Oakland bridge project constructed by Minnowa Construction. Total contract \$615,234.68 with \$6,152.35 retainage due.
- 2) Consider approving the airport lease agreements for Ryan Kerr and the Red Barons.

Discussion Item:

- 1)

Background/additional information can be typed below and/or included with request:

Resolution for Final Acceptance needed for contract.

Language for Minutes:

Commissioner _____ moved, Commissioner _____ seconded, unanimously carried to approve Resolution 25-20 Final Acceptance for SAP 028-599-101, Contract #5165 with Minnowa Construction Inc for the bridge replacement on Oakland Drive in Wilmington Township. Total cost was \$615,234.68.

WHEREAS, Contract for the Contract No. 5165 has in all things been completed, and the County Board being fully advised in the premises; and

THEREFORE, BE IT RESOLVED, the Houston County Board of Commissioners accepts said completed project for and on behalf of the Houston County and authorizes final payment as specified herein."

Note: Please submit all agenda request forms and supporting documentation to the BOC email at **BOC@HoCoMN.gov** by noon the Thursday before each BOC meeting to be included on the agenda. If your department needs a resolution number, please ask for the number ahead of time via the BOC email. Resolutions should be emailed in word format so they can be easily copied and pasted into the meeting minutes. Departments are responsible for scheduling their own public hearings, but please email the BOC to verify a date and time is available prior to advertising the hearing to ensure we do not double book times. Questions regarding agenda requests and board meetings can be sent to the BOC email. Thank you!

Houston County Highway Department

1124 E Washington St, Caledonia, MN 55921
SAP 028-599-101 Oakland Drive
Final Payment No. 6

Contractor: Minnowa Construction Inc.
850 Wickett Drive NW
P.O. Box 188
Harmony MN 55939

Contract No. 5165 SAP 028-599-101
Vendor Number: 9652
Up To Date: 6/29/2026
Warrant # _____ Date _____

Contract Amount

Original Contract	\$629,999.99
Contract Changes	\$1,350.00
Revised Contract	\$631,349.99

Funds Encumbered

Original	\$629,999.99
Additional	N/A
Total	\$629,999.99

Work Certified To Date

Base Bid Items	\$613,884.68
Contract Changes	\$1,350.00
Material On Hand	\$0.00
Total	\$615,234.68

Work Certified This Request	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Request	Total Amount Paid To Date
\$0.00	\$615,234.68	\$0.00	\$609,082.33	\$6,152.35	\$615,234.68
Percent: Retained: 0%			Percent Complete: 97.45%		
Amount Paid This Partial Payment				\$6,152.35	

This is to certify that the items of work shown in this certificate of Pay Estimate have been actually furnished for the work comprising the above-mentioned projects in accordance with the plans and specifications heretofore approved.

Approved By

Approved By Minnowa Construction Inc.



County/ Engineer

Date 7/22/2026



Contractor

Date 7/7/26

Certificate of Final Contract Acceptance

Final Voucher Number: number

This is to certify that to the best of my knowledge, the items of work shown in the Statement of Work Certified herein have actually furnished in accordance with the Plans and Specifications. This Project has been completed in accordance with the Laws, Standards and Procedures of as they apply to projects in this category, and if applicable, approved by the Federal Highway Administration.

Dated 7/22/2026 Signature [Signature] County/City/Project Engineer

The undersigned Contractor hereby certifies that the work described has been performed in accordance with the terms of the Contract, and agrees that the Final Value of Work Certified on this Contract is \$615,234.68 and agrees to the amount of \$6,152.35 as Final Payment on this Contract in accordance with this Final Voucher.

Contractor: Minnowa Construction Inc.

By [Signature]
 Signature

And _____ And _____ State of MN,
 Signature Signature

On This 7th Day July, 2026, Before me appeared Jocelyn L. Clarine To me known to

(Individual Acknowledgment)

be the person who executed the foregoing Acceptance and Acknowledged that he/she executed the same as
 _____ free to act and deed

his/her

(Corporate Acknowledgment)

Jocelyn L. Clarine And _____, to me personally known, who, being each by me duly sworn
 each did say that they are respectively the controller and _____ of the

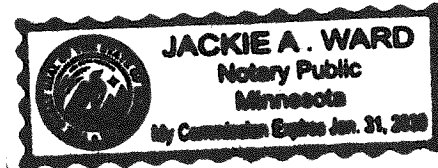
Minnowa Construction Corporation named in the foregoing instrument, and that the seal affixed to said instrument is the Corporate Seal of said Corporation, and the said instrument was signed and sealed in behalf of said Corporation by authority of its

Controller and said _____ and _____

acknowledged said instrument to be the free act and deed of said Corporation.

Notarial My Commission as Notary Public in Fillmore County

Seal Expires 1-31-30 Signature [Signature]



I hereby certify that a Final Examination has been made of the noted Contract, that the Contract has been completed, that the entire amount of Work Shown in this Final Voucher has been performed and the Total Value of the Work Performed in accordance with, the terms of the Contract is as shown in this Final Voucher.

This Contract is hereby accepted in accordance with the Specification 1516. Final acceptance of the Contract will be effective upon full Execution, by the Contractor and the Department, of the "Certificate of Final Acceptance" included with the Final Voucher.

Dated _____ Signature _____ District Engineer

Houston County Highway Department

Certificate of Final Acceptance

Board Acknowledgment

Contract Number: 5165 SAP 028-599-101

Contractor: Minnowa Construction Inc.

Date Certified: 6/29/2026

Payment Number: 6

WHEREAS; Contract No. 5165 SAP 028-599-101 has in all things been completed, and the County Board being fully advised in the premises,

NOW THEN BE IT RESOLVED; That we do hereby accept said completed project for and in behalf of the County of Houston and the Houston County Highway Department and authorize final payment as specified herein.

STATE OF MINNESOTA

COUNTY OF HOUSTON

I, Brent Parker, Houston County Coordinator, within and for said county do hereby certify that the foregoing resolution is a true and correct copy of a resolution adopted by the Houston County Board of Commissioners at the session dated _____ as shown in the minutes of the meeting in my possession.

Dated this _____ day of _____, 20____

At Caledonia, Minnesota

Signed By _____

(SEAL)

Payment Summary				
No.	Up To Date	Work Certified Per Request	Amount Retained Per Request	Amount Paid Per Request
1	9/8/2025	\$416,071.33	\$20,803.57	\$395,267.76
2	9/29/2025	\$101,971.01	\$5,098.55	\$96,872.46
3	10/27/2025	\$24,853.50	\$1,242.67	\$23,610.83
4	11/18/2025	\$72,338.84	\$3,616.94	\$68,721.90
5	5/12/2026	\$0.00	(\$24,609.38)	\$24,609.38
6	6/29/2026	\$0.00	(\$6,152.35)	\$6,152.35

Funding Category Name	Funding Category Number	Work Certified to Date	Less Amount Retained	Less Previous Payments	Amount Paid this Request	Total Amount Paid to Date
Non-Participating	2	\$194,480.75	\$0.00	\$192,535.95	\$1,944.80	\$194,480.75
Participating	1	\$420,753.93	\$0.00	\$416,546.38	\$4,207.55	\$420,753.93

Accounting Number	Funding Source	Amount Paid this Request	Revised Contract Amount	Funds Encumbered to Date	Paid Contractor to Date
5165 SAP 028-599-101 LBRP	LBRP	\$5,390.45	\$539,044.71	\$437,607.03	\$539,044.71
5166 SAP 028-599-101 Town Bridge Funds	Town Bridge	\$661.90	\$82,305.28	\$0.00	\$66,189.97
5167 SAP 028-599-101 Township Local Match	Local / Township Match	\$100.00	\$10,000.00	\$0.00	\$10,000.00

Contract Item Status									
Item	Line	Base/Alt	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date	
2021.501 MOBILIZATION (LUMP SUM)	1	Base Bid	132,750.040	0.76	0.00	\$0.00	0.76	\$100,890.03	
2118.609 AGGREGATE SURFACING SPECIAL (TON)	2	Base Bid	20.000	74.00	0.00	\$0.00	74.42	\$1,488.40	
2401.503 TYPE S (TL-4) BARRIER CONCRETE (3S52) (P) (LIN FT)	3	Base Bid	142.000	124.00	0.00	\$0.00	124.00	\$17,608.00	
2401.507 STRUCTURAL CONCRETE (3B52) (P) (CU YD)	4	Base Bid	1,100.000	70.00	0.00	\$0.00	70.00	\$77,000.00	
2401.508 REINFORCEMENT BARS (EPOXY COATED) (P) (POUND)	5	Base Bid	1.450	22,840.00	0.00	\$0.00	22,840.00	\$33,118.00	

Contract Item Status								
Item	Line	Base/ Alt	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
2401.518 BRIDGE SLAB CONCRETE (3YHPC-M) (P) (SQ FT)	6	Base Bid	24.950	1,920.00	0.00	\$0.00	1,920.00	\$47,904.00
2401.601 STRUCTURE EXCAVATION (LUMP SUM)	7	Base Bid	12,000.000	1.00	0.00	\$0.00	1.00	\$12,000.00
2401.601 SLOPE PREPARATION (LUMP SUM)	8	Base Bid	5,200.000	1.00	0.00	\$0.00	1.00	\$5,200.00
2402.502 FLOOR DRAIN TYPE B706 MODIFIED (EACH)	10	Base Bid	2,500.000	1.00	0.00	\$0.00	1.00	\$2,500.00
2402.502 ELASTOMERIC BEARING PAD TYPE 1 (EACH)	11	Base Bid	200.000	8.00	0.00	\$0.00	8.00	\$1,600.00
2402.508 STRUCTURAL STEEL (3306) (P) (POUND)	12	Base Bid	6.500	470.00	0.00	\$0.00	470.00	\$3,055.00
2405.503 PRESTRESSED CONCRETE BEAMS 27M (P) (LIN FT)	13	Base Bid	360.000	244.00	0.00	\$0.00	244.00	\$87,840.00
2452.502 STEEL H-TEST PILE 25 FT LONG 10" (EACH)	14	Base Bid	2,200.000	2.00	0.00	\$0.00	2.00	\$4,400.00
2452.502 PILE TIP PROTECTION 10" (EACH)	15	Base Bid	200.000	10.00	0.00	\$0.00	10.00	\$2,000.00
2452.503 STEEL H-PILING 10" (LIN FT)	16	Base Bid	75.000	160.00	0.00	\$0.00	137.00	\$10,275.00
2452.602 ROCK SOCKET (EACH)	17	Base Bid	1,100.000	10.00	0.00	\$0.00	0.00	\$0.00
2502.501 DRAINAGE SYSTEM TYPE (B910) (LS)	18	Base Bid	3,000.000	1.00	0.00	\$0.00	1.00	\$3,000.00
2511.507 GRANULAR FILTER (CU YD)	19	Base Bid	35.000	70.00	0.00	\$0.00	42.80	\$1,498.00

Contract Item Status								
Item	Line	Base/ Alt	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
2511.507 RANDOM RIPRAP CLASS III (CU YD)	20	Base Bid	33.000	280.00	0.00	\$0.00	179.50	\$5,923.50
2563.601 TRAFFIC CONTROL (LUMP SUM)	21	Base Bid	1,650.000	0.76	0.00	\$0.00	0.76	\$1,254.00
2575.504 ROLLED EROSION PREVENTION CATEGORY 74 (SQ YD)	22	Base Bid	22.000	94.00	0.00	\$0.00	100.00	\$2,200.00
2021.501 MOBILIZATION (LUMP SUM)	23	Base Bid	132,750.04 0	0.24	0.00	\$0.00	0.24	\$31,860.01
2101.501 CLEARING AND GRUBBING (LUMP SUM)	24	Base Bid	7,800.000	1.00	0.00	\$0.00	1.00	\$7,800.00
2104.503 SALVAGE FENCE (LIN FT)	25	Base Bid	10.000	115.00	0.00	\$0.00	0.00	\$0.00
2106.507 EXCAVATION - COMMON (P) (CU YD)	26	Base Bid	5.750	336.00	0.00	\$0.00	336.00	\$1,932.00
2106.507 COMMON EMBANKMENT (CV) (CU YD)	27	Base Bid	11.750	1,292.00	0.00	\$0.00	1,292.00	\$15,181.00
2211.509 AGGREGATE BASED CLASS 5 (TON)	28	Base Bid	16.250	557.00	0.00	\$0.00	534.00	\$8,677.50
2211.609 AGGREGATE BASED CLASS 5Q (TON)	28	Base Bid	16.250	619.00	0.00	\$0.00	600.75	\$9,762.19
2360.509 TYPE SP 12.5 WEARING COURSE MIX (2,B) (TON)	30	Base Bid	460.000	15.00	0.00	\$0.00	20.05	\$9,223.00
2433.502 REMOVE EXISTING SUBSTRUCTURE (EACH)	31	Base Bid	5,000.000	2.00	0.00	\$0.00	2.00	\$10,000.00
2442.501 REMOVE EXISTING BRIDGE (LUMP SUM)	32	Base Bid	82,500.000	1.00	0.00	\$0.00	1.00	\$82,500.00

Contract Item Status								
Item	Line	Base/Alt	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
2511.507 GRANULAR FILTER (CU YD)	33	Base Bid	35.000	6.00	0.00	\$0.00	0.00	\$0.00
2511.507 RANDOM RIPRAP CLASS III (CU YD)	34	Base Bid	33.000	21.00	0.00	\$0.00	55.10	\$1,818.30
2540.602 RELOCATE MAIL BOX SUPPORT (EACH)	35	Base Bid	350.000	1.00	0.00	\$0.00	1.00	\$350.00
2557.603 INSTALL FENCE (LIN FT)	36	Base Bid	5.000	115.00	0.00	\$0.00	0.00	\$0.00
2563.601 TRAFFIC CONTROL (LUMP SUM)	37	Base Bid	1,650.000	0.24	0.00	\$0.00	0.24	\$396.00
2573.503 SILT FENCE, TYPE MS (LIN FT)	38	Base Bid	2.300	1,409.00	0.00	\$0.00	587.00	\$1,350.10
2575.501 TURF ESTABLISHMENT (LUMP SUM)	39	Base Bid	4,600.000	1.00	0.00	\$0.00	1.00	\$4,600.00
2575.504 ROLLED EROSION PREVENTION CATEGORY 20 (SQ YD)	40	Base Bid	3.150	1,535.00	0.00	\$0.00	2,381.16	\$7,500.65
2575.505 RAPID STABILIZATION METHOD 1 (ACRE)	41	Base Bid	2,200.000	0.40	0.00	\$0.00	0.00	\$0.00
2577.507 ROOT RAP (CU YD)	42	Base Bid	60.000	3.00	0.00	\$0.00	3.00	\$180.00
Base Bid Totals:						\$0.00		\$613,884.68

Project Category Totals			
Project	Category	Amount This Request	Amount To Date
SAP 028-599-101	Non-Participating	\$0.00	\$193,130.75
SAP 028-599-101	Participating	\$0.00	\$420,753.93

Contract Change Item Status

Project	CC	CC#	Line	Item	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
SAP 028-599-101	BK	1	43	2573.503 SEDIMENT CONTROL LOG TYPE COMPOST (L F)	4.500	300.00	0.00	\$0.00	300.00	\$1,350.00
Contract Change Totals:								\$0.00		\$1,350.00

Contract Total**\$615,234.68****Contract Change Totals**

Number	Description	Amount This Request	Amount To Date
1	300 L.F. of 8" Sediment Control Log was added adjacent to the bridge quadrants to conform with redundant perimeter control per DNR. Sediment control logs were used in lieu of silt fence where rocky conditions were encountered adjacent to the stream.	\$0.00	\$1,350.00

Material On Hand Additions

Line	Item	Description	Date	Added	Comments

Material On Hand Balance

Line	Item	Description	Date	Added	Used	Remaining

Contract Item Status by Funding Breakdown

Funding Cat	Line	Item	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Non-Participating - Group 2	23	2021.501 MOBILIZATION (LUMP SUM)	132,750.040	0.24	0.00	\$0.00	0.24	\$31,860.01
Non-Participating - Group 2	24	2101.501 CLEARING AND GRUBBING (LUMP SUM)	7,800.000	1.00	0.00	\$0.00	1.00	\$7,800.00
Non-Participating - Group 2	25	2104.503 SALVAGE FENCE (LIN FT)	10.000	115.00	0.00	\$0.00	0.00	\$0.00
Non-Participating - Group 2	26	2106.507 EXCAVATION - COMMON (P) (CU YD)	5.750	336.00	0.00	\$0.00	336.00	\$1,932.00
Non-Participating - Group 2	27	2106.507 COMMON EMBANKMENT (CV) (CU YD)	11.750	1,292.00	0.00	\$0.00	1,292.00	\$15,181.00

Contract Item Status by Funding Breakdown

Funding Cat	Line	Item	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Non-Participating - Group 2	28	2211.509 AGGREGATE BASED CLASS 5 (TON)	16.250	557.00	0.00	\$0.00	534.00	\$8,677.50
Non-Participating - Group 2	28	2211.609 AGGREGATE BASED CLASS 5Q (TON)	16.250	619.00	0.00	\$0.00	600.75	\$9,762.19
Non-Participating - Group 2	30	2360.509 TYPE SP 12.5 WEARING COURSE MIX (2,B) (TON)	460.000	15.00	0.00	\$0.00	20.05	\$9,223.00
Non-Participating - Group 2	31	2433.502 REMOVE EXISTING SUBSTRUCTURE (EACH)	5,000.000	2.00	0.00	\$0.00	2.00	\$10,000.00
Non-Participating - Group 2	32	2442.501 REMOVE EXISTING BRIDGE (LUMP SUM)	82,500.000	1.00	0.00	\$0.00	1.00	\$82,500.00
Non-Participating - Group 2	33	2511.507 GRANULAR FILTER (CU YD)	35.000	6.00	0.00	\$0.00	0.00	\$0.00
Non-Participating - Group 2	34	2511.507 RANDOM RIPRAP CLASS III (CU YD)	33.000	21.00	0.00	\$0.00	55.10	\$1,818.30
Non-Participating - Group 2	35	2540.602 RELOCATE MAIL BOX SUPPORT (EACH)	350.000	1.00	0.00	\$0.00	1.00	\$350.00
Non-Participating - Group 2	36	2557.603 INSTALL FENCE (LIN FT)	5.000	115.00	0.00	\$0.00	0.00	\$0.00
Non-Participating - Group 2	37	2563.601 TRAFFIC CONTROL (LUMP SUM)	1,650.000	0.24	0.00	\$0.00	0.24	\$396.00
Non-Participating - Group 2	38	2573.503 SILT FENCE, TYPE MS (LIN FT)	2.300	1,409.00	0.00	\$0.00	587.00	\$1,350.10
Non-Participating - Group 2	39	2575.501 TURF ESTABLISHMENT (LUMP SUM)	4,600.000	1.00	0.00	\$0.00	1.00	\$4,600.00
Non-Participating - Group 2	40	2575.504 ROLLED EROSION PREVENTION CATEGORY 20 (SQ YD)	3.150	1,535.00	0.00	\$0.00	2,381.16	\$7,500.65
Non-Participating - Group 2	41	2575.505 RAPID STABILIZATION METHOD 1 (ACRE)	2,200.000	0.40	0.00	\$0.00	0.00	\$0.00

Contract Item Status by Funding Breakdown

Funding Cat	Line	Item	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Non-Participating - Group 2	42	2577.507 ROOT RAP (CU YD)	60.000	3.00	0.00	\$0.00	3.00	\$180.00
Non-Participating - Group 2	43	2573.503 SEDIMENT CONTROL LOG TYPE COMPOST (L F)	4.500	300.00	0.00	\$0.00	300.00	\$1,350.00
Participating - Group 1	1	2021.501 MOBILIZATION (LUMP SUM)	132,750.040	0.76	0.00	\$0.00	0.76	\$100,890.03
Participating - Group 1	2	2118.609 AGGREGATE SURFACING SPECIAL (TON)	20.000	74.00	0.00	\$0.00	74.42	\$1,488.40
Participating - Group 1	3	2401.503 TYPE S (TL-4) BARRIER CONCRETE (3S52) (P) (LIN FT)	142.000	124.00	0.00	\$0.00	124.00	\$17,608.00
Participating - Group 1	4	2401.507 STRUCTURAL CONCRETE (3B52) (P) (CU YD)	1,100.000	70.00	0.00	\$0.00	70.00	\$77,000.00
Participating - Group 1	5	2401.508 REINFORCEMENT BARS (EPOXY COATED) (P) (POUND)	1.450	22,840.00	0.00	\$0.00	22,840.00	\$33,118.00
Participating - Group 1	6	2401.518 BRIDGE SLAB CONCRETE (3YHPC-M) (P) (SQ FT)	24.950	1,920.00	0.00	\$0.00	1,920.00	\$47,904.00
Participating - Group 1	7	2401.601 STRUCTURE EXCAVATION (LUMP SUM)	12,000.000	1.00	0.00	\$0.00	1.00	\$12,000.00
Participating - Group 1	8	2401.601 SLOPE PREPARATION (LUMP SUM)	5,200.000	1.00	0.00	\$0.00	1.00	\$5,200.00
Participating - Group 1	10	2402.502 FLOOR DRAIN TYPE B706 MODIFIED (EACH)	2,500.000	1.00	0.00	\$0.00	1.00	\$2,500.00
Participating - Group 1	11	2402.502 ELASTOMERIC BEARING PAD TYPE 1 (EACH)	200.000	8.00	0.00	\$0.00	8.00	\$1,600.00
Participating - Group 1	12	2402.508 STRUCTURAL STEEL (3306) (P) (POUND)	6.500	470.00	0.00	\$0.00	470.00	\$3,055.00

Contract Item Status by Funding Breakdown

Funding Cat	Line	Item	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Participating - Group 1	13	2405.503 PRESTRESSED CONCRETE BEAMS 27M (P) (LIN FT)	360.000	244.00	0.00	\$0.00	244.00	\$87,840.00
Participating - Group 1	14	2452.502 STEEL H-TEST PILE 25 FT LONG 10" (EACH)	2,200.000	2.00	0.00	\$0.00	2.00	\$4,400.00
Participating - Group 1	15	2452.502 PILE TIP PROTECTION 10" (EACH)	200.000	10.00	0.00	\$0.00	10.00	\$2,000.00
Participating - Group 1	16	2452.503 STEEL H-PILING 10" (LIN FT)	75.000	160.00	0.00	\$0.00	137.00	\$10,275.00
Participating - Group 1	17	2452.602 ROCK SOCKET (EACH)	1,100.000	10.00	0.00	\$0.00	0.00	\$0.00
Participating - Group 1	18	2502.501 DRAINAGE SYSTEM TYPE (B910) (LS)	3,000.000	1.00	0.00	\$0.00	1.00	\$3,000.00
Participating - Group 1	19	2511.507 GRANULAR FILTER (CU YD)	35.000	70.00	0.00	\$0.00	42.80	\$1,498.00
Participating - Group 1	20	2511.507 RANDOM RIPRAP CLASS III (CU YD)	33.000	280.00	0.00	\$0.00	179.50	\$5,923.50
Participating - Group 1	21	2563.601 TRAFFIC CONTROL (LUMP SUM)	1,650.000	0.76	0.00	\$0.00	0.76	\$1,254.00
Participating - Group 1	22	2575.504 ROLLED EROSION PREVENTION CATEGORY 74 (SQ YD)	22.000	94.00	0.00	\$0.00	100.00	\$2,200.00
Totals:						\$0.00		\$615,234.68



Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	1-581-157-392
Submitted Date and Time:	28-Jul-2026 8:49:30 AM
Legal Name:	MINNOWA CONSTRUCTION INC
Federal Employer ID:	41-1479487
User Who Submitted:	minnowa
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	191737856
Minnesota ID:	4962954
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	25-Aug-2025
Project End Date:	17-Nov-2025
Project Location:	HOUSTON COUNTY - OAKLAND DR BRIDGE #28561, SPRING GROVE
Project Amount:	\$629,999.99

Subcontractor Summary

Name	ID	Affidavit Number
BRUENING ROCK PRODUCTS INC	6488964	794800128
MATHY CONSTRUCTION CO	8749839	1536929792
J&L STEEL ERECTORS LLC	7340471	271036416
NORTHERN EROSION LLC	9917969	558395392
WARNING LITES OF MINNESOTA INC	3086922	442740736

Important Messages

A copy of this page must be provided to the contractor or government agency that hired you.

Contact Us

If you need further assistance, contact our Withholding Tax Division at 651-282-9999, (toll-free) 800-657-3594, or (email) withholding.tax@state.mn.us. Business hours are Monday through Friday 8:00 a.m. to 4:30 p.m. Central Time.

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Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	1-847-784-464
Submitted Date and Time:	27-Jul-2026 3:03:39 PM
Legal Name:	BRUENING ROCK PRODUCTS INC
Federal Employer ID:	42-0632195
User Who Submitted:	Bruening Rock
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	794800128
Minnesota ID:	6488964
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	22-Aug-2025
Project End Date:	30-Oct-2025
Project Location:	5.3 MILES SE OF SPRING GROVE ON OAKLAND DRIVE
Project Amount:	\$14,567.91
Subcontractors:	No Subcontractors

Important Messages

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Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	0-845-468-688
Submitted Date and Time:	17-Jul-2026 4:37:38 PM
Legal Name:	MATHY CONSTRUCTION CO
Federal Employer ID:	38-0752519
User Who Submitted:	mathy1
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	1536929792
Minnesota ID:	8749839
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	07-Nov-2025
Project End Date:	07-Nov-2025
Project Location:	HOUSTON CO OAKLAND DR BRIDGE
Project Amount:	\$7,814.93
Subcontractors:	No Subcontractors

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**Contractor Affidavit Submitted**

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	0-811-344-912
Submitted Date and Time:	25-Jun-2026 9:46:25 AM
Legal Name:	J&L STEEL ERECTORS LLC
Federal Employer ID:	86-2697913
User Who Submitted:	COLE09
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	271036416
Minnesota ID:	7340471
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	27-Aug-2025
Project End Date:	08-Oct-2025
Project Location:	HOUSTON COUNTY
Project Amount:	\$12,885.00
Subcontractors:	No Subcontractors

Important Messages

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**Contractor Affidavit Submitted**

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	0-861-146-128
Submitted Date and Time:	24-Jul-2026 10:28:47 AM
Legal Name:	NORTHERN EROSION LLC
Federal Employer ID:	30-0549217
User Who Submitted:	andywein
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	558395392
Minnesota ID:	9917969
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	19-Aug-2025
Project End Date:	04-Nov-2025
Project Location:	HOUSTON COUNTY
Project Amount:	\$15,202.75
Subcontractors:	No Subcontractors

Important Messages

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Contractor Affidavit Submitted

Thank you, your Contractor Affidavit has been approved.

Confirmation Summary

Confirmation Number:	0-846-275-600
Submitted Date and Time:	29-Jun-2026 1:34:07 PM
Legal Name:	WARNING LITES OF MINNESOTA INC
Federal Employer ID:	36-4762529
User Who Submitted:	kwilliams07
Type of Request Submitted:	Contractor Affidavit

Affidavit Summary

Affidavit Number:	442740736
Minnesota ID:	3086922
Project Owner:	HOUSTON COUNTY
Project Number:	SAP 028-599-101
Project Begin Date:	01-Aug-2025
Project End Date:	31-Dec-2025
Project Location:	HOUSTON COUNTY
Project Amount:	\$1,600.00
Subcontractors:	No Subcontractors

Important Messages

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AIRPORT T-HANGAR LEASE

This agreement, made and entered into on the date indicated below by and between
Houston County, hereinafter called the "County," and
Ryan Kerr, hereinafter called the "Lessee."

WHEREAS, the County owns and operates an airport known as the Houston County Airport (Airport) and Lessee is desirous of leasing from the County a hangar on the Airport, hereinafter more fully described; and

NOW, THEREFORE, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby lease from the County the following premises, rights, and easements on and to the Airport upon the following terms and conditions.

- 1. Hangar Description.** County shall hereby lease to Lessee the following Hangar:

Building # 1 **Bay #** 2S

Hanger drawing containing Bay #'s is shown in Appendix A

- 2. Term.** The term of this lease shall be for a period commencing on August 1, 2026, and terminating on June 30, 2027. If the Lessee complies with all rules, regulations, terms, and covenants of this lease, the parties can mutually agree to renew for additional 12-month terms, subject to any additional terms and conditions. Each party will notify the other of their intention not to renew the lease no later than 90 days prior to the end of the lease term date. If the parties do not agree to renew this Lease Agreement, the parties will follow the provisions of termination contained in this Lease Agreement.
- 3. Rent.** For the term of this lease agreement, Lessee shall pay to County an annual rental fee of **\$1800.00**. (Initial term rental rate prorated to 11 months is \$1,650.00)

Payments shall be made payable to Houston County Treasurer and shall be sent to 304 South Marshall Street, Caledonia, MN 55921, or such other place or electronically as County may designate. The rental rate specified herein shall be subject to reexamination and readjustment as provided below.

All rental payments shall be received prior to the lease commencement date for which they are due. No statements are sent by the County. Rental payments not received on the due date specified above are subject to a late fee of 10% of the monthly rental payment. If the Lessee makes a payment that is less than the total amount due under this Lease Agreement, or if the County accepts such a lesser payment, it will not be considered a full payment. Instead, it will be treated as a partial payment and will be applied to the Lessee's account based on the County's standard accounting procedures.

- 4. Proof of Ownership.** On or before the commencement date of this lease, Lessee shall provide the County with a copy of the federal registration certificate establishing Lessee's ownership

of an airplane. Prior to placing any aircraft in a T-Hangar unit, Lessee shall provide County in writing the following information, also known as the "Checklist for Lessee."

- a. Aircraft Type
- b. Serial Number
- c. Registration Number (N-number)
- d. Present Condition of Aircraft (Airworthy or Not Airworthy)
- e. Insurance Certificate(s)
- f. Contact Information

5. Hangar Use. Hangar shall be used for an aeronautical purpose such as:

- a. Storage of active, airworthy aircraft;
- b. Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;
- c. Non-commercial construction of amateur-built or kit-built aircraft;
- d. Storage of aircraft handling equipment, (e.g. tow bar, glider tow equipment, work benches, tools and materials used to service aircraft); and
- e. Storage of materials related to an aeronautical activity (e.g. balloon and skydiving equipment, office equipment, teaching tools).

Provided the hangar is used primarily for an aeronautical purpose, Lessee may store nonaeronautical items in the hangar provided they do not:

- a. Interfere, in any manner, with the entrance, storage, or removal of aircraft, with interference being solely defined by the County.
- b. Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft;
- c. Impede access to other aeronautical contents of the hangar; and
- d. Violate building codes or local ordinances.

Lessee shall not conduct non-aeronautical business activities out of the hangar nor store items in support of a non-aeronautical business.

At no time shall the Lessee store any flammable material (except for fuel in the aircraft) nor shall the Lessee store explosives or other dangerous or hazardous materials, in or around the hangar, without the County's prior written consent.

Lessee shall not hereafter make use of the premises in any manner which might create electrical or electronic interference with navigational signals or radio communications, impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft. County reserves the right to enter upon the premises hereby and abate any such hazard at the expense of Lessee.

6. Prohibited Hangar Uses.

- a. Used as a residence.
- b. Operation of any business whatsoever without the expressed written consent of the County.
- c. Activities which impede the movement of aircraft in and out of the hangar.
- d. Storage of household items that could be stored in a commercial storage facility.
- e. Long-term storage of derelict aircraft and parts. Long-term being solely defined by the County.
- f. Hazardous items not authorized within this Agreement.
- g. Other non-aeronautical uses unless so authorized by the Airport Manager in compliance with FAA Policy.
- h. Any other use not expressly authorized by this Lease Agreement.

7. Nonexclusive Rights. Lessee shall have the nonexclusive right, in common with others so authorized:

- a. To use the common areas of the airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft.
- b. To use the common areas of the hangar area in such a way as to not block any aircraft access to the hangar area or to their T Hangar.
- c. To use the airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of the County to charge fees for the use of such areas.

- d. To use all access ways to and from the premises, limited to streets, driveways or sidewalks designated for such purposes by the County, and which right shall extend to Lessee's employees, passengers, guests, invitees, and patrons.
- 8. Airplane Required.** On the commencement date of this Lease, the Lessee shall maintain an airplane on the premises. This means the aircraft shall be based at Houston County Airport as defined by the Federal Aviation Administration (FAA). T-hangar units will be leased to any individual currently owning an operational aircraft, or to an individual actively seeking an operational aircraft. If a T-hangar is leased to an individual actively seeking an operational aircraft, Lessee must obtain and occupy T-hangar with operational aircraft and provide Airport Manager with information contained on "Checklist for Lessee" within three (3) months of execution of lease agreement. If Lessee does not obtain an operational aircraft and provide "Checklist for Lessee" information, County will notify Lessee of termination of the Lease Agreement. If the original aircraft shown on the Agreement is sold or removed with the intent of being replaced and if this replacement is not done within 90 calendar days, the County may terminate the Agreement. If documentation is provided that this timeframe cannot be met, this period may be extended at the sole discretion of County. The County may request proof of aircraft ownership or usage rights from the Lessee during the term of this Lease. Lessee must notify County Airport Manager of any change of aircraft related to this lease agreement.
- 9. Operational Aircraft.** T-hangar units shall be used only for the storage of active and operational aircraft. Active and operational aircraft shall be defined to mean all aircraft currently licensed, airworthy, and flyable, which are flown to and from the Houston County Airport periodically during the year and have a current FAA airworthy certificate. T-Hangar units may be used for building an aircraft but not without the expressed written consent from the Airport Manager. For Lessees building an aircraft, a plan to get the aircraft airworthy will be required, along with regular plan updates as required by the Airport Manager.
- 10. Alterations.** The Lessee shall not make any alterations or improvements to the hangar without the written consent of the County and then only in strict compliance with any such written consent, which may include, but is not limited to, the request for specific design, engineering, or architectural plans. Additionally, the County may require Lessee to enter into additional agreements for the construction of any alterations or improvements. At the termination of the leasehold such improvements or alterations shall become the property of the County unless otherwise agreed upon in writing
- 11. Damage to Premises.** Lessee shall not cause or permit any waste, damage or injury to the premises. The Lessee shall be responsible for any damage to the premises done by the Lessee, its agents, employees, guests or invitees. Lessee hereby agrees that it shall immediately repair the damage to the premises or shall immediately reimburse the County for same.
- 12. Locks.** No private locks of any type will be allowed on individual pedestrian doors. If private locks are installed, they will be removed at the discretion of the County. The County will provide two keys for the hangar door. Lessee agrees not to duplicate the key. Additional keys will be provided at non-refundable \$5.00 per key and the key shall remain the property of the

County. County may require a security deposit on keys. All keys shall be returned to the County upon termination of this Agreement. The County shall have the right to change the locks, re-key, add additional locks, or security devices to the premises. The County shall provide Lessee with any locks necessary in the event the premises are re-keyed or additional locks are added.

- 13. Waste Oil and Garbage.** Waste oil shall be taken off airport property and disposed of only in an approved method and location. Disposing of any petroleum products on any portion of the Airport shall be cause for immediate termination of this Agreement at County's discretion. All other items detrimental to the environment shall be disposed of properly. Garbage shall be taken off airport and disposed of. The Lessee of each T-hangar unit shall be responsible for the proper disposal of all materials generated from or within that unit. The cost of cleaning up any materials improperly disposed of on airport properties shall be charged to the Lessee of the unit which generated or was the source of the material.
- 14. Cleanliness of Hangar.** Lessee shall be responsible for the cleanliness of the T-hangar unit. Lessee covenants and agrees that it shall not use the leased premises nor permit the use of the leased premises in any manner that will constitute waste, and that it shall not cause or permit any unlawful conduct, unreasonable annoyance, damage, or nuisance to exist or arise in the course of, or as a result of, its use of the leased premises, nor permit any activity or omission that constitutes or results in the same. When, in the opinion of the County, a safety hazard or nuisance is found to exist within a T-hangar unit, Lessee will be provided with notice providing for a two (2) week cleanup limit. If the cleanup is not completed within the designated time, the County will perform all cleanup, which, in its discretion, it deems necessary, and the cost of which shall be charged to the Lessee.
- 15. Electric Radiant Type Pre-Heaters.** Electric engine pre-heaters will not be allowed in any T-hangar unit without obtaining a separate permit from the County authorizing its use. The cost of the permit is indicated on the permit application and shall authorize the use of the heaters from the 1st of November to the 31st of March in each winter season. Lessee agrees that the electric pre-heaters will only be used for a limited amount of time immediately prior to flight. In no case shall light bulbs be used as a radiant-type engine pre-heater. Fuel-fired, UL listed hot-air type heaters are permitted at no additional charge so long as the lessee is present at all times while the heater is in operation.
- 16. Operating Aircraft Inside Hangar.** The Lessee agrees that no aircraft engine shall be operated inside the T-Hangar.
- 17. Hangar Doors.** Lessee agrees the T-Hangar doors shall be closed and the lights turned off when the T-Hangar is unattended. If the hangar is equipped with electric doors, Lessee must remain at the door during operation. Any damage due to leaving the door unattended during operation will be the sole responsibility of Lessee.
- 18. Aircraft Fueling.** Aircraft fueling inside the hangar is not allowed.

19. Signs. No signs or advertising matter may be erected on the leased premises without the prior written consent of the County.

20. Laws. Lessee agrees to comply with any and all applicable federal, state, and local laws, regulations, and orders, and any amendments thereto. County will reasonably inform Lessee of changes to County/Airport regulatory requirements.

21. Rules and Regulations. The County has the right to create and adopt Rules and Regulations that may be amended from time to time. The Lessee agrees to observe and obey all current and future laws, ordinances, rules and regulations, promulgated and enforced by the County and by other proper County having jurisdiction over the conduct of operations at the airport, provided the same are consistent with the procedures prescribed or approved from time-to-time by the Federal Aviation Administration and others for landing and taking off of Lessee's aircraft. Lessee shall observe, obey, and require all of its officers, employees, agents, and invitees to obey and observe the same. Lessee agrees to indemnify and hold the County harmless for any loss or claim against the County from the failure of Lessee to comply hereunder.

Lessee warrants that Lessee will hold all certificates, permits, licenses, or other entitlements required by federal, state, or local laws in order to enable it to conduct its operations and services hereunder (including fueling and fuel storage), and that the same are and will be kept current, valid, and complete. Lessee further warrants that it shall at all times abide by and conform with all terms of the same and that it will give immediate notice to the County of any additions, renewals, amendments, revocations, or suspensions.

22. Security. Lessee shall at all times comply with airport security requirements and agrees to indemnify and hold harmless the County from any violations of said requirements committed by the Lessee, its agents, representatives, assigns, guests, invites, or people admitted to Leased Premises by the Lessee. Any violation of this paragraph is considered a material breach of this Hangar Agreement authorizing the termination thereof at the election of the Airport Manager. By accepting this Lease Agreement.

- a. Lessee acknowledges County's responsibility to maintain the integrity of the airfield and agrees to comply with all Airport rules and regulations, security procedures and Federal Aviation rules, regulations and guidelines pertaining to the security and safety of the Leased Premises and adjacent area and the airfield operations area, including the ingress and egress thereto.
- b. Should the Transportation Security Administration determine that security has been breached due to the negligence of Lessee and fine the Airport, Lessee agrees to reimburse Airport for the amount of the fine.

23. Commercial Operations. Lessee shall be prohibited, either directly or indirectly, from conducting or promoting any commercial activities within the Leased Premises or in the T-hangar area, unless otherwise licensed or authorized by the County to do so in compliance with

Airport Rules & Regulations and Minimum Standards. For the purpose of this Agreement, commercial activity shall mean the provision of a product or service, whether payment occurs in the form of cash or credit, or barter, including, but not limited to, maintenance or inspection of aircraft not authorized herein, flight training, and sale of aircraft parts or supplies.

- 24. Exterior Building Maintenance.** The County shall perform routine repairs and maintenance on the exterior and roof of, and the grounds adjacent to, the leased premises. Lessee shall promptly report to the County any such need for maintenance that Lessee observes.
- 25. Airport Maintenance.** County reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing and taxi areas of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard in the County's sole discretion.
- 26. Airport Development.** The County reserves the right to further develop and improve the airport as County sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee.
- 27. Snow Removal.** The cost for customary maintenance routinely performed by the County, related to areas affecting the value or use of leased properties are included in the annual lease costs charged for the property, and includes snow removal, grounds maintenance and maintenance of apron areas. Snow removal is performed by County employees on a priority basis. The County of Houston reserves the right to perform snow removal functions in whatever manner it deems necessary. In any case, snow removal in front of buildings is the tenant's responsibility. The County is not required to perform any snow removal function on leased property but may plow snow on or adjacent to leased properties to expedite other snow removal operations at the airport.
- 28. Private Vehicle Parking.** Lessee's private vehicle shall be allowed to be placed in a T-hangar when the aircraft is removed for a trip. Parking on the sides of the T-hangar is permitted so as to not impede the ability of aircraft to taxi in the T-hangar area or past the building.
- 29. Right of Entry.** County reserves the right for itself or agents to go on, into, and have access at all times during the existence of this lease, to said premises for the purpose of, including, but not limited to, inspection and showing of the building. County may conduct inspections of all T-hangar units to ensure cleanliness, inspect for hazardous substances and/or materials, make any repairs, complete any work, verify heater/electric usage and ensure compliance.
- 30. Indemnification.** The County shall not be liable to the Lessee, and Lessee agrees to indemnify, hold harmless and defend County, and its employees, officials, and agents from and against, any and all claims, damages, losses and expenses, including reasonable attorney fees, caused by the acts or omissions of the Lessee, its family, guests, invitees, employees, agents, representatives or servants, relating to or arising out of Lessee's use and enjoyment of the Airport or the rights and privileges granted by this Lease, provided the Lessee shall not be liable for any loss caused by the negligent, intentional, or willful misconduct of County. The

County shall not be liable for any loss or damage not caused by negligent acts or omissions of the County, which Lessee may sustain from the following acts, including, but not limited to:

- a. Theft or burglary in or about the premises;
- b. Delay or interruption in any utility service from any cause whatsoever;
- c. Fire, water, rain, frost, snow, gas, odors or fumes from any source whatsoever;
- d. Any injury to any person or damage to any property; or
- e. Failure to keep the Airport premises, appurtenances, fixtures and/or equipment in repair.

This agreement to indemnify and hold harmless does not constitute a waiver of limitations on liability provided by Minnesota Statutes, Chapter 466.

- 31. Abandonment.** If the Lessee fails to use the hangar, for the purpose of storing aircraft owned by the Lessee, for a continuous period of six (6) months, without the express written consent of the Airport Manager, then the County may, in County's sole discretion, terminate this lease.
- 32. Liens and Encumbrances.** The Lessee shall neither create, nor cause or permit to be created, any lien, encumbrance, security interest or other charge, including liens for work, labor or materials furnished, or alleged to have been furnished, on the leased premises.
- 33. Holdover.** In the event that the Lessee should hold over and remain in possession of the Hangar after the expiration of the term of this Agreement or termination for any other cause, such holding over shall be deemed not to operate as a renewal or extension of this Agreement. The resulting tenancy shall, unless otherwise mutually agreed, be on a month-to-month basis until such time as Lessee shall surrender the leased premises. During such month-to-month tenancy, Lessee shall pay rental payments to the County equal to those stated in this Lease Agreement and shall be bound by all of the provision of this Lease Agreement insofar as they may be pertinent.
- 34. Minimum Standards.** The County has implemented Airport Minimum Standards, and the County reserves the right to modify the standards from time to time as it deems necessary to accomplish its purposes. Lessee shall at all times comply with the current Minimum Standards of the Airport and will require its agents, representatives, assigns, guests, employees, invites, or people admitted to Leased Premises by the Lessee to also comply with the standards. Any violation of this paragraph is considered a material breach of the Agreement authorizing the termination thereof at the election of the County.
- 35. Hull Insurance.** Lessee shall carry hull insurance on each aircraft stored on the leased premises. The limits of the insurance shall be in an amount equal to or greater than the current value of the aircraft, instruments, and accessories. On or before the date of this lease, Lessee shall provide a Certificate of Insurance to the County indicating the required coverage and providing for a minimum of thirty (30) days notice to a change or cancellation of that coverage.

If Lessee opts not to meet the insurance minimums outlined in this paragraph, Lessee must also sign Addendum B.

36. Liability Insurance. The Lessee shall maintain a policy of general liability or aircraft liability insurance with a premises liability extension with a company licensed to do business in Minnesota in a minimum amount of \$1,000,000 per occurrence and \$2,000,000 annual aggregate, for all damages arising out of bodily injury or property damage concerning the above described premises during the entire term of this lease naming County as an additional insured acknowledging that the Lessee's insurance will be primary and non-contributory. Lessee shall provide County with a certificate of said insurance or copy of insurance policy within 30 days of executing this Lease Agreement. County's review of any insurance certificate or policy does not constitute any representation or warranty that Lessee's insurance coverage is sufficient.

37. Default and Termination. If Lessee fails to make any of the above-mentioned payments as specified or fails to keep and perform any of the covenants and agreements herein contained, County may immediately and without notice terminate this lease and re-enter and repossess said premises, without prejudice, to its claims for earned cash rent. In all other cases, Lessee may terminate lease at the end of the term of this Lease Agreement. Lessee shall provide notice to County 90 days prior to the end of the lease term, that Lessee would like to not renew the lease agreement for an additional term. Lessee shall leave the Leased Premises broom-clean and in orderly condition, reasonable wear and tear excepted, at the termination of this Agreement. Upon expiration or termination of this Agreement, Lessee's rights herein shall cease, and Lessee shall immediately surrender possession and occupancy of the Hangar to County.

a. **Default Defined:** Lessee shall be deemed in default upon

- i. Failure to pay rent or any other properly imposed fee within 30 days after due date.
- ii. The filing of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization.
- iii. The commencement of any proceeding for dissolution or for the appointment of a receiver.
- iv. The making of an assignment for the benefit of creditors.
- v. Violation of any of the other terms or conditions of this lease after written notice to cease and/or correct such violation has been served upon the Lessee by the County, and after the Lessee has failed to correct such violation within thirty (30) days of service of such notice (or such later deadline as may be established in the Notice by the Lessee). Mailing notice by U.S. Mail, Certified Mail return receipt, shall constitute "service" of notice. In the case of a violation which cannot, with due diligence, be cured within a period established, the Lessee may apply to the County for an extension of time within which to cure said violation.

- b. **Effect of Default:** Default by the Lessee shall authorize the County, at its sole option, to declare this lease void, to cancel the same, and to re-enter and take possession of the premises.
- c. **Remedies:** Except otherwise provided herein, no right or remedy herein conferred shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute.
- d. **Restoration of Property:** Upon termination of this lease, the Lessee shall remove all of its equipment and property and restore the leased premises to its original vacant condition, unless the County agrees, in writing, to accept all or any part of the property which the Lessee wishes to abandon.

38. Subletting. This lease shall not be sold, assigned, or in any manner transferred or encumbered by Lessee, nor shall the leased premises or any part thereof be sublet without the prior consent of County in writing. Lessee shall keep and use the T-hangar primarily for aircraft storage purposes and for no unlawful purpose whatsoever. A sublease will not be allowed without the express written consent from the Airport Manager. Any sublease will be full-time and have an aircraft based at Houston County Airport. Sublease rental rate shall be based of the actual number of days sublet and may not be greater than the prorated rental fee charged in this agreement.

39. Subordination Clause. This lease shall be subordinate to the provisions of any existing or future agreement between the County and the United States or the State of Minnesota relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of Minnesota.

40. National Emergency. During time of War or other State or National emergency, the County shall have the right to suspend this Contract and to turn over operation and control of the Airport to the State of Minnesota and/or the United States Government. During any period when the airport shall be closed by any lawful County, thereby restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate.

41. Nondiscrimination. The Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- a. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Subject Property or Lessee's Improvements.
- b. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be

excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

- c. The Lessee shall use the Subject Property and Lessee's Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination, in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

42. Dispute Resolution. Any controversy or claim arising out of or relating to this lease or any alleged breach thereof, which cannot be settled through negotiation between the parties, the parties agree first to try in good faith to settle the dispute by mediation, with a mediator agreed to by the parties. If the dispute is not resolved within (30) days after the end of mediation proceedings, the parties may pursue any legal remedy.

43. Severability. This lease shall be construed under the laws of the State of Minnesota. Any covenant, condition, or provisions herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this lease, but such deletion shall in no way affect any other covenant, condition, or provision herein contained so as such deletion does not materially prejudice County or Lessee in their respective rights and obligations contained in the valid remaining covenants, conditions and provisions of the lease, and when such occurs, only such other covenants, conditions or provisions shall be deleted as are incapable of enforcement.

44. Notices and Contact Information. All notices and other communications pursuant to this Lease must be in writing or delivered by hand at the addresses set forth below. Lessee must contact County within ten (10) days if Lessee's contact information changes. Lessee will be considered in default of this Agreement if County is unable to reach Lessee by phone or email in a timely fashion for any reason.

Notice to County: Houston County Airport
 C/O Houston County Auditor
 304 South Marshall Street
 Caledonia, MN 55921

Name: Ryan Kerr

Street Address, City, State, ZIP: 2164 330th Ave, Mora, MN

Email Address: ryan@douglas-kerr.com

Phone Number: (320) 679-8947 Ext 14 ☐ Cell ☒ Landline

45. Nonwaiver. No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept and observed by the other party shall be construed as, or operate

as, a waiver of any subsequent default of any of the terms, covenants, or conditions herein contained to be performed, kept or observed by the other party.

46. Entire Agreement. This Lease Agreement, including attachments hereto at the time of its execution, constitutes the entire agreement between the parties hereto, and all prior agreements covering the rights and privileges set out herein are superseded by and merged into this Lease Agreement.

47. Governing Law. This Lease Agreement shall be deemed to be made in and construed in accordance with the laws of the State of Minnesota. Any claim or controversy hereunder this Lease Agreement shall be venued in Houston County, Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this lease this ____ day of _____, 20____.

**HOUSTON COUNTY AIRPORT-
HOUSTON COUNTY BOARD
OF COMMISSIONERS**

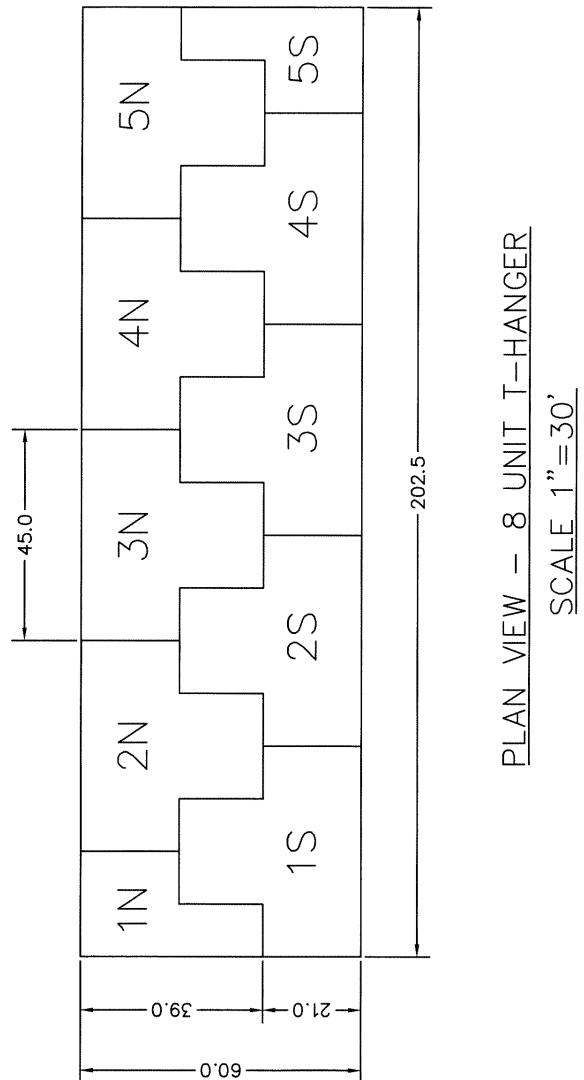
LESSEE

By _____
Its Board Chair

Lessee Signature

ADDENDUM "A" TO THE HOUSTON COUNTY AIRPORT

T-HANGAR LEASE AGREEMENT



ADDENDUM "B" TO THE HOUSTON COUNTY AIRPORT

T-HANGAR LEASE AGREEMENT

In lieu of carrying hull insurance required by paragraph 36 of the Airport T-hangar Lease Agreement and as an additional requirement for the lease of T-hangar space, Lessee covenants and agrees that Lessee will not hold the County of Houston or any of its agents, employees, or Airport Commission members responsible for any loss occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the T-hangars, aprons, field, or any other location at the airport; and Lessee agrees that the planes and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

**HOUSTON COUNTY AIRPORT-
HOUSTON COUNTY BOARD
OF COMMISSIONERS**

LESSEE

By _____

Its Board Chair

Lessee

CHECKLIST FOR LESSEE

1. Aircraft Type: _____
2. Serial Number: _____
3. Registration Number: _____
4. Present Condition of Aircraft (airworthy, under construction, etc.): _____
5. Copy of Insurance Certificate with Additional Insured listed
6. Copy of Airworthiness Certificate (Proof of Ownership)
7. Engine Pre-Heater Permit: _____ Number of Engines x \$50.00 = _____
8. Confirmed Contact Information is accurate in the lease

Lease payments are to be received prior to the commencement date for which they are due. No statements are sent by the County. **Payments are to be made payable to the Houston County Treasurer.**

If an electric engine pre-heater is used (November 1st through March 31st), it must be indicated on the form and a check for \$50.00 per engine for seasonal use shall be enclosed.

If you do not wish to renew your lease, written notification of intent not to renew must be provided.

AIRPORT T-HANGAR LEASE

This agreement, made and entered into on the date indicated below by and between
Houston County, hereinafter called the "County," and
Red Baron Flyers, hereinafter called the "Lessee."

WHEREAS, the County owns and operates an airport known as the Houston County Airport (Airport) and Lessee is desirous of leasing from the County a hangar on the Airport, hereinafter more fully described; and

NOW, THEREFORE, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby lease from the County the following premises, rights, and easements on and to the Airport upon the following terms and conditions.

1. Hangar Description. County shall hereby lease to Lessee the following Hangar:

Building # 1 Bay # 1N, 1S, & 2N

Hanger drawing containing Bay #'s is shown in Appendix A

- 2. Term.** The term of this lease shall be for a period commencing on August 1, 2026, and terminating on June 30, 2027. If the Lessee complies with all rules, regulations, terms, and covenants of this lease, the parties can mutually agree to renew for additional 12-month terms, subject to any additional terms and conditions. Each party will notify the other of their intention not to renew the lease no later than 90 days prior to the end of the lease term date. If the parties do not agree to renew this Lease Agreement, the parties will follow the provisions of termination contained in this Lease Agreement.
- 3. Rent.** For the term of this lease agreement, Lessee shall pay to County an annual rental fee of **\$900 for Bay #1N and \$1800.00 each for Bay #1S & 2N for a total annual rental fee of \$4,500.00.** (Initial term rental rate prorated to 11 months is \$825 & \$1,650.00 for a total of \$4,125.00)

Payments shall be made payable to Houston County Treasurer and shall be sent to 304 South Marshall Street, Caledonia, MN 55921, or such other place or electronically as County may designate. The rental rate specified herein shall be subject to reexamination and readjustment as provided below.

All rental payments shall be received prior to the lease commencement date for which they are due. No statements are sent by the County. Rental payments not received on the due date specified above are subject to a late fee of 10% of the monthly rental payment. If the Lessee makes a payment that is less than the total amount due under this Lease Agreement, or if the County accepts such a lesser payment, it will not be considered a full payment. Instead, it will be treated as a partial payment and will be applied to the Lessee's account based on the County's standard accounting procedures.

4. Proof of Ownership. On or before the commencement date of this lease, Lessee shall provide the County with a copy of the federal registration certificate establishing Lessee's ownership of an airplane. Prior to placing any aircraft in a T-Hangar unit, Lessee shall provide County in writing the following information, also known as the "Checklist for Lessee."

- a. Aircraft Type
- b. Serial Number
- c. Registration Number (N-number)
- d. Present Condition of Aircraft (Airworthy or Not Airworthy)
- e. Insurance Certificate(s)
- f. Contact Information

5. Hangar Use. Hangar shall be used for an aeronautical purpose such as:

- a. Storage of active, airworthy aircraft;
- b. Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;
- c. Non-commercial construction of amateur-built or kit-built aircraft;
- d. Storage of aircraft handling equipment, (e.g. tow bar, glider tow equipment, work benches, tools and materials used to service aircraft); and
- e. Storage of materials related to an aeronautical activity (e.g. balloon and skydiving equipment, office equipment, teaching tools).

Provided the hangar is used primarily for an aeronautical purpose, Lessee may store nonaeronautical items in the hangar provided they do not:

- a. Interfere, in any manner, with the entrance, storage, or removal of aircraft, with interference being solely defined by the County.
- b. Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft;
- c. Impede access to other aeronautical contents of the hangar; and
- d. Violate building codes or local ordinances.

Lessee shall not conduct non-aeronautical business activities out of the hangar nor store items in support of a non-aeronautical business.

At no time shall the Lessee store any flammable material (except for fuel in the aircraft) nor shall the Lessee store explosives or other dangerous or hazardous materials, in or around the hangar, without the County's prior written consent.

Lessee shall not hereafter make use of the premises in any manner which might create electrical or electronic interference with navigational signals or radio communications, impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft. County reserves the right to enter upon the premises hereby and abate any such hazard at the expense of Lessee.

6. Prohibited Hangar Uses.

- a. Used as a residence.
- b. Operation of any business whatsoever without the expressed written consent of the County.
- c. Activities which impede the movement of aircraft in and out of the hangar.
- d. Storage of household items that could be stored in a commercial storage facility.
- e. Long-term storage of derelict aircraft and parts. Long-term being solely defined by the County.
- f. Hazardous items not authorized within this Agreement.
- g. Other non-aeronautical uses unless so authorized by the Airport Manager in compliance with FAA Policy.
- h. Any other use not expressly authorized by this Lease Agreement.

7. Nonexclusive Rights. Lessee shall have the nonexclusive right, in common with others so authorized:

- a. To use the common areas of the airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft.
- b. To use the common areas of the hangar area in such a way as to not block any aircraft access to the hangar area or to their T Hangar.
- c. To use the airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of the County to charge fees for the use of such areas.

- d. To use all access ways to and from the premises, limited to streets, driveways or sidewalks designated for such purposes by the County, and which right shall extend to Lessee's employees, passengers, guests, invitees, and patrons.
- 8. Airplane Required.** On the commencement date of this Lease, the Lessee shall maintain an airplane on the premises. This means the aircraft shall be based at Houston County Airport as defined by the Federal Aviation Administration (FAA). T-hangar units will be leased to any individual currently owning an operational aircraft, or to an individual actively seeking an operational aircraft. If a T-hangar is leased to an individual actively seeking an operational aircraft, Lessee must obtain and occupy T-hangar with operational aircraft and provide Airport Manager with information contained on "Checklist for Lessee" within three (3) months of execution of lease agreement. If Lessee does not obtain an operational aircraft and provide "Checklist for Lessee" information, County will notify Lessee of termination of the Lease Agreement. If the original aircraft shown on the Agreement is sold or removed with the intent of being replaced and if this replacement is not done within 90 calendar days, the County may terminate the Agreement. If documentation is provided that this timeframe cannot be met, this period may be extended at the sole discretion of County. The County may request proof of aircraft ownership or usage rights from the Lessee during the term of this Lease. Lessee must notify County Airport Manager of any change of aircraft related to this lease agreement.
- 9. Operational Aircraft.** T-hangar units shall be used only for the storage of active and operational aircraft. Active and operational aircraft shall be defined to mean all aircraft currently licensed, airworthy, and flyable, which are flown to and from the Houston County Airport periodically during the year and have a current FAA airworthy certificate. T-Hangar units may be used for building an aircraft but not without the expressed written consent from the Airport Manager. For Lessees building an aircraft, a plan to get the aircraft airworthy will be required, along with regular plan updates as required by the Airport Manager.
- 10. Alterations.** The Lessee shall not make any alterations or improvements to the hangar without the written consent of the County and then only in strict compliance with any such written consent, which may include, but is not limited to, the request for specific design, engineering, or architectural plans. Additionally, the County may require Lessee to enter into additional agreements for the construction of any alterations or improvements. At the termination of the leasehold such improvements or alterations shall become the property of the County unless otherwise agreed upon in writing
- 11. Damage to Premises.** Lessee shall not cause or permit any waste, damage or injury to the premises. The Lessee shall be responsible for any damage to the premises done by the Lessee, its agents, employees, guests or invitees. Lessee hereby agrees that it shall immediately repair the damage to the premises or shall immediately reimburse the County for same.
- 12. Locks.** No private locks of any type will be allowed on individual pedestrian doors. If private locks are installed, they will be removed at the discretion of the County. The County will provide two keys for the hangar door. Lessee agrees not to duplicate the key. Additional keys will be provided at non-refundable \$5.00 per key and the key shall remain the property of the

County. County may require a security deposit on keys. All keys shall be returned to the County upon termination of this Agreement. The County shall have the right to change the locks, re-key, add additional locks, or security devices to the premises. The County shall provide Lessee with any locks necessary in the event the premises are re-keyed or additional locks are added.

- 13. Waste Oil and Garbage.** Waste oil shall be taken off airport property and disposed of only in an approved method and location. Disposing of any petroleum products on any portion of the Airport shall be cause for immediate termination of this Agreement at County's discretion. All other items detrimental to the environment shall be disposed of properly. Garbage shall be taken off airport and disposed of. The Lessee of each T-hangar unit shall be responsible for the proper disposal of all materials generated from or within that unit. The cost of cleaning up any materials improperly disposed of on airport properties shall be charged to the Lessee of the unit which generated or was the source of the material.
- 14. Cleanliness of Hangar.** Lessee shall be responsible for the cleanliness of the T-hangar unit. Lessee covenants and agrees that it shall not use the leased premises nor permit the use of the leased premises in any manner that will constitute waste, and that it shall not cause or permit any unlawful conduct, unreasonable annoyance, damage, or nuisance to exist or arise in the course of, or as a result of, its use of the leased premises, nor permit any activity or omission that constitutes or results in the same. When, in the opinion of the County, a safety hazard or nuisance is found to exist within a T-hangar unit, Lessee will be provided with notice providing for a two (2) week cleanup limit. If the cleanup is not completed within the designated time, the County will perform all cleanup, which, in its discretion, it deems necessary, and the cost of which shall be charged to the Lessee.
- 15. Electric Radiant Type Pre-Heaters.** Electric engine pre-heaters will not be allowed in any T-hangar unit without obtaining a separate permit from the County authorizing its use. The cost of the permit is indicated on the permit application and shall authorize the use of the heaters from the 1st of November to the 31st of March in each winter season. Lessee agrees that the electric pre-heaters will only be used for a limited amount of time immediately prior to flight. In no case shall light bulbs be used as a radiant-type engine pre-heater. Fuel-fired, UL listed hot-air type heaters are permitted at no additional charge so long as the lessee is present at all times while the heater is in operation.
- 16. Operating Aircraft Inside Hangar.** The Lessee agrees that no aircraft engine shall be operated inside the T-Hangar.
- 17. Hangar Doors.** Lessee agrees the T-Hangar doors shall be closed and the lights turned off when the T-Hangar is unattended. If the hangar is equipped with electric doors, Lessee must remain at the door during operation. Any damage due to leaving the door unattended during operation will be the sole responsibility of Lessee.
- 18. Aircraft Fueling.** Aircraft fueling inside the hangar is not allowed.

19. Signs. No signs or advertising matter may be erected on the leased premises without the prior written consent of the County.

20. Laws. Lessee agrees to comply with any and all applicable federal, state, and local laws, regulations, and orders, and any amendments thereto. County will reasonably inform Lessee of changes to County/Airport regulatory requirements.

21. Rules and Regulations. The County has the right to create and adopt Rules and Regulations that may be amended from time to time. The Lessee agrees to observe and obey all current and future laws, ordinances, rules and regulations, promulgated and enforced by the County and by other proper County having jurisdiction over the conduct of operations at the airport, provided the same are consistent with the procedures prescribed or approved from time-to-time by the Federal Aviation Administration and others for landing and taking off of Lessee's aircraft. Lessee shall observe, obey, and require all of its officers, employees, agents, and invitees to obey and observe the same. Lessee agrees to indemnify and hold the County harmless for any loss or claim against the County from the failure of Lessee to comply hereunder.

Lessee warrants that Lessee will hold all certificates, permits, licenses, or other entitlements required by federal, state, or local laws in order to enable it to conduct its operations and services hereunder (including fueling and fuel storage), and that the same are and will be kept current, valid, and complete. Lessee further warrants that it shall at all times abide by and conform with all terms of the same and that it will give immediate notice to the County of any additions, renewals, amendments, revocations, or suspensions.

22. Security. Lessee shall at all times comply with airport security requirements and agrees to indemnify and hold harmless the County from any violations of said requirements committed by the Lessee, its agents, representatives, assigns, guests, invites, or people admitted to Leased Premises by the Lessee. Any violation of this paragraph is considered a material breach of this Hangar Agreement authorizing the termination thereof at the election of the Airport Manager. By accepting this Lease Agreement.

- a. Lessee acknowledges County's responsibility to maintain the integrity of the airfield and agrees to comply with all Airport rules and regulations, security procedures and Federal Aviation rules, regulations and guidelines pertaining to the security and safety of the Leased Premises and adjacent area and the airfield operations area, including the ingress and egress thereto.
- b. Should the Transportation Security Administration determine that security has been breached due to the negligence of Lessee and fine the Airport, Lessee agrees to reimburse Airport for the amount of the fine.

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- 24. Exterior Building Maintenance.** The County shall perform routine repairs and maintenance on the exterior and roof of, and the grounds adjacent to, the leased premises. Lessee shall promptly report to the County any such need for maintenance that Lessee observes.
- 25. Airport Maintenance.** County reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing and taxi areas of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard in the County's sole discretion.
- 26. Airport Development.** The County reserves the right to further develop and improve the airport as County sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee.
- 27. Snow Removal.** The cost for customary maintenance routinely performed by the County, related to areas affecting the value or use of leased properties are included in the annual lease costs charged for the property, and includes snow removal, grounds maintenance and maintenance of apron areas. Snow removal is performed by County employees on a priority basis. The County of Houston reserves the right to perform snow removal functions in whatever manner it deems necessary. In any case, snow removal in front of buildings is the tenant's responsibility. The County is not required to perform any snow removal function on leased property but may plow snow on or adjacent to leased properties to expedite other snow removal operations at the airport.
- 28. Private Vehicle Parking.** Lessee's private vehicle shall be allowed to be placed in a T-hangar when the aircraft is removed for a trip. Parking on the sides of the T-hangar is permitted so as to not impede the ability of aircraft to taxi in the T-hangar area or past the building.
- 29. Right of Entry.** County reserves the right for itself or agents to go on, into, and have access at all times during the existence of this lease, to said premises for the purpose of, including, but not limited to, inspection and showing of the building. County may conduct inspections of all T-hangar units to ensure cleanliness, inspect for hazardous substances and/or materials, make any repairs, complete any work, verify heater/electric usage and ensure compliance.
- 30. Indemnification.** The County shall not be liable to the Lessee, and Lessee agrees to indemnify, hold harmless and defend County, and its employees, officials, and agents from and against, any and all claims, damages, losses and expenses, including reasonable attorney fees, caused by the acts or omissions of the Lessee, its family, guests, invitees, employees, agents, representatives or servants, relating to or arising out of Lessee's use and enjoyment of the Airport or the rights and privileges granted by this Lease, provided the Lessee shall not be liable for any loss caused by the negligent, intentional, or willful misconduct of County. The

County shall not be liable for any loss or damage not caused by negligent acts or omissions of the County, which Lessee may sustain from the following acts, including, but not limited to:

- a. Theft or burglary in or about the premises;
- b. Delay or interruption in any utility service from any cause whatsoever;
- c. Fire, water, rain, frost, snow, gas, odors or fumes from any source whatsoever;
- d. Any injury to any person or damage to any property; or
- e. Failure to keep the Airport premises, appurtenances, fixtures and/or equipment in repair.

This agreement to indemnify and hold harmless does not constitute a waiver of limitations on liability provided by Minnesota Statutes, Chapter 466.

- 31. Abandonment.** If the Lessee fails to use the hangar, for the purpose of storing aircraft owned by the Lessee, for a continuous period of six (6) months, without the express written consent of the Airport Manager, then the County may, in County's sole discretion, terminate this lease.
- 32. Liens and Encumbrances.** The Lessee shall neither create, nor cause or permit to be created, any lien, encumbrance, security interest or other charge, including liens for work, labor or materials furnished, or alleged to have been furnished, on the leased premises.
- 33. Holdover.** In the event that the Lessee should hold over and remain in possession of the Hangar after the expiration of the term of this Agreement or termination for any other cause, such holding over shall be deemed not to operate as a renewal or extension of this Agreement. The resulting tenancy shall, unless otherwise mutually agreed, be on a month-to-month basis until such time as Lessee shall surrender the leased premises. During such month-to-month tenancy, Lessee shall pay rental payments to the County equal to those stated in this Lease Agreement and shall be bound by all of the provision of this Lease Agreement insofar as they may be pertinent.
- 34. Minimum Standards.** The County has implemented Airport Minimum Standards, and the County reserves the right to modify the standards from time to time as it deems necessary to accomplish its purposes. Lessee shall at all times comply with the current Minimum Standards of the Airport and will require its agents, representatives, assigns, guests, employees, invites, or people admitted to Leased Premises by the Lessee to also comply with the standards. Any violation of this paragraph is considered a material breach of the Agreement authorizing the termination thereof at the election of the County.
- 35. Hull Insurance.** Lessee shall carry hull insurance on each aircraft stored on the leased premises. The limits of the insurance shall be in an amount equal to or greater than the current value of the aircraft, instruments, and accessories. On or before the date of this lease, Lessee shall provide a Certificate of Insurance to the County indicating the required coverage and providing for a minimum of thirty (30) days notice to a change or cancellation of that coverage.

If Lessee opts not to meet the insurance minimums outlined in this paragraph, Lessee must also sign Addendum B.

36. Liability Insurance. The Lessee shall maintain a policy of general liability or aircraft liability insurance with a premises liability extension with a company licensed to do business in Minnesota in a minimum amount of \$1,000,000 per occurrence and \$2,000,000 annual aggregate, for all damages arising out of bodily injury or property damage concerning the above described premises during the entire term of this lease naming County as an additional insured acknowledging that the Lessee's insurance will be primary and non-contributory. Lessee shall provide County with a certificate of said insurance or copy of insurance policy within 30 days of executing this Lease Agreement. County's review of any insurance certificate or policy does not constitute any representation or warranty that Lessee's insurance coverage is sufficient.

37. Default and Termination. If Lessee fails to make any of the above-mentioned payments as specified or fails to keep and perform any of the covenants and agreements herein contained, County may immediately and without notice terminate this lease and re-enter and repossess said premises, without prejudice, to its claims for earned cash rent. In all other cases, Lessee may terminate lease at the end of the term of this Lease Agreement. Lessee shall provide notice to County 90 days prior to the end of the lease term, that Lessee would like to not renew the lease agreement for an additional term. Lessee shall leave the Leased Premises broom-clean and in orderly condition, reasonable wear and tear excepted, at the termination of this Agreement. Upon expiration or termination of this Agreement, Lessee's rights herein shall cease, and Lessee shall immediately surrender possession and occupancy of the Hangar to County.

a. **Default Defined:** Lessee shall be deemed in default upon

- i. Failure to pay rent or any other properly imposed fee within 30 days after due date.
- ii. The filing of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization.
- iii. The commencement of any proceeding for dissolution or for the appointment of a receiver.
- iv. The making of an assignment for the benefit of creditors.
- v. Violation of any of the other terms or conditions of this lease after written notice to cease and/or correct such violation has been served upon the Lessee by the County, and after the Lessee has failed to correct such violation within thirty (30) days of service of such notice (or such later deadline as may be established in the Notice by the Lessee). Mailing notice by U.S. Mail, Certified Mail return receipt, shall constitute "service" of notice. In the case of a violation which cannot, with due diligence, be cured within a period established, the Lessee may apply to the County for an extension of time within which to cure said violation.

- b. **Effect of Default:** Default by the Lessee shall authorize the County, at its sole option, to declare this lease void, to cancel the same, and to re-enter and take possession of the premises.
- c. **Remedies:** Except otherwise provided herein, no right or remedy herein conferred shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute.
- d. **Restoration of Property:** Upon termination of this lease, the Lessee shall remove all of its equipment and property and restore the leased premises to its original vacant condition, unless the County agrees, in writing, to accept all or any part of the property which the Lessee wishes to abandon.

38. Subletting. This lease shall not be sold, assigned, or in any manner transferred or encumbered by Lessee, nor shall the leased premises or any part thereof be sublet without the prior consent of County in writing. Lessee shall keep and use the T-hangar primarily for aircraft storage purposes and for no unlawful purpose whatsoever. A sublease will not be allowed without the express written consent from the Airport Manager. Any sublease will be full-time and have an aircraft based at Houston County Airport. Sublease rental rate shall be based of the actual number of days sublet and may not be greater than the prorated rental fee charged in this agreement.

39. Subordination Clause. This lease shall be subordinate to the provisions of any existing or future agreement between the County and the United States or the State of Minnesota relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of Minnesota.

40. National Emergency. During time of War or other State or National emergency, the County shall have the right to suspend this Contract and to turn over operation and control of the Airport to the State of Minnesota and/or the United States Government. During any period when the airport shall be closed by any lawful County, thereby restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate.

41. Nondiscrimination. The Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- a. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Subject Property or Lessee's Improvements.
- b. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be

excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

- c. The Lessee shall use the Subject Property and Lessee's Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination, in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

42. Dispute Resolution. Any controversy or claim arising out of or relating to this lease or any alleged breach thereof, which cannot be settled through negotiation between the parties, the parties agree first to try in good faith to settle the dispute by mediation, with a mediator agreed to by the parties. If the dispute is not resolved within (30) days after the end of mediation proceedings, the parties may pursue any legal remedy.

43. Severability. This lease shall be construed under the laws of the State of Minnesota. Any covenant, condition, or provisions herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this lease, but such deletion shall in no way affect any other covenant, condition, or provision herein contained so as such deletion does not materially prejudice County or Lessee in their respective rights and obligations contained in the valid remaining covenants, conditions and provisions of the lease, and when such occurs, only such other covenants, conditions or provisions shall be deleted as are incapable of enforcement.

44. Notices and Contact Information. All notices and other communications pursuant to this Lease must be in writing or delivered by hand at the addresses set forth below. Lessee must contact County within ten (10) days if Lessee's contact information changes. Lessee will be considered in default of this Agreement if County is unable to reach Lessee by phone or email in a timely fashion for any reason.

Notice to County: Houston County Airport
 C/O Houston County Auditor
 304 South Marshall Street
 Caledonia, MN 55921

Name: Red Baron Flyers

c/o: Andy Milde, President

Street Address, City, State, ZIP: _____

Email Address: _____

Phone Number: _____ ☐ Cell ☐ Landline

45. Nonwaiver. No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept and observed by the other party shall be construed as, or operate

as, a waiver of any subsequent default of any of the terms, covenants, or conditions herein contained to be performed, kept or observed by the other party.

46. Entire Agreement. This Lease Agreement, including attachments hereto at the time of its execution, constitutes the entire agreement between the parties hereto, and all prior agreements covering the rights and privileges set out herein are superseded by and merged into this Lease Agreement.

47. Governing Law. This Lease Agreement shall be deemed to be made in and construed in accordance with the laws of the State of Minnesota. Any claim or controversy hereunder this Lease Agreement shall be venued in Houston County, Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this lease this ____ day of _____, 20____.

**HOUSTON COUNTY AIRPORT-
HOUSTON COUNTY BOARD
OF COMMISSIONERS**

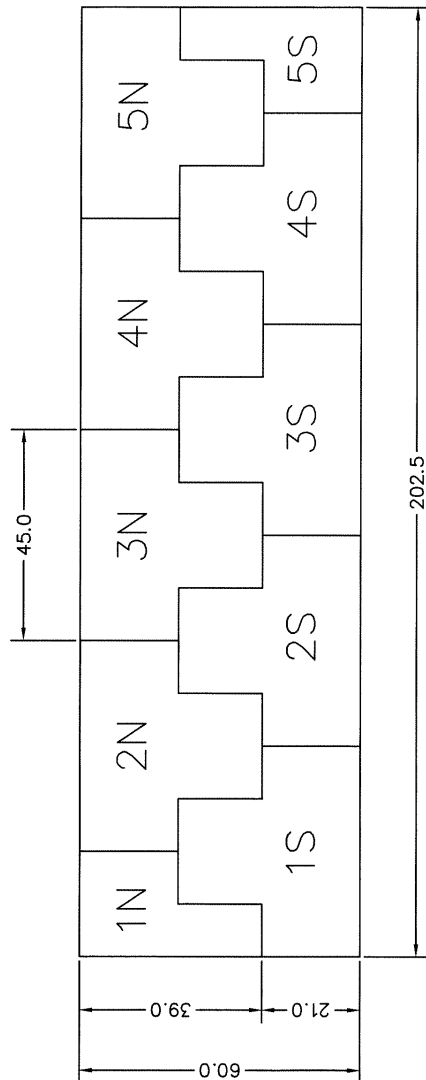
LESSEE

By _____
Its Board Chair

Lessee Signature

ADDENDUM "A" TO THE HOUSTON COUNTY AIRPORT

T-HANGAR LEASE AGREEMENT



PLAN VIEW – 8 UNIT T-HANGER

SCALE 1"=30'

ADDENDUM "B" TO THE HOUSTON COUNTY AIRPORT

T-HANGAR LEASE AGREEMENT

In lieu of carrying hull insurance required by paragraph 36 of the Airport T-hangar Lease Agreement and as an additional requirement for the lease of T-hangar space, Lessee covenants and agrees that Lessee will not hold the County of Houston or any of its agents, employees, or Airport Commission members responsible for any loss occasioned by fire, theft, rain, windstorm, hail, or from any other cause whatsoever, whether said cause be the direct, indirect, or merely a contributing factor in producing the loss to any airplane, automobile, personal property, parts, or surplus that may be located or stored in the T-hangars, aprons, field, or any other location at the airport; and Lessee agrees that the planes and the contents are to be stored, whether on the field or in the hangars, at Lessee's risk.

**HOUSTON COUNTY AIRPORT-
HOUSTON COUNTY BOARD
OF COMMISSIONERS**

LESSEE

By _____

Its Board Chair

Lessee

UNIT 1S

CHECKLIST FOR LESSEE

1. Aircraft Type: _____
2. Serial Number: _____
3. Registration Number: _____
4. Present Condition of Aircraft (airworthy, under construction, etc.): _____
5. Copy of Insurance Certificate with Additional Insured listed
6. Copy of Airworthiness Certificate (Proof of Ownership)
7. Engine Pre-Heater Permit: _____ Number of Engines x \$50.00 = _____
8. Confirmed Contact Information is accurate in the lease

Lease payments are to be received prior to the commencement date for which they are due. No statements are sent by the County. **Payments are to be made payable to the Houston County Treasurer.**

If an electric engine pre-heater is used (November 1st through March 31st), it must be indicated on the form and a check for \$50.00 per engine for seasonal use shall be enclosed.

If you do not wish to renew your lease, written notification of intent not to renew must be provided.

UNIT 2N

CHECKLIST FOR LESSEE

1. Aircraft Type: _____
2. Serial Number: _____
3. Registration Number: _____
4. Present Condition of Aircraft (airworthy, under construction, etc.): _____
5. Copy of Insurance Certificate with Additional Insured listed
6. Copy of Airworthiness Certificate (Proof of Ownership)
7. Engine Pre-Heater Permit: _____ Number of Engines x \$50.00 = _____
8. Confirmed Contact Information is accurate in the lease

Lease payments are to be received prior to the commencement date for which they are due. No statements are sent by the County. **Payments are to be made payable to the Houston County Treasurer.**

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