

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 7, 2026

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Cindy Wright, Eric Johnson, 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, Finance Director Carol Lapham, Coordinator Brent Parker, EDA Director & Coordinator Support Allison Wagner, Engineer Brian Pogodzinski, Environmental Services Director Amelia Meiners, Public Health Director Jordan Knoke, Public Health Educator Bri Ceaser, Interim Attorney Suzanne Bublitz, Financial Assistance Director Karen Kohlmeyer, Emergency Management Director Mark Olson, John Pogleasa, and John Haines

Presiding: Chairperson Myhre

Call to order.

Pledge of Allegiance.

Wagner said a few last-minute items had been added to the agenda including: declaring a state of emergency for conditions resulting from the severe storms that had occurred the week prior, final acceptance of the airport fencing project, and accepting a resignation and appointing a Commissioner to serve on the Semcac board. Motion was made by Commissioner Johnson, seconded by Commissioner Wright, motion unanimously carried to approve the agenda with the additional items.

Motion was made by Commissioner Wright, seconded by Commissioner Schuldt, motion unanimously carried to approve the meeting minutes from June 23, 2026.

Public Comment:

John Haines from Houston said a Commissioner had made a comment he wanted to address. He said he had looked in old college textbooks and read to the commissioners the definition of sand. Haines asked for a moratorium on sand mines. He asked what the hurry for applications was. He said the County should define active sand mines.

APPOINTMENTS

None.

CONSENT AGENDA

The Commissioners discussed a new position that would be added to the Public Health office with Public Health Director Knoke and Coordinator Parker. Public Health Director Knoke said programs had a four to five month wait list as the department was getting two to four new referrals each week. New State requirements including waiver changes and fraud waste and abuse changes were difficult for staff with already full caseloads to keep up with. A portion of the position would be reimbursed by the State. Commissioner Wright moved, Commissioner Schuldt seconded, motion unanimously carried to approve the consent agenda. Approved items are below.

- 1) Transfer Michelle Burt to a 1 FTE Environmental Services Specialist (B24, Step 2), July 8th, 2026.
- 2) Transfer Leigh Goetzinger to a 1 FTE Child Support Officer (B24, Step 3), July 8th, 2026.
- 3) Hire Sarah Brown as a 1 FTE Child Support Officer (B24, Step 2), effective August 3rd, 2026.
- 4) Hire Alyssa Boardman as a 1 FTE Eligibility Worker (B24, Step 3), effective July 27th, 2026.
- 5) Approve a competitive search for 1 FTE Financial Assistance, Child Support Enforcement Aide.
- 6) Accept resignation from Sue Felten Effective July 7th, 2026, with thanks for her 1 year of service.
- 7) Approve a competitive search for 1 FTE Public Health, Home and Community Based Services Social Worker.
- 8) Review and approve payments. Payments are below.

REVIEW LICENSE CENTER PAYMENTS

2026/06/26 AUDITOR WARRANTS:

VENDOR NAME	AMOUNT
HOUSTON COUNTY TREASURER	84,539.51
	84,539.51
3 VENDORS PAID LESS THAN \$2000.00	1,215.24
	<u>85,754.75</u>

REQUEST APPROVAL FOR PAYMENT

2026/07/07 COMMISSIONER WARRANTS:

VENDOR NAME	AMOUNT
ADVANCED CORRECTIONAL HEALTHCAR	8,112.33
BAN-KOE SYSTEMS INC	2,500.00
BLUFF COUNTRY BRINE LLC	81,394.03
BOLTON & MENK INC	4,500.00
COMPUTER FORENSIC SERVICES LLC	48,301.41
DARKTRACE GROUP LIMITED	38,595.47
ELECTION SYSTEMS & SOFTWARE INC	3,253.06
Groundbreaking Connections LLC	7,083.33
INSIGHT PUBLIC SECTOR	6,582.74
J-MEYER'S DIESEL AUTO & AG	2,674.00
LA CRESCENT ROCK PRODUCTS INC	2,338.39
LIBERTY TIRE RECYCLING LLC	7,336.00
MACQUEEN	4,985.57
OLYMPIC BUILDERS GENERAL CONTRAC	159,267.50
RCT SEWER & VAC LLC	8,556.50
REGENTS OF THE UNIVERSITY OF MINNE	38,625.00
SHI INTERNATIONAL CORP	4,732.00
	428,837.33
49 VENDORS PAID LESS THAN \$2000.00	27,074.60
	455,911.93
PUBLIC HEALTH & HUMAN SERVICES	19,303.41
	475,215.34

ACTION ITEMS

File No. 1 – Motion was made by Commissioner Wright, seconded by Commissioner Schuldt, motion unanimously carried to submit a letter of commitment in support of local Age-Friendly efforts to enhance the lives of older adults residing in Houston County. Public Health Educator Ceaser said the County was helping lead efforts to make Houston County age friendly. There was support from each of the major cities who had their own committees also working on age friendly efforts.

File No. 2 – Motion was made by Commissioner Schuldt, seconded by Commissioner Wright, motion unanimously carried to approve Resolution No. 26-18 for Final Acceptance for CP 2025-09 Airport Fencing for Phillips Outdoor Services. Resolution is below.

RESOLUTION NO. 26-18

FINAL ACCEPTANCE FOR CP 2025-09 CHAIN LINK FENCE (AIRPORT)

PHILLIPS OUTDOOR SERVICES

JULY 7, 2026

WHEREAS, CP 2025-09, the 2025 Chain Link Fence contract (Airport) 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 authorize final payment as specified herein.

File No. 3 – Motion was made by Commissioner Schuldt, seconded by Commissioner Johnson, motion unanimously carried to adopt Resolution No. 26-19 declaring a state of emergency for conditions resulting from the severe storms, heavy rains, and flooding of July 2, 2026. Emergency Management Director Olson said he had been working with Townships to access the damage and it looked like there was enough damage to make the declaration and qualify for some State reimbursement. Commissioner Wright said the County didn't automatically get reimbursed when there was an event such as a severe storm and in this case 75% would be a State reimbursement while 25% would be local responsibility. County Engineer Pogodzinski was estimating \$500,000 in damage to roadways. He said crews had worked to clear debris and trees Thursday and some had come in over the holiday on Friday to continue working. He said there was water that got into some County buildings. The community services building along the Highway had damage to sheetrock in the basement that would need to be repaired. Resolution is below.

**Resolution Declaring a State of Emergency
Resolution # 26-19**

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

WHEREAS the severe storms, heavy rains, and flooding event has caused a significant amount of debris, and roadway damage; and

WHEREAS the Houston County Department of Emergency Management requests the Houston County Board of Commissioners to declare Houston County in a STATE OF EMERGENCY for the July 2nd event of 2026;

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners declares Houston County in a State of Emergency for conditions resulting from the severe storms, heavy rains, and flooding event of July 2, 2026.

Adopted by the Houston County Board of Commissioners this 7th day of July, 2026.

File No. 3 – Motion was made by Commissioner Schuldt, seconded by Commissioner Wright, motion unanimously carried to regretfully accept Bob Burns’ resignation from the Semcac board and thank him for his service. Commissioner Johnson was appointed to serve on the board as a result of the resignation. Semcac was also looking for volunteers to work at the food shelf and serve as volunteer drivers.

DISCUSSION ITEMS

Coordinator Parker said he wanted to thank everyone for working through the flood the week prior. He thanked those who had come into work on Friday and those who helped clean up the community services building. He also thanked Environmental Services Director Meiners and her office for opening the dump site Monday so residents especially those cleaning out basements had a place to take damaged items. Parker said the new inside door would be installed on July 8th. The outer door did not have a set date for installation. Budgeting for departments would begin soon. New TVs would be installed with announcements for the public in the Historic Courthouse.

The Commissioners discussed recent and upcoming meetings including a Department of Health, Money Creek Township, Brownsville road project, and La Crosse County Solid Waste Policy Annual meeting.

Commissioner Johnson said he wanted to address comments that were made during the public comment period at the meeting. Commissioner Johnson said when rock was crushed it was a lime screening. He said in 2012 there had been a moratorium on sand mines, and new rules had been put into place as a result of that. He said mound sewer systems required sand.

Closing Public Comment:

None.

There being no further business, a motion was made by Commissioner Johnson, seconded by Commissioner Wright, motion unanimously carried to adjourn the meeting at 9:59 a.m. The next meeting would be a workgroup session on July 14, 2026.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Greg Myhre, Chairperson

Attest: _____
Brent Parker, Coordinator

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: July 14, 2026

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present:

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

Others Present:

The Caledonia Argus Associate Editor Kaita Gorsuch, Finance Director Carol Lapham, Coordinator Brent Parker, EDA Director & Coordinator Support Allison Wagner, Interim Attorney Suzanne Bublitz, Interim Recorder Michelle Werner, Assessor Luke Onstad, Environmental Services Director Amelia Meiners, City of Caledonia Clerk Administrator Jake Dickson, and Todd Lemke

Board Workgroup Session

The board discussed data centers and battery storage facilities with Coordinator Parker, Environmental Services Director Meiners, and Attorney Bublitz. The board discussed the possibility of a moratorium on data centers that could also include things like battery storage facilities. Coordinator Parker said the closest data center being proposed was in Goodhue County. He said many places were considering moratoriums. Commissioner Zehnder asked what the benefit of a data center would be to Houston County residents. Commissioner Myhre said he had heard data centers used a lot of water. Commissioner Wright said it was important to provide definitions. Meiners recommended looking at all alternative energies. She said the County needed to determine if something like a data center would be allowed under the County's current ordinances. She said the State classified data centers as an industrial use. She also said the matter was being looked into at the State level. It was the general consensus of the board to continue researching the matter and find out where the County currently stood.

Resident Todd Lemke and Caledonia Clerk Administrator Jake Dickson spoke to the board about the possibility of future UTV trails in Houston County. Caledonia Clerk Administrator Dickson said the City of Caledonia was interested in being a hub for trails. He said their focus was on recreation instead of transportation. He said there would be economic benefits to UTV trails. Lemke said he had been in contact with the DNR regarding the matter. He said there was a possibility of snowmobile trails becoming UTV trails and trails going through State land and on roads. The trails could be managed by a club similar to snowmobile clubs. Commissioner Schuldt said he had seen a recent push from the DNR to convert snowmobile trails into an ATV structure. He said he was not 100% for that because he didn't want to see the County lose the snowmobile trails. Economic Development Director and Coordinator Support Wagner said UTV trails would be different from snowmobile trails in that they would be open during warmer months and some snowmobile trails went through pastures and fields. She suggested getting additional feedback

from the public on the matter. The Commissioners discussed how different Houston County communities had different rules around UTVs. Commissioner Wright asked about the route and Lemke said his plan was to start with roads where UTVs could already travel and DNR land. Commissioner Zehnder and Myhre said they were in favor of UTV trails in Houston County. No official decisions were made on the matter.

Assessor Onstad said he was working on restructuring his office and that the office needed more help. He asked that the current tech position in the office be turned into a hybrid position. He said it would be a benefit to the office if everyone knew how to do everything. He said since 2020 there had been lots of new changes and regulations. He said his office worked for the County but was governed by the Department of Revenue and the State.

The workgroup session ended at 10:32 a.m.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Greg Myhre, Chairperson

Attest: _____
Brent Parker, Coordinator

HVMHC Mobile Crisis Response

24/7 Support for Individuals Experiencing a Mental Health Crisis

What Is a Mental Health Crisis?

A mental health crisis is a behavioral, emotional, or psychiatric situation that, without timely intervention, could result in a significant decline in functioning or the need for a higher level of care or placement.

- **Examples include:** - Depression/Anxiety/PTSD, Suicidal thoughts or self-injurious behaviors - Hallucinations, delusions, or disorganized/bizarre thinking - Substance use-related concerns - Major life stressors or losses/grief (ex. death, divorce, etc.) - Situational or chronic concerns that cause extreme duress - A marked decline from a person's usual baseline level of functioning
-

Why Mobile Crisis Matters

- Immediate, community-based response prevents unnecessary hospitalization or law enforcement involvement
 - Provides early intervention and stabilization
 - Supports individuals, families, schools, and community partners
 - Serves rural and underserved areas
-

How the Crisis Response System Works

One Call Connects to the Right Support

Call **1-844-CRISIS2 (1-844-274-7472)**

Regional Crisis Call Center – available 24/7/365

Five-Step Crisis Response Model

1. **Someone to Talk To** – Crisis counseling and triage by phone
 2. **Someone to Respond** – Mobile Crisis Response Team dispatched when needed
 3. **A Place to Go** – Crisis receiving and stabilization clinic (SERCC)
 4. **A Place to Stay** – Short-term residential crisis stabilization (adults & children)
 5. **Continued Support** – Ongoing crisis stabilization and follow-up services
-

Mobile Crisis Response Teams

- Available 24 hours a day, 7 days a week, 365 days a year
 - Serving 5 counties (Fillmore, Goodhue, Houston, Wabasha, Winona), including rural communities
 - Daytime response (8am–5pm, Monday–Friday) with one practitioner
 - Face-to-face response by two practitioners for moderate/low risk cases (evenings/nights)
 - North Team- Goodhue and Wabasha
 - South Team- Fillmore, Houston, Winona
 - Phone-based crisis professionals available at all times
-

Crisis Assessment

- Focuses on the individual's **current situation and level of risk**
- Risk level initially determined by the crisis call center
- Mobile responders complete a more thorough, in-person assessment when dispatched (can also be done via telehealth/telephone)
- All responders are trained in suicide risk assessment
- **Crisis services do not provide diagnosis**

Assessment Domains Include: - Current life situation and stressors - Symptoms and functioning - Mental health history - Substance use - Risk of suicide or harm to others - Access to means - Supports, strengths, and resources

Intervention & Stabilization

Mobile Crisis provides the following short-term services: - On-site, face-to-face therapeutic response - Acute stabilization of crisis symptoms - Identification of current providers and involved systems - Connection to natural supports and community resources - Linkage to ongoing mental health and substance use services - Collaborative crisis planning

Crisis Planning

A Crisis Plan helps individuals prepare for future crises and includes: - Personal warning signs and triggers - Coping and prevention strategies – Crisis Prevention skills – Safety Planning -- Personal strengths and resources - Support people to contact - Professional service referrals - Clear next steps during a crisis

Key Message

Mobile Crisis is available for **any type of substance use and/or mental health crisis**—not only suicidal or self-harm situations. Our goal is to stabilize, support, and bridge individuals to the right level of ongoing care within their community.

Contact & Resources

24/7 Crisis Line: 1-844-CRISIS2 (1-844-274-7472)

988: Suicide and Crisis Lifeline

Hiawatha Valley Mental Health Center

Website: <https://hvmhc.org>

Phone: 507-454-4341

Contact:

Jen Dieck, Director of Mobile Crisis Response

Email: jend@hvmhc.org

Call Triage:

Level	Level	Level	Level
Level 4 •Level is high indicated by a suicidal attempt in progress, strong intent with specific statements or a detailed plan. •Caller may have constant thoughts of suicide with a history, or recent attempts accompanied by isolation and identified means. •911 is contacted or Emergency department. •Mobile teams' referral is made if the client and situation is safe for teams.	Level 3 •Level is moderate to high indicated by constant thoughts of suicide with no specific plans or means but may be possible •Caller may have had attempts more than 2 years prior, may have recent chemical use and variability in mood •A mobile referral is made. •If the mobile team is refused, a follow up call is made within 12 hours. •A safety plan is completed with the caller over the phone.	Level 2 •Level is low to moderate indicated by increasing thoughts of suicide with no plan or available means. •Experiencing some discomfort but tolerable and has some variability in mood. Has identified future goals. •A mobile referral is made •If the mobile team is refused, a safety plan is completed with the caller	Level 1 •Level is low indicated by a vague plan or no plan to hurt self or others. •Caller has no history of suicide and feels in control of mood. May have some mild anxiety or depressed mood. •Crisis Counseling is completed with caller.

Five Step Approach

1. Someone to talk to (1844-274-7472)
 - Regional Crisis Call Center
2. Someone to respond
 - Mobile Response Team
3. A place to go
 - SERCC – crisis receiving and stabilization clinic
4. A place to stay
 - SERCC – short term residential placement for adults and children
5. Continued support
 - SERCC & Mobile Response Teams – crisis stabilization services





HOUSTON COUNTY

BOARD OF COMMISSIONER MEETING

AGENDA REQUEST FORM

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: July 21, 2026

Date Request Submitted: July 15, 2026

Submitted By (Name and Title): Suzanne Bublitz/Interim Houston County Attorney

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

Appointment Request: Requesting a closed session under Minn. Stat. §13D.05, subd. 2(b), to address an preliminary consideration of allegations against an individual subject to the BOC's authority.

Consent Agenda Request:

1)

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!

REVIEW LICENSE CENTER PAYMENTS**2026/06/26 AUDITOR WARRANTS:**

VENDOR NAME	AMOUNT
HOUSTON COUNTY TREASURER	84,539.51
	84,539.51
3 VENDORS PAID LESS THAN \$2000.00	1,215.24
	85,754.75

REVIEW LICENCE CENTER PAYMENTS**2026/07/01 AUDITOR WARRANTS:**

VENDOR NAME	AMOUNT
HOUSTON COUNTY TREASURER	48,765.09
ISD 300 TREASURER	66,851.97
MN PACE-ST PAUL PORT AUTHORITY	3,749.15
TREASURER CCWSD	40,816.81
TREASURER CITY OF BROWNSVILLE	117,324.37
TREASURER CITY OF CALEDONIA	889,159.58
TREASURER CITY OF EITZEN	79,067.45
TREASURER CITY OF HOKAH	224,575.55
TREASURER CITY OF HOUSTON	371,865.76
TREASURER CITY OF LA CRESCENT	2,278,439.13
TREASURER CITY OF SPRING GROVE	451,184.31
TREASURER SCHOOL DISTRICT 239	5,536.80
TREASURER SCHOOL DISTRICT 294	35,489.67
TREASURER SCHOOL DISTRICT 297	28,804.39
TREASURER SCHOOL DISTRICT 299	49,293.47
TREASURER TWP OF BLACKHAMMER	76,120.15
TREASURER TWP OF BROWNSVILLE	120,083.32
TREASURER TWP OF CALEDONIA	120,582.79
TREASURER TWP OF CROOKED CREEK	68,909.16
TREASURER TWP OF HOKAH	86,191.93
TREASURER TWP OF HOUSTON	113,784.50
TREASURER TWP OF JEFFERSON	18,541.84
TREASURER TWP OF LA CRESCENT	238,602.46
TREASURER TWP OF MAYVILLE	105,707.72
TREASURER TWP OF MONEY CREEK	181,339.89
TREASURER TWP OF MOUND PRAIRIE	215,854.07
TREASURER TWP OF SHELDON	59,462.99
TREASURER TWP OF SPRING GROVE	108,207.40
TREASURER TWP OF UNION	78,521.87
TREASURER TWP OF WILMINGTON	126,072.93
TREASURER TWP OF WINNEBAGO	81,197.03
TREASURER TWP OF YUCATAN	85,184.56
	6,575,288.11
3 VENDORS PAID LESS THAN \$2000.00	1,264.04
	<u>6,576,552.15</u>

REVIEW LICENSE CENTER PAYMENTS**2026/07/10 AUDITOR WARRANTS:**

VENDOR NAME	AMOUNT
DELTA DENTAL	8,129.98
IUOE LOCAL 49 FRINGE BENEFIT FUNDS	28,475.00
MEDICA	242,160.18
MN LIFE INSURANCE COMPANY	2,438.12
VISA	11,297.86
WINONA COUNTY PLANNING & ZONING	8,249.71
WINONA COUNTY SWCD	20,180.38
	320,931.23
10 VENDORS PAID LESS THAN \$2000.00	5,122.04
	326,053.27

REQUEST APPROVAL FOR PAYMENT**2026/07/21 COMMISSIONER WARRANTS:**

VENDOR NAME	AMOUNT
ABILITY BUILDING COMMUNITY	2,321.38
ACEN TEK	4,445.92
ADVANCED CORRECTIONAL HEALTHCARE	7,078.33
CALEDONIA OIL CO INC	11,774.25
CALEDONIA/CITY OF	17,986.84
ELECTION SYSTEMS & SOFTWARE INC	3,931.40
ENTERPRISE FM	10,414.39
GIRARD'S BUSINESS SOLUTIONS INC	2,229.00
HOUSTON COUNTY TREASURER	22,149.13
INSIGHT PUBLIC SECTOR	6,005.23
KWIK TRIP	5,728.67
LIBERTY TIRE RECYCLING LLC	3,442.85
MEYERS LAWN SERVICE LLC	2,060.00
MIENERGY COOPERATIVE	4,705.83
MINNESOTA ENERGY RESOURCES	2,911.50
MN COUNTIES INTERGOVERNMENTAL TR	2,240.05
MN PACE-ST PAUL PORT AUTHORITY	9,026.59
MN STATE TREASURER	4,488.50
MNCCC	15,368.64
RICHARD'S SANITATION LLC	31,024.54
SIGN SOLUTIONS USA LLC	2,135.53
TITAN MACHINERY INC	2,898.00
TRIMIN SYSTEMS INC	23,091.00
WELLS FARGO BANK	91,050.00
WEX BANK	6,358.51
	294,866.08
48 VENDORS PAID LESS THAN \$2000.00	18,116.14
	312,982.22
PUBLIC HEALTH & HUMAN SERVICES	184,259.41
	497,241.63

**BOARD OF COMMISSIONER MEETING
AGENDA REQUEST FORM**

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: July 16th, 2026
Date Request Submitted: July 21st, 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:

Consent Agenda Request:

- 1) Accept Resignation for retirement from Tammy Mauss Effective August 3rd, 2026, with 31 1/2 years of service.
- 2) Approve a competitive search for 1 FTE Eligibility Worker (B24).

Action Item Request:

- 1) Consider approving a \$17,000 speaker upgrade for historic courthouse for a duress system.

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: July 21, 2026

Date Request Submitted: July 16, 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:

- 1) Consider approving the Cooperative agreement between the City of La Crescent and Houston County for the reconstruction of County State Aid Highway (CSAH 6 / S. 7th Street) in La Crescent. SAP 236-591-005.
- 2) Consider approving 3 T-Hangar lease agreements for the Airport.
 - Allen Schultz
 - Russell Kinnenberg
 - Howard Deters

Action Item Request:

1)

Discussion Item:

1)

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

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COOPERATIVE AGREEMENT

It is hereby agreed to on this 13th day of July, 2026 by and between the County of Houston, Minnesota (County) and the City of La Crescent, Minnesota, (City) that the respective parties to this agreement shall have the responsibilities as herein described with respect to the reconstruction of County State Aid Highway (CSAH) No. 6 (S 7th Street) from 80' East of Larch Ave to 180' West of Spruce Street, in the city limits of La Crescent, Minnesota, also referred to as City State Aid Project 236-591-005.

Section 1. The project is to be considered a City project, under City contract and control. The City shall have the following specific responsibilities with respect to the project:

1. Draft all plans and specifications.
2. Obtain all permits and approvals required from other government agencies.
3. Perform all contract administration, including change order negotiations, enforcing contractor compliance, and handling public concerns.
4. Advertise for bids, hold letting and contract for completion.
5. Pay for the following:
 - A. unless otherwise noted, 100-percent of all costs.
 - B. 100-percent of all storm sewers and storm fixtures.
 - C. 100-percent of all curb and gutter, the same percent as determined in 5B. above,
 - D. 100-percent of costs associated with maintaining the street between the grading contract and the paving contract.
 - E. 100-percent of costs associated with right-of-way and easement acquisitions.
 - F. 100-percent of all sidewalk improvements
 - G. 100-percent of all turf establishment.
 - H. 100-percent of installation and associated utility costs associated with the street lighting. (NOTE: after project completion, the City shall assume ownership and maintenance of all lighting.)
 - I. cost of utility structure adjustments under the paving contract.
 - J. future damages to the roadway caused by the City utility maintenance.

Section 2. The County shall have the following responsibilities with respect to the project within the corporate City limits:

1. Review and approval of all plans and specifications for the portion within County right-of-way.
2. Become an additionally insured party to the contractor.

Section 3. The City of La Crescent will pay the Contractor directly for all work completed on the project. This procedure shall comply with Minnesota Department of Transportation State Aid Project procedures, including quantities certified.

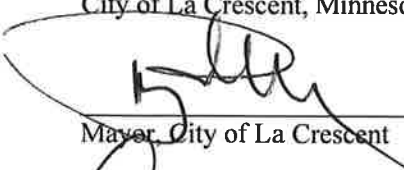
Section 4. The plans and specifications reviewed and signed by the City and MnDOT State Aid herein become part of this agreement. The specific projects covered by this agreement are listed below:

2026 project: CSAH 6 (S 7th Street) from 80' East of Larch Ave to 180' West of Spruce St.

Authorized Signatures:

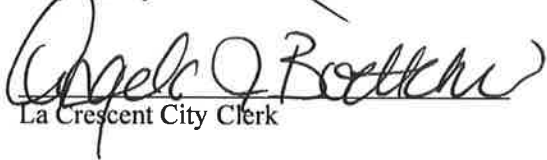
City of La Crescent, Minnesota

County of Houston, Minnesota



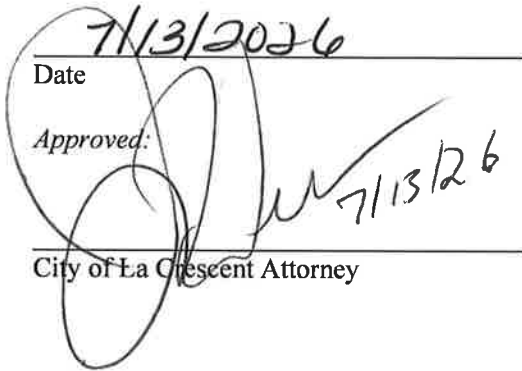
Mayor, City of La Crescent

Houston County Board Chairman



La Crescent City Clerk

Houston County Engineer

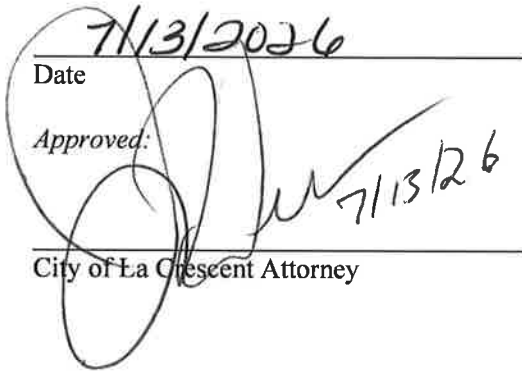


Date

Date

Approved:

Approved:



City of La Crescent Attorney

Houston County Attorney

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
Allen Schulze, 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 #** 4S

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: Allen Schulze

Street Address, City, State, ZIP: 617 2nd St N Caledonia, MN 55921

Email Address: ASchulze@acegroup.cc

Phone Number: (507) 500-0546 ☒ 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**

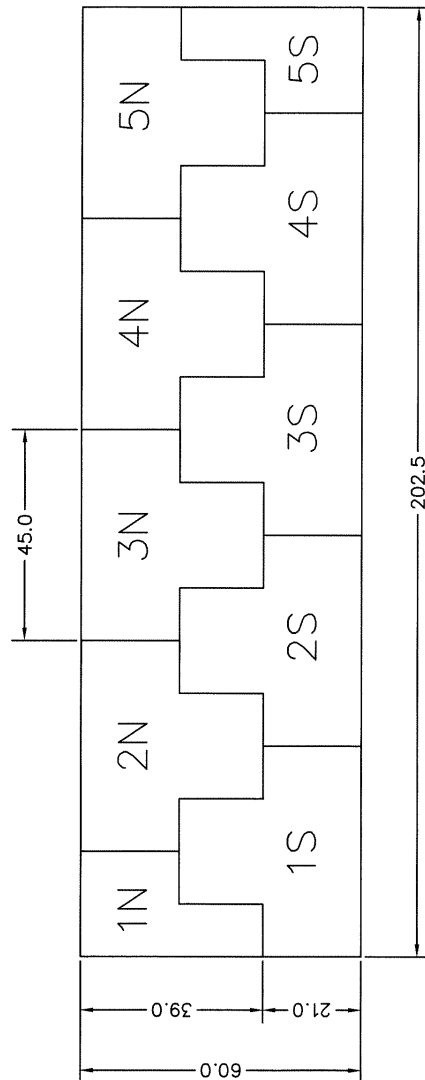
LESSEE

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

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
Russell Kinneberg, 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.

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

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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: Russell Kinneberg

Street Address, City, State, ZIP: 3210 Ranier Ln N Plymouth, MN 55447

Email Address: RKinnebe@comcast.net

Phone Number: (612) 669-3364 ☒ 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**

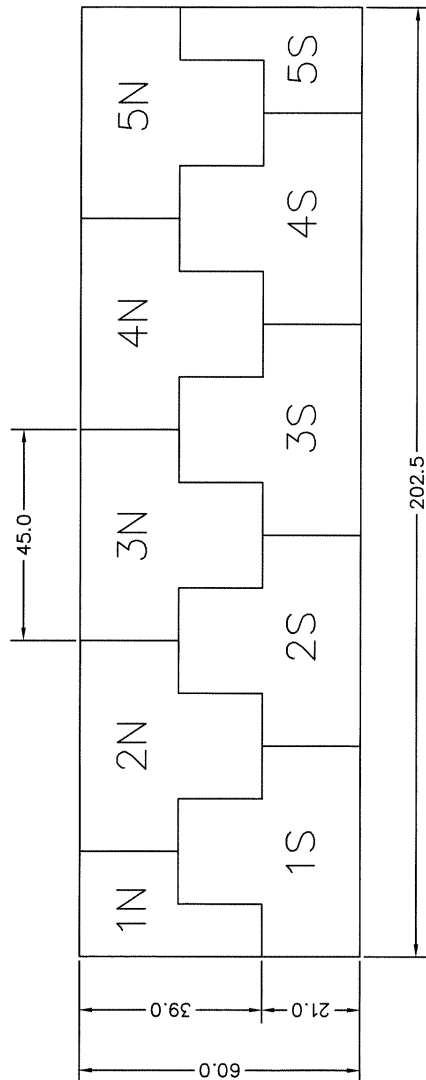
LESSEE

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

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
Howard Deters, 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 #** 4N

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: Howard Deters

Street Address, City, State, ZIP: 21867 Deters Dr Spring Grove, MN 55974

Email Address: mehd@gmail.com

Phone Number: (507) 429-9664 ☒ Cell (507) 498-3993 ☒ 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**

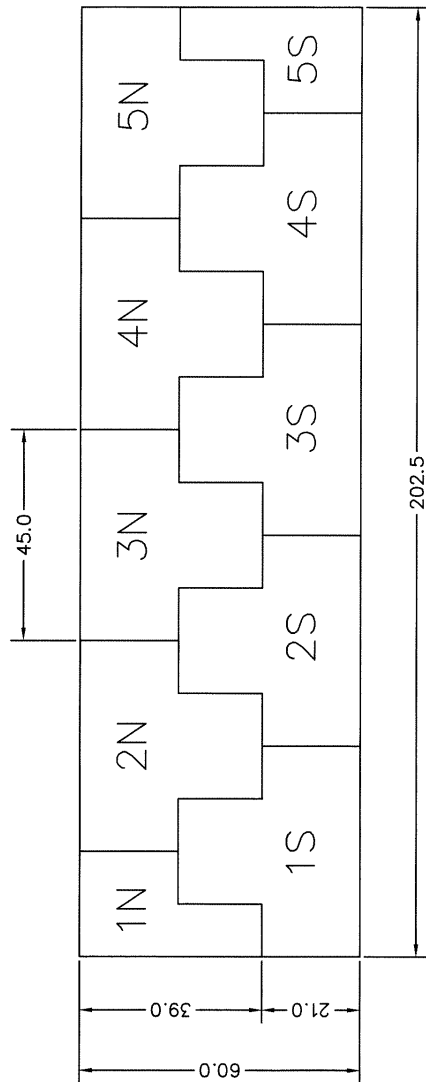
LESSEE

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

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.



HOUSTON COUNTY

BOARD OF COMMISSIONER MEETING

AGENDA REQUEST FORM

Historic Courthouse
304 S Marshall Street
Caledonia, MN 55921

Board Meeting Date: 7/14/2026

Date Request Submitted: 7/7/2026

Submitted By (Name and Title): Bethany Moen, Social Services Director

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

Appointment Request:

Consent Agenda Request:

- 1) Accept \$500 from Workforce Development/Houston County Child Care Core Team to be used for a Super Saturday Training event for childcare providers scheduled for September 2026.

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!