

**TUESDAY, OCTOBER 14, 2008**

**APPROVED MINUTES OF THE  
COUNTY BOARD OF COMMISSIONERS MEETING HELD**

**STATE OF MINNESOTA)  
COUNTY OF DODGE)**

**COUNTY ADMINISTRATION OFFICE  
MANTORVILLE, MN**

**2008-19**

The Dodge County Board of Commissioners met in regular session October 14, 2008, in the Commissioner's Room at the Courthouse Annex, Mantorville, MN, at 9:30 a.m. CDT. Klaus Alberts, Chair called the County Board of Commissioners meeting to order at 9:30 a.m. CDT.

Meeting Convened

The pledge of allegiance was recited.

Pledge of Allegiance

The Chair acknowledged those present and established that there was a quorum:

Those Present

Members present:	Klaus Alberts	District #1
	Lyle Tjosaas	District #2
	David Erickson	District #3
	Don Gray	District #4
	David Hanson	District #5

Members absent:

None

Also present:

David McKnight	County Administrator
Becky Lubahn	Deputy County Clerk
Paul Kiltinen	County Attorney

Motion by Gray seconded by Erickson to approve and adopt the agenda as amended to include the addition of a 2009 cafeteria contribution action item under the County Administrator. *Motion adopted unanimously.*

Agenda Approved

Emergency Management Director Matt Maas briefly discussed the Hazard Mitigation Plan with the Board.

Hazard Mitigation  
Planning Process  
and Steering

Motion by Tjosaas seconded by Hanson to approve and authorize initiation of the planning process with Bonestroo for the Hazard Mitigation Plan and the appointment of the Steering Committee membership framework as recommended by the Emergency Management Director. *Motion adopted unanimously.*

Committee Frame  
Work Approved

Lynae Shoen and Laura Jablonske of Wold Architects met with the Board to request authorization to award the Ag Center remodeling project.

Ag Center Remodel  
Project Bid Awarded

Ms. Shoen reported that on October 7, 2008, bids were received for the Dodge County Ag Center remodel. A total of nineteen bids were received. The bids received represent an acceptable range and the low bid is within the project budget. The following is Wold Architects recommendation:

**Base Bid – Dodge County Ag Center Remodel \$589,000**

This bid includes site work, demolition, construction, mechanical and electrical.

Ag Center Remodel  
Project Bid Awarded  
- Continued

**Recommendation: Accept this Base Bid**

**Alternate #1 – Additional Sidewalk Replacement \$ 2,900**

This alternate includes replacing the length of the sidewalk on the east side of the building. Award of this alternate does not affect the budget.

**Recommendation: Accept this Alternate**

**Alternate #2 – Mechanical Control System \$111,800**

This alternate includes the mechanical control system for the building. This alternate is needed to complete the base bid project.

**Recommendation: Accept this Alternate**

**Alternate #3 – Storm Drain System \$ 11,200**

This alternate includes additional storm drain work in the building's parking lot. Award of this alternate does not affect the budget.

**Recommendation: Accept this Alternate**

Ms. Shoen addressed questions regarding the mechanical control system, construction contingency and drainage concerns.

Commissioner Alberts commented that he would rather wait until the school property across the road was available and put the money into that project rather than the Ag Center.

Motion by Erickson seconded by Gray to approve and authorize awarding the Ag Center remodel project to low bidder Key Builders, Inc. of Rochester in the amount of \$714,900 which includes the base bid and alternates one, two and three. *Motion adopted Gray, Erickson, Tjosaas, Hanson aye, Alberts nay.*

Mr. Friedt presented for the Board's consideration information on the asbestos abatement project at the Ag Center in Dodge Center.

Ag Center Asbestos  
Abatement Projects  
Approved

The Building Operations Supervisor reported that as a part of the Ag Center renovation project an asbestos survey was performed by Kane and Johnson Architects Environmental Division. The results of the survey recommended removal of the floor tile containing asbestos materials. The floor tile covers the majority of the building floor. The survey also identified PCB containing devices such as light ballasts and door color closers, as well as mercury containing light bulbs. All the above hazard materials are required to be removed by a qualified abatement contractor.

Proposals were requested and received for asbestos abatement and removal of all hazardous materials. Proposals were also requested for industrial hygiene air monitoring during the removal process.

Mr. Friedt noted that the proposals have been reviewed with Kane and Johnson's Environmental Engineer.

Ag Center Asbestos Abatement Projects Approved - Continued

Motion by Erickson seconded by Hanson to award the asbestos abatement contract to Twell Environmental of Brooklyn Park, MN in the amount of \$8,677.00 and the Industrial Hygiene Monitoring contract to Angstrom Analytical of St. Louis Park, MN in the amount of \$3,950.00. *Motion adopted unanimously.*

The Building Operations Supervisor reviewed with the Board cupola scaffolding and project change order requests.

Additional Cupola Scaffolding Expenses Approved

Mr. Friedt informed the Board that scaffolding for the courthouse cupola was unintentionally delayed as scaffolding alternatives have been discussed and reviewed numerous times because of the associated costs in metal scaffolding. After discussions with the roofing contractor, the paint abatement contractor and the project engineers it was decided that scaffolding would be the safest and provide a less complicated effort in completing the work on the cupola.

The scaffolding contractor has submitted a proposal to provide scaffolding for the cupola. The original proposal was reduced because the roofer replacing the copper metal was able to lower the height of the scaffolding to do his work. The reduction in cost is approximately \$4,000.

The Building Operations Supervisor informed the Board that additional scaffolding is required for completing paint abatement and painting of the courthouse front canopy bay window, ceiling areas and eight building windows.

Motion by Gray seconded by Hanson to approve and authorize Infinity Scaffolding, Inc. of St. Paul, MN to provide cupola scaffolding in the amount of \$9,190.00 for erecting and dismantling, \$1,275.00 per month for equipment rental and \$95.00 per man hour for freight. Also included in the motion was authorization for Infinity Scaffolding, Inc. to provide canopy scaffolding in the amount of \$2,050.00 for erecting and dismantling, \$320.00 per month for equipment rental and \$95.00 per man hour for freight. *Motion adopted unanimously.*

Mr. Friedt reported that the Courthouse re-roof contractor, Northfield Construction Co. Inc., has submitted change orders/proposal requests #2, #3, #4 and #5 for consideration and approval. The base contract work did not include this additional work and/or reduced the scope of the work.

Courthouse Re-Roof Project Change Orders/Proposal Requests Approved

The following is a summary of the Change Orders/Proposal requests:

CO#2 Cover two void areas and provide two covered inspection accesses to the void areas.  
Additional cost \$455.00 (\$365.00 plus \$90.00 for two inspection accesses)

CO#3 Paint 40 large windows not included in the original project.  
Additional cost \$2,950.00

Courthouse Re-Roof  
Project Change  
Orders/Proposal  
Requests Approved -  
Continued

CO#4 Paint the front portico (canopy) ceiling and the existing bay window not included in the original project.  
Additional cost \$1,800.00

CO#5 Reducing the amount of time painting the trims and soffits around the perimeter of the building. The lead encapsulating material applied by the abatement contractor, eliminates a primer coat and one of two finish coats of paint.  
Deduct cost \$3,618.00

Motion by Gray seconded by Tjosaas to approve the Change Orders/Proposal requests CO#2, CO#3, CO#4 and CO#5 for the courthouse re-roof project as presented. Also included in the motion was authorization for the Building Operations Supervisor to sign the change order request forms, the net cost of these change orders is \$1,587. *Motion adopted unanimously.*

Commissioner Erickson presented a summary of the Public Health Committee report and action items.

Public Health  
Committee Report

The Board reviewed Public Health’s 2009 tobacco license fee request.

2009 Tobacco  
License Fee Set

A tobacco license cost analysis was completed for licensing vendors. The tobacco fee for the past year was \$200. Public Health is recommending a 2009 tobacco license fee of \$220 based on the cost analysis that was completed.

Motion by Erickson seconded by Hanson to approve and authorize setting the 2009 tobacco license fee at \$220 effective January 1, 2009 through December 31, 2009. *Motion adopted Erickson, Tjosaas, Hanson, Alberts aye, Gray nay.*

Environmental Quality Director Mark Gamm, Secretary/Clerk Rita Cole and Solid Waste Facility Manager Terry Selthun discussed with the Board their request to accept credit/debit card payments at the Transfer Station.

Credit/Debit Card  
Acceptance for  
Transfer Station  
Payments Approved

Mr. Gamm reported that Dodge County provides a variety of waste management services at the Transfer Station, Recycling Center, and Landfill. Customers pay directly for these services in accordance to fees set by the County Board. The Transfer Station currently receives about \$850 a day from their cash customers. The typical range of fees for an individual cash customer is \$3 to \$33 per transaction but it is not unusual for a customer to have over \$50 in fees in a single transaction. In addition, licensed haulers and business customers charge approximately \$2,000 worth of county services per day.

The Environmental Quality Director stated that their cash customers are increasingly asking for the option to pay electronically with debit and credit cards. Environmental Quality staff would like to provide this option for several reasons:

Credit/Debit Card  
Acceptance for  
Transfer Station  
Payments Approved

1. It provides a reasonable convenience for their customers.
2. It is becoming a common way for people to pay for services, they often do not carry significant cash or a checkbook with them.
3. It will speed up transaction time.
4. It could reduce their charge customer base and therefore reduce chance for delinquent accounts and non-payment.

Mr. Gamm stated that the card processing company will charge Dodge County about 1.8% on the each card transaction. Assuming that half of their customers pay with a card, the net increase in their cost will be less than 1% for all transactions. Environmental Quality will include this convenience fees plus the \$8-10 a month for credit card equipment rental in their 2009 Tipping Fee calculation.

MN Statute 16A.626, Subpart D, allows government agencies to accept credit and debit cards. According to Ron Mavetz of the Minnesota Department of Finance, the Statute says we are not required to charge a convenience fee to individual customers when the fee is a part of the overall service fee for every customer. Several counties, including Steele and Rice already accept credit/debit cards for payment of waste management services. Many other counties are in the process of making a similar change.

Finance Director Lisa Kramer informed the Board that she is not in favor of the county accepting credit/debit cards at the Transfer Station, she sees it as opening a door to other departments wanting this same option.

It was the consensus of the Board that they would like to try the system for six months after the first of the year. After six months the Board wants the Environmental Quality Director to report back to the Board on how the system was working.

It was noted requests from other departments to install a credit/debit card system in their office will not be considered during the six month trial period of the system at Transfer Station.

Motion by Tjosaas seconded by Hanson to approve and authorize the Environmental Quality Department to provide customers with the option to pay for fees at the Transfer Station, Recycling Center, and Landfill with credit or debit cards as requested until July 2009 when the systems effectiveness will be re-evaluated. *Motion adopted unanimously.*

Director of Information Technology Paul Wiltgen requested authorization to purchase replacement servers and server equipment.

Purchase of  
Replacement  
Computer Servers  
and Server  
Equipment Approved

Mr. Wiltgen informed the Board that three of our servers (specifically, the e-mail server, file server, and print server) need replacing this year. Next year, other servers will need replacing and in two years the AS400 will need to be replaced.

The Information Technology department capital improvement Plan for 2008 includes a budget for the purchase of server equipment. The budgeted amount is \$79,500. The total cost for this new server equipment will be \$52,257, this includes the following:

1) IBM BladeCenter H Chassis	\$16,934
2) H Chassis Rack, with power and UPS	\$13,237
3) Three Blade Servers	\$ 4,796
4) IBM Storage Area Network, 2 TB	\$ 8,890
5) Installation and set up	<u>\$ 8,400</u>
TOTAL	\$52,257

The Director of Information Technology has met with several vendors (MSI, CPS, and HP) to discuss the options and to compare prices. HP has good hardware, and a good reputation for service. An HP equivalent system is slightly more expensive than an IBM system and most notably does not support AS400. Since Mr. Wiltgen plans to continue to use the AS400 platform for at least another five years he believes the county needs a system that supports an AS400 platform.

The Director of Information Technology stated that CPS is a vendor that he has already dealt with for maintenance on our AS400, however, he is less satisfied with their response in planning this project.

Mr. Wiltgen recommends MSI as a vendor. This company has been very helpful in working with him to plan this project. Their representatives have already met with him three times, quoting prices and helping him configure the system.

The Director of Information Technology noted that the up-front cost of this system is high compared to traditional stand-alone server boxes. Over time, this type of system (Blade servers) will be less expensive. Each Blade server costs less than a stand-alone box (\$2,500 compared to \$5,000). The BladeCenter system will use less total power, saving on electricity and cooling. The system will also use less floor space than multiple stand-alone server boxes.

Mr. Wiltgen stated that from an IT system perspective, a BladeCenter will be easier to manage and maintain and much easier to expand as the county computing needs grow over time.

Motion by Gray seconded by Tjosaas to approve and authorize the Director of Information Technology to purchase of an IBM BladeCenter server and server equipment from MSI at a cost of \$52,257 as requested. *Motion adopted unanimously.*

Compliance Officer Melissa DeVetter presented the October 1, 2008 Planning Commission Recommendations for the Board’s consideration. Motion by Erickson seconded by Gray to approve the following action of the Planning and Zoning Commission as reviewed on October 1, 2008 with the reasons, recommendations and conditions as found in the individual permit:

Planning Commission Recommendation CUP #08-26 Approved

**Renewable Energy Systems Americana– CUP #08-26**

This request is to consider an application for a Conditional Use Permit to establish a Meteorological Tower 190 feet in height in the Agricultural District. The property is 120 acres located in the E ½ of the SW ¼ of Section 19, Vernon Township. Renewable Energy Systems Americana, Inc. is the applicant and Robert Kooiman is the property owner.

The Planning Commission recommends approval of the Findings of Facts and Recommendations of the agenda report with the following conditions:

1. Dodge County Zoning Permit be obtained before construction.
2. Meteorological Tower be decommissioned within 60 days following the discontinuing use.
3. The temporary meteorological tower shall be removed within seven years from the date of Zoning Permit issuances. If additional time is needed the permit shall be reviewed by the Planning Commission.

*Motion adopted unanimously.*

Kasson City Planner Mike Martin met with the Board to discuss a request to approve a bike path easement on the fairgrounds.

Bicycle Path Easement Agreement Discussion Tabled

Mr. Martin reviewed with the Board a proposed Bicycle Path Easement Agreement and a resolution approving a bicycle path easement.

Commissioners received a copy of the proposed bicycle path that would go through the fairgrounds towards the new school.

Commissioners expressed concern that the Fair Board has not had an opportunity to comment on the proposed bike path easement and the fact that the bike path will not be available to the public during the fair and Big Iron Truck Classic.

It was the consensus of the Board that the County Attorney should meet with the attorney for the City of Kasson to work out proposed language changes and additions to the bike path easement.

Motion by Erickson seconded by Hanson to table the bicycle path easement discussion until a later date. *Motion adopted unanimously.*

Tax Services Director Rose Culbertson reviewed bills with the Board. Motion by Gray seconded by Hanson to approve the bills as discussed in the following amounts from the appropriate funds as determined by Finance:

Bills Approved

01	Revenue Fund	\$190,164.63
11	Human Services Fund	\$ 644.71
13	Road and Bridge Fund	\$ 158,986.09
16	Environmental Quality Fund	\$ 35,787.11
19	EDA/HRA – Dodge County	\$ 38.73
64	Environmental Grant & Loan Fund	\$ 3,500.00
80	Agency Fund	<u>\$ 110.00</u>
	Total	\$389,231.27

It was noted that a payment to Boe Chrysler Center Inc. in the amount of \$2,400 for the balance on a 2007 Dodge Charger will be taken from fund 201 Sheriff's Office instead of 064 Central Services. *Motion adopted unanimously.*

Employee Relations Director Lisa Hager presented the Personnel Agenda for the Boards consideration. Motion by Erickson seconded by Gray to approve the following personnel actions:

Personnel Actions  
Approved

**A. Sheriff's Department**

- A.1 Bryan Mickelson – Deputy Sheriff  
Resignation.  
Effective Date: 9/30/08
- A.2 Deputy Sheriff - 1.0 FTE  
Authorization to fill vacancy created by resignation.  
Effective Date: 9/30/08
- A.3 Jeffery Brion - Deputy Sheriff – 1.0 FTE  
Authorization to hire at C41 Hire step \$17.99 to fill approved vacancy.  
Effective Date: 10/14/08
- A.4 Shannon Boerner – Deputy Sheriff  
Step increase from C41 24 month step \$20.60 to C41 36 month step \$22.05.  
Effective Date: 10/1/08

**B. Human Services**

- B.1 Bobbie Rud – Social Worker  
Step increase from C42 step 5 \$20.70 to C42 step 4 \$21.48.  
Effective Date: 10/16/08
- B.2 Gary Trelstad – Collections & Accounting Unit Supervisor  
Resignation.  
Effective Date: 1/16/09

**C. Highway Department**

- C.1 Dennis Johnson – Equipment Operator II  
Annual review.  
Review Date: 9/22/08
- C.2 Carl DeWaard – Highway Mechanic  
Annual review.  
Review Date: 9/22/08

Personnel Actions  
Approved -  
Continued

- C.3 Loren Otterbein – Equipment Operator III  
Annual review.  
Review Date: 9/22/08
- C.4 Mark Hodgman – Equipment Operator IV  
Annual review.  
Review Date: 9/22/08
- C.5 Jim Kylo – Equipment Operator III  
Annual review.  
Review Date: 9/23/08
- C.6 Steve Eggert – Equipment Operator III  
Annual review.  
Review Date: 9/23/08
- C.7 Rory Zelinske – Equipment Operator III  
Annual review.  
Review Date: 9/23/08
- C.8 Eugene Linse – Equipment Operator II/Mechanic  
Annual review.  
Review Date: 9/23/08
- C.9 Gary Albers – Equipment Operator II  
Annual review.  
Review Date: 9/24/08
- C.10 Joe Allen – Equipment Operator II  
Annual review.  
Review Date: 9/24/08
- D. Assessor’s Office**
- D.1 Wendy Iverson – Assessment Support Specialist  
Annual review.  
Effective Date: 9/13/08
- E. Public Health**
- E.1 Lisa Head – Account Technician .8 FTE  
Resignation.  
Effective Date: TBD
- E.2 Account Technician - .8 FTE  
Authorization to post and fill vacancy created by resignation.  
Effective Date: 10/14/08

*Motion adopted unanimously.*

County Attorney Paul Kiltinen provided the Board with a legal update.

Legal Update

The County Attorney left the meeting at 11:18 a.m. CDT.

County Attorney Left Meeting

Commissioner Hanson presented a summary of the Human Services Committee report and action items.

Human Services Committee Report

The Board discussed Human Services request to approve the submission of grants to the Minnesota Department of Veteran Affairs for 2009.

Human Services  
2009 CVSO  
Enhancement Grants  
Application Request  
Discussed

Each year the Minnesota Department of Veteran Affairs offers enhancement grants to county veteran service programs. This year Human Services proposes to submit a request for grants for the following:

- New Virtual Veterans Software System; and
- Maintain the Dodge County Senior and Caregiver Advocate program operated by Semcac near the current level.

The following background information was shared:

- A \$3,921 grant would be used to replace the current Veterans Information Management System (VIMS) with Virtual Veterans Software.

Virtual Veterans will move us to 2008 technology vs. the VIMS 1990 technology. It is Windows-based which provides greater ease of operation. It is linkable, will eliminate hard copying and postage in the future, and allows a more robust reporting and analysis function. The cost for the system with set-up and a required ADF, Twain compliant scanner is \$3,921.

- A \$5,000 two-year grant which would support the Dodge County Senior and Caregiver Advocate program operated by Semcac is for \$2,500 per year for calendar years 2009 and 2010.

The senior advocate is very successful at identifying senior veterans in need of help in day-to-day living, filing claims, needing transportation, or any other VA services, and works collaboratively with the Veteran Services Officer. A significant share of current funding for the Senior Advocate program is scheduled to end in December 2008, resulting in a reduction in service from 29 to 14 hours per week unless other funding is procured.

Semcac has established a preliminary 2009 budget to support the position at 24 hours per week, as follows:

<b>Amount</b>	<b>Source Requested</b>
\$12,500	Fed'I Title III-E (AAA)
\$2,083	Semcac OEO
\$8,000	United Way –Dodge County
\$5,000	Dodge County
<b>\$27,583</b>	<b>Total</b>

The additional \$2,500 per year in MDVA grant funding would enable Semcac to increase the position by another 2.2 hours per week.

Human Services  
Virtual Veterans  
Software System  
Grant Application  
Request Approved

Motion by Hanson seconded by Tjosaas to approve and authorize the Human Services Department to submit a \$3,921 Enhancement Grant Request to the Minnesota Department of Veteran Affairs to purchase a Virtual Veterans Software System as requested. *Motion adopted unanimously.*

Motion by Hanson seconded by Tjosaas to approve and authorize the Human Services Department to submit a \$5,000 grant to support the Dodge County Senior and Caregiver Advocate program operated by Semcac for calendar years 2009 and 2010. Semcac will receive \$2,500 per year if Dodge County receives the grant. *Motion adopted unanimously.*

Grant Application to  
Support Senior &  
Caregiver Advocate  
Program Approved

Motion by Hanson seconded by Tjosaas to approve Human Services actions for September 2008, consistent with Human Services resolution #95-10:

Human Services  
Resolution #95-10 for  
September 2008  
Approved

- Authorize payment of all claims and bills received in the prior month.
- Approve all Financial Assistance case actions taken in the prior month.
- Approve all Social Services case actions taken in the prior month.
- Approve destruction of closed cases listed for destruction in the prior.

*Motion adopted unanimously.*

The request to approve managed care organizations to serve Medical Assistance (MA) and General Assistance Medical Care (GAMC) recipients from Dodge County Managed care was postponed.

MA & GAMC  
Discussion  
Postponed

Commissioner Alberts presented a summary of the Administration Committee report and action items.

Administration  
Committee Report

Motion by Erickson seconded by Gray to approve and authorize the September 23, 2008 Committee of the Whole meeting minutes as presented. *Motion adopted unanimously.*

09/23/08 Committee  
of the Whole Meeting  
Minutes Approved

Motion by Tjosaas seconded by Gray to approve and authorize the September 9, 2008 meeting minutes as presented. *Motion adopted unanimously.*

09/23/08 Meeting  
Minutes Approved

The Board briefly discussed the Sheriff's Office request to hire a part-time deputy, the Sheriff's Office has been operating short staffed for a couple of months. It was the consensus of the Board that they supported the Sheriff's Office request to move forward with hiring a part-time deputy.

Request to Hire Part-  
Time Deputy  
Supported

The Board discussed the County Assessor's request to approve out-of-state travel for commercial property training course.

Out-of-State Training  
Approved for  
Assessor's Office

Wendell Engelstad and Mike Stupka have requested authorization to attend a Commercial/Industrial Construction Pricing course in Storm Lake, Iowa on October 28-30, 2008.

This instructional course is being hosted by Clay County Iowa Assessor and Vanguard Appraisals. The goal of this course is to help Assessors and County Commercial Appraisers price commercial/industrial properties in their jurisdictions in a consistent and accurate manner.

The course is to be held in Storm Lake, Iowa which is centrally located to Assessors using Vanguard pricing programs. The cost of the course is \$150.00 per person with one meal being provided on Tuesday and one meal on Wednesday. The cost of the hotel rooms is \$54.99 plus 12% tax per night each. The total estimated cost of the course, lodging and meals would be \$726.36.

Motion by Gray seconded by Hanson to approve and authorize Wendell Engelstad and Mike Stupka to attend a Commercial/Industrial Construction Pricing course in Storm Lake, Iowa on October 28-30, 2008 at a cost of \$726.36 for the course, lodging and meals. *Motion adopted unanimously.*

County Administrator David McKnight reminded the Board that at their meeting on Tuesday, September 23, 2008 they heard a presentation and recommendation from the Insurance Committee on the 2009 cafeteria plan contributions. The recommendation that the committee made was \$640 for single (2008 level is \$590) and \$1,170 for family (2008 level is \$1,070).

2009 Cafeteria Plan  
Contribution  
Approved

Mr. McKnight noted that after reviewing these numbers and analyzing what the 2009 budget has available, it was his recommendation that the 2009 levels be set at \$635 for single and \$1,150 for family. The County Administrator was comfortable with these numbers. Mr. McKnight indicated that he felt this was a fair approach with the employees of the county.

Motion by Erickson seconded by Tjosaas to set the 2009 cafeteria contribution rates at \$635 for single and \$1,150 for family effective January 1, 2009 as recommended by the County Administrator. *Motion adopted unanimously.*

Commissioners provided their agency reports. Commissioner Hanson attended a SEAAA meeting, a Planning and Zoning meeting, an HRC meeting and a Water Resource Joint Powers meeting. Commissioner Alberts attended a DFO meeting. Commissioner Gray attended a SCHRC meeting. Commissioner Erickson attended a Regional Radio Board meeting, a DFO Joint Powers Board meeting, a meeting on 161 KW Transmission Line in eastern Dodge County and an Ashland Township meeting on county/township zoning. Commissioner Tjosaas attended an Xcel Energy meeting, a meeting with Canisteo Township, a Planning and Zoning meeting and a South Country meeting.

Agency Reports

Motion by Gray seconded by Tjosaas to close the meeting to the public at 12:10 p.m. CDT to conduct the County Administrator's annual performance review.  
*Motion adopted unanimously.*

Meeting Closed to the Public

Those present in the closed session were all five commissioners and the County Administrator.

The meeting was opened to the public at 12:47 p.m. by the Chair.

Meeting Opened

Finance Director Lisa Kramer and Ehlers and Associates Representative Shelly Eldridge met with the Board to discuss Capital Improvement Bond Sale results.

Sale of Capital Improvement Bonds Approved by

Ms. Eldridge discussed the differences between the two bids with the Board and answered questions. It was the Finance Director's recommendation to select the bid with the lowest associated interest costs.

Resolution #2008-43

Motion by Gray seconded by Erickson to approve and authorize the Chair and Deputy Clerk to sign resolution #2008-43 authorizing issuance, awarding sale, prescribing the form and details and providing for the payment of \$1,570,000 General Obligation Capital Improvement Plan Bonds, Series 2008A:

**BE IT RESOLVED** by the Board of Commissioners (the "Board") of Dodge County, Minnesota (the "County") as follows:

**SECTION 1. AUTHORIZATION AND SALE.**

1.01. Authorization. On August 12, 2008, this Board held a public hearing on the adoption of its Capital Improvement Plan (the "CIP") and the question of issuing General Obligation Capital Improvement Plan Bonds, after notice duly published in the official newspaper of the County as set forth in Minnesota Statutes, Section 373.40, subdivision 2. No petition requesting a vote on the question of issuing the Bonds was filed within the 30 days following the public hearing. Accordingly, this Board finds that the Bonds may be issued without an election pursuant to Minnesota Statutes, Section 373.40, subdivision 2.

This Board hereby authorizes the issuance and sale of its \$ 1,570,000 General Obligation Capital Improvement Plan Bonds, Series 2008A (the "Bonds"). Proceeds of the Bonds will be used to finance capital improvements described in the CIP (the "Improvements") as follows: (a) \$385,000 to repair the roof of the Dodge County Courthouse; and (b) \$1,185,000 to renovate the Ag Center and to resurface its parking lot; and (c) any remaining amount to finance other capital expenditures that may be identified in the CIP.

1.02. Sale. The County has retained Ehlers & Associates, Inc., as independent financial advisor in connection with the sale of the Bonds. Pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph (9) the requirements as to public sale do not apply to the issuance of the Bonds. Pursuant to the Official Statement, sealed proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened and publicly read and considered, and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of UMB Bank, N.A., in Kansas City, Missouri (the "Purchaser"), to purchase the Bonds at a price of \$1,561,098.10 plus accrued interest, if any, to the date of issuance and delivery.

Sale of Capital  
Improvement Bonds  
Approved by  
Resolution #2008-43  
- Continued

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Chairperson and County Administrator are hereby authorized and directed to execute a contract on behalf of the County for the sale of the Bonds in accordance with the terms of the proposal. The good faith deposit of the Purchaser shall be retained and deposited by the County until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement.

## SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of November 5, 2008, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities, shall mature on February 1 in the years and amounts stated below, and shall bear interest from date of original issue until paid at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2010	190,000	3.00%
2011	210,000	3.20%
2012	220,000	3.40%
2013	225,000	3.60%
2014	235,000	3.80%
2015	240,000	4.00%
2016	250,000	4.20%

This Board hereby finds that the maximum amount of principal and interest to become due in any year on all outstanding bonds (including the Bonds) issued by the County pursuant to Minnesota Statutes, Section 373.40, subdivision 4 will not equal or exceed 0.12 percent of taxable market value of property in the County for taxes payable in 2008.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.07 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.02. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.06 and upon any subsequent transfer or exchange pursuant to Section 2.05, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on February 1 and August 1, commencing August 1, 2009, each such date being referred to herein as an Interest Payment Date, to the person in whose name the Bonds are registered on the Bond Register, as hereinafter defined, at the Registrar's close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

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2.03. Redemption. The Bonds shall not be subject to optional redemption prior to their stated maturity dates.

2.04. Appointment of Initial Registrar. The County hereby appoints Bond Trust Services Corporation, Roseville, Minnesota, as the initial registrar, transfer agent and paying agent (the "Registrar"). The Chairperson and County Administrator are authorized to execute and deliver, on behalf of the County, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The County agrees to pay the reasonable and customary charges of the Registrar for the services performed. The County reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.05. Registration. The effect of registration and the rights and duties of the County and the Registrar with respect thereto shall be as follows:

- (a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.
- (b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

- (c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.
- (d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the County.
- (e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.
- (f) Persons Deemed Owners. The County and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on the Bond and for all other purposes; and all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon Bond to the extent of the sum or sums so paid.
- (g) Taxes Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.
- (h) Mutilated, Lost Stolen or Destroyed Bonds. In case any Bond shall become mutilated or destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the County and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the County. If the mutilated, destroyed, stolen or lost Bond has already matured it shall not be necessary to issue a new Bond prior to payment.
- (i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

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- (j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the County, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

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2.06. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the County Administrator and shall be executed on behalf of the County by the signatures of the Chairperson and County Administrator, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the County Administrator shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall be obligated to see to the application of the purchase price.

2.07. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

"Beneficial Owner" shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person's subrogee.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"DTC" shall mean The Depository Trust Company of New York, New York.

"Participant" shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

"Representation Letter" shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC'S Operational Arrangements.

- (b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever, and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC'S Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTD has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.
- (c) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the County may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.
- (d) The execution and delivery of the Representation Letter to DTC by the Chair or County Administrator, if not previously filed, is hereby authorized and directed.

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(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

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2.08. Form of Bonds. The Bonds shall be prepared in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA

COUNTY OF DODGE

GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS,  
SERIES 2008A

<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
	February 1, 20__	November 5, 2008	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DODGE COUNTY, MINNESOTA (the "County"), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on February 1 and August 1 of each year, commencing August 1, 2009 (each such date, an "Interest Payment Date"). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Bonds is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof at the principal office of the Registrar described below, the principal hereof are payable in lawful money of Bond Trust Services Corporation, Roseville, Minnesota, as bond registrar, transfer agent and paying agent, or its successor designated under the Resolution described herein (the "Registrar"). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the County have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$1,570,000 issued pursuant to a resolution adopted by the Board of Commissioners on October 14, 2008 (the "Resolution") to finance certain capital projects as described in the County's Capital Improvement Plan. This Bond is issued by authority of and in strict accordance with the provisions of the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Section 373.40 and Chapter 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any multiple thereof, of a single maturity.

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The Bonds shall not be subject to optional redemption prior to their stated maturity dates.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the County.

The County and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the County nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that, prior to the issuance hereof, the County has levied ad valorem taxes on all taxable property in the County, which taxes will be collectible for the years and in amounts sufficient to produce sums not less than five percent in excess of the principal of and interest on the Bonds when due, and has appropriated the taxes to its General Obligation Capital Improvement Plan Bonds, Series 2008A Sinking Fund for the payment of principal and interest; that if necessary for payment of principal and interest, additional ad valorem taxes are required to be levied upon all taxable property in the County, without limitation as to rate or amount; and that the issuance of this Bond, together with all other indebtedness of the County outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the County to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.



Signature Guaranteed:

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Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

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[end of form of bond]

SECTION 3. USE OF PROCEEDS. The proceeds of the Bonds shall be used as follows: (a) \$1,534,536.10 shall be deposited in the Construction Fund created in Section 4 and used to pay the costs of the Improvements; and (b) \$26,562 shall be forwarded to Bank of America, N.A., on the closing date pursuant to Section 10.04 and used to pay issuance expenses of the Bonds. Any amounts received from the Purchaser in excess of such amounts shall be deposited to the Sinking Fund created in Section 5.

SECTION 4. GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2008A CONSTRUCTION FUND. There is hereby created a special bookkeeping fund to be designated as the "General Obligation Capital Improvement Plan Bonds, Series 2008A Construction Fund" (the "Construction Fund") to be held and administered by the County Treasurer separate and apart from all other funds of the County. The County appropriates to the Construction Fund \$1,526,300 of the proceeds of the sale of the Bonds. The Construction Fund shall be used solely to pay the costs of the Improvements and to transfer to the Sinking Fund created in Section 5 amounts sufficient for the payment of interest due upon the Bonds prior to the completion of the Improvements. Upon completion and payment of all costs of the Improvements, any balance of the proceeds of Bond remaining in the Construction Fund shall be credited and paid to the Sinking Fund.

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**SECTION 5. GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2008A SINKING FUND.** The Bonds shall be payable from a separate General Obligation Capital Improvement Plan Bonds, Series 2008A Sinking Fund (the "Sinking Fund") of the County, which Sinking Fund the County agrees to maintain until the Bonds have been paid in full. If the money in the Sinking Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other moneys on hand in other funds of the County, which other funds shall be reimbursed therefore when sufficient money becomes available in the Sinking Fund. The moneys on hand in the Sinking Fund from time to time shall be used only to pay the principal of and interest on the Bonds. Into the Sinking fund shall be paid: (a) the amounts appropriated thereto pursuant to Section 3; (b) all taxes collected pursuant to Section 6; (c) any amounts remaining in the Construction Fund upon completion and payment of all costs of the Improvements; and (d) any other funds appropriated by the Board for the payment of the Bonds.

**SECTION 6. PLEDGE OF TAXING POWERS.** For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the County shall be and are hereby irrevocably pledged. In order to produce aggregate amounts not less than 5% in excess of the amounts needed to meet when due the principal and interest payments on the Bonds, ad valorem taxes are hereby levied on all taxable property in the County, the taxes to be levied and collected in the following years and amounts:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
2008-2015	2009-2016	See attached levy calculation

Taxes shall be irreplaceable as long as any of the Bonds are outstanding and unpaid, provided that the County reserves the right and power to reduce the tax levies from other legally available funds, in accordance with the provisions of Minnesota Statutes, Section 475.61.

**SECTION 7. SINKING FUND BALANCE RESTRICTION.** In order to ensure compliance with the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations thereunder (the "Regulations"), upon allocation of any funds to the Sinking Fund, the balance then on hand in the Fund shall be ascertained. If it exceeds the amount of principal and interest on the Bonds to become due and payable through February 1 next following, plus a reasonable carryover equal to 1/12th of the debt service due in the following bond year, the excess shall (unless an opinion is otherwise received from bond counsel) be used to prepay the Bonds, or invested at a yield which does not exceed the yield on the Bonds calculated in accordance with Section 148 of the Code.

SECTION 8. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The County may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The County may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The County may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date. Provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the County shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date.

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SECTION 9. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

9.01. Covenant. The County covenants and agrees with the owners from time to time of the Bonds, that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest on the Bonds to become includable in gross income of the recipient under the Code and applicable Regulations, and covenants to take any and all affirmative actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The County represents and covenants that all improvements financed from the proceeds of the Bonds are and will be owned and operated by the County and available for use by members of the general public on a substantially equal basis. The County has not and will not enter into any lease, management contract, operating agreement, use agreement or other contract relating to the use, operation or maintenance of the financed facilities or any part thereof which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

9.02. Arbitrage Certification. The Chairperson and County Administrator being the officers of the County charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and the applicable Regulations.

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9.03. Qualified Tax-Exempt Obligations. In order to enhance the marketability of the Bonds and since the County and all subordinate entities do not reasonably expect to issue in excess of \$10,000,000 of governmental and qualified 501(c)(3) bonds during calendar year 2008, the Bonds are hereby designated by the County as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Code.

9.04. Arbitrage Rebate Exemption. For purposes of complying with the requirements of Section 148(f)(4)(c) of the Code relating to the exemption of certain small governmental units from the rebate requirements of the Code, the County represents that:

- (i) the County is a governmental unit with general taxing powers;
- (ii) the Bonds are not Private Activity Bonds as defined in Section 141 of the Code;
- (iii) ninety-five percent of the net proceeds of the Bonds are to be used for the local governmental purposes of the County; and
- (iv) the aggregate face amount of all tax-exempt bonds (other than Private Activity Bonds) issued by the County in the calendar year in which the Bonds are to be issued is not reasonably expected to exceed \$5,000,000.

Therefore, pursuant to the provisions of Section 148(f)(4)(c) of the Code, the County shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

If notwithstanding the provisions of the immediately preceding paragraph, the arbitrage rebate provisions of Section 148(f) of the Code apply to the Bonds, the County hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f) and applicable Regulations.

9.05. Reimbursement. The County certifies that the proceeds of the bonds will not be used by the County to reimburse itself for any expenditure with respect to the financed facilities which the County paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the County shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations; provided that a declaration of official intent shall not be required (i) with respect to certain de minimis expenditures, if any, with respect to the financed facilities meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to "preliminary expenditures" for the financed facilities as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the "issue price" of the Bonds.

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9.06. Continuing Disclosure. (a) Limited Exemption from Rule. The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 under the Securities Exchange Act of 1974 (17 C.F.R. § 240.15c2-12) (as in effect and interpreted from time to time, the "Rule") which govern the obligations of certain underwriters to require that issuers of municipal Bonds enter into contracts for the benefit of the Bondholders to provide continuing disclosure with respect to the Bonds. This Board hereby finds, determines and declares that the Bonds are exempt from the application of paragraph (b)(5) of the Rule by reason of the exemption granted in paragraph (d)(2) thereof. Specifically, this Board hereby finds that the only "obligated person" (within the meaning of the Rule) with respect to the Bonds is the County and that, giving effect to the issuance of the Bonds and any other securities required to be integrated with the Bonds, there will be no more than \$10 million in principal amount of municipal securities outstanding on the date of issuance of the Bonds as to which the County is an obligated person (excluding municipal securities exempt from the Rule under paragraph (d)(1) thereof because, among other things, they were issued in minimum denominations of \$100,000). In making such finding, the County hereby represents that it has not issued within the six months before the date of issuance of the Bonds and that it reasonably expects that it will not issue within six months after the date of issuance of the Bonds, other securities of the County of substantially the same security and providing financing for the same general purpose or purposes as the Bonds. The exemption from the Rule for the Bonds is conditioned upon the County agreeing to provide certain continuing disclosure as hereinafter provided. The County has complied in all material respects with any undertaking previously entered into by it under the Rule.

(b) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefore and to permit participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of the Rule, which will enhance the marketability of the Bonds, the County hereby makes the covenants and agreements contained in this section for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. If the County fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for specific performance or a writ of mandamus. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, "Owner" or "Bondowner" means, in respect of a Bond, the registered owner or owners thereof appearing in the Bond register maintained by the Registrar or any "Beneficial Owner" (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, "Beneficial Owner" means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

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(c) Information To Be Disclosed. The County will provide, either directly or indirectly through an agent designated by the County, the following information at the following times in an appropriate manner:

- (1) At least annually to the state information depository then designated or operated by the State of Minnesota (the "State Depository"), if any, or, if no State Depository then exists, to any person or entity upon request, the information (the "Disclosure Information") in the County's audited financial statements, which shall be for the most recent fiscal year of the County (if in response to a request, the most recent fiscal year ending not less than 365 days before the date of the request), and, for other such information, the information most recently compiled by the County on a customary basis and publicly available under applicable data privacy or other laws.

Requests for Disclosure Information should be directed to:

County Administrator  
Dodge County  
22 East Sixth Street  
Mantorville, MN 55955  
Telephone: (507) 635-6239

Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to each then nationally recognized municipal securities information repository under the Rule or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify in the Disclosure Information each document so incorporated by reference. If the Disclosure Information is changed because it is no longer compiled or publicly available or this paragraph (c)(1) is amended as permitted by subsection (d), then the County shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of information provided.

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- (2) In a timely manner, to the Municipal Securities Rulemaking Board and to the State Depository, if any, notice of the occurrence of any of the following events which is a Material Fact (as hereinafter defined):
  - (A) Principal and interest payment delinquencies;
  - (B) Non-payment related defaults;
  - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
  - (E) Substitution of credit or liquidity providers, or their failure to perform;
  - (F) Adverse tax opinions or events affecting the tax-exempt status of the security;
  - (G) Modifications to rights of security holders;
  - (H) Bond calls;
  - (I) Defeasances;
  - (J) Release, substitution, or sale of property securing repayment of the securities; and
  - (K) Rating changes.

As used herein, a "Material Fact" is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a "Material Fact" is also an event that would be deemed "material" for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, to the Municipal Securities Rulemaking Board and to the State Depository, if any, notice of the occurrence of any of the following events or conditions:

- (A) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the County under subsection (d)(2); and
- (B) the termination of the obligations of the County under this section pursuant to subsection (d);
- (C) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
- (D) any change in the fiscal year of the County.

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(d) Term: Amendment; Interpretation. The covenants of the County in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the County under this section shall terminate and be without farther effect as of any date on which the County delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the County to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successors thereto or amendatory thereof. This section may be amended or supplemented by the County from time to time, without notice to or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the County or the type of operations conducted by the County, or (b) is required by, or better complies with, the provisions of paragraph (d)(2) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (d)(2) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule. This section is entered into to comply with, and should be construed so as to satisfy the requirements of, paragraph (d)(2) of the Rule.

(e) Alternative Filing Systems. To the extent County filings or notices are required to be made to each nationally recognized municipal securities information repository under the Rule or to any state information depository, the County reserves the right to use www.DisclosureUSA.org currently maintained by the Municipal Advisory Council of Texas, or any similar system that is acceptable to the SEC as its filing agent.

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## SECTION 10. CERTIFICATION OF PROCEEDINGS.

10.01. Registration and Levy of Taxes. The County Administrator is hereby authorized and directed to file a certified copy of this resolution in the records of the County Auditor, together with such additional information as required, and to issue a certificate that the Bonds have been duly entered upon the County Auditor's bond register and the tax required by law has been levied.

10.02. Certification of Records. The officers of the County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the County to the facts recited herein.

10.03. Official Statement. The Official Statement, dated October 2, 2008, relating to the Bonds prepared and distributed by Ehlers & Associates, Inc., the financial advisor for the County, is hereby approved. Ehlers & Associates, Inc. is hereby authorized on behalf of the County, to prepare and distribute to the Purchaser within seven business days from the date hereof, a supplement to the Official Statement listing offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The officers of the County are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

10.04. Authorization of Payment of Certain Costs of Issuance of the Bonds. The County authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Bank of America, N.A., New York, New York, on the closing date for further distribution as directed by the County's financial advisor, Ehlers & Associates, Inc.

*Resolution adopted unanimously.*

Motion by Hanson seconded by Gray to adjourn the meeting at 1:31 p.m. CDT.  
*Motion adopted unanimously.*

Meeting Adjourned

The next regular meeting of the Dodge County Board of Commissioners will be held on October 28, 2008 at 9:30 a.m. CDT.

Next Regular Meeting

**ATTEST:**

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**KLAUS ALBERTS**  
**CHAIR, COUNTY BOARD**

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**BECKY LUBAHN**  
**DEPUTY CLERK**

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**DATED:**