

**PROCEEDINGS OF THE MARTIN
COUNTY BOARD OF COMMISSIONERS
TUESDAY, FEBRUARY 1, 2005
@ 9:00 a.m.**

The meeting was called to order at 9:00 a.m. by Chairman Dan Schmidtke. Commissioners present were Steve Donnelly, Steve Pierce, Jack Potter and Gerald Boler. Also present were Scott Higgins, County Coordinator, Gary Schaub, Assistant County Highway Engineer, Terry Viesselman, County Attorney, Bryan McCormick, Library Director, Jerry Voyles, SWCD Director, James Forshee, Auditor/Treasurer, Faye O'Sell Administrative Assistant, Rod Halverson, KSUM/KFMC, Christine Rupp, Fairmont Sentinel and members of the public.

Motion was made by Commissioner Potter, seconded by Commissioner Boler to approve the Agenda with the following additions: (1) Ron Ringquist, Ditch Viewer-Update Re-determination of CD #1 and JD #85 (2) AG BMP Resolution, SWCD. Carried unanimously.

Motion was made by Commissioner Pierce, seconded by Commissioner Potter to approve the minutes of the January 18, 2005 regular Board of Commissioners meeting. Carried unanimously.

Motion was made by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, per Minnesota Statute will convene the County Board of Appeal and Equalization on June 13, 2005 at 9:00am in the Board of Commissioners Meeting Room. Carried unanimously.

By consensus, the Martin County Board of Commissioners tabled the meeting date for the AMC "County Day" at the Capital until the next regular Board meeting.

Jerry Voyles, SWCD Director, was present to request that the Board approve and authorize the Chair to sign the resolution and application for the Agricultural Best Management Practices Loan Program (AG BMP).

Motion by Commissioner Donnelly, seconded by Commissioner Pierce, (To approve the Agricultural Best Management Practices (AG BMP) resolution and grant application and authorize the Chairman of Board to Sign.) Carried unanimously.
R-#15/'05

R E S O L U T I O N

**Agricultural Best Management Practices and Countywide
Individual Sewage Treatment System and Well Loan Programs**

WHEREAS, the Minnesota Department of Agriculture has made low interest loan funds available to counties, Soil and water Conservation districts and Joint Powers Organizations through the Agricultural Best Management Practices Loan program and the Countywide Individual Sewage Treatment System; and

WHEREAS, Welcome State bank has agreed to act as the local lender, administer the lending agreements with individual borrows, and guarantee repayment to the state; and

WHEREAS, Martin County has identified a need for low interest loan funds to encourage agricultural best management practices, repair of Individual Sewage Treatment Systems and sealing of abandoned wells that prevent or mitigate nonpoint source pollution; and

WHEREAS, many agricultural best management practices, repair of individual sewage treatment systems and sealing of abandoned wells are identified as high priorities in the Martin County Comprehensive Local Water Plan.

NOW THEREFORE BE IT RESOLVED, that Martin County approves the application, authorizes its submittal, and designates the County Board Chairperson to be

the authorized representative, and hereby grants the County Board Chairperson the authorize to sign the 2001 application loan agreement and all other correspondence or documentation necessary to implement the AgBMP Loan Program and Countywide ISTS Loan Program on behalf of Martin County and that Martin County designates Martin SWCD to be the applicant contact and the certifying authority for the Agriculture Best Management Practices Loan Program.

BE IT RESOLVED, designates the Martin County Soil and Water conservation District Director, as the authorized representative for all prior Agricultural Best Management Practices Loan agreements and are granted the authority to sign all correspondence and documents to carry out all prior loan programs on behalf of Martin County; or in their absence, that the County Board Chairperson, or in their absence, the County Board vice Chairperson, and

BE IT RESOLVED, that all prior designations of the authorized representative by Martin County for the Agricultural Best Management Practices Loan Program and County wide ISTS Loan Program is hereby rescinded.

Motion by Commissioner Donnelly, seconded by Commissioner Pierce, said resolution was duly passed and adopted this 1st day February,, 2005.

Dan Schmidtke, Chair

Scott Higgins, County Coordinator

Kevin Peyman, Highway Engineer, was present to request approval for Final Contract C.P. 99:06 (washed pea rock and sand) stating that the contract has been in existence for nearly six years with Estherville Sand and Gravel, Estherville, IA, and that the project has been completed.

Motion made by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners upon the recommendation of Kevin Peyman, County Engineer; and

Whereas, the Martin County Board of Commissioners hereby approve and certify that a Final Examination has been made of the contract and that the contract has been completed, that the entire amount of work shown in the Final Voucher in the amount of \$285,840.28 has been performed and the total value of the work performed in accordance with, and Pursuant to, the terms of the contract with Estherville Sand and Gravel, Estherville, Ia. For C.P. 99:06, washed pearock and sand. Approved this 1st, day of February 2005. Carried unanimously.

Peyman reported to the Board that the final draft of the Official County Highway Map is ready to be printed and that if the Board would like to see this draft to please stop in at the Highway Office before it is printed.

Chairman Schmidtke thanked Peyman for his report.

Brad Hady, Chief Deputy, was present to give the Board a Sheriff's Office update. Hady stated that Sheriff Gerhardt is recommending hiring a replacement receptionist for the Jail Lobby. The previous individual was no longer eligible for the program. This will be a new position for the county. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners refer the Sheriff's request to hire new Lobby receptionist position to the County Personnel Committee for review and recommendation for Board action at a later date. Carried unanimously.

Hady stated that testing for the dispatcher position has gone well. There were several outstanding applicants to select from. The interview process should begin in approximately ten days.

Motion by Commissioner Pierce, seconded by Commissioner Potter to close the meeting at 9:25 a.m. to discuss litigation strategy pursuant to MN Statute 13D.05 (b) Attorney-Client Privilege regarding the Aquila Tax Appeal. Carried unanimously.

Those present were: all Commissioners, Terry Viesselman, County Attorney, Kevin Kane, Assistant County Attorney, James Forshee, Auditor/Treasurer, Scott Higgins, County Coordinator, James Hallstrom, County Assessor.

Motion made by Commissioner Boler, seconded by Commissioner Donnelly to return to regular open session. Carried unanimously,

Open session at 9:45 a.m. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, after careful deliberation and review and upon the recommendation of Terry Viesselman, County Attorney, to approve the proposed Aquila Tax Settlement agreement as presented. Carried unanimously.

Terry Viesselman, County Attorney, introduced Kevin Kane, the newly hired Assistant County Attorney. Viesselman presented a resolution to the Board naming Mr. Kane as a Martin County Assistant County Attorney.

R-#16/'05

STATE OF MINNESOTA)) ss.
COUNTY OF MARTIN)

RESOLUTION

Be It Resolved, upon the request of Terry W. Viesselman, Martin County attorney that the Martin County Board of Commissioners of Martin County consents to the appointment of Kevin M. Kane as Assistant County attorney. This appointment to be effective upon the signing and filing of the other as required by law.

Motion by Commissioner Donnelly, seconded by Commissioner Pierce, Passed and approved this 1st day of February, 2005. Carried unanimously.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Chairman

ATTEST: _____
James Forshee, Auditor
Martin County, MN

Jim Hallstrom, County Assessor reported that the County Tax Support program used by Minnesota counties is due to expire on December 31, 2005. As a result, the Minnesota Counties Computer Cooperative (MCCC) has been working to determine a way to improve the Tax Support program used by counties throughout the State and to improve the business practices in the continued development and support for the Tax program. The new contract is effective January 1, 2006-December 31, 2008. It was estimated that this proposed new tax contract would cost MCCC approximately \$915, 280. Hallstrom presented the agreement pricing for 2006-2008. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved, that the Martin County Board of Commissioners approves and authorizes the Chair to the necessary documents for the Tax Maintenance and Support Program with the Minnesota Counties Computer Cooperative (MCCC), effective January 1, 2006- December 31, 2008. Carried unanimously.

Terry Heavirland and Matt Arlandson, Martin County STS Crew Leaders, were present to give an update on the Sentence to Serve (STS) Program. Heavirland reported to the Board on previous last quarter projects, October 1, 2004-December 31, 2004 included were the Humane Society, Fairmont Opera House, clearing out a grove at the Fairmont Trap & Gun Club and carpet cleaning at Human Services. A total of 64 crewmembers (men, women and juveniles) completed the STS Program.

Chairman Schmidtke thanked Heavirland and Arlandson for their report on STS.

The Board recessed at 10:10 a.m.
The Board reconvened at 10:20 a.m.

Bryan McCormick, Martin County Library Director, was present to give an update of the County Library programs and activities and gave a video presentation of the latest that was happening in the County Library programs. McCormick reviewed information with the Board regarding Library programming with Presentation College, visiting authors, and Open World Program with sister Libraries in Russia.

Chairman Schmidtke thanked McCormick for his video and report.

Bill Fahey, Northland Securities, reviewed General Obligation Refunding Bonds, Series 2005, issued pursuant to MN Statutes 400 and 475. The Bonds are General Obligation of Martin County for which the County pledges its full faith, credit and taxing powers to repayment of the debt. The total amount of the General Obligation Refunding Solid Waste Compost facility Bonds Series 2005 is \$1,540,000.

These Bonds are being issued to refund the callable bonds of the 1996 G.O. advance Refunding Bonds (the Prairieland Solid Waste Project Bonds.) The Series 2005 Refunding Bonds will result in a current refunding of the 1996 Bonds, the reduction of annual debt service, and one year shortened term. Fahey stated that the refunding includes a contribution from Prairieland General Fund to shorten the term by one year; the total amount of the contribution is \$500,000 of which \$285,000 is allocated to Martin County G.O. refunding bonds and the balance to Faribault County refunding.

Motion by Commissioner Pierce, seconded by Commissioner Potter to approve resolution to award the Sale of General Obligation Bonds (Prairieland).

RESOLUTION NO. _14-05

A RESOLUTION AWARDING THE SALE OF \$1,540,000 GENERAL OBLIGATION SOLID WASTE REVENUE REFUNDING BONDS, SERIES 2005A; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED By the Board of Commissioners of Martin County, Minnesota (the "County") as follows:

Section 1. Sale of Bonds.

1.01. It is hereby determined that:

(a) the County is authorized by the provisions of Minnesota Statutes, Chapter 475 (the "Act") and Section 475.67, Subdivision 13 of the Act to issue and sell its general obligation bonds to refund outstanding bonds when determined by the County Board of Commissioners to be necessary and desirable;

(b) it is necessary and desirable that the County issue approximately \$1,540,000 General Obligation Solid Waste Revenue Refunding Bonds, Series 2005 (the "Bonds") to refund in advance of maturity and at their redemption date, certain outstanding general obligations of the County;

(c) the outstanding bonds to be refunded consist of the County's General Obligation Advance Refunding Bonds of 1996, issued in the original aggregate principal amount of \$3,975,000, dated January 15, 1996 (the "Refunded Bonds"), of which \$1,795,000 in principal amount is callable on June 1, 2005.

1.02 The proposal of Northland Securities, Inc. (the "Purchaser") to purchase \$1,540,000 General Obligation Solid Waste Revenue Refunding Bonds, Series 2005A (the "Bonds") of the County described in the Terms of Proposal thereof is determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$1,520,280.00 plus accrued interest to date of delivery, for Bonds bearing interest as follows:

| <u>Year of Maturity</u> | <u>Interest Rate</u> | <u>Year of Maturity</u> | <u>Interest Rate</u> |
|-------------------------|----------------------|-------------------------|----------------------|
| 2006 | 2.20% | 2009 | 2.70% |
| 2007 | 2.35% | 2010 | 2.90% |
| 2008 | 2.55% | | |

True interest cost: N/A%

1.03. The sum of \$N/A being the amount proposed by the Purchaser in excess of \$N/A is credited to the Debt Service Fund hereinafter created. The County Auditor-Treasurer is directed to retain the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers forthwith. The Chair and County Coordinator are directed to execute a contract with the Purchaser on behalf of the County.

1.04. The County will forthwith issue and sell the Bonds pursuant to Minnesota Statutes, Chapter 475 (the "Act") in the total principal amount of \$1,540,000, originally dated March 1, 2005, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and which mature serially on June 1 without option of prior payment in the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2006 | \$285,000 | 2009 | \$315,000 |
| 2007 | 305,000 | 2010 | 325,000 |
| 2008 | 310,000 | | |

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond

has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on June 1 and December 1 of each year, commencing December 1, 2005, to the registered owners of record as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The County will appoint, and will maintain, a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the County and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides 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 a 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 will 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 that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will 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. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the County.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will 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 a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is 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 payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the 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 an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the County and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the County. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

2.04. Appointment of Initial Registrar. The County appoints Northland Trust Services, Inc. Minneapolis, Minnesota, as the initial Registrar. The Chair and the County Coordinator 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, the resulting corporation is 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 must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Board, the County Auditor-Treasurer must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the County Coordinator and executed on behalf of the County by the signatures of the Chair and the County Coordinator, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not 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 a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the County Auditor-Treasurer will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The County may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in Section 3 with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefore and cancelled.

Section 3. Form of Bond.

3.01. The Bonds will be printed or typewritten in substantially the following form:

No. R-____ UNITED STATES OF AMERICA \$_____
STATE OF MINNESOTA
COUNTY OF MARTIN

GENERAL OBLIGATION SOLID WASTE REVENUE REFUNDING BOND, SERIES
2005A

| <u>Rate</u> | <u>Maturity</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|-------------|-----------------|-----------------------------------|--------------|
| | June 1, 20__ | March 1, 2005 | |

Registered Owner: Cede & Co.

Martin County, Minnesota, a duly organized and existing municipal corporation in Martin County, Minnesota (the "County"), acknowledges itself to be indebted and for value received promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the maturity date specified above without option of prior payment, with interest thereon from the date hereof at the annual rate specified above, payable June 1 and December 1 in each year, commencing December 1, 2005, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Northland Trust Services, Inc., Minneapolis, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. 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.

The Board of Commissioners has designated the issue of Bonds of which this Bond forms a part as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the Code) relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

This Bond is one of an issue in the aggregate principal amount of \$1,540,000 all of like original issue date and tenor, except as to number, maturity date, and interest rate, all issued pursuant to a resolution adopted by the Board of Commissioners on February 1, 2005 (the "Resolution"), for the purpose of providing money to refund the outstanding principal amount of certain general obligation bonds of the County, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 475.67, Subdivision 4 through 12 and Section 400.101 and the principal hereof and interest hereon are payable primarily from net revenues of the Prairieland solid waste processing facility operated jointly by the County and Faribault County and other revenues of the County's solid waste management system deposited in a special debt service fund of the County, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the County are irrevocably pledged for payment of this Bond and the Board of Commissioners has obligated itself to levy ad valorem taxes on all taxable property in the County in the event of any deficiency in net revenues of the solid waste system, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

IT IS HEREBY CERTIFIED AND RECITED That in and by the Resolution, the County has covenanted and agreed that it will continue to own and operate the solid waste system free from competition by other like utilities; that adequate insurance on said plant and system and suitable fidelity bonds on employees will be carried; that proper and adequate books of account will be kept showing all receipts and disbursements relating to the Solid Waste Management Fund, into which it will pay its share of the gross revenues from the solid waste system; that it will also create and maintain a General Obligation Solid Waste Revenue Refunding Bonds, Series 2005A Debt Service Fund, into which it will pay, out of the net revenues from the solid waste system a sum sufficient to pay

principal hereof and interest hereon when due; and that it will provide, by ad valorem tax levies, for any deficiency in required net solid waste system revenues.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the County at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the County will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The County and the Bond 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 Bond Registrar will 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, and that the issuance of this Bond does not cause the indebtedness of the County to exceed any constitutional or statutory limitation of indebtedness.

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

IN WITNESS WHEREOF, Martin County, Minnesota, by its Board of Commissioners, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Chair and County Coordinator and has caused this Bond to be dated as of the date set forth below.

Dated: February 1, 2005

MARTIN COUNTY, MINNESOTA

Scott Higgins, County Coordinator

Dan Schmidtke, Chair

Roll call AYES: Commissioners Schmidtke, Donnelly, Boler, Potter and Pierce
NAYS: None. Said resolution was adopted this 1st, day of February 2005.

Motion by Commissioner Donnelly, seconded by Commissioner Pierce to Certificate of Authentication.

Roll call AYES: Commissioner Schmidtke, Potter, Boler, Pierce and Donnelly
NAYS: None. Said Resolution was adopted this 1st, day of February 2005.

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

NORTHLAND TRUST SERVICES, INC.

By _____ Authorized Representative

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM -- as tenants _____ UNIF GIFT MIN ACT _____ Custodian
_____ in common (Cust)
(Minor)
- TEN ENT -- as tenants _____ under Uniform Gifts or
by entireties Transfers to Minors
Act
- JT TEN -- as joint tenants with
right of survivorship and
not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

| <u>Date of Registration</u> | <u>Registered Owner</u> | <u>Signature of Officer of Registrar</u> |
|-----------------------------|--------------------------------------|--|
| _____ | Cede & Co. Federal ID #13-2555119 | _____ |

4.02. The County Auditor-Treasurer is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be printed on or accompany each Bond.

Section 5. Payment; Security; Pledges and Covenants.

5.01. The County will continue to operate its Solid Waste Management Fund pursuant to Minnesota Statutes, Section 400.13, to which will be credited any revenues transferred from the Prairieland solid waste facility, receipts from the rates and charges authorized by Minnesota Statutes, Section 400.08, and other revenues of the County's solid waste management system and out of which funds will be transferred to the Prairieland Solid Waste Board to pay all of the County's share of normal and reasonable expenses of current operations of the Prairieland solid waste facility. Any balance therein will be deemed net revenues and will be transferred from time to time to a General Obligation Solid Waste Revenue Refunding Bonds, Series 2005A Debt Service Fund (the "Debt Service Fund") hereby created in the Solid Waste Management Fund, which fund will be used only to pay principal of and interest on the Bonds and any other bonds similarly authorized. The Solid Waste Management Fund Accounts established in the resolution awarding the sale of the Refunded Bonds are continued and will be maintained as therein provided.

There will always be retained in the Debt Service Fund a sufficient amount to pay principal of and interest on all the Bonds then due, and the County Auditor-Treasurer will report any current or anticipated deficiency in the Debt Service Fund to the Board of County Commissioners. If any payment of principal or interest on the Bonds will become due when there is not sufficient money in the Debt Service Fund to pay the same, the County will pay such principal or interest from the general fund of the County, and the general fund will be reimbursed for such advances out of the proceeds of taxes that may be levied by this resolution, and solid waste revenues when collected.

5.02. It is determined that estimated collection of net revenues of the solid waste management system for the payment of principal and interest on the Bonds will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds and that no tax levy is needed at this time.

5.03. The County Auditor-Treasurer is directed to file a certified copy of this resolution with the County Auditor-Treasurer of Martin County and to obtain the certificate required by Section 475.63 of the Act.

5.04. The Board of Commissioners covenants and agrees with the holders of the Bonds that so long as any of the Bonds remain outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) The Prairieland Solid Waste Board, on behalf of the County, will continue to maintain and efficiently operate the solid waste system as public utilities and conveniences free from competition of other like utilities and will cause all revenues there from to be deposited in bank accounts and credited to the solid waste system accounts as hereinabove provided, and will make no expenditures from said accounts except for a duly authorized purpose and in accordance with this resolution.

(b) The County will also maintain the Debt Service Fund as a separate account in the Solid Waste Management Fund and will cause money to be credited thereto from time to time, out of net revenues from the solid waste system ("Revenues"), in sums sufficient to pay principal of and interest on the Bonds when due.

(c) The County will keep and maintain proper and adequate books of records and accounts separate from all other records of the County in which will be complete and correct entries as to all transactions relating to the solid waste system and which will be open to inspection and copying by any bondholder, the bondholder's agent or attorney, at any reasonable time, and it will furnish certified transcripts there from upon request and upon payment of a reasonable fee there for, and said account will be audited at least annually by a qualified public accountant and statements of such audit and report will be furnished to all bondholders upon request.

(d) The Board of Commissioners will cause all persons handling revenues of the solid waste system to be bonded in reasonable amounts for the protection of the County and the bondholders and will cause the funds collected on account of the operations of the solid waste system to be deposited in a bank whose deposits are guaranteed under the Federal Deposit Insurance Law.

(e) The Board will keep the solid waste system insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Bonds and the County from any loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) The County and each and all of its officers will punctually perform all duties with reference to the solid waste system as required by the laws of the State of Minnesota.

(g) The County will impose and collect charges of the nature authorized by Minnesota Statutes, Section 115.46 at the times and in the amounts required to produce net revenues adequate to pay all principal and interest when due on the Bonds and to create and maintain such reserves securing said payments as may be provided in this resolution.

(h) The Board of Commissioners will levy general ad valorem taxes on all taxable property in the County when required to meet any deficiency in net revenues pledged for payment of the Bonds.

Section 6. Refunding; Findings; Redemption of Refunded Bonds.

6.01. It is hereby found and determined that based upon information presently available from the County's financial advisers, the issuance of the Bonds is consistent with covenants made with the holders of the Refunded Bonds and is necessary and desirable for the reduction of debt service cost to the municipality.

6.02. It is hereby found and determined that the proceeds of the Bonds will be sufficient to prepay all of the principal of the Refunded Bonds to be called for redemption on June 1, 2005.

6.03. The Refunded Bonds maturing on June 1, 2006 and thereafter will be redeemed and prepaid on June 1, 2005. The Refunded Bonds will be redeemed and prepaid in accordance with their terms and in accordance with the terms and conditions set forth in the forms of Notice of Call for Redemption attached hereto as Attachment B which terms and conditions are hereby approved and incorporated herein by reference. The Registrar for the Refunded Bonds is authorized and directed to send a copy of the Notice of Redemption to each registered holder of the Refunded Bonds.

Section 7. Authentication of Transcript.

7.01. The officers of the County are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the County as to the facts stated therein.

7.02. The Chair and County Auditor-Treasurer are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

Section 8. Tax Covenant.

8.01. The County covenants and agrees with the holders 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 subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated there under, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

8.02. (a) The County will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued in calendar year 2005) exceed the small-issuer exception amount of \$5,000,000.

(b) For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the County finds, determines and declares that the

aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County (and all subordinate entities of the County) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(C) of the Code.

Furthermore:

- (i) each of the Refunded Bonds was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;
- (ii) the average maturity of the Bonds does not exceed the remaining average maturity of the Refunded Bonds; and
- (iii) no maturity of the Bonds has a maturity date which is later than the date which is 30 years after the date the original bonds (refunded by the Refunded Bonds) were issued.

8.03. The County further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

8.04. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the County makes the following factual statements and representations:

- (a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (b) the County hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, that are not qualified 501(c)(3) bonds) which will be issued by the County (and all subordinate entities of the County) during calendar year 2005 will not exceed \$10,000,000; and
- (d) not more than \$10,000,000 of obligations issued by the County during calendar year 2005 have been designated for purposes of Section 265(b)(3) of the Code.

8.05. The County will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 9. Book-Entry System; Limited Obligation of County.

9.01. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 2.03 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

9.02. With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the County, the Bond Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as

securities depository (“Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Bond Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The County, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the County’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Bond Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the County Auditor-Treasurer of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the County Auditor-Treasurer will promptly deliver a copy of the same to the Bond Registrar and Paying Agent.

9.03. Representation Letter. The County has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Bond Registrar subsequently appointed by the County with respect to the Bonds will agree to take all action necessary for all representations of the County in the Representation letter with respect to the Bond Registrar and Paying Agent, respectively, to be complied with at all times.

9.04. Transfers Outside Book-Entry System. In the event the County, by resolution of the Board of Commissioners, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the County will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the County will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the County will issue and the Bond Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

9.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and notices with respect to the Bond will be made and given, respectively in the manner provided in DTC’s Operational Arrangements as set forth in the Representation Letter.

Section 10. Continuing Disclosure.

10.01. In order to qualify the Bonds for limited continuing disclosure under paragraph (d)(2) of Securities and Exchange Commission Rules, Section 15c2-12 (the “SEC Rule”), the County makes the following factual statement and representation: As of the date of delivery of the Bonds, the County will not be an obligated person (as defined in paragraph (f) of the SEC Rule) with respect to more than \$10,000,000 in

aggregate amount of outstanding municipal securities, including the Bonds and excluding municipal securities that were exempt from the SEC Rule pursuant to paragraph (d)(1) thereof.

10.02. The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the County to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this section.

10.03. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Chair and County Auditor-Treasurer and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 11. Defeasance.

11.01. When all Bonds and all interest thereon, have been discharged as provided in this section, all pledges, covenants, and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the County for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The County may discharge all Bonds (or relevant portion thereof) 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. 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 to the date of such deposit.

The motion for the adoption of the foregoing resolution was duly seconded by Member Steve Donnelly, and upon vote being taken thereon, the following voted in favor thereof: Commissioners Schmidtke, Pierce, Boler, Donnelly and Potter

and the following voted against the same:N/A

whereupon said resolution was declared duly passed and adopted

STATE OF MINNESOTA)
)
COUNTY OF MARTIN) SS.

I, the undersigned, being the duly qualified and acting County Auditor-Treasurer of Martin County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the Board of Commissioners of the County held on February 1, 2005 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of \$1,545,000 General Obligation Solid Waste Revenue Refunding Bonds, Series 2005A of the County.

WITNESS My hand officially as such County Auditor-Treasurer and the corporate seal of the County this 1st day of February, 2005.

James Forshee, County Auditor-Treasurer
Martin County, Minnesota

(SEAL)

STATE OF MINNESOTA
COUNTY OF MARTIN

COUNTY AUDITOR'S
CERTIFICATE AS TO
REGISTRATION
WHERE NO AD
VALOREM TAX LEVY

I, the undersigned County Auditor-Treasurer of Martin County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of Martin County, Minnesota, on February 1, 2005, levying taxes for the payment of \$1,545,000 General Obligation Solid Waste Revenue Refunding Bonds, Series 2005A, of said municipality dated March 1, 2005, has been filed in my office and said bonds have been entered on the register of obligations in my office.

WITNESS My hand and official seal this 1st day of February, 2005.

James Forshee

County Auditor-Treasurer
Martin County, Minnesota

Dan Schmidtke

Chairman of Martin County Board

Resolution No. _13/'05

A RESOLUTION NAMING NORTHLAND SECURITIES
DISSEMINATION AGENT FOR MARTIN COUNTY
AND AUTHORIZING EXECUTION OF THE
DISSEMINATION AGENT AGREEMENT

^ NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF MARTIN COUNTY THAT UPON THE ISSUANCE OF THE PRAIRIELAND REFUNDING BONDS THE APPROPRIATE STAFF AND OFFICERS ARE HEREBY

AUTHORIZED TO EXECUTE THE DISSEMINATION AGENT AGREEMENT TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF THE FINANCING.

Motion was made by Commissioner Steve Donnelly and seconded by Commissioner Steve Pierce. Said Resolution was duly adopted and approved this first date of February, 2005.

Roll call AYES: Commissioner Schmidtke, Potter, Boler, Pierce and Donnelly

NAYS: None. Said Resolution was adopted this 1st day of February, 2005.

Board of Commissioners
Martin County Minnesota

Dan Schmidtke, Chair

Attest: _____
James Forshee, Auditor/Treasurer

**EXTRACT OF MINUTES OF MEETING OF THE
BOARD OF COMMISSIONERS OF MARTIN COUNTY, MINNESOTA**

HELD: February 1, 2005

Pursuant to due call and notice thereof, a regular session of the Board of Commissioners (the Board) of the Martin County, Minnesota, was duly called and held at the County Board Chambers in the Courthouse in Fairmont, Minnesota on February 1, at 9:00 a.m.

The following members were present: Commissioners Schmidtke, Pierce, Donnelly, Boler and Potter

and the following were absent: None

Commissioner Pierce introduced the following resolution and moved its adoption:

R-#12/'05

RESOLUTION

Authorizing an Investment Account with Pershing LLC

BE IT RESOLVED, by the Board of Commissioner of Martin County, Minnesota, as follows:

Section 1. Recitals

1.01 The County, pursuant to Minnesota Statutes, Sections 118A.01 through 118A.08, has authority to invest "Public funds" as defined in Minnesota Statutes, Section 118A.01 (4)

1.02. Public funds may be invested in the manner and in the securities detailed in Minnesota Statutes, Sections 118A.04 and 118A.05.

1.03. Minnesota Statutes, Section 118A.02(1) permits the Board of Commissioners to authorize the treasurer or chief financial officer to make investments.

1.04 Martin County is a “Government Entity” as defined in Minnesota Statutes, Section 118A.01 (2)

1.05 Subject to compliance with Minnesota Statutes, Section 118A.04(9), the county auditor-treasurer or chief financial officer may purchase securities through a broker-dealer.

Section 2. approval of Account/Investments.

2.01 The Finance Director, who is the Counties “county auditor-treasurer or chief financial officer”, is authorized to open and maintain an investment account with Pershing LLC through Northland Securities, Inc., and any Pershing or NSI affiliate, subsidiary, or successor corporation, for the purpose of buying and selling such securities as may be permitted by Minnesota Statutes, Sections 118A.01 through 118A.08. The trading of options, trading on margin, and selling short is not authorized.

2.02 The Auditor/Treasurer or any duly appointed deputy thereto are authorized to act on behalf of the County with respect to the Pershing/NSI investment accounts without any limitations. This authority includes, but is not limited to, the authority to open and close investment accounts, to execute documents on behalf of the County, to order securities transactions, to order assignment or transfer of securities and distribution of proceeds, and to otherwise make investment decisions on behalf of the Count with respect to any investments or investment accounts.

2.03 That Pershing/NSI and all transfer agents are authorized to rely upon the oral or written instructions of the Auditor/Treasurer without further inquiry into that person’s authority to act on behalf of the County. Furthermore, Pershing/NSI and all transfer agents may continue to exercise such reliance until the County provides Pershing/NSI with a certified copy of a resolution of the County revoking or modifying this resolution.

Motion by Commissioner Pierce, seconded by Commissioner Potter to approve resolution of Northland Securities, Investments authorizing an investment account with Pershing LLC.

Roll call AYES: Commissioner Schmidtke, Donnelly, Potter, Boler and Pierce NAYS: None. Said resolution was adopted this 1st, day of February 2005.

Jim Forshee, Auditor/Treasurer

Attest: _____
Scott Higgins, County Coordinator

Tim Auringer, Project Manager for I & S Engineers and Architects, was present to review the low bid for the Transit Garage Facility and share further information with the Board regarding the bid. The low bid was United Builders of Blue Earth, MN for \$461,000. The architects/engineers estimate was \$338,000. After discussion,

Motion was made by Commissioner Pierce, seconded by Commissioner Donnelly to direct I and S Architects and Engineers to work with United Builders of Blue Earth, Inc., in order to reduce the project to not exceed \$325,000 for the construction of the Martin County Transit Facility. Carried unanimously.

Ron Ringquist, and Jim Weidemann, Ditch Viewers, were present to give the Board and update on the Re-determination of CD #1 and JD #85. Ringquist gave the Board information sheet on Martin County Ditch No. 1 Preliminary watershed evaluation. Weidemann, stated that all acres will be accounted for and classified A,B,C,D according to the redetermination of benefits.

After discussion, Ringquist stated that with this review, he wanted to make sure that the Board of Commissioners, as Drainage Authority for Martin County, is aware of the issues before the Preliminary Hearing on CD #1 and JD #85.

Chairman Schmidtke, thanked Ringquist and Weidemann for their report.

Scott Higgins, County Coordinator, requested approval for the following appointments to the Martin County Water Plan Advisory Board:

- Martin County SWCD- Darwin Roberts
- Planning and Zoning- Bob Lintelman

Motion by Commissioner Donnelly, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners approve the appointments to the Martin County Water Plan Advisory Committee as follows; Darwin Roberts, representing the Martin County Soil and Water Conservation District Board, and Bob Lintelman for the Martin County Planning and Zoning Commission. Carried unanimously.

Higgins stated that whenever donations to the county are received, the Board must give its approval of acceptance for these donations. Higgins stated that the County has received donations for the Veterans Service Office for \$12,470.97 for 2004 and for the Family Mentoring Program for \$19,412.20 since 2001. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved, that the Martin County Board of Commissioners hereby approves and accepts the donations received for the Veterans Service Office for \$12, 470.97 for 2004, and the Martin County Family Mentoring Program in the amount of \$19, 412.20 since the programs inception in 2001. Carried unanimously.

Higgins stated that Rex Oberhelman, representing the Blue Ribbon Foundation, presented Project Hope Opportunity, People, Environment (HOPE) to the Board during the last regular meeting and requested a support letter from the Board. Higgins stated that the purpose of the project initiative is to revitalize and sustain economic development in rural communities and their trade areas. The initial pilot area included the City of Ceylon, MN.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved, that the Martin County Board of Commissioners hereby approve and authorize the Chair to send a letter of support for the concept of Project Hope Opportunity, People, Environment (HOPE) in Ceylon, MN. Carried unanimously.

Higgins reported that Union negotiations with the Martin County AFSCME Courthouse Union Local 1204 have been completed. Higgins further stated that the contract is for duration of two years (2005-2006).

Motion made by Commissioner Pierce, seconded by Commissioner Donnelly,

Be It Resolved, that the Martin County Board of Commissioners approve and authorize the tentative agreement between Martin County and the AFSCME Courthouse Union 1204, 2005-2006 and to sign the Union contract contingent that the pay matrix is a 12 Steps and that there is no step adjustments and movement beyond Step 12. Carried unanimously

Motion was made by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners hereby approve and authorize the Chair to sign a Letter of Intent to purchase the building owned by Aerospace Systems located at 926 E. 10th Street, Fairmont, Minnesota for economic development purposes. Carried unanimously.

The Board gave their reports and reviewed their calendars of previous and upcoming meetings and activities.

Motion was made by Commissioner Boler, seconded by Commissioner Donnelly to approve and authorize per diems and expenses to attend MN Public Transit Association (MPTA) Capitol Day, Saint Paul, MN on February 9, 2005. Carried unanimously.

Motion was made by Commissioner Pierce, seconded by Commissioner Potter, Be It Resolved, that the Martin County Board of Commissioners move into a closed session per MN Statutes 13D.03 at 12:05 p.m. to discuss Union negotiation strategies. Carried unanimously.

Meeting in closed session 12:05 PM.

Those present were Commissioners Schmidtke, Donnelly, Pierce, Boler, Potter, Scott Higgins, County Coordinator.

Motion by Commissioner Pierce, seconded by Commissioner Potter to go back into open session. Carried unanimously.

Meeting returned to open session at 1:01pm.

No action taken pertaining to the closed session.

With no further business to wit,

Motion by Pierce, seconded by Donnelly to adjourn. Carried unanimously. Meeting adjourned at 1:03pm.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Chair

ATTEST: _____
Scott Higgins, County Coordinator