

PROCEEDINGS OF THE MARTIN
COUNTY BOARD OF COMMISSIONERS
TUESDAY, SEPTEMBER 5, 2006
@ 9:00 A.M.

The Regular meeting of the Martin County Board of Commissioners was called to order at 9:00 a.m. by Chairman Gerald Boler.

Those present were: Commissioners Potter, Schmidtke, Pierce, and Donnelly. Also present were James Forshee, Martin County Auditor/Treasurer, Scott Higgins, Martin County Coordinator, Terry Viesselman, Martin County Attorney, Julie Walters, Administrative Assistant, Rod Halvorsen, KSUM/KFMC Radio, Jennifer Brookens, Sentinel Newspaper, and members of staff and public.

Motion by Commissioner Pierce, seconded by Commissioner Potter, to approve the agenda with the following addition: Consider Purchase of Replacement County Vehicle.

Motion by Commissioner Schmidtke, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, hereby approve the minutes of the August 15, 2006 regular Board of Commissioners meeting; and the minutes of the Special Board Meetings held on August 22, 2006 and August 28, 2006. Carried unanimously.

Motion by Commissioner Potter, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize termination of employment with Robert Snyder, Temporary Seasonal Employee for Martin County 4-H Program, effective August 25, 2006. Carried unanimously.

Julie Grunewald, Senior Probation Agent introduced newly hired Autumn Preston, Youth Intervention & Prevention Program Coordinator. Preston began her duties on Wednesday, August 30, 2006. The Board welcomed Autumn to Martin County and wished her well in her new position.

Grunewald next presented a resolution to designate the month of September as Martin County Teen Court Month. Grunewald stated that the National Youth Court Center and the Office of Juvenile Justice and Delinquency Prevention in conjunction with the National Highway Traffic Safety Administration have designated September 2006 as the Fifth Annual National Youth Court Month. Martin County's Teen Court program, along with 1,100 youth courts in 49 states and the District of Columbia are taking an opportunity during National Youth Court Month to educate our community about the benefits we provide and to recognize the contributions of our youth who volunteer to act as Teen Court Jurors.

Motion by Commissioner Donnelly, seconded by Commissioner Schmidtke,

R-#47/'06

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A RESOLUTION DESIGNATING SEPTEMBER, 2006 AS
MARTIN COUNTY TEEN COURT MONTH

- Whereas, Teen Court is a rapidly expanding alternative to the juvenile justice system for young people who have committed minor delinquent and status offenses, and who consent to participate in the program.
- Whereas, Teen Court, one of the fastest growing crime prevention and early intervention programs in the nation, is based on a philosophy of being youth driven and youth led.
- Whereas, Teen Court benefits the juvenile justice system by reducing court backlogs without increasing recidivism and provides an outlet to confront the consequences of the offenders' actions.
- Whereas, Teen Court provides youthful offenders and volunteers the opportunities to learn about responsible citizenship and law, and to develop skills in public speaking, mediation, and pro-social leadership through hands on experience.
- Whereas, Teen Court exemplifies the practice of empowering youth through involvement in community solutions, teaching decision-making and leadership skills, and positive peer pressure.
- Whereas, Teen Court designs creative consequences and sentencing options whereby youthful offenders receive dispositions handed down by their peers that hold them accountable, repair the harm to the victim and the community, and contribute to public safety.
- Whereas, National Youth Court Month provides a time to celebrate the valuable contributions that Teen Courts and their volunteers, adult and youth,
- Whereas, Martin County Teen Court is celebrating National Youth Court Month 2006 with more than 1,100 youth court programs operating in district-level juvenile justice systems, schools and community-based organizations in 49 states and the District of Columbia, with the theme of *Correcting Crooked Paths*.

THEREFORE, BE IT RESOLVED, that Martin County Adopts this resolution and Designates September, 2006, as MARTIN COUNTY TEEN COURT MONTH to be Celebrated in conjunction with National Youth Court Month.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

ATTEST: _____
Scott Higgins, Coordinator

Gerald Boler, Chair

Roll Call AYES: Commissioners Pierce, Potter, Schmidtke, Donnelly, and Boler. NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Mel Sukalski, Maintenance Supervisor, introduced newly hired Michael Miller, Building Maintenance Technician. Miller began his duties Tuesday, September 5, 2006. The Board welcomed Mike to Martin County and wished him well in his new position.

Scott Higgins, Martin County Coordinator, stated that ten applications for the Deputy Assessor/Senior Appraiser position were received and three were interviewed.

Dan Whitman, Martin County Assessor, was present and stated his recommendation is to hire Mike Sheplee, contingent upon Criminal Background Check and reference checks.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the hire of Michael Sheplee as Deputy Assessor/Senior Appraiser in the Martin County Assessor's Office, with an effective date yet to be determined; and contingent upon the County's acceptance of the results of the criminal background checks and reference checks that are satisfactory to the County; and that the County Personnel Committee review recommended applicants qualifications. Carried unanimously.

Terry Viesselman, Martin County Attorney, updated the board on recent committal expenses for convicted sexual predator; informed the Board that the Department of Human Services sent a representative down to Fairmont last week to hand out certificates of achievement and acknowledge the child support enforcement unit of Faribault and Martin Counties for their achievement for 100% compliance with all the regulations in the program; reviewed article in the Sentinel Newspaper regarding a new early release drug program for addicts and that the program is not intended for someone who sells drugs for profit; and presented information on how many adult felony offenders were committed to the Commissioner of Corrections each year for the calendar years 2001 through 2005 for convictions of drug offenses in Martin, Jackson, Faribault, Watonwan, Brown and Nicollet Counties.

Sheriff Brad Gerhardt presented the Sheriff's Office Update that included a proposed timeline as submitted by Wold Architects and Engineers for the Martin County Justice Center Planning Study; asking the Commissioners to select a representative from their district to attend the first Friday of the month Justice Council meetings for the next six to nine months; upgrade on E911 System that was damaged in electrical storm on August 1, 2006; thanked the Board for attending the "Disasterville" training session; upcoming meeting to choose proposed Emergency Notification System vendor will cost the county approximately \$5,000/year, looking to sell

service notification system can provide to private businesses; Communications Vehicle included \$45,000 of radio equipment (21 portables, 2 dispatch stations), Martin County and Lyon County will house the vehicles, total cost approximately \$100,000, funded through Homeland Security Grant; and Sheriff's Office commemorative calendar.

Higgins presented a preliminary plat request from Jon Schafer stating that Schafer is proposing to develop a housing subdivision on property located in "SL-2" Residential Recreational District. The proposed subdivision would divide 20 acres consisting of eight lots. Higgins went on to state that Schafer requested and received approval to re-zone this property from "SL-1" Special Protection District to "SL-2" Residential Recreational District on June 27, 2006 from the Martin County Planning Commission and July 5, 2006 from the Martin County Board of Commissioners. The preliminary sketch was reviewed by the Martin County Planning Commission on July 25, 2006. A motion was made by Jerry Voyles to recommend approval of the Preliminary Plat request to the Martin County Board of Commissioners and was seconded by Jon Eversman. Higgins noted that per the County ordinance preliminary plat requests must be brought before the Board for review and approval. Higgins concluded that Schafer will be bringing forward the application for the Final Plat to the Martin County Planning Commission September 26th, 2006 and to the Martin County Board of Commissioners. It is anticipated that the final plat will come before the Board on October 3, 2006.

Motion by Commissioner Schmidtke, seconded by Commissioner Potter,

R-#46/'06

RESOLUTION FOR PRELIMINARY PLAT REQUEST FROM

JOHN SCHAFER WITHIN SECTION 8 OF MANYASKA TOWNSHIP

WHEREAS, the proposed plat is located in Section 8 of Manyaska Township, County of Martin, MN; and that the Martin County Planning and Zoning Ordinance requires any division of a parcel of land that involves improvements to one or more parcels of land for residential structures must be an approved plat: and,

WHEREAS, the proposed preliminary plat would divide approximately 20 acres consisting of eight (8) lots located on shore land

WHEREAS, Mr. Schafer requested and received approval to re-zone this property from "SL-1" Special Protection District to "SL-2" Residential Recreational District on June 27, 2006 from the Martin County Planning Commission and July 5, 2006 from the Martin County Board of Commissioners; and the preliminary sketch was reviewed by the Martin County Planning Commission on July 25, 2006

WHEREAS, the Martin County Board of Commissioners is the final plat approval authority for the County of Martin; and

WHEREAS, it is the intent of the Martin County Board of Commissioners to protect the public health, safety and welfare of its residents.

NOW, THEREFORE, the Martin County Board of Commissioners, after receiving and considering testimony and recommendations regarding the proposed preliminary plat of Schafer Shores, and that the proposed preliminary plat is consistent with the Martin County Comprehensive Plan, the County's Subdivision Ordinance and Land Use and Zoning Ordinance, hereby approves the preliminary plat for the Schafer Shores located in Section 8 of Manyaska Township, County of Martin, MN, for a proposed housing subdivision on property located in "SL-1" Special Protection District.

Upon this motion made by Commissioner Schmidtke, seconded by Commissioner Potter, was duly made and passed this 5th day of September, 2006.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Pierce, Donnelly, Potter, Schmidtke, and Boler. NAYS: None. Duly passed and adopted this 5th day of September, 2006.

James Forshee, County Auditor, stated it is that time of year again that we need to go around and put values on tax forfeited land in the County. The viewing of these parcels must be completed before September 19, 2006. Various road construction projects and equipment will also be viewed.

Consensus of the Board is to set the annual Road and Tax Forfeited Land Tour for Monday, September 18, 2006 beginning at 7:00 a.m. at the Ranch Restaurant.

Higgins next presented for Board consideration and approval the Minnesota Trail Assistance Program FY2007 grant agreement for the Blizzard Snowmobile Club. The Department of Natural Resources provides financial assistance for the maintenance of trails. The Prairieland Trail has been awarded \$33,222 effective August 23, 2006 through June 30, 2007 to be used for the maintenance of the trail for snowmobile use.

Motion by Commissioner Pierce, seconded by Commissioner Potter,

R-#47/'06

RESOLUTION AUTHORIZING
CY2007 SNOWMOBILE MAINTENANCE GRANT AGREEMENT
FOR PRAIRIELAND TRAIL

WHEREAS, this agreement is made between the State of Minnesota and Martin County as it relates to the establishment of the Prairieland Trail, and

WHEREAS, Martin County desires to establish, construct, and maintain public trails; and

WHEREAS, the Minnesota Trails Assistance Program provides grants to local units of government for the construction and maintenance of recreational trails pursuant to the Minnesota Statutes, Chapter 84.83; and

WHEREAS, the Blizzard Snowmobile Club on behalf of Martin County, has submitted the application and resolution by the local government authorizing the proposed trails; and

NOW THEREFORE BE IT RESOLVED, that the Martin County Board of Commissioners approve and authorize the Board Chair and/or Auditor/Treasurer to sign the Minnesota Trail Assistance Program CY2007 Grant Agreement in the amount of \$33,222 with an effective date of August 23, 2006 and expiration date of June 30, 2007.

Motion by Commissioner Pierce, seconded by Commissioner Potter and was duly passed and adopted this 5th day of September, 2006.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Schmidtke, Potter, Pierce, and Boler. NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Deb Mosloski, Drainage Specialist, reviewed letter received from the City of Fairmont regarding proposed Buffalo Lake Energy LLC ethanol facility and its relationship to Judicial Ditch #18.

Higgins stated Martin County has held two exploratory EDA meetings with cities, townships, county officials, local school district representatives, and business owners. At these meetings, it was determined to move forward in establishing a Martin County Economic Development (EDA) Exploratory Committee.

In creating the Exploratory EDA Committee, the County will need to send out notices to all local governmental units in the county that it is the intent of the Board to establish a County EDA. The EDA Exploratory Committee shall consist of no fewer than 11 and no more than 15 members. Per Minnesota Statute 469.1082, there will need to be at least one city official, at least one housing and redevelopment official, and at least one township official to be served by the county economic service provider. Business and labor representatives can also be appointed. Political subdivisions representatives must represent at least 50% of the total committee

membership. The Board may appoint no more than two (2) county commissioners. After discussion,

Motion by Commissioner Schmidtke, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, hereby approve sending out notices to all the local units of government on the Board's intent to establish an EDA Exploratory Committee, consisting of no more than fifteen members; and to draft a list of potential appointees to be presented at the next regular Board of Commissioners meeting on September 19, 2006. Carried unanimously.

The Board recessed at 10:05 a.m.
The Board reconvened at 10:20 a.m.

Bill Fahey, Northland Securities, presented a resolution declaring the official intent of Martin County to reimburse certain expenditures from the proceeds of bonds to be issued by the county pertaining to the 5-Year Street Reconstruction Plan.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly,

MARTIN COUNTY, MINNESOTA

RESOLUTION NO. 48/'06

DECLARING THE OFFICIAL INTENT OF MARTIN COUNTY TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF BONDS TO BE ISSUED BY THE COUNTY

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the County expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the County has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF MARTIN COUNTY AS FOLLOWS:

1. The County proposes to undertake the following projects in the county in 2006 (the Error! Unknown document property name.

“Project”): reconstruction of county roads as described in the County’s 5-year Street Reconstruction Plan dated _____, 2006.

2. The County reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$3,000,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the County to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the County based on the facts and circumstances known to the County as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the County’s budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the County are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the County’s budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the Board of Commissioners of Martin County this 5th day of September, 2006.

MARTIN COUNTY, MINNESOTA

Gerald Boler, Chair

Attest:

James Forshee, County Auditor-Treasurer

Roll Call AYES: Commissioners Schmidtke, Potter, Donnelly, Pierce, and Boler. NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Fahey continued, reviewing the upgrade of the County's credit rating from an A3 to an A2 by Moody's Investors Service; the opinion of Sound Capital Management, Inc. stating that the pricing on the Bonds reflect current market conditions for bonds with similar terms and conditions and were fair and equitable to the County; and that the Average Interest rate on this Bond issue is 4.016393% and that compares with 4.47% in June. The All In Interest rate is 4.3627% and includes Underwriters Discount and All Expenses. Fahey noted the basis for approval of the Bond Purchase Agreement is the True Interest Cost of 4.242395% and went on to ask that the Board approve the resolution Awarding the sale of \$3,000,000 General Obligation Road Reconstruction Bonds, Series 2006A; and Fixing their Form and Specifications; Directing their Execution and Delivery; and Providing for their Payment.

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke,

Extract of Minutes of Meeting
of the Board of Commissioners of
Martin County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners of Martin County, Minnesota, was duly held in the Martin County Courthouse in the City of Fairmont on September 5, 2006, commencing at 10:35 o'clock A.M.

The following members were present: Boler, Schmidtke, Donnelly, Pierce, and Potter and the following were absent: None

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The Chair announced that the next order of business was consideration of a proposal which had been received for the purchase of the County's \$3,000,000 General Obligation Road Reconstruction Bonds, Series 2006A.

The County Auditor/Treasurer presented an offer of Northland Securities, Inc. to purchase the Bonds that had been submitted to the County pursuant to Board direction.

After due consideration of the proposal, Member Pierce then introduced the following resolution, and moved its adoption:

RESOLUTION NO. 49/'06

A RESOLUTION AWARDED THE SALE OF \$3,000,000 GENERAL
OBLIGATION ROAD RECONSTRUCTION
BONDS, SERIES 2006A;
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. Background.

1.01. The County is authorized by Minnesota Statutes, section 475.58, subdivision 3b (the "Street Reconstruction Act") to finance all or a portion of the cost of road reconstruction projects by the issuance of general obligation bonds of the County payable from ad valorem taxes.

1.02. The County held a public hearing regarding a five year street reconstruction plan (the "Plan") that describes the streets to be reconstructed, estimated costs, and any planned reconstruction of other streets in the County, and approved the Plan and issuance of obligations by vote of all of the members of the Board of Commissioners, all pursuant to the Act. The Plan authorizes issuance of bonds to pay the cost of reconstruction of County roads (referred to hereafter as the "Road Improvements"). The City estimates that the total cost of the Road Improvements is \$3,000,000, including capitalized interest, costs of issuance and bond discount.

1.03. The Board of Commissioners has determined that, within 30 days after the hearing, no petition for a referendum on issuance of bonds to pay costs of the Road Improvements was received by the County in accordance with the Street Reconstruction Act.

1.04. It is necessary and expedient to the sound financial management of the affairs of the County to issue \$3,000,000 General Obligation Road Reconstruction Bonds, Series 2006A (the "Bonds") pursuant to the Street Reconstruction Act and Minnesota Statutes, Chapter 475, to provide financing for the Road Improvements.

1.05. The County is authorized by Minnesota Statutes, Section 475.60, subdivision 2(9) to negotiate the sale of the Bonds, it being determined that the County has retained an independent financial adviser in connection with such sale. The actions of the County staff and financial advisers in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

Section 2. Sale of Bonds.

2.01. The offer of Northland Securities, Inc. (the “Purchaser”) to purchase the Bonds is found and determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$2,943,532.60 plus accrued interest to date of delivery, for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2009	3.60%	2017	4.00%
2010	3.65	2018	4.00
2011	3.70	2019	4.05
2012	3.70	2020	4.10
2013	3.75	2021	4.125
2014	3.80	2022	4.150
2015	3.85	2023	4.20
2016	3.90		

True interest cost: 4.242%

2.02. The County will forthwith issue and sell the Bonds pursuant to Minnesota Statutes, Chapter 475, in the total principal amount of \$3,000,000, originally dated September 28, 2006, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on March 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$150,000	2017	\$205,000
2010	150,000	2018	210,000
2011	160,000	2019	225,000
2012	175,000	2020	230,000
2013	175,000	2021	250,000
2014	180,000	2022	250,000
2015	190,000	2023	250,000
2016	200,000		

2.03. Optional Redemption. The County may elect on March 1, 2016, and on any day thereafter to prepay Bonds due on or after March 1, 2017. Redemption may be in whole or in part and if in part, at the option of the County and in such manner as the County will determine.

If less than all Bonds of a maturity are called for redemption, the County will notify DTC (as defined in Section 8 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 3. Registration and Payment.

3.01. 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.

3.02. 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 will be payable on March 1 and September 1 of each year, commencing March 1, 2007, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

3.03. Registration. The County will appoint 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 a 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 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.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to registered owners, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for

redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

3.04. Appointment of Initial Registrar. The County appoints Northland Trust Services, Inc., Minneapolis, Minnesota, as the initial Registrar. The Chair and the County Auditor/Treasurer 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 moneys sufficient for the payment of all principal and interest then due.

3.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the County Auditor/Treasurer and executed on behalf of the County by the signatures of the Chair and the County Auditor/Treasurer, 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.

3.06. 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 therefor and cancelled.

Section 4. Form of Bond.

4.01. 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 ROAD RECONSTRUCTION BOND, SERIES 2006A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	March 1, 20__	September 28, 2006	

Registered Owner: Cede & Co.

Martin County, Minnesota, a duly organized and existing political subdivision in the state of Minnesota (the "County"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable March 1 and September 1 in each year, commencing March 1, 2007, 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 County may elect on March 1, 2016, and on any day thereafter to prepay Bonds due on or after March 1, 2017. Redemption may be in whole or in part and if in part, at the option of the County and in such manner as the County will determine. If less than all Bonds of a maturity are called for redemption, the County will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

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 \$3,000,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the Board of Commissioners on September 5, 2006 (the “Resolution”), for the purpose of providing money to aid in financing certain road reconstruction improvements in the County, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, and the principal hereof and interest hereon are payable primarily from ad valorem taxes 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 additional ad valorem taxes on all taxable property in the County in the event of any deficiency in taxes pledged, which 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.

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, statutory or charter 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 Auditor/Treasurer and has caused this Bond to be dated as of the date set forth below.

Dated: _____

MARTIN COUNTY, MINNESOTA

(Facsimile)
County Auditor/Treasurer

(Facsimile)
Chair

CERTIFICATE OF AUTHENTICATION

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

NORTHLAND TRUST SECURITIES,
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
in common

UNIF GIFT MIN ACT _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants
by entireties

under Uniform Gifts or
Transfers to Minors

JT TEN -- as joint tenants with

Error! Unknown document property name.

right of survivorship and
not as tenants in common

Act
(State)

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:

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STEMP"), 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 will obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 5. Payment; Security; Pledges and Covenants.

5.01. (a) The Bonds are payable from the General Obligation Road Reconstruction Bonds, Series 2006A Debt Service Fund (the "Debt Service Fund") hereby created. The County shall maintain a "Road Reconstruction Account" (the "Road Reconstruction Account") in the Debt Service Fund.

(b) The County Auditor/Treasurer shall timely deposit in the Road Reconstruction Account the taxes (the "Taxes") levied under Section 5.02 hereof, which Taxes are pledged to that account of the Debt Service Fund. There is also appropriated to the Road Reconstruction Account of the Debt Service Fund (i) any capitalized interest allocable to the Road Reconstruction Bonds; (ii) 100% of the accrued interest paid by the Purchaser upon closing and delivery of the Bonds. If any payment of principal or interest on the Road Reconstruction Bonds shall become due when there is not sufficient money in the Road Reconstruction Account of the Debt Service Fund to pay the same, the County Auditor/Treasurer is directed to 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 when received.

(c) The proceeds of the Bonds, less the appropriations made in paragraphs (b), together with any other funds appropriated during the construction of the Road Improvements (the “Improvements”) will be deposited in a Road Improvements subaccount in a separate construction fund to be used solely to defray expenses of the Improvements and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Improvements. When the Improvements are completed and the cost thereof paid, the construction account is to be closed and any balance in the respective subaccounts therein is to be deposited in the Road Reconstruction Account of the Debt Service Fund, as the case may be.

5.02. For the purpose of paying the principal of and interest on the Road Reconstruction Bonds, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the County, to be spread upon the tax rolls and collected with and as part of other general taxes of the County. The tax will be credited to the Road Reconstruction Account of the Debt Service Fund above provided and is in the years and amounts as follows (year stated being year of levy for collection the following year):

<u>Year</u>	<u>Levy</u>
-------------	-------------

(See Attachment A)

5.03. It is determined that the estimated collection of the foregoing Taxes will produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Road Reconstruction Bonds. The tax levy herein provided will be irrevocable until all of the Road Reconstruction Bonds are paid, provided that at the time the County makes its annual tax levies the County Auditor/Treasurer may certify the amount available in the Road Reconstruction Account of the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditor/Treasurer will thereupon reduce the levy collectible during such year by the amount so certified.

5.04. The County Auditor/Treasurer is directed to file a certified copy of this Resolution with the County Auditor/Treasurer of Martin County and obtain the certificate required by Minnesota Statutes, Section 475.63.

Section 6. Authentication of Transcript.

6.01. 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 City as to the facts stated therein.

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

Section 7. Tax Covenant.

7.01. 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 thereunder, 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.

7.02. (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 2006) 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)(D) of the Code.

7.03. 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.

7.04. 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 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 2006 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the County during calendar year 2006 have been designated for purposes of Section 265(b)(3) of the Code.

7.05. 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 8. Book-Entry System; Limited Obligation of County.

8.01. 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 1.03 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.

8.02. 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 City, 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 (the “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 Bond, 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.

8.03. Representation Letter. The County has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which shall 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.

8.04. 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 certificate, 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 owner 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.

8.05. 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 all 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 9. Continuing Disclosure.

9.01. 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.

9.02. 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.

9.03. “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 10. Defeasance.

10.01. When all Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution with respect to the Road Reconstruction Bonds, as the case may be) to 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 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 Schmidtke, and upon vote being taken thereon, the following voted in favor thereof:

Boler, Schmidtke, Donnelly, Pierce, and Potter

and the following voted against the same: None

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 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 September 5, 2006 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 \$3,000,000 General Obligation Road Reconstruction Bonds, Series 2006A of the County.

WITNESS My hand officially as such County Auditor/Treasurer and the corporate seal of the County this 5th day of September, 2006.

(SEAL)

County Auditor/Treasurer
Martin County, Minnesota

STATE OF MINNESOTA
COUNTY OF MARTIN

COUNTY AUDITOR/TREASURER'S
CERTIFICATE AS TO
TAX LEVY AND
REGISTRATION

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 September 5, 2006, levying taxes for the payment of \$3,000,000 General Obligation Road Reconstruction Bonds, Series 2006A, of said municipality dated September 28, 2006, has been filed in my office and said bonds have been entered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS My hand and official seal this _____ day of _____, 2006.

(SEAL)

County Auditor/Treasurer
Martin County, Minnesota

Deputy

Roll Call AYES: Commissioners Donnelly, Potter, Schmidtke, Pierce, and Boler.
NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Kevin Peyman, Martin County Engineer, stated the Highway Department had done some seal coat work at the Martin County Fairgrounds. Peyman noted that labor costs were approximately \$300, equipment costs of \$400 and material costs of \$2,000 for an approximate total of \$2,700. Peyman noted that in the past, this type of work and charges have been donated to the Martin County Fairgrounds.

Motion by Commissioner Pierce, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize donation of labor, equipment, and material expenses incurred by the Martin County Highway Department for seal coat work performed at the Martin County Fairgrounds in an approximate amount of \$2,700. AYES: Commissioners Pierce, Donnelly, Boler, and Potter. Commissioner Schmidtke abstained. Motion Carried.

Higgins presented the CY2007 proposed preliminary tax levy in the amount of \$8,965,710 which equates to an 8.7597% increase from a year ago (2006).

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke,

R-#43/06

RESOLUTION

PROPOSING PRELIMINARY TAX LEVY FOR CY2007

WHEREAS, the Martin County Board of Commissioners met to review the recommended 2007 budget; and

WHEREAS, the 2007 recommended budget and levy was prepared with the participation of the Martin County Department Directors and elected officials.

THEREFORE BE IT RESOLVED, that on September 5, 2006 following discussion by the Martin County Board of Commissioners, the Board set the 2007 proposed levy at \$8,965,710 (8.75%).

BE IT FURTHER RESOLVED, that the preliminary levy is the needed levy of \$10,058,134 less \$1,092,424 in Homestead and Agriculture Credit Aid (HACA).

BE IT FURTHER RESOLVED, THAT BEFORE ADOPTION OF THE FINAL 2007 BUDGET, the Board may reduce the proposed levy but cannot increase the levy from the amount set on this date.

UPON, Motion by Commissioner Pierce, seconded by Commissioner Schmidtke and unanimously carried said resolution was duly passed and adopted this 5th day of September, 2006.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Potter, Schmidtke, Pierce, and Boler.

NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Higgins stated that annually, the Board has set the general wage adjustment (COLA) for non-union employees. Last year it was 2.0%. The recommended general wage

adjustment for the year 2007 is 2.5% and has been included in the CY2007 proposed budget.

Motion by Commissioner Pierce, seconded by Commissioner Potter,

R-#44/'06

RESOLUTION ESTABLISHING THE 2007 NON-BARGAINING COMPENSATION PLAN AND SALARY MATRIX

WHEREAS, it is the intent of the Board of Commissioners that Martin County non-bargaining unit employees be compensated fairly and equitably based upon their performance; and,

WHEREAS, the Board established an intent to maintain a competitive compensation schedule for County employees within the County's Classification and Compensation system; and,

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners in and for the County of Martin, State of Minnesota, that effective January 1, 2007, the non-union employees shall receive a General Wage Adjustment increase of 2.5% subject to the County's Classification and Compensation plan; and,

BE IT FURTHER RESOLVED that the 2007 Salary Matrix for the Martin County Classification and Compensation Plan shall be adjusted by 2.5% general increase effective January 1, 2007; and,

BE IT FINALLY RESOLVED that that any employee may elect to reject the general salary increase by providing written notice to the County Coordinator prior to the implementation of the adjustment

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Schmidtke, Potter, Pierce, and Boler.

NAYS: None. Duly passed and adopted this 5th day of September, 2006.

Higgins continued that an alternate meeting date must be set for the first regular Board of Commissioners meeting in December, 2006. The first Tuesday of the month of

December falls during the AMC Annual Conference. Recommended dates are Friday, December 1st or Thursday, December 7th.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, due to the first regular Board of Commissioners meeting falling during the AMC Annual Conference, hereby approve the date of Thursday, December 7th, 2006 at 4:00 p.m. for holding the first regular Board of Commissioners meeting during the month of December, 2006. Carried unanimously.

Higgins presented a list of bids received for replacement of county car noting that of the bids that were received, it appears that Mel Carlson Chevrolet of Truman, MN is the low bid for a new 2006 Chevrolet Impala flex-fuel vehicle in the amount including sales tax of \$16,853.

Vendor Name	Year/Make/Model	Flex Fuel	Delivered Price	Delivery
Mel Carlson Chev – Truman, MN	'07 Chev Impala 4-Door	Yes	\$19,017.00	90 Days
	'06 Chev Impala 4-Door	Yes	\$16,853.00	In Stock
Hawkins Chev – Fairmont, MN	'07 Chev Impala 4-Door	Yes	\$17,822.99	6-8 Weeks
	'07 Chev Malibu 4-Door	No	\$16,170.73	6-8 Weeks
	'07 Chev Uplander Mini-Van	Yes		6-8 Weeks
Fairmont Ford – Fairmont, MN	'07 Ford Fusion	No	\$19,968.75	7-9 Weeks
	'05 Ford Taurus SE	Yes	\$12,300.00	Check if still available
	'05 Ford Mercury Sable GE	Yes	\$11,500.00	Check if still available
	'07 Ford Free Star Mini-Van	Yes	\$17,844.08	7-9 Weeks

Motion by Commissioner Potter, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the purchase of a new in-stock, flex-fuel 2006 Chevrolet Impala from Mel Carlson Chevrolet of Truman, MN in the amount of \$16,853. Carried unanimously.

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

With no further business to wit, Motion by Commissioner Donnelly, seconded by Commissioner Potter, to adjourn the meeting. Carried unanimously. Meeting adjourned at 11:21 a.m.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator

