

to undertake and finance the Project and interested persons were given the opportunity to submit written comments to the County Coordinator before the time of the hearing; and

(d) there is no litigation pending or, to the best of the Issuer's knowledge, threatened against the Issuer relating to the Project or the Notes (as hereinafter defined) or the Note Documents (as hereinafter defined), or questioning the organization of the Issuer or its power or authority to issue the Notes or to execute and deliver the Note Documents required to be executed by the Issuer; and

(e) the execution and delivery of, and the performance of the Issuer's obligations under, the Notes and the Note Documents do not and will not violate any material order of any court or other agency of government, or any material provision of any indenture, agreement or other instrument to which the Issuer is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument; and

(f) no Commissioner (i) has a direct or indirect interest in the Project, the Note Documents or the Notes, (ii) has a direct or indirect interest in the Corporation, or (iii) has received or will receive any commission, bonus or other remuneration for or in respect of the Project, the Note Documents or the Notes; and

(g) The Corporation anticipates that the Project, once completed, will enhance employment in the County and the State as provided in the application to the Department described hereinbelow, and will enhance the Corporation's ability to provide quality health care services at reasonable cost. The Corporation has represented to the County that the issuance of the Notes is essential to the successful completion of the Project.

1.02. It is hereby determined to give approval to the issuance and sale of the Issuer's revenue obligations (the "Notes") in one or more series pursuant to the Act to finance all or a portion of the costs of the Project. Notwithstanding the foregoing, however, the adoption of this resolution shall not be deemed to establish a legal obligation on the part of the County or its Board to issue or cause the issuance of such Notes. It is a condition of the issuance of the Notes that: all details of the Notes and the provisions for payment thereof shall be subject to final approval of the Project by the Minnesota Department of Employment and Economic Development (the "Department") and approval by the City of Owatonna, Minnesota (which city has consented to the issuance of the Notes by the Issuer at a meeting held on July 20, 2010) and may be subject to such further conditions as the Issuer may specify. The Application to the Department, with attachments, in substantially the form heretofore submitted to the Board is hereby approved, and the Chair and the County Auditor are authorized to execute said documents on behalf of the County.

1.03. The Notes shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, except the revenues specifically pledged to the payment thereof, and the Notes, when, as and if issued, shall recite in substance that the Notes, including interest thereon, are payable solely from the revenues and property specifically pledged to the payment thereof, and shall not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitation.

Section 2. Note Documents. Forms of the following documents, together with such other documents and certificates as are deemed necessary by the signing officers in connection with the financing (the "Note Documents") relating to the proposed issue of Notes have now been prepared and submitted to this Board:

(a) a Servicing Agreement (the "Servicing Agreement") between the Issuer and Piper Jaffray Lending LLC, as Servicer (the "Servicer");

(b) a Loan Agreement (the "Loan Agreement") between the Issuer, the Corporation and the Servicer;

(c) a Combination Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement (the "Mortgage") of the Corporation for the benefit of the Servicer; and

(d) a Disbursing Agreement (the "Disbursing Agreement"), between the Corporation, the Servicer and a disbursing agent therefor.

Section 3. Terms and Authorization.

3.01. It is recognized that as of the date of adoption of this Resolution, the precise aggregate principal amounts, interest rates, maturity dates and amounts, redemption dates and prices, and purchase price of the Notes have not been finalized. Therefore, the following limitations shall apply: (i) the aggregate principal amount of the Notes shall not exceed \$13,000,000; (ii) no interest rate for the Notes shall exceed 8.00% per annum; (iii) none of the Notes shall mature later than 40 years from their date of

issue; and (iv) the purchase price of the Notes (exclusive of any “original issue discount”) shall not be less than 98% of their principal amount.

3.02. The forms of the Note Documents are hereby approved. When the details of the Notes have been finalized pursuant to Section 3.01, the Chair and County Auditor are hereby authorized, in their discretion and at such time, if any, as they may deem appropriate, in the name and on behalf of the Issuer, to execute and deliver the Servicing Agreement and the Loan Agreement in substantially the forms thereof now on file with the Issuer, with such additions or modifications thereto and deletions therefrom as may be approved by the Chair and the County Auditor prior to the execution and delivery thereof, such approval to be conclusively evidenced by the execution and delivery of the Note Documents by the appropriate officers of the County. The Chair and County Auditor are further authorized to cause the Notes to be executed by manual or facsimile signatures and delivered. In the absence or disability of the Chair or County Auditor, the acting Chair or Vice Chair and County Coordinator or Treasurer, respectively, are authorized to execute the Note Documents.

3.03. The Chair, the County Auditor and the other officers of the Issuer are hereby authorized to prepare and furnish to the Servicer and to Bond Counsel certified copies of all proceedings and records of the Issuer relating to the Notes and such other affidavits and certificates as may be required to show the facts relating to the Notes as such facts appear from the books and records in the officers’ custody and control or as otherwise known to them. All such certified copies, affidavits and certificates, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements contained therein.

Upon the vote being taken, four Commissioners voted in favor thereof, one absent and not voting. A copy of the Resolution is on file in the Auditor’s office.

Motion by Commissioner Kubicek, seconded by Commissioner Johnson to authorize the Chairman and Auditor to sign the DEED Application. Ayes all.

Commissioner Ebeling offered the following Resolution, seconded by Commissioner by Kubicek:

BE IT RESOLVED, that the County of Steele enter into an agreement with the Union Pacific Railroad Company and the Commissioner of Transportation for the installation and maintenance of railroad crossing signals at the intersection of SW 28th St. (CSAH 18) with the tracks of the Union Pacific Railroad Company near Owatonna, Steele County, Minnesota and appointing the Commissioner of Transportation agent for the County to supervise said project and administer available Federal Funds in accordance with Minnesota Statute, Section 161.36. The County’s share of the cost shall be 10 percent of the total signal cost.

BE IT FURTHER RESOLVED, that the Chairman and County Engineer be and they are hereby authorized to execute said agreement and any amendments thereto for and on behalf of the County.

Upon the vote being taken, four Commissioners voted in favor thereof, one absent and not voting. A copy of the Resolution is on file in the Auditor’s office.

Motion by Commissioner Kubicek, seconded by Commissioner Johnson to approve Addendum #2 to the Professional Services Agreement with Stonebrook Engineering to cover additional design costs not addressed in the original contract on SP74-607-14 and 15. This is for the purpose of accommodating future four-lane divided roadway section on CSAH 39th Avenue. Ayes all.

Motion by Commissioner Kubicek, seconded by Commissioner Ebeling to accept the 2009 Highway Department Annual Report and place on file. Ayes all.

Motion by Commissioner Ebeling, seconded by Commissioner Johnson to set the date for the public informational meeting on the North and East Beltline EA for September 21, 2010 with a back-up date of September 30, 2010 and to present the EA to the County Board for a decision on November 9, 2010. Ayes all.

Commissioner Schultz entered the meeting at 4:00 p.m.

Motion by Commissioner Johnson, seconded by Commissioner Kubicek to approve the following personnel actions: Rick Kvien to grade 35/10, effective 8/24/10; and to approve step-increase for probation officers as per state contract. Ayes all.

Motion by Commissioner Johnson, seconded by Commissioner Schultz to make two changes to the County Acceptable Use Policy. The use of electronic mail and internet systems would be redefined with an effective date of October 1, 2010. The second change will prohibit use of the County network to store personal files with an effective date of September 1, 2010. Ayes all.

Motion by Commissioner Ebeling, seconded by Commissioner Kubicek to approve the Steele County Equal Opportunity Policy. Ayes all.

Motion by Commissioner Schultz, seconded by Commissioner Kubicek to not advertise for the Human Resources Director position at this time but to refer to the Management Committee for further review. Ayes all.

Commissioner Kubicek offered the following resolution, seconded by Commissioner Ebeling:

RESOLVED that Steele County Area Transit (SCAT) enter into an Agreement with the State of Minnesota to provide public transportation service in Steele County Area.

FURTHER RESOLVED that Steele County agrees to provide a local share of 15 percent of the total operating cost and 20 percent of the total capital costs.

FURTHER RESOLVED that Steele County authorizes the Board Chairman of Steele County and the Executive Director to execute the aforementioned Agreement and any amendments thereto.

Upon the vote being taken, five Commissioners voted in favor thereof, none absent and not voting. A copy of the Resolution is on file in the Auditor's office.

Motion by Commissioner Johnson, seconded by Commissioner Kubicek to rescind the Resolution adopted July 27, 2010 regarding tax relief for damaged property. Ayes all.

Commissioner Ebeling offered the following Resolution, seconded by Commissioner Johnson:

WHEREAS, the County of Steele experienced a disaster on June 17, 2010; and

WHEREAS, said disaster did cause extensive property damage to buildings in the County of Steele; and

WHEREAS, the County of Steele has been declared a disaster area by Declaration of a Local Emergency declared pursuant to Minnesota Statutes, section 12.29; and

WHEREAS, Minnesota Statutes, sections 273.1231 through 273.1235, provides for tax relief for properties damaged by a disaster upon application to the Governor of the State of Minnesota and the State Executive Council; and;

WHEREAS, the minimum requirements of the aforementioned statutes have been met as demonstrated in the attached disaster survey;

NOW, THEREFORE, BE IT RESOLVED by the County of Steele that the County of Steele does hereby request property tax relief under Minnesota Statutes, sections 273.1231 and 273.1235, for property damaged by the disaster that occurred on June 17, 2010, and identified in the attached disaster survey.

Upon the vote being taken, five Commissioners voted in favor thereof, none absent and not voting. A copy of the Resolution is on file in the Auditor's office.

Motion by Commissioner Kubicek, seconded by Commissioner Schultz to send a letter to Bob Langer, Court Administrator, stating that the provision of public defenders is the responsibility of the State of Minnesota and that the County Board would not be increasing the amount budgeted for attorney fees in 2011. Ayes all.

Motion by Commissioner Kubicek, seconded by Commissioner Johnson to approve the following listing of bills and Human Services bills in the amount of \$106,319.25. Ayes all.

LISTING OF BILLS
8/10/2010

A'viands, LLC

4,504.83

Advanced Correctional Healthcare	6,916.03
Alcohol Monitoring System, Inc.	2,787.80
Brevard Extraditions, Inc.	2,917.89
Businessware Solutions Corporation	2,482.73
Central Valley Cooperative	13,779.11
City of Medford	5,000.00
City of Owatonna	7,449.50
Computer Professionals Unlimited	4,125.70
Crane Creek Asphalt	8,956.08
DLT Solutions	4,545.91
Election Systems & Software, Inc.	4,542.19
Flooring Frenzy & More	9,036.69
Four Seasons Centre	11,144.07
Hansen Excavation, Inc.	4,570.00
Henry G. Meigs, Inc.	193,894.08
J R's Advanced Recyclers, Inc.	6,021.40
M-R Sign Company, Inc.	2,618.19
Matrix Communications, Inc.	4,887.02
Owatonna Ford Chrysler	3,349.39
Owatonna Public Utilities	34,838.96
Schrader's Law Enforcement Supplies	3,315.27
SEH, Inc.	8,195.87
South Central Human Relations	6,067.86
Steele County Revenue	2,149.81
Traffic Marking Service, Inc.	7,400.00
TW Vending	6,943.74
University of MN Regents	5,615.09
Veit and Company, Inc.	6,582.22
Wallace Bustad Crane Service	5,864.91
WSB & Associates, Inc.	15,861.75
168Warrants	<u>54,349.01</u>
TOTAL	\$460,713.10

Motion by Commissioner Johnson, seconded by Commissioner Ebeling to adjourn to the call of the Chair at 4:30 p.m. Ayes all.

CHAIRMAN

ATTEST: _____
AUDITOR