LAKE COUNTY COMMISSION MINUTES
November 4, 2010

The Board of Lake County Commissioners met in Regular Session on November 4, 2010 at 9 a.m. with the following members present: Chris Giles, Roger Hageman, Scott Pedersen, Bert Verhey and Auditor Kay A. Schmidt. Absent: Dan Bohl. Chairman Verhey called the meeting to order.

AGENDA APPROVED:
Motion Giles, second Pedersen approves agenda of November 4, 2010. Motion carried.

MINUTES APPROVED:
Motion Hageman, second Pedersen approves minutes of October 20, 2010. Motion carried.

ACCOUNTS PAYABLE:
Motion Pedersen, second Giles approves the following accounts payable. Motion carried.
COMMISSIONERS: Chris Giles, mileage/JDC mtg, $38.48, Helena, spray-lake access/Towles cemetery, $121.86, Lake County CHN, flu shots, $360.00, Madison Daily Leader, minutes/notices, $692.30, Porta Pros, rental-lake access, $180.00, Prostrollo Auto Mall, parts, $55.53, Debra Reinicke, mileage-Solid Waste, $37.74, **ELECTIONS:** Best Business Products, copier maintenance/usage, $70.33, Central Business, copy paper, $32.50, Madison Daily Leader, notices, $1,977.86, Universal Services, toner cartridge, $44.00, ELECTION WORKERS/MILEAGE/RENT: Beverly J Riedel $30.00, Tracey Heeren $30.00, Barb Wheeler $30.00, Kathy Miller $175.00, Maxine Drause $175.00, Marie Hanson $175.00, Carol Verhey $175.00, Joan Stamm $175.00 Mary Ann Hyland $175.00, Adelyne Stearns $175.00, Shirley Ritzman $175.00, Elizabeth Menches $175.00, Rosemary Richardson $211.84, Lois Alverson $150.00, Barb Wheeler $300.00, Chester Twp $50.00, Madonna Woldt $180.92, Carolyn Lindholm $150.00, Dorothy Reck $150.00, Judith Johnson $150.00, Wentworth Fire Dept $50.00, Dona Hansen $212.21, Shirley Hanson $150.00, Christina Hansen $300.00, Nunda Fire Hall $50.00, Shirley Palli $209.62, Connie Bickett $150.00, Nancy Rensch $175.00, Evelyn Struwe $150.00, St Williams Church $50.00, Kathy England $201.00, Ruth Ruen $150.00, Janice Terwilliger $150.00, Janet Sunde $201.00, Sheila Anderson $150.00, Patty Vanhove $150.00, Lora Hansen $201.00, Iola Robson $150.00, Debra Feistner $150.00, Marcella Spielmann $201.00, Douglas Spielmann $150.00, Mary Hagan $150.00, Elaine Struwe $201.00, Teresa Waba $150.00, LaVonne Taylor $150.00, Doris Limmer $201.00, Patricia Clarke $150.00, Barb Iverson $175.00, Sharon Halseth $201.00, Berna Schaaf $150.00, Katherine Deremo $150.00, Kay A Schmidt, $45.82, Vernon Schmidt, $349.58, **JUDICIAL:** Chris Giles, crt appt counsel, $389.50, Patricia Hartsell, transcript, $49.40, Kevin Loftus, crt appt counsel, $4,183.40, WITNESS-JUROR-APPEARANCE FEES/MILEAGE: Danielle Howe $20.74, Joseph Whealy $21.48, Crystal Siefer $20.74, Jackie VanLiere $31.10, Scott Larson $31.10, Glen Larsen Jr $20.74, Derek Kreutzfeldt (2) $54.80, Roger Robertson $20.74, Roger Mathison $164.30, Janelle Liesinger-Larson $20.74, **AUDITOR:** Bureau of ADM., Sept BIT billing, $5.00, Central Business, office supplies, $31.34/copy paper, $65.00, Infotech Solutions Inc., Sept service, $99.00, **TREASURER:** Bureau of ADM., Sept BIT billing, $15.00,Central Business, copy paper, $32.50, Century Business Inc., copier maintenance, $25.00, **STATES ATTY:** A&B Business Inc., prints, $15.93, Best Western, lodging/Pierre, $88.99, John Casper, services, $216.00, Central Business, copy paper, $32.50, Shelli Gust, mileage/Pierre, $133.20, Infotech Solutions Inc., Sept service, $192.00, Office Peeps, chairman, $131.33, Q-Set Inc., transcription, $200.00, SD Continuing Legal Education, cd renewal, $90.00, **GOVT BLDGS:**

Campbell Supply, gloves, $17.99, Chemco Inc., supplies, $105.82, City of Madison, util, $892.79, Cole's Petroleum Inc., fuel, $86.85, Colonial Research, sparkle, $102.97, Dust Tex Service Inc., soap, $65.57, Brian Gilman, mileage/Watertown, $51.80, Helena, spray, $60.92, Hillyard, supplies, $359.39, Infotech Solutions Inc., Sept service, $33.00, Kolorworks, supplies, $61.23, Madison Ace Hardware, supplies, $81.71, Millennium Recycling Inc., recycle misc elect, $106.50, Shred-it, services, $68.69, Timmer Supply Co., oil, $52.92, **EQUALIZATION:** Cole's Petroleum Inc., fuel, $94.34, Infotech Solutions Inc., Sept service, $159.00, Southwest Office Solutions, supplies, $132.47, **REGISTER DEEDS:** Best Business Products, copier maintenance, $39.74, Bureau of ADM., Sept BIT billing, $5.00, Central Business, copy paper, $32.50, Infotech Solutions Inc., Sept service, $66.00, McLeod's, receipt/mortgage records books, $1078.92, **SHERIFF:** Central Business, copy paper, $32.50, Cole's Petroleum Inc., fuel, $1,105.48, Infotech Solutions Inc., Sept service, $168.00, McLeod's, warning tickets, $115.72, Mac's Repair, wiring repairs, $28.39, Madison Instant Print, attendance cards, $6.80, Prostrollo Auto Mall, repairs, $467.95, West Payment Center, books, $21.25, **JAIL:** Brown's Cleaning, Oct laundry, $500.00, City of Madison, util, $688.40, Infotech Solutions Inc., Sept service, $75.00, Minnehaha Co Reg Juv Detention Center, juv housing, $1,820.00, **COUNTY WELFARE:** Infotech Solutions Inc., Sept service, $33.00, **CARE OF AGED:** ICAP, Oct community service worker hrs., $625.00, **MENTAL ILLNESS BOARD:** Richard Ericsson, MI hearing, $123.00, **EXTENSION:** Best Business Products, copies, $669.44/lease pymt, $113.00, Central Business, copy paper, $97.50, Maridee Dossett, mtg/mileage, $27.22, Abbie Fout, flag kit, $7.39/Oct tvl & subsistence, $286.22, Suzanne Jaton, mtgs/mileage, $67.76, Becky Jensen, tvl & subsistence, $83.47, Craig Johannsen, mtg/mileage, $37.58, Lewis, film processing, $14.70, Loopy's, supplies, $26.34, Madison Daily Leader, ad/4H week, $42.00, Madison Instant Print, supplies, $44.91, Madison RadioShack, env, $112.96, Pamida, supplies, $9.49, Southwest Office Solutions, paper/cardstock, $25.98, Mark Stearns, mtgs, $50.00, **WEED:** Cole's Petroleum Inc., fuel, $513.32, **ZONING:** Best Western, lodging/Pierre, $88.99, Central Business, ink cart(2), $62.99, Infotech Solutions Inc., Sept service, $33.00, Madison Daily Leader, notices, $38.71, Debra Reinicke, travel expense, $151.43/mileage, $7.03, **ROAD & BRIDGE:** Aramark Uniform Services, supplies, $57.09, Butler Machinery Co., parts, $158.96, Larry Casanova, safety clothing, $36.41, Central Business Supply, supplies, $47.27, Cole's Petroleum Inc., fuel, $9,156.86, Concrete Materials, cold mix, $1,129.70, Craig's Welding, parts, $192.00, Foster's Auto Glass, windshield/labor, $275.90, Graham Tire Sx Falls, tire expense, $548.24, Kelly Hyland, safety clothing, $100.00, Johnson Bros Excavation Inc., culvert/approach work, $3,070.05, Krug Products Inc., part, $3.50, Rodney Larsen, safety clothing, $95.39, Madison Ace Hardware, supplies, $15.99, Madison RadioShack, ribbons, $75.98, Master Blaster Inc., part, $30.53, MidAmerican Energy, util, $9.82, SD DOT, bridge/stripe expense, $16,026.16, Tire Pros & Service, tire expense, $67.95, Tractor Salvage/Welding, blades, $3,447.84, **911 COMM CENTER:** Infotech Solutions Inc., Sept service, $33.00, ITC, Nov services, $115.55, Office Peeps, supplies, $166.76, Triotel Communications Inc, Nov services, $167.53, **EMA:** Hewlett-Packard Co., HP scan jet, $242.19, Sioux Falls Two Way Radio, radios/programming, PSIC grant, $3,818.92, **LEPC:** Donald Thomson, mtg expense, $61.55, **FLEXIBLE SPENDING:** One recipient $1,008.00. **GRAND TOTAL:** $70,781.34

PAYROLL APPROVED:

Motion Pedersen, second Hageman approves the following payroll 10-18-10 to 10-31-10. Motion carried.

COMMISSIONERS: $3,443.59; AUDITORS OFC: $4,768.30; TREASURERS OFC: $4,343.15; STATES ATTY OFC: $5,208.55; GOVT BLDGS: $3,510.40; DIR EQUALIZATION OFC: $4,324.12; REGISTER DEEDS OFC: $2,607.37; VSO: $196.80; SHERIFF OFC: $8,714.18; JAIL: $4,741.50; EMA: $1,385.84; 911 COMM CENTER: $6,646.39; ROAD & BRIDGE: $16,178.41; CHN: $1,231.98; WIC: $212.76; EXTENSION: $1,073.80; ZONING: $1,156.20. GRAND TOTAL $69,743.34.

FUEL QUOTES:

Motion Hageman, second Giles approves Cole's Petroleum ethanol 2.4190 & #2 diesel 2.3850. Motion carried.

Cole's Petroleum ethanol 2.4190 and #2 diesel fuel 2.3850 and F&M Coop ethanol 2.444 and #2 diesel fuel 2.43.

WORK ORDER APPROVED:

Motion Giles, second Hageman approves & authorizes the work order for Project BRO 8040 (09) PCN 4636, Lake County, LGA-147-09 with SDDOT and Aason Engineering. Estimated cost for survey & hydraulics is $1,000. Motion carried.

MTGS ATTENDED:

Bohl & Giles: JDC and Pedersen: Water Quality.

INDIGENT #10-84:

Motion Giles, second Pedersen approves $1,809.22 (less Medicaid rate) for medical assistance request by Madison Community Hospital & Indigent #10-84 upon execution of re-payment plan. Motion carried.

ASBESTOS SURVEY:

Motion Giles, second Hageman approves asbestos testing on existing pipes related to the heating and cooling system upgrade for the Courthouse. GeoTek Engineering & Testing Services, Inc. estimated cost $841.50 to $1,534.50 with Bldg Fund (233) monies. Motion carried.

SOIL BORING:

Motion Giles, second Hageman approves performing a soil boring located west of the northwest bldg corner of the Courthouse. GeoTek Engineering & Testing Services, Inc. estimated cost not to exceed $1,200.00 with Bldg Fund (233) monies. Motion carried.

DRAINAGE BRD:

Motion Pedersen, second Hageman enter into a Drainage Board. Public notice was not required due to an emergency situation per AG's opinion. Motion carried.

UNDERGROUND CONST:

Application of Robert H. Norman 22373 449th Ave Ramona, SD NE ¼ Sec 9 and NW ¼ Sec 10 Badus Twp. Installing 6'' pipe under County Rd 41 for drainage. Motion Giles, second Pedersen approves the Lake County application for occupancy for underground construction on County Roads right of way for Robert H. Norman. Motion carried. Motion Hageman, second Pedersen to return to Regular Session. Motion carried.

2010 GENERAL ELECTION:

Motion Giles, second Hageman approves 2010 General Election canvass of votes with no changes. Motion carried.

RESOLUTION #10-10:

Motion Giles, second Pedersen approves the following Resolution #10-10 Relation to Lease-Purchase of Certain Equipment. Motion carried.

RESOLUTION #10-10

RESOLUTION RELATING TO LEASE-PURCHASE OF CERTAIN EQUIPMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE-PURCHASE AGREEMENT AND APPROVING AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS AND LEVY OF TAXES FOR THE PAYMENT THEREOF.

BE IT RESOLVED by the Board of Commissioners of Lake County, South Dakota (the "County'), as follows:

WHEREAS, the County has been allocated the authority to issue said bonds as (Qualified Energy Conservation Bonds - Direct Pay) ("QECB") pursuant to Section 54D and irrevocably elects to receive a direct payment from the United States Treasury pursuant to Section 6431(f)(2) of the Internal Revenue Code of 1986, as Amended (the "Code").

WHEREAS, the County has applied and received $850,000 of Qualified Energy Conservation Bond allocation from the State of South Dakota, said allocation letter on file with the County Auditor and open to public inspection; and

Section 1. Recitals and Findings.

1.01. Declaration of Necessity. The County is authorized by South Dakota Codified Laws, Chapter 7-25 and Chapter 6-8B, inclusive, as amended (collectively "Act"), to enter into lease-purchase agreements for acquisition of capital equipment that the governing body considers necessary or appropriate to carry out its governmental and proprietary functions. The governing body finds and declares that it is necessary and appropriate and in the public interest to financed by the issuance and delivery of not to exceed $850,000 Limited Tax General Obligation Taxable Certificates, Series 2010A (Qualified Energy Conservation Bonds, Direct Pay), or Limited Tax General Obligation Taxable Certificates, Series 2010A as the case may be (the "2010A Certificates").

1.02. The Lease Financing. The County shall have such entity designated in the Certificate Purchase Agreement act as Trustee (the "Trustee") and pursuant to a lease-purchase agreement the proceeds will be used to renovate and upgrade the HVAC system of the courthouse of the County and install a geothermal system (the "Lease-Purchase Agreement"), which shall be dated in 2010 between the Trustee and the County (collectively the "Lease").

1.03. The Trust Agreement. The Trustee shall execute and deliver a Declaration of Trust, (the "Trust Agreement"), pursuant to which the Trustee will (i) issue the 2010A Certificates in the lease payments to be made by the County under the Lease and (ii) receive, hold and invest the proceeds of the sale of the 2010A Certificates and disburse such proceeds for payment of purchase price of the maintenance equipment Costs and Costs of Issuance (as defined in the Lease).

1.04. Binding Obligation. The County Commission finds that the Lease-Purchase Agreement constitutes a bond pursuant to the Act and SDCL § 10-13-35, and that the levy in Section 5 is in addition to any current levies for said purposes subject to the limit as to amount set forth in SDCL § 7-25-1.

Section 2. Authorization of Lease Financing and Approval of the Documents

2.01. Approval of Lease Financing. The lease financing described above is found to be favorable and is hereby approved. The Chairman and County Auditor are authorized to approve the principal amount of the Lease and the 2010A Certificates not exceeding $850,000, the

repayment term will be set on the day the Certificates are sold and the Federal Tax Credit Rate is published. The Certificates are to be sold to Northland Securities, Inc. (the "Original Purchaser"), at an amount not less than 98% of par, plus Original Issue Discount of not to exceed 2.00% at which and are directed to enter into a Certificate Purchase Agreement with the Original Purchaser and their execution of the Certificate Purchase Agreement shall be conclusive evidence of their approval of the principal amount, purchase price, interest rates and other terms set forth therein.

2.02 Forms of Documents. Forms of the following documents relating to the Equipment (the "Documents") shall be prepared and submitted to the County and are hereby directed to be filed with the County Auditor: (a) the Lease-Purchase Agreement (the "Lease") and (b) the Trust Agreement (the "Trust Agreement"). The forms of Documents are approved, subject to such modifications as are deemed appropriate and approved by the State's Attorney. The Chairman and County Auditor are directed to execute the Lease and the Trust Agreement. Copies of all Documents shall be delivered, filed and recorded as provided therein. The Chairman, County Auditor, State's Attorney and are also authorized and directed to execute such other instruments as may be required to give effect to the transactions therein contemplated. The County will cooperate in the issuance of the 2010A Certificates and the Chairman, County Auditor and such other officers or officials of the County shall execute such other instruments as are necessary to the issuance of the 2010A Certificates.

Section 3. Designation of Trustee, Underwriter, Broker and Bond Counsel.

3.01. Approval of Trust and Trustee. The County will designate a Trustee (the "Trustee"). The Chairman and County Auditor are authorized to execute such documents as may be required for such designation.

3.02. Designation of Underwriter. Northland Securities, Inc. is hereby designated as the underwriter for the Lease and 2010A Certificates. The 2010A Certificates will be purchased by Northland Securities, Inc. and offered for sale to the public by an Official Statement or similar offering document.

3.03. Designation of Bond Counsel. Meierhenry Sargent LLP is hereby designated as Bond Counsel for the Lease Financing.

Section 4. Modifications, Absence of Officers. The approval hereby given to the Documents includes an approval of such additional details therein as may be necessary and appropriate and such modifications thereto, deletions there from and additions thereto as may be necessary and appropriate and approved by the State's Attorney or prior to the execution of the Documents. The execution of any instrument by the appropriate officer or officers of the County herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. In the absence of the Chairman or the County Auditor, any of the Documents authorized by this resolution to be executed may be executed by such officer as, in the opinion of the State's Attorney, may execute documents in their stead.

Section 5. Payment of Lease Payments. The County will pay to the Trustee promptly when due, all of the Lease Payments (as defined in the Lease) and other amounts required by the Lease. The County agrees and covenants to include in its annual budget for each fiscal year during the term of the Lease moneys sufficient to pay and for the purpose of paying the Lease Payments, and to levy a tax pursuant to SDCL Sections 7-25-1, 7-25-19 and Article XIII Section 5 in an amount

sufficient and for the purpose of paying such Lease Payments when due and, to the extent permitted by law, to determine the percentage of true and full value to be used as taxable valuation such that the tax levied pursuant to SDCL Section 7-25-1, taking into consideration the percentage of collection, will generate sufficient revenues for the purpose of paying such Lease Payments, and to take all other actions necessary to provide moneys for the payment of the Lease Payments under the Lease as amended or supplemented, from sources of the County lawfully available for such purposes. The County shall file with the County Auditor a schedule of the principal and interest components of the Lease.

Section 6. Tax Matters. The County covenants and agrees with the Trustee and the registered owners from time to time of the 2010A Certificates 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 2010A Certificates to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations (the "Regulations") if said obligations are designated as tax exempt obligations.

Section 7. Arbitrage Certification. The Chairman and the County Auditor, being the officers of the County charged with the responsibility for issuing the 2010A Certificates pursuant to this Resolution, are authorized and directed to execute and deliver to the Trustee a certificate in accordance with the provisions of Section 148 of the Code, and Sections 1.148-1 et al of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the 2010A Certificates which make it reasonable to expect that the proceeds of the 2010A Certificates will not be used in a manner that would cause the Lease or the 2010A Certificates to be arbitrage bonds within the meaning of the Code and Regulations.

Section 8. Qualified Energy Conservation Bonds. On April 26, 2010, the IRS issued Notice 2010-35, announcing that Qualified Energy Conservation Bonds (QECBs) and other qualified tax credit bonds now qualify for the new Federal direct payment subsidy option. The direct subsidy payment to the issuer is equal to seventy percent (70%) of the amount of interest that would be payable on the QECB if the credit rate published by the Secretary of the Treasury on the sale date of the QECB were the interest rate on the bond.

Section 9. Irrevocable Direct Pay Election. The County irrevocably elects to have Section 6431(f) apply to the Certificates. The Certificates are specified tax credit bonds under 6431(3)(A) (ii). The County shall be entitled to a direct payment equal to seventy percent (70%) amount of interest payable under the Certificates.

Section 10. Date Resolution Becomes Effective. This resolution shall become effective twenty days after publication in accordance with SDCL § 7-18A-8.

Said motion was made by Commissioner Chris Giles and seconded by Commissioner Scott Pedersen and upon the vote being taken the following voted AYE: Roger Hageman, Chris Giles, Scott Pedersen, Bert Verhey (absent Bohl) and the following voted NAY: none

Dated this 4th day of November, 2010.
S/s Bert Verhey Chairman
ATTEST:
S/s Kay A. Schmidt
Lake County Auditor
October 2010 Pre-issues:

Oriental Trading, 4H promotional items, $82.90, Lake County Treasurer, Sept direct deposit charges, $43.28, Emp G2000, flexible spending, $120.00, Interlakes Federal Credit Union, payroll deductions, $2,014.50, Lake County Treasurer, payroll withholdings, $15,727.15, Office of Child Support Enforcement, child support, $184.62, Emp T1090, flexible spending, $208.33, Lake County Treasurer, adv taxes, $307.87, City of Madison, util/one recipient, $118.65, US Postal Service, postage meter refill, $2,000.00, State Remittance, Aug collections, $188,063.70, SD Sheriff's Assoc., reg fee, $70.00, Lake County Treasurer, adv taxes, $73.64/$451.05, Emp G2000, flexible spending, $120.00, Interlakes Fed Cr Union, payroll deductions, $2,014.50, Lake County Treasurer, payroll withholdings, $15,174.95, Office of Child Support Enforcement, child support, $184.62, Emp T1090, flexible spending, $208.33, Midcontinent Communications, service, $245.00, Lake Area Technical Institute, boiler maint class, $129.00. **Grand Total: $227,542.09.**

October 2010 End of the Month Payables:

AFLAC, cancer-int care premium, $1,574.66, Assurant Employee Benefits, Nov 10 life ins premium, $230.48, Johnson Rodenburg Lauinger, wage assignment, $200.00, Lake County Treasurer, RE taxes, $87.00, SD Retirement System, Oct 10 collections, $17,079.72, Supplemental Retirement, Oct 10 collections, $900.00, Vision Care Direct, Nov 10 premium, $894.54, Wellmark BCBS of SD, Nov 10 health ins premium, $20,565.74, City of Madison, utilities, $272.57, Northwestern Energy, utilities, $18.57, Sioux Valley Energy, services, $300.05, Sioux Valley Wireless, web hosting, $19.95. **Grand Total: $42,143.28.**

TRAVEL REQUESTS:

Ken Meyer States Atty Law Enforcement Coordinating Committee November 17, 2010 Sioux Falls, SD.

ADJOURN:

There being no further business Chairman Verhey at 11:50 a.m. declared the meeting adjourned until November 16, 2010 at 9 a.m.

It is the policy of Lake County not to discriminate against the disabled in employment or the provision of service. Any person with a disability wishing to attend any Commission meeting and who may require special arrangements may contact the Lake County Auditor at 256-7600 or lakeauditor@lakecountysd.com. All attempts shall be made to satisfy these requirements.

KAY A. SCHMIDT
LAKE COUNTY AUDITOR

Published once at the total approximate cost of _____.