

BOARD PROCEEDINGS

THIRTY NINTH DAY

AUGUST 23, 2005

The Board of Supervisors met pursuant to adjournment. Present were Eugene Elsbecker, Chairman, Don Besch, Lee Froehlich, and Jack Plathe.

Motion by Plathe and 2nd by Froehlich to approve the minutes. Ayes all, Nays none. Motion carried unanimous.

Motion by McGregor and 2nd by Elsbecker to approve the agenda. Ayes all, Nays none. Motion carried unanimous.

Public Discussion and committee reports were held.

RESOLUTION PROVIDING FOR THE DEFEASANCE
AND REDEMPTION OF GENERAL OBLIGATION
BONDS AND APPROVING ESCROW AGREEMENT

(Midwest Grain Processors Cooperative)

Algona, Iowa

August 23, 2005

The Board of Supervisors of Kossuth County, Iowa, met at the Kossuth County Courthouse, Algona, Iowa, at 10:00 o'clock a.m. on August 23, 2005.

The meeting was called to order by the Chairperson, and the roll being called, the following named Supervisors were present and absent:

Present: Don Besch, Lee Froehlich, Don McGregor, Jack Plathe, Eugene Elsbecker

Absent: None

The Board took up and considered the defeasance and prepayment of the County's outstanding Taxable General Obligation Economic Development Bonds, dated December 1, 2002.

Supervisor McGregor introduced and moved the adoption of the resolution next hereinafter set out, seconded by Supervisor Froehlich and after due consideration thereof by the Board, the Chairperson put the question on the motion for adoption of the said resolution and, the roll being called, the following named Supervisors voted:

Ayes: Besch, Froehlich, McGregor, Plathe, Elsbecker

Nays: None

Whereupon, the Chairperson declared the resolution as hereinafter set out duly adopted as hereinafter set out.

• • Other Business • •

At the conclusion of the meeting, and upon motion and vote, the Board adjourned.

Chairperson, Board of Supervisors

Attest:

County Auditor

RESOLUTION NO. 08-23-05-01

Resolution authorizing and approving the defeasance and prepayment of outstanding Taxable General Obligation Economic Development Bonds, dated December 1, 2002, and an Escrow Agreement

WHEREAS, pursuant to a loan agreement (the "Loan Agreement") between Kossuth County, Iowa (the "County"), and Midwest Grain Processors Cooperative (the "Developer"), dated January 21, 2003, and a resolution (the "Series 2002 Bond Resolution") adopted by the Board on December 10, 2002, the County issued its Taxable General Obligation Economic Development Bonds, dated December 1, 2002 (the "Series 2002 Bonds"), and made a loan to the Developer with respect to the construction of an ethanol plant; and

WHEREAS, the Series 2002 Bonds are currently outstanding in the aggregate principal amount of \$4,330,000 and are scheduled to mature on June 1 in each year as follows:

Year	Principal Amount	Interest Rate Per Annum	Year	Principal Amount	Interest Rate Per Annum
2006	\$460,000	3.50%	2010	\$550,000	4.50%
2007	\$480,000	3.50%	2011	\$575,000	4.75%
2008	\$505,000	3.90%	2012	\$605,000	4.90%
2009	\$525,000	4.20%	2013	\$630,000	5.00%

provided, however, that the Series 2002 Bonds scheduled to mature on and after June 1, 2008, in the aggregate principal amount of \$3,390,000 (the "Optional Series 2002 Bonds"), are optional for prior redemption by the County on June 1, 2007 (the "Redemption Date"), upon terms of par and accrued interest; and

WHEREAS, the Developer has offered to prepay its obligations under the Loan Agreement and provide the County with sufficient funds to 1) defease the interest on and principal of the Series 2002 Bonds to and including the Redemption Date; 2) prepay the Optional Series 2002 Bonds on the Redemption Date upon terms of par and accrued interest; and 3) pay costs and fees associated with such defeasance and redemption; and

WHEREAS, it is deemed advisable and necessary that the County enter into an agreement (the "Escrow Agreement") with First American Bank, Urbandale, Iowa (sometimes hereinafter referred to as the "Escrow Agent"), in order to carry out the aforesaid defeasance and redemption;

NOW, THEREFORE, IT IS RESOLVED by the Board of Supervisors of Kossuth County, Iowa, as follows:

Section 1. The Chairperson and County Auditor are hereby authorized and directed to execute the Escrow Agreement on behalf of the County, in the form which has been presented to the Board, and the Escrow Agreement is hereby approved.

Section 2. The Optional Series 2002 Bonds are hereby called for redemption and prepayment on the Redemption Date at a price of par, and the Escrow Agent, as the registrar for the Series 2002 Bonds, is hereby authorized and directed to take all actions necessary to prepay the Optional Series 2002 Bonds on the Redemption Date, including giving notice of such prepayment as required and specified by the terms of the Series 2002 Bond Resolution.

Section 3. The Escrow Agent shall also give notice of defeasance of the Series 2002 Bonds immediately upon deposit of the funds into the Escrow Account, as hereinafter provided.

Section 4. Legally available funds of the County in an amount set forth in the Escrow Agreement shall be deposited into a special account with the Escrow Agent (the "Escrow Account"), of which funds in an amount set forth in the Escrow Agreement shall be held as an initial cash balance, and of which funds in an amount set forth in the Escrow Agreement shall be invested in securities authorized in the Escrow Agreement, maturing on such dates and bearing interest at such rates as are required to provide funds sufficient, with cash retained in the Escrow Account, to:

(a) pay the principal of and interest on the Series 2002 Bonds, as the same become due, to and including the Redemption Date; and

(b) prepay and redeem the principal of the Optional Series 2002 Bonds on the Redemption Date.

Section 5. Piper Jaffray & Co., Des Moines, Iowa ("Piper Jaffray"), financial consultant and dissemination agent for the County, is hereby authorized and directed to give notice of the aforesaid defeasance and redemption of the Series 2002 Bonds as an occurrence of a material event pursuant to and in compliance with the requirements of the County's continuing disclosure covenants set forth in the Series 2002 Bond Resolution.

Section 6. Piper Jaffray is also hereby authorized and directed to acquire the U.S. Treasury obligations specifically described in the Escrow Agreement at prices not less favorable to the County than those set out in the Escrow Agreement. In the event that the specific U.S. Treasury obligations described in the Escrow Agreement cannot be acquired, Piper Jaffray may substitute alternate U.S. Treasury securities that mature on or before the dates on which the proceeds are needed to make the payments required in Section 4 hereof, subject to the restriction that all such securities must be acceptable in amount and duration to Chris D. Berens, CPA, as Verification Agent.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. If any section, paragraph, clause or provision of this resolution is held invalid, such invalidity shall not affect any of the remaining provisions hereof.

Section 9. This resolution shall become effective immediately upon its passage and approval.

Passed and approved August 23, 2005.

Chairperson, Board of Supervisors

Attest:

County Auditor

Motion by McGregor and 2nd by Froehlich to approve the sale of the 1992 Ford L-8000 Tandem Truck (VIN#35356) from Secondary Road Department to Jere Joe Kay of Cylinder, Iowa in the amount of \$13,750.00. Ayes all, Nays none. Motion carried unanimous.

Motion by Froehlich and 2nd by McGregor to approve the sale of the 1995 Ford L-8000 Tandem Truck (VIN# 15894) from Secondary Road Department to David Young of Wallingford, Iowa in the amount of \$17,300.00. Ayes all, Nays none. Motion carried unanimous.

Motion by Besch and 2nd by Plathe that the Board of Supervisors of Kossuth County, Iowa, does hereby authorize and give its permission to Algona Municipal Utilities, Algona, IA, to install new underground cable. Work to be completed on Hungry Hollow Road Section 14, Cresco Township, permit number 05-08-27 on file in the Kossuth County Engineer's Office. Ayes all, Nays none. Motion carried unanimous.

Motion by McGregor and 2nd by Froehlich that the Board of Supervisors of Kossuth County, Iowa, does hereby authorize and give its permission to Humboldt County REC, Humboldt, IA, to install news single-phase overhead electric line. Work involves crossing 120th Street and extending north along the right of way for 1,114 feet into Section 21, Sherman Township, permit number 05-08-28 on file in the Kossuth County Engineer's Office. Ayes all, Nays none. Motion carried unanimous.

Motion by Besch and 2nd by Froehlich to designate Department of Human Services to be the new Children's Mental Health Waiver Targeted Case Manager agency. Ayes all, Nays none. Motion carried unanimous.

Resolution # 08-23-05-02

Designation Regarding Targeted Case Management

WHEREAS, Kossuth County currently provides directly or contracts for the provision of Targeted Case Management (TCM) services for certain populations of County residents; and

WHEREAS, the State Medicaid Plan requires that every county adopt a resolution Designating the TCM provider for county residents who are on the Children's Mental Health Waiver; and

WHEREAS, in order to have TCM services provided to county residents in a timely fashion, it is crucial that each county make this designation as soon as possible; and

WHEREAS, the Board of Supervisors has fully considered all of the options available, including designation of the county's existing TCM provider, designating another county and designating the Iowa Department of Human Services;

NOW THEREFORE BE IT RESOLVED that the Board of Supervisors hereby designates Department of Human Services as its TCM provider for county residents who are on the Children's Mental Health Waiver.

PASSED, APPROVED AND ADOPTED this 23rd day of August, 2005.

Chairperson, Board of Supervisors

Auditor

Motion by Froehlich and 2nd by Plathe to approve Contract with Teamster Local 650. Ayes 4, Nays 1. Roll Call Vote: Besch no, Froehlich yes, McGregor yes, Plathe yes, Elsbecker yes. Motion carried.

On motion adjournment was taken until September 1, 2005.

Attest: _____
Joann Bormann
Kossuth County Auditor

Eugene Elsbecker, Chairman
Board of Supervisors