

THE MINNEHAHA COUNTY COMMISSION CONVENEED AT 9:00 A.M., August 30, 2005, pursuant to adjournment on August 23, 2005. Commissioners present were: Twedt, Pekas, Hajek, Kolbe, and Zweep. Also present were Sandy Kinder, Deputy Auditor, and Gordy Swanson, Chief Civil Deputy State's Attorney.

Chairman Twedt called the meeting to order.

MINUTES

MOTION by Pekas, seconded by Zweep to approve the Minutes for August 23, 2005. 5 ayes.

VOUCHERS TO BE PAID

MOTION by Hajek, seconded by Pekas to approve the following bills for payment. 5 ayes.

A & B Business Equip	Var. Depts	50.00	A+ Auto Techs Inc	Juv Det Cn	173.40
Albers, Tyrone	Sheriff	64.00	American Institution	Juv Det Cn	716.76
Appeara / Dudley Lau	Hiway Cons	64.60	Archer Company	Human Res.	1,155.00
Argus Leader	Var. Depts	616.73	Avera McKennan Hospi	St Atty	38.00
Avera Medical Record	Pub. D.	18.58	Avera University Psy	Mental Ill	1,710.00
Best Business Produc	Var. Depts	106.72	Blackburn & Stevens,	Mental Ill	175.80
Border States Electr	Facilities	143.03	Boyer Trucks Sioux F	Hiway Cons	57.88
Brevik Law Office, P	Mental Ill	169.47	Brown & Saenger	Var. Depts	211.26
Burnette, Sara L.	Court Sys.	980.50	C & R Supply, Inc.	Hiway Cons	2.72
Cain's View Estates,	Human Svcs	468.00	Cellular One	Var. Depts	2,480.68
Center for Family Me	Correction	2,250.00	Century Business Pro	Dir. Eq.	13.06
Chavis, Daniel	Human Svcs	450.00	Chemco, Inc.	Var. Depts	1,010.48
City Centre Hotel Co	Court Sys.	151.80	City of Valley Sprin	Human Svcs	122.60
Cleveland Heights Ap	Human Svcs	700.00	Cliff Avenue Auto Pa	Hiway Cons	51.77
Colton Water Dept.	Hiway Admi	39.45	Communication Servic	Court Sys.	295.00
Concrete Materials	Hiway Cons	39,204.15	Cooperative Extensio	Cnty Exten	1.50
Dacotah Bank	Var. Depts	300.00	Dakota Police & Spor	Emer Mgmt	155.80
Dakota Riggers & Too	Hiway Cons	55.52	Dakota Security Syst	Sheriff	1,706.86
Decisionone Corporat	Info Svcs	1,126.56	Dell Rapids Ford, In	Sheriff	8.55
Department of Motor	St Atty	5.00	Dex Media East	Museum	488.21
Dietrich, Donna K	Mental Ill	979.63	Dresbach, Steve	Mental Ill	3,937.50
Dust Tex Service, In	Museum Mtc	12.48	Eastern Farmers Coop	Hiway Cons	12.54
Edmunds Brake & Alig	Sheriff	172.45	Esser, Tia	Mental Ill	144.00
Estate of Ruth J Gil	Inher. Tax	24.27	Eugene Beckman & Son	Hiway Cons	24.00
Fireguard Inc.	Var. Depts	9,998.03	First National Pawn	Sheriff	10.00
G & R Controls	Facilities	528.06	Genzlinger, Janeen	Court Sys.	38.00
Gourley Properties I	Human Svcs	440.00	Graham Tire Co. - Do	Sheriff	283.80
Great America Leasin	Cnty Exten	220.30	Green, Jack H	Human Svcs	350.00
Greenfield, Beverly	Human Svcs	900.00	Guzman, Sandra V.	Var. Depts	190.00
Hansen, Trevor	Human Svcs	400.00	Hicks, Vicki A	Correction	108.00
Hoekstra, Denise A.	Court Sys.	114.00	Hosmer, David M. Law	Mental Ill	184.06
Howalt-mcdowell Insu	Pub. D.	50.00	Hurtgen, Timothy T.	Human Svcs	275.00
Hy-Vee Food Store	Juv Det Cn	252.34	Hy-Vee Pharmacy	Human Svcs	587.98
Insight Public Secto	Metro-911	57.98	Interstate Office Pr	Var. Depts	1,472.99
J.D.'s House of Trop	Juv Det Cn	545.27	Janitor's Closet, Lt	Pettigrew	113.42
Jebro, Inc.	Hiway Cons	2,773.80	Jefferson County She	St Atty	21.34
Jim Hawk Truck Trail	Hiway Cons	30.84	Johnson, Amy	Museum	150.00
Johnstone Supply	Facilities	248.46	Kabeiseman & Pollard	Mental Ill	476.90
Kallemeyn, Richard	Dir. Eq.	55.00	Kennedy, Rokahr, Pie	Mental Ill	323.60
Kettering Law Office	Mental Ill	112.60	Kmart	Var. Depts	319.37
Kolbe, Robert	Comm.	35.84	Kone, Inc.	Facilities	204.02
Kooistra, Nelva	Mental Ill	123.00	Kreislers, Inc.	Correction	716.12
Krier & Blain, Inc.	Juv Det Cn	1,330.84	Lacey's Chemical Res	Hiway Cons	73.00
Lakeview Apts / Wiem	Human Svcs	225.00	Leach, Verna	Human Svcs	500.00
Lee, Tamara D	Mental Ill	416.97	LexisNexis Matthew B	Pub. D.	178.65
Linweld, Inc.	Hiway Cons	111.44	Lutheran Social Serv	Human Svcs	62.50
Mac's, Inc.	Hiway Cons	11.98	MacDoctors	Pub.D.	90.00

Maxwell Food Equipme	Facilities	118.44	McLaughlin & Schulz,	Hiway Cons	94,197.89
Meile-Rasmussen, Jac	Pub. D.	64.96	Michaelson, Shirley	Human Svcs	300.00
Midamerican Energy C	Human Svcs	808.58	Midcontinent Communi	Comm.	105.00
Midwest Alarm Compan	Pettigrew	117.88	Mikelson, Gary E.	Mental Ill	385.27
Miller Funeral Home,	Human Svcs	1,833.30	Miller, Michael	Pub. D.	93.00
Mobile Electronic Se	Sheriff	167.81	Moore Medical Corp.	Sheriff	150.53
Mulder, Dee A.	Mental Ill	125.80	Myrl & Roy's Paving,	Hiway Cons	300,612.27
Nelson, William	Human Svcs	350.00	North Ridge Apartmen	Human Svcs	450.00
Office Depot, Inc.	Info Svcs	99.98	Osborn, Roxane R	Court Sys.	344.00
Palisades Oil Compan	Hiway Cons	10.00	Palmer, Barbara	Mental Ill	607.50
Pennington County Ja	Correction	3,082.31	Pennington County Sh	St Atty	1.28
Pheasantland Industr	Correction	137.62	Plusco Printing & Co	Human Svcs	76.39
Pomp's Tire Service,	Hiway Cons	403.62	Pontiac Cadillac of	Sheriff	124.04
Prairie Publications	Comm.	351.68	Presto-X-Company	Juv Det Cn	64.00
Pride Neon, Inc	Hiway Cons	242.90	Provo, Tom	Human Svcs	245.00
Quail Hollow Townhou	Human Svcs	455.00	Qualified Presort Se	Court Sys.	307.45
Quest Engineering, I	Hiway Cons	6.63	RDO Equipment Co	Hiway Cons	62.30
Refinish Supply Cent	Hiway Cons	232.57	Reh fuss, Cathryn A	Mental Ill	123.00
Reynolds, Brad	Court Sys.	4,501.20	River Ridge Oral & M	Human Svcs	578.12
RJ Rental Properties	Human Svcs	350.00	Sanner, Melanie Jo	Dir. Eq.	42.85
Scheid, Pamela M.	Human Svcs	210.25	Schoolmeester, Julie	Pub. D.	37.44
SD Assn of County Co	Var. Depts	1,280.00	SD Dept of Human Ser	Mental Ill	200.00
SD Risk Pool	Human Svcs	1,093.40	SD Secretary of Stat	Pub. D.	50.00
SD Supreme Court	St Atty	325.00	SDCLE, Inc.	Pub. D.	45.00
Sears	Facilities	73.98	Servall Towel & Line	Var. Depts	56.36
Shopko Store	Juv Det Cn	173.77	Sigler Fire Equipmen	Facilities	252.90
Sioux Equipment Co.,	Hiway Cons	55.00	Sioux Falls Developm	Urban Dev	5,000.00
Sioux Falls Two Way	Metro-911	187.49	Sioux Falls Utilitie	Var. Depts	7,651.95
Sioux Valley Energy	Human Svcs	44.16	Sioux Valley Wireles	Hiway Admi	35.95
Smith Publishing Co.	Elec Audit	270.60	Solomon, Ghirmay	Var. Depts	250.00
South Western Dental	Human Svcs	1,151.29	Southeastern Behavio	Correction	4,059.00
State Steel of SD	Facilities	18.00	Stern Oil Co., Inc.	Hiway Cons	28,060.62
Stoney Creek Townhom	Human Svcs	450.00	Sunset Strip Pawn, I	Sheriff	225.00
Sunshine Foods	Human Svcs	152.59	SV Health Plan Cobra	Human Svcs	214.80
Taylor, Robert H	Human Svcs	650.00	The Eye Doctors, P.C	Correction	1,673.00
Thorin, Deyanira T.	Var. Depts	616.66	Thorstenson, Marvin	Sheriff	195.00
Tomacelli's Pizza	Court Sys.	80.80	Tomlin, Deb	Info Svcs	180.88
Total Fire Group	Emer Mgmt	59,112.50	Tower Campground / O	Human Svcs	335.00
Turner County Sherif	St Atty	20.10	US Postal Service	Cnty Exten	59.58
Valley Rental Servic	Human Svcs	450.00	Van's Auto Electric	Hiway Cons	150.00
Vanthul, Dave	Human Svcs	325.00	Velvet Uniforms, Inc	Metro-911	105.60
Viking Office Produc	Pub. D.	137.86	Vision Care Associat	Human Svcs	120.14
Watkins, Jeff	Correction	66.04	West Group	Pub. D.	1,693.24
Whitehouse Apartment	Human Svcs	450.00	Whitney, Dennis	Dir. Eq.	55.00
X-Ray Express	Correction	1,325.00	Xcel Energy, Inc.	Var. Depts	2,739.66
Yankton County Sheri	Mental Ill	16.50	Zahrbock, Tressa	Pub. D.	93.00
Zweep, James E	Comm.	56.00			

PERSONNEL

MOTION by Hajek, seconded by Zweep to approve the following personnel changes. 5 ayes.

1. To hire Wally Oeding as Programmer Analyst I (20/1) for Information Services at \$23.396 per hour effective 9-12-05.
2. To accept the resignation of Leoni Edwards as PT Juvenile Correctional Worker for the Juvenile Detention Center effective 8-17-05.
3. To promote Bernice Arendt to Senior Office Assistant (7/3) for the Highway Department at \$13.408 per hour effective 8-15-05.
4. To accept the resignation of Julie Swanstrom as PT Museum Aide for the Museum effective 8-26-

05.

5. To accept the resignation of Craig Johnson as Laborer for the Highway Department effective 8-25-05.

6. To return from Leave without Pay (FMLA), Walter Richardson as Correctional Officer I for the Sheriff's office effective 9-5-05.

Step increases due:

1. Jeff Watkins - Correctional Officer II - Sheriff - 10/2 to 10/3 - 8-28-05 - \$16.153/hr
2. Daniel Grapevine – Senior Highway Worker – Highway – 9/12 to 9/13, 9-1-05, \$18.575/hr
3. Steve Cowan – Deputy Public Defender III – Public Defender – 21/1 to 21/2, 9-2-05, \$2016.96/biweekly

ABATEMENTS

The following abatements were recommended by Dennis Whitney, Deputy Director of Equalization:

MOTION by Zweep, seconded by Pekas to approve the following abatements: Green Point Credit, ID 68172, Property Taxes, 2003 - \$437.30 & 2004 - \$377.57, ID 66129, Property Taxes, 2004 - \$769.78; Conseco Finance, ID 68429, Property Taxes, 2000 - \$564.94, 2003 - \$825.95, & 2004 - \$707.12, ID 70311, Property Taxes, 2004 - \$839.20; and Roger Starks, ID 68313, Property Taxes, 2004 - \$452.48. 5 ayes.

MOTION by Pekas, seconded by Kolbe to approve the following abatement: Homeland Development Company, LLC, ID 63132, 2004 Property Taxes - \$142.28. 5 ayes.

MOTION by Kolbe, seconded by Pekas to approve the following abatement: Julio Bautista Ortega, ID 37160, 2004 Property Taxes - \$664.54. 5 ayes.

LIENS

Commissioner Pekas, County Aid Lien Liaison, briefed the Commission on a request to compromise DPNO 51921 in the amount of \$433.10 by releasing the lien with no payment. He explained that the petitioner received public defender services for charges which were subsequently dismissed. The petitioner contends that the charge had no merit and resulted in other expenses. He listed an annual income of \$40,000 and owns property assessed at \$113,703. Commissioner Kolbe questioned whether the application for county assistance was reviewed. MOTION by Pekas, seconded by Kolbe for no action. 5 ayes.

The following lien compromise requests were recommended by Hauge Associates:

MOTION by Pekas, seconded by Kolbe to release DPNO 47916 in the amount of \$147.40 in full upon payment of \$100.00 within 10 days. 5 ayes.

MOTION by Pekas, seconded by Hajek to release DPNO 40191 in the amount of \$3,075.14 in full upon payment of \$2,000.00 within 10 days. 5 ayes.

MOTION by Pekas, seconded by Hajek to release DPNO 43204 in the amount of \$152.66 in full upon

payment of \$76.33 within 10 days. 5 ayes.

MOTION by Zweep, seconded by Hajek to release DPNO 14663 in the amount of \$4,042.79 in full upon payment of \$1212.84. 3 ayes, Twedt nay, Pekas abstained. Motion passes.

BID AWARD

Bids were opened on August 22, 2005, for the Old Courthouse Museum Façade Lighting Project. The following bids were received: Electric Construction Company - \$39,750.00 and Muth Electric, Inc. - \$47,292.00. Bill Hoskins, Museum Director, recommended award to the low bidder, Electric Construction Company. Ken McFarland gave a briefing on the history of the project and reported that to date, \$22,407 in private funding has been raised through the efforts of Michael Bender. The remaining cost will be paid through the Museum Enterprise Fund. Mr. Hoskins noted that the project would light the Main Avenue and 6th Street faces of the Old Courthouse Museum Clock Tower and a portion of the west face. MOTION by Zweep, seconded by Hajek to award the Old Courthouse Museum Façade Lighting Project to Electric Construction Company in the amount of \$39,750.00 and to authorize the Chairman to sign an agreement for services. 5 ayes.

SUPPLEMENT

MOTION by Hajek, seconded by Pekas to supplement \$1,147.68 from the Museum Grants Fund to the Museum Grants budget representing a disbursement from the Doc & Florence Brown Endowment, administered by the Sioux Falls Area Community Foundation, for educational programs. 5 ayes.

PRESENTATION

Erica Beck, City of Sioux Falls Urban Planner, and Jeff Schmitt, Assistant City Planner, presented information on a proposed Tax Increment Finance (TIF) District. The district would be located downtown with boundaries of 6th Street, 8th Street, the Big Sioux River, and the Railroad Right-of-Way. Current assessed value of the land and buildings is \$395,354. If a TIF is approved, the taxes collected from the base value would continue to be distributed to the appropriate city, county, and school districts. The additional taxes collected from increased valuation would be used to fund improvements to the TIF District. After the TIF District is dissolved (10 to 15 years), all property taxes collected from assessed valuation would again be distributed to the city, county, and school districts. Commissioners thanked the two for the presentation and asked for a future update on the status of the current TIF Districts.

FINANCING

Sue Roust, Auditor, presented a resolution that would support refinancing the county's debt service payments and the Series 1995 certificates (Expo Ice Bond Issue). The refinancing would allow for a small present value benefit on the Expo Ice Issue and reduce the interest from 5¾% to 4% and also defer the December principal payments to level out the debt service schedule. MOTION by Zweep, seconded by Kolbe to approve Resolution MC05-47. 5 ayes.

RESOLUTION MC05-47

RESOLUTION RELATING TO LEASE-PURCHASE OF VARIOUS COUNTY FACILITIES AND TO REFUND OUTSTANDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE-PURCHASE AGREEMENT AND APPROVING AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

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

Section 1. Recitals.

1.01. The County is authorized by South Dakota Codified Laws, Chapter 7-25, inclusive, as amended (the "Act"), to enter into lease-purchase agreements for acquisition of real or personal property that the governing body considers necessary or appropriate to carry out its governmental and proprietary functions. The governing body finds that it is necessary and appropriate to issue Certificates of Participation (Limited Tax General Obligation), Series 2005 in one or more series to refund all or a portion of the Certificates of Participation (Limited Tax Obligation) Series 1995 (the "1995 Certificates"), the Certificates of Participation (Limited Tax Obligation) Series 1997A (the "1997A Certificates"), the Certificates of Participation (Limited Tax Obligation) Series 1997B (the "1997B Certificates"), the Certificates of Participation (Limited Tax Obligation) Series 1999 (the "1999 Certificates") and the Certificates of Participation (Limited Tax Obligation) Series 2000 (the "2000 Certificates") which were issued to pay all or a portion of the costs of acquisition, construction, furnishing and equipping of a work release facility, law enforcement facility, juvenile corrections facility, jail and courthouse (the "Facilities") and the Sioux Empire Fair Expo Building (the "Expo Building").

1.02. The County has agreed with U.S. Bank National Association, formerly First Bank of South Dakota National Association (the "Trustee") that the Trustee has, pursuant to a Ground Lease Agreement, dated as of September 1, 1992, as amended and supplemented by the First Amendment to Ground Lease Agreement, dated as of December 1, 2000, between the County and the Trustee (the "Ground Lease"), acquired certain interests in real property (the "Land") from the County, and the Trustee has leased its interest in the Land and has leased and agreed to sell the Facilities to be acquired, renovated, constructed and equipped thereon to the County pursuant to a Lease-Purchase Agreement, dated as of September 1, 1992 (the "Original Lease"), as amended and supplemented by the First Amendment to Lease-Purchase Agreement, dated as of November 1, 1994 (the "First Amendment to Lease"), the Second Amendment to Lease-Purchase Agreement, dated as of April 1, 1997 (the "Second Amendment to Lease"), the Third Amendment to Lease-Purchase Agreement, dated as of April 1, 1999 (the "Third Amendment to Lease"), the Fourth Amendment to Lease-Purchase Agreement, dated as of December 1, 2000 (the "Fourth Amendment to Lease") and the Fifth Amendment to Lease-Purchase Agreement, dated as of September 1, 2004 (the "Fifth Amendment to Lease"), between the Trustee and the County (the Original Lease as amended and supplemented by the First Amendment to Lease, the Second Amendment to Lease, the Third Amendment to Lease, the Fourth Amendment to Lease and the Fifth Amendment to Lease is referred to herein as the "Lease").

1.03. The Trustee will execute and deliver a Sixth Supplemental Declaration of Trust (the "Sixth Supplemental Trust"), which will supplement and amend the Declaration of Trust, dated September 1, 1992 (the "Original Trust"), as amended by the First Supplemental Declaration of Trust, dated November 1, 1994 (the "First Supplemental Trust"), the Second Supplemental Declaration of Trust, dated as of April 1, 1997 (the "Second Supplemental Trust"), the Third Supplemental Declaration of Trust, dated as of April 1, 1999 (the "Third Supplemental Trust"), the Fourth Supplemental Declaration of Trust, dated as of December 1, 2000 (the "Fourth Supplemental Trust") and the Fifth Supplemental Declaration of Trust, dated as of September 1, 2004 (the "Fifth Supplemental Trust") (the Original Trust as amended and supplemented by the First Supplemental Trust, the Second Supplemental Trust, the Third Supplemental Trust, the Fourth Supplemental Trust, the Fifth Supplemental Trust and the Sixth Supplemental Trust are referred to herein as the "Trust Agreement"), pursuant to which the Trustee will (i) issue Certificates of Participation, Series 2005A (the "2005A 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 2005A Certificates and disburse such proceeds to refund all or a portion of the 1997A Certificates, the 1999 Certificates and the 2000 Certificates.

1.04. The County has agreed with U.S. Bank National Association, formerly First Bank of South Dakota National Association (the "Trustee") that the Trustee has, pursuant to a Ground Lease Agreement, dated as of November 1, 1994 between the County and the Trustee (the "Expo Ground Lease"), acquired certain interests in real property (the "Expo Land") from the County, and the Trustee has leased its interest in the Expo Land and has leased and agreed to sell the Expo Building to be acquired, renovated, constructed and equipped thereon to the County pursuant to a Lease-Purchase Agreement, dated as of November 1, 1994 (the "Original Expo Lease"), as amended and supplemented by the First Amendment to Lease-Purchase Agreement, dated as of September 1, 1995 (the "First Amendment to Expo Lease") and the Second Amendment to Lease-Purchase Agreement, dated as of September 1, 1997 (the "Second Amendment to Expo Lease"), between the Trustee and the County (the Original Expo Lease as amended and supplemented by the First Amendment to Expo Lease and the Second Amendment to Expo Lease is referred to herein as the "Expo Lease").

1.05. The Trustee will execute and deliver a Third Supplemental Declaration of Trust (the "Third Supplemental Expo Trust"), which will supplement and amend the Declaration of Trust, dated as of November 1, 1994 (the "Original Expo Trust"), as amended by the First Supplemental Declaration of Trust, dated as of September 1, 1995 (the "First Supplemental Expo Trust") and the Second Supplemental Declaration of Trust, dated as of September 1, 1997 (the "Second Supplemental Expo Trust") (the Original Expo Trust as amended and supplemented by the First Supplemental Expo Trust and the Second Supplemental Expo Trust, are referred to herein as the "Expo Trust Agreement"), pursuant to which the Trustee will (i) issue Certificates of Participation, Series 2005B (the "2005B Certificates") in the lease payments to be made by the County under the Expo Lease and (ii) receive, hold and invest the proceeds of the sale of the 2005B Certificates and disburse such proceeds to refund all or a portion of the 1995 Certificates and the 1997B Certificates.

1.06. The 2005A Certificates and the 2005B Certificates (collectively, the "2005 Certificates") will be purchased by Dougherty & Company LLC and Piper Jaffray & Co. (collectively, the "Original Purchasers") pursuant to a Certificate Purchase Agreement between the County and the Original Purchasers (the "Certificate Purchase Agreement") and the Original Purchasers will offer the 2005 Certificates for sale to the public by an Official Statement (the "Official Statement").

1.07. Forms of the following documents relating to the Facilities and the Expo Building (the "Documents") are directed to be prepared by Lindquist & Vennum P.L.L.P. as Bond Counsel, and submitted to the County and are hereby directed to be filed with and approved by the County Auditor and the Deputy State's Attorney: (a) the Sixth Amendment to Lease; (b) the Sixth Supplemental Trust; (c) the Third Amendment to Expo Lease; (d) the Third Supplemental Expo Trust; (e) the Certificate Purchase Agreement; and (f) the Official Statement.

Section 2. Authorization and Approval of the Documents. The 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 Sixth Amendment to Lease, the 2005 Certificates, not exceeding \$2,370,000, the term thereof not exceeding 20 years, the interest rate or rates thereon not exceeding an average yield of 5% per annum and the price, not less than 98.0% of par and at which the 2005 Certificates are to be sold to the Original Purchasers, and are directed to enter into a Certificate Purchase Agreement with the Original Purchasers 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. The forms of Documents to be prepared are hereby approved if the County Auditor deems them appropriate and the Documents are approved by the Deputy State's Attorney. The Chairman and the County Auditor are directed to execute the Documents if approved by the County Auditor. Copies of all Documents shall be delivered, filed and recorded as provided therein. The Chairman and the County Auditor and the Deputy State's Attorney 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 2005

Certificates and the Chairman, the County Auditor and the Deputy State's Attorney shall execute such other instruments as are necessary to the issuance of the 2005 Certificates.

Section 3. Modification, 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 therefrom and additions thereto as may be necessary and appropriate and approved by the Deputy State's Attorney 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 Deputy State's Attorney, may execute documents in their stead.

Section 4. 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. To provide moneys to make such payments, the County will 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 all Lease Payments and other amounts payable under the Lease, and will take all other actions necessary to provide moneys for the payment of the obligations of the County under the Lease from sources of the County lawfully available for this purpose, including the levy of such taxes as may be necessary therefor, subject only to the limitations on such levies imposed by South Dakota law.

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 (1) SDCL Section 7-25-1, (2) SDCL Section 10-13-36 the amount authorized by the resolution adopted by the County on July 11, 2000 (\$1,150,000 beginning with the calendar year 2000 taxes payable in the calendar year 2001 and thereafter), (3) SDCL Section 10-13-36 the amount authorized by the County on July 10, 2001 (\$500,000 beginning with the calendar year 2001 taxes payable in calendar year 2002 and thereafter) and (4) SDCL Section 10-13-36 the amount authorized by the County on July 5, 2005 (\$260,000 beginning with the calendar year 2005 taxes payable in calendar year 2006 through calendar year 2024 taxes payable in calendar year 2025) an amount sufficient and for the purpose of paying such Lease Payments 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 (1) SDCL Section 7-25-1 and (2) SDCL Section 10-13-36 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, from sources of the County lawfully available for such purpose.

Section 5. Tax Matters. The County covenants and agrees with the Trustee and the registered owners from time to time of the 2005 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 2005 Certificates to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the 2005 Certificates will not become subject to taxation under the Code and the Regulations.

The County will cause to be filed with the Secretary of the Treasury an information reporting statement in the form and at the time prescribed by the Code. The County will comply with the provisions of Section 148(f) of the Code, relating to the rebate of arbitrage profits to the United States, if and to the extent that such provisions are applicable to the Lease, the 2005 Certificates.

Section 6. Arbitrage Certification. The Chairman and the County Auditor, being the officers of the County charged with the responsibility for issuing the 2005 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 2005 Certificates which make it reasonable to expect

that the proceeds of the 2005 Certificates will not be used in a manner that would cause the Lease or the 2005 Certificates to be arbitrage bonds within the meaning of the Code and Regulations.

Section 7. Official Statement. The County will participate in the preparation of the Preliminary Official Statement and the final Official Statement relating to the 2005 Certificates and hereby authorizes the County Auditor to consent to the distribution of the Official Statement by the Original Purchasers in connection with the sale of the 2005 Certificates. The Preliminary Official Statement, except for Permitted Omissions, will be deemed final by the County when authorized by the County Auditor as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934. As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, rating, if any, and other terms of the 2005 Certificates depending on such matters.

Section 8. Bank Qualification. In order to qualify the Series 2005 Certificates as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, the County hereby makes the following representations:

A. The County hereby designates the Series 2005 Certificates as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3)(C) of the Code;

B. The reasonably anticipated amount of tax-exempt obligation (other than obligations described in clause (ii) of Section 265(b)(3)(C) of the Code" which will be issued by the County (and all subordinate entities whose obligations will be aggregated with those of the County) during this calendar year 2005 will not exceed \$10,000,000; and

C. Not more than \$10,000,000 of tax-exempt obligations issued by the County during this calendar year 2005 have been designated as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Code.

Section 9. Amendment. This resolution may be amended from time to time, prior to the issuance of the 2005 Certificates, by an administrative resolution adopted by this Board.

Adopted this 30th day of August, 2005.

By Carol Twedt, Its Chairman

ATTEST:

By Sandy Kinder, Its Deputy County Auditor

Ms. Roust also presented two proposals for the financing of the Human Services Center project. The proposals included the standard financing through Dougherty & Company, and a proposal from Citibank/CitiMortgage, Inc. ("CitiCapital"). The two proposals were similar in cost, with a slight savings of \$38,000 over 20 years through Citibank. Initially, it was anticipated that the City of Sioux Falls would participate in the financing of the project. They will now be paying their portion of the cost up front. Ray "Woody" Woodsend, Senior Vice President of Dougherty & Company, discussed his proposal noting that it combined the three financings as one transaction which reduced the associated fees. He questioned the Citibank proposal as it included no trustee fee. Valerie Kuhl, Vice President of Citibank Community Development Lending, explained her proposal. She noted that Citibank sharpened a previous proposal in order to provide the best means of financing to the County. The proposal waives the origination fee, but charges for an appraisal. She also detailed prepayment penalty and debt breakage fees. If the County were to prepay the debt at any time prior to the 20 year term, a penalty would apply, or the County could elect to terminate the transaction with a debt breakage fee

based on the actual costs to terminate the matched funding associated with the contract. Fees would apply in a declining interest rate environment only. Citibank would supplement existing documents to address the land issues. Commissioner Pekas appreciated having two choices for financing noting that what it is important to look at options. Commissioner Zweep voiced concerns with the prepayment penalty. Ms. Roust noted that financing through another lender would have little impact on her office. She also addressed the question on trustee fees, noting that the Trustee has indicated that if no bonds are involved, there would not be the need for a trustee. MOTION by Hajek, seconded by Pekas to accept the Citibank proposal. 3 ayes, Kolbe and Zweep – nay.

PROGRAMS

Sheriff Mike Milstead presented information on two programs, Rideshare and Park & Ride, that may help avert potential traffic safety and congestion problems. He reported that both programs have been used in metropolitan areas. He detailed both programs and asked for Commission support in moving forward with these programs. A recent count of morning commuters entering the City on north Cliff Avenue showed 301 vehicles with 90% being single occupant. The same study in Eastern Sioux Falls resulted in 401 vehicles with 96% being single occupant. Commissioners urged the Sheriff to work with SECOG on compiling statistical information to determine if either program would be of interest to the public.

MOTION by Zweep, seconded by Hajek to adjourn into Executive Session. 5 ayes. Following Executive Session the Commission adjourned until 9:00 a.m. on Tuesday, September 6, 2005.

APPROVED BY THE COMMISSION:

Carol Twedt, Chairman

ATTEST:

Sandy Kinder, Deputy Auditor