

## **SWIFT COUNTY BOARD MINUTES**

### **October 4, 2016**

Chairman Peter Peterson called the meeting to order at 9:00 AM with all members present. Also present were County Administrator Mike Pogge-Weaver, County Attorney Danielle Olson, County Auditor Kim Saterbak, Amanda Ness, and numerous others.

Chairman Peter Peterson asked if there were any additions to the agenda. Administrator Pogge-Weaver requested the addition of the appointment of Wayne Knutson to the consent agenda and the reimbursement bond resolution prior to other business. Commissioner Rudningen requested the removal of the purchase of a pickup truck for the Highway Department from the consent agenda to other business.

**10-04-16-01** Commissioner Hendrickx moved and Commissioner E. Pederson seconded to approve the agenda with the changes noted. Motion carried unanimously.

**10-04-16-02** Commissioner Rudningen moved and Commissioner Fox seconded to approve the Consent Agenda items: (1) Minutes from the September 27, 2016 Special Meeting, (2) Approval of a premises permit application for gambling for Benson Hockey Association for the Swift Falls Bar located at 203 Danelz Ave, Benson (Swift Falls), MN 56215, (3) Appointment of Wayne Knutson to a 4 year term as County Assessor running until January 1, 2021. Motion carried unanimously.

**10-04-16-03** Commissioner Fox moved and Commissioner Rudningen seconded to approve the Commissioner warrants as follows: Revenue: \$109,823.91; Solid Waste: \$37,220.56; Road and Bridge: \$335,047.03; County Ditches: \$494.20; Welfare & Family Services, \$91.26 which includes the following bills over \$2,000: Anoka County Human Services, \$2,000.00; Ascherman Oil, \$3,165.32; CLIFTONLARSONALLEN LLP, \$7,600.00; Computer Professionals Unlimited Inc., \$9,967.48; Duinick Inc., \$57,062.70; Esri, \$3,283.85; Geyer Recycling, \$5,691.67; Goff Public, \$5,206.20; Kris Engineering, \$5,000.00; MN Dept. of Employment & Economic Development, \$5,138.00; Pflipsen Trucking LLC, \$17,868.32; Prairie Five Rides, \$3,500.00; Riley Brothers Companies, \$250,175.85; Royal Tire Inc., \$5,180.64; Safe Assure Consultants Inc., \$6,868.68; The Schneider Corporation, \$16,098.49; Simplex Grinnell, \$4,070.80; Swift County Monitor News, \$2,156.25; TrueNorth Steel, \$4,986.92; University of Minnesota, \$19,021.26; Villard Implement Co., \$3,353.89; Waste Management Of Northern Minnesota, \$9,088.86; and Yellow Medicine County Jail, \$5,879.42. Motion carried unanimously.

Representative Tim Miller, House District 17A, gave a legislative review and answered questions from the board.

Region 4 Wildlife Manager Dave Trauba requested certification for acquisition of property by the Minnesota DNR as part of the Marsh Lake Restoration project.

**10-04-16-04** Commissioner Hendrickx moved and Commissioner Rudningen seconded to approve the request. Motion carried unanimously.

Chairman Pete Peterson asked for citizens comments. There were none.

Attorney Olson requested approval of county policies related to data practices.

**10-04-16-05** Commissioner Hendrickx moved and Commissioner Rudningen seconded to approve the policies. Motion carried unanimously.

Parks, Drainage, and Wetlands Supervisor Mike Johnson requested approval of the proposed 2017 ditch assessments.

**10-04-16-06** Commissioner Hendrickx moved and Commissioner Fox seconded to approve the 2017 ditch assessments. Motion carried unanimously.

Administrator Pogge-Weaver requested approval to proceed with Wold Architects and Engineers for full architectural and engineering consulting services related to the building project at the Historic Courthouse, Countryside Public Health, and Human Services.

**10-04-16-07** Commissioner Hendrickx moved and Commissioner Rudningen seconded to approve the resolution. Motion carried unanimously.

Administrator Pogge-Weaver further requested approval of a resolution establishing procedures relating to compliance with reimbursement bond regulations under the internal revenue code.

**10-04-16-08** Commissioner Fox introduced and Commissioner Rudningen seconded the following resolution and moved its adoption:

RESOLUTION NO. 10-04-16-08

RESOLUTION ESTABLISHING PROCEDURES  
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND  
REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the Board of Commissioners (the "Board") of Swift County, Minnesota (the "County"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of bonds used to reimburse the County for any project expenditure paid by the County prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the County (as the issuer of or the primary obligor under the bonds) make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The County heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The County's bond counsel has advised the County that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of County project costs first made by the County out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the County to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Board hereby authorizes the County Administrator to make the County's Declarations or to delegate from time to time that responsibility to other appropriate County employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the County reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the County, or its authorized representatives under this Resolution, not make Declarations in cases where the County doesn't reasonably expect that reimbursement bonds will be issued to finance the subject project costs, and the County officials are hereby authorized to consult with bond counsel to the County concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Board shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the County has made Declarations.

3. Reimbursement Allocations. If the County is acting as the issuer of the reimbursement bonds, the designated County officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the County's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the County for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted on October 4, 2016, by the Board of Commissioners of Swift County, Minnesota.

### **CERTIFICATION**

The undersigned, being the duly qualified and acting County Administrator of Swift County, Minnesota, hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the County, which Resolution relates to procedures of the County for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the County (the "Board") at a regular meeting of the Board held on October 4, 2016. The Board meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Board are regularly held. Commissioner Fox moved the adoption of the Resolution, which motion was seconded by Commissioner Rudningen. A vote being taken on the motion, the following members of the Board voted in favor of the motion to adopt the Resolution:

Fox, Hendrickx, E. Pederson, P. Peterson, and Rudningen

and the following voted against the same:

None

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Board which would in any way alter or amend the Resolution.

/s/ Michel J. Pogge-Weaver  
County Administrator  
Swift County, Minnesota

### **EXHIBIT A**

#### Declaration of Official Intent

The undersigned, being the duly appointed and acting County Administrator of Swift County, Minnesota (the "County"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the County as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Swift Board of Commissioners to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the County.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

The renovation, reconstruction, correction of deferred maintenance, addition to, and other facility projects at the following county owned facilities:

- Swift County Courthouse, 301 14th St N, Benson, MN 56215

- Swift County Human Services Building, 410 21st St S, Benson, MN 56215
- Countryside Public Health, 201 13th St S, Benson, MN 56215

3. The County reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the County reasonably expects that \$6,378,825 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: October 4, 2016.

/s/ Michel J. Pogge-Weaver  
County Administrator  
Swift County, Minnesota

Administrator Pogge-Weaver further requested approval of a PERA Phased Retirement Option application for Harry Hohman.

**10-04-16-09** Commissioner Rudningen moved and Commissioner Fox seconded to approve the request for phased retirement. Motion carried 4-1 with Commissioner E. Pederson opposing.

Assistant County Engineer Paul Petrick requested approval of the purchase of a pickup truck for the Highway Department.

Commissioner Rudningen moved to approve the purchase of a pickup truck from Nolan Baker Ford for \$31,617.00. Motion failed for lack of a second.

**10-04-16-10** Commissioner Fox moved and Commissioner Hendrickx seconded to approve the purchase of a pickup truck from Valu Ford for \$28,804.27. Motion carried 4-1 with Commissioner Rudningen opposing.

Board and Committee Reports were given as follows: Commissioner Edward Pederson reported on DAC and Historical Society. Commissioner Rudningen reported on Prairie Lakes Youth and Emergency Services Radio Board. Commissioner Hendrickx reported on SPCC, AMC METs Workgroup, AMC Governance Committee, and RDC. Chairman Peter Peterson reported on HRA and Prairie Five. Commissioner Fox reported on Hospital Finance Committee, SPCC, Swift County Fair Appreciation Meal, SCBH, Pomme de Terre Watershed, and Fatal Crash Review.

Administrator Pogge-Weaver updated the board on labor negotiations, County Administrator position description creation by Sharon Klumpp, and his resignations from the hospital and library boards.

The Board recessed for a short break at 10:50 AM.

The Board reconvened at 10:55 AM.

**10-04-16-11** Commissioner Fox moved and Commissioner Rudningen seconded to move to closed session to consider strategy for labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25. (§13D.03). Motion carried unanimously.

Returned to open session at 11:32 AM.

**10-04-16-12** Commissioner Rudningen moved and Commissioner E. Pederson seconded to adjourn. Motion carried unanimously.

Meeting adjourned at 11:33 AM.

WITNESSED:

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Peter Peterson, Chair

ATTEST:

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Amanda Ness, Clerk of the Board