July 12, 2011

The Lincoln County Board of Commissioners met at 8:30 A.M. on July 12, 2011 with members, David Gillespie, Dennis Weeldreyer, Jim Schmidt, and Dale Long present. Jason Melcher was absent. The meeting was called to order with the Pledge of Allegiance to the Flag. The Auditor was Clerk of the Board.

A motion by Long and seconded by Schmidt to approve the agenda as presented. Motion carried.

A motion by Gillespie and seconded by Schmidt that the minutes of July 5, 2011 be approved. Motion carried.

Mileage logs for county vehicles were presented for June 2011.

The Auditor’s Account with the County Treasurer for the month ending June 30, 2011 was presented as follows: Total amount of deposits in banks $750,160.93, Total amount of actual cash $8,910.94 total amount of checks and drafts in treasurer’s possession not exceeding three days $96,876.49, total cash items $1,176.00 Funds invested $8,484,189.03, Total cash $9,341,313.39.

The Register of Deeds Report of Fees for the month of June 2011 was presented in the amount of $56,759.00.

The Sheriff’s mileage logs were presented for the month of June 2011.

The Clerk of Courts report of Disbursement of Funds for month ending June 30, 2011 was presented as follows: State Fines $9,789.93, State Penalties $0.00; State Costs $699.00, Cash Fees $1,236.40, Law Library $212.00, State Forfeiture $425.00, Petty Offense $500.00, Divorce Fees $450.00, Court Appointed Attorney Repayments $3,806.95.

RESOLUTION: WHEREAS, Lincoln County is the third biggest county in South Dakota in population, and WHEREAS, Lincoln County currently is divided between four legislative districts, and WHEREAS, for the last twenty years Lincoln County has been divided between a variety of legislative districts, and WHEREAS, we believe that effective legislative representation would be enhanced by a district or districts entirely confined within the boundaries of our county, THEREFORE BE IT HEREBY RESOLVED, that we as the County Board of Commissioners for Lincoln County, South Dakota, respectively ask the current redistricting sub-committee and full committee of the South Dakota legislature, to create at least one legislative district totally within the boundaries of Lincoln County. Motion by Schmidt and seconded by Long. All Commissioners present voted “Aye”.

RESOLUTION: RESOLUTION GIVING APPROVAL TO THE ISSUANCE AND SALE OF TAX INCREMENTAL REVENUE BONDS FOR TAX INCREMENT DISTRICT NUMBER 7 IN AN AMOUNT NOT TO EXCEED $840,000 PLUS COSTS OF ISSUANCE TO FINANCE TAX INCREMENT PROJECT COSTS, CAPITALIZED INTEREST AND CLOSING COSTS AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS

NOW, THEREFORE, BE IT RESOLVED by the County Commission of the County of Lincoln as follows:

Declaration of Necessity. The County of Lincoln (the "County") find and declares a necessity to issue tax increment revenue bonds in connection with Tax Increment District Number 7 and use the proceeds therewith to pay for project costs as listed in the tax increment project plan (the "Project") which Project has been approved and copies of plans are on file with the Auditor open to public inspection.

Authority. The County is authorized to issue its tax increment revenue bonds to finance project costs pursuant to Section 11-9-33 of the South Dakota Codified Laws. Pursuant to Chapter 11-9 of the South Dakota Codified Laws (the "Act") the County proposes to issue municipal tax incremental revenue bonds (as herein authorized, the Tax Incremental Revenue Bonds, or the "Bonds") to finance a portion of the Project costs. The County is authorized by the Tax Incremental Act to pledge a special fund into which the County will deposit the tax increment (as defined by the Act).

Pledge of State of South Dakota. Pursuant to SDCL 11-9-39.1, the state of South Dakota does pledge to and agree with the holders of any obligations issued under 11-9 that the state will not alter the rights vested in the bond holders until such bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

Authorization to issue the Bonds. The County does hereby authorize the issuance of the tax increment revenue bonds in an amount not to exceed $840,000 plus costs of issuance (the “Bonds”).

No Election Required. The Bonds may be issued by the County without an election pursuant to SDCL §11-9-34.
Form of Bonds. The Bonds shall be prepared in substantially the form as filed with the Auditor and open to public inspection.

Terms of Bonds. The County Commission hereby authorizes the issuance and sale of the Bonds. The principal amount of the Bonds shall not exceed any statutory or constitutional debt limitation and be in such amounts as will be retired with the Tax Increment District Number 7 revenues. The Bonds shall have maturities and interest rates as negotiated by the Chairman and Auditor. The Bonds shall be prepared under the direction of the Auditor and shall be executed on behalf of the County by the facsimile or manual signatures of the Chairman and the Auditor and countersigned by the facsimile or manual signature of an attorney actually residing in the State of South Dakota and duly licensed to practice therein.

Registration. The County hereby appoints its Auditor as paying agent, registrar and transfer agent (the "Registrar") for the Bonds. The County reserves the right to appoint a financial institution as Registrar upon thirty (30) days’ notice. The effect of registration and the rights and duties of the County and the Registrar with respect thereto shall be as follows:

Register. The Registrar shall keep at its office a register (the "Register") in which the Registrar shall provide for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred or exchanged.

Transfer of Bonds. When a Bond is surrendered for transfer it shall be duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer in form satisfactory to the Registrar; duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner thereof. If the Bond is properly surrendered as provided above, the Registrar shall authenticate and deliver, in the name of the designated transferee, a new Bond of a like aggregate principal amount and maturity. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

Exchange of Bonds. Whenever a Bond is surrendered by the registered owner for exchange the Registrar shall authenticate and deliver the new Bond of a like aggregate principal amount and maturity, as required by the registered owner or the owner’s attorney in writing.

Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the County.

Improper or Unauthorized Transfer. When any Bond is presented the Registrar may refuse to transfer the same until satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfer which, in their judgment, are deemed improper or unauthorized.

Persons Deemed Owners. The County, Paying Agent and Registrar may treat the person whose name on any Bond is at any time registered in the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner’s order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Taxes, Fees and Charges. For every transfer or exchange of Bond, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to the Registrar, in which the County and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by him and evidence of such cancellation shall be given to the County. If the mutilated, destroyed, stolen or lost certificate has already matured or has been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

Security Provisions; Funds and Accounts and Other Covenants and Determinations.

Pledge Tax Increments. Pursuant to the Act, the County shall receive Tax Increments as defined by the Act. All Tax Increments shall be placed in the Tax Incremental Revenue Bond Fund Number 7 ("Bond Fund"). The Tax Increment Revenues are irrevocably pledged and appropriated to, and shall be deposited to the Bond Fund. For purposes of this Resolution, "Outstanding Bonds" shall mean these Bonds and any parity lien bonds
herebefore or hereafter issued pursuant to this Resolution. The Bond Fund shall be used and applied only in the manner and order hereinafter set forth. The holders of the Outstanding Bonds shall have a lien against the
Bond Fund for payment of the principal and interest and may either at law or in equity protect and enforce the
lien. THE COUNTY DOES NOT PLEDGE ITS PROPERTY, GENERAL CREDIT OR TAXING POWER,
OTHER THAN TAX INCREMENT REVENUES, FOR THE PAYMENT OF THE TAX INCREMENT REVENUE
BONDS. THE SOLE SOURCE OF PAYMENT OF THE BONDS IS THE TAX INCREMENT REVENUES.
Bond Fund. The Auditor is hereby authorized and directed to establish and shall maintain a special account,
the Bond Fund, as a separate and special fund in the financial records of the County until all Bonds issued and
made payable therefrom, and interest due thereon, have been duly paid or discharged. All collections of the
Tax Increments, as hereinafter defined, shall be credited, as received, to the Bond Fund. Within the Bond Fund
there are various separate accounts to be maintained by the County.
Project Account. There is hereby created and established as an account of the Bond Fund, a "Project
Account". There shall be credited to the Project Account the proceeds from the sale of the Bonds remaining
after payment of the expenses of issuing the Bonds. All moneys credited to the Project Account shall be
applied solely to the payment or reimbursement of the costs of the Project. For the purposes of this Resolution,
"costs of the Project" shall include costs of acquiring, construction, and installing the Project including cost of
labor, services, materials and supplies, financial, architectural, engineering, legal, accounting and other
professional expenses relating to the Project, the costs of acquisition of properties, grants, rights, easements, or
other interest in properties, insurance premiums, and the costs of publishing, posting or mailing notices in
connection with the Project. All sums derived from the investment of moneys in the Project Account shall
remain in and become part of such account. Upon completion of the Project and when all costs of the Project
have been paid, any balance remaining in the Project Account shall be credited to the Principal and Interest
Account hereinafter established.
Principal and Interest Account. There is hereby created and established as an account of the Bond Fund, a
"Principal and Interest Account." Immediately upon delivery of the Bonds, there shall be credited to the
Principal and Interest Account the amount of any accrued interest received from the Purchaser. Periodically, as needed
there shall be withdrawn from the Bond Fund and credited to the Principal and Interest Account an amount
which will equal at least the next principal and interest payment. In all events there shall be credited to the
Principal and Interest Account amounts sufficient to pay the principal of and interest on the Outstanding Bonds
as the same become due.
Subordinate Lien Bonds. After making the above required payments, any remaining Tax Increment shall be
used for the payment of the principal of and interest on any additional Tax Incremental revenue bonds having a
lien which is subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for
the payment of such subordinate lien bonds.
Deposit and Investment of Funds. The Auditor shall cause all moneys pertaining to the Fund to be deposited as
received with one or more banks which are duly qualified public depositories under the provisions of Chapter 4-
6A, South Dakota Codified Laws, in a deposit account or accounts, which shall be maintained separate and
apart from all other accounts of the County, so long as any of the Bonds and the interest thereon shall remain
unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in
savings or time deposits. No moneys shall at any time be withdrawn from such deposit accounts except for the
purposes of the Fund as authorized in this Resolution; except that moneys from time to time on hand in the
Fund may at any time, in the discretion of this Council, be invested in securities permitted by the provisions of
Section 4-5-6, South Dakota Codified Laws, maturing and bearing interest at the times and in the amounts
estimated to be required to provide cash when needed for the purposes of the respective accounts. Income
received from the deposit or investment of moneys shall be credited to the account from whose moneys the
deposit was made or the investment was purchased, and handled and accounted for in the same manner as
other moneys in that account.
Defeasance. When all the Bonds issued have been discharged as provided in this section, all pledges,
covenants, and other rights granted by this resolution to the registered owners of the Bonds shall cease. The
County may discharge its obligations with respect to any Bonds which are due on any date by providing to the
Paying Agent on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not
be paid when due, it may nevertheless be discharged by providing to the Paying Agent a sum sufficient for the
payment thereof in full with interest accrued to the date of such deposit. The County may also discharge its
liability with reference to all Bonds which are called for redemption on any date in accordance with their terms
by depositing funds with the Paying Agent on or before that date in accordance with their terms by depositing
funds with the Paying Agent on or before that date, in an amount equal to the principal, interest, and premium, if
any, which are then due thereon, provided that notice of such redemption has been duly given. The County
may also at any time discharge this issue of Bonds in its entirety, subject to the provisions of law now or
hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or United States government obligations which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required to provide funds (without an reinvestment) sufficient to pay all principal, interest and premiums, if any, to become due on all Bonds on and before maturity, or, if a Bond has been duly called for redemption, on or before the designated redemption date.

Certification of Proceedings. The officers of the County are authorized and directed to prepare and furnish to the purchasers of the Bonds certified copies of all proceedings and records of the County relating to the authorization and issuance of the Bonds and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the officer's books and records or are otherwise known to them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the County as to the correctness of the facts recited therein and the action stated therein to have been taken. The County does hereby declare its official intent to reimburse the capital expenditures made with respect to the Project with proceeds of the Bonds. Motion by Long and seconded by Gillespie. All Commissioners present voted “Aye”.

Motion by Gillespie and seconded by Schmidt to authorize the Auditor to issue a check for payment of the closing costs on the HWH land swap at the Marv Skie Airport in the amount of $719.00 on July 18, 2011. Motion carried.

Motion by Gillespie and seconded by Long to approve the Permit for an Entrance onto Lincoln County Highway 152 submitted by Larry Speich. Motion carried.

Motion by Long and seconded by Gillespie to approve the Permit for an Entrance onto Lincoln County Highway 140 submitted by the SD Game Fish and Parks. Motion carried.

Motion by Gillespie and seconded by Schmidt to approve the Permit to Locate in the right of way of Lincoln County Highway 152 submitted by Southeastern Electric. Motion carried.

Motion by Schmidt and seconded by Long to approve the extension of the resignation of Mark Schroeder from July 31, 2011 to September 30, 2011 and to authorize the search to begin for a new Airport Manager. Commissioners Schmidt, Long and Weeldreyer voted “Aye”. Commissioner Gillespie voted “Nay”. Motion carried.

RESOLUTION: BE IT RESOLVED that the following 2011 2nd quarter quarterly transfers be hereby approved for expenses incurred by the Road and Bridge fund for other departments: Planning and Zoning $261.87; Sheriff $14,947.55; Equalization $854.09; Emergency Management $623.47; General Government Building $120.00; Weed Board $2,149.18; Communications $69.75 and GIS $79.62. BE IT FURTHER RESOLVED that the quarterly transfer of wheel tax be hereby approved as follows: $28,188.05 to townships and $28,188.05 to cities. Motion by Gillespie and seconded by Long. All Commissioners present voted “Aye”.

The following claims were approved:

General Fund: A & B Business, maint contract $157.98; A & B Pure Water Online, water $28.84; Active Data Systems, microfilming/supplies $424.66; Avera McKennan Hospital, blood draw $59; prisoner care $51.91; Avera Midwest Psychiatric Medicine, MI hosp adm/dschrg $147.13; Avera University Psychiatry, MI evals/hosp adm/dschgr $782.24; David L Bergendahl, GJ appearance/transcript fees $431.05; Berreau Law Office, pub def contract/med records $21,664.02; Best Business Products, copier maint contract $124.70; Brown & Saenger, supplies $62.92; Bubba's Quality Auto Parts, supplies $59.62; CADD/Engineering Supply, parts $325; City of Canton, utilities $765.02; CDW-G, parts/software $1,760.44; Cedar Shore Resort, lodging $737.55; Century Business Products, copier $3,490; maint/lease payments $90; Chemco, supplies $1,116.73; Clark Engineering Corp, plat review $1,884.28; Countryside Convenience, gas $413.21; Culligan Water Conditioning, softener tank service $21.25; Dakotabilities, 6 clients $1,080; DialNet, repair/replace phones $470; Election Systems & Software, hardware maint/support $136.51; Eric Eneboe, mileage $310.80; Paula Feucht, mileage $17.76; Frieberg Nelson & Ask, crt appt atty $330; Grand Jury, fees & mileage $959.84; Hoffman Oil, vehicle maint/repairs $1,925.19; Independent Publishing, publishing $466.43; Inter-Lakes CAP, allocation $340.45; Interstate Office Products, supplies $479.95; KB's True Value, supplies $50.98; Knology, telephone/internet service $1,161.57; Kelley Kruger, mileage $31.08; L-3 Communications, maint agreement $1,100; Lazy S 3 Arena, rent horse arena $250; Lincoln Co Conservation District, allocation $10,000; Lincoln Co ROD, new checks $91.50; Maxine Risty Court Reporting, GJ proceedings $258.75; Jason Melcher, mileage $119.14; Menards, supplies $36.20; MES Companies, digital video system $4,460; MidAmerican Energy, utilities $276.22; Minnehaha Co Regional JDC, child care $5,180; Minnehaha Co Treasurer, boarding fees $12,982.32; Irene Ness, mileage/supplies $70.02; Novak Sanitary Service, garbage/recycling $139.08; Paragon Publishing, help wanted ads $56.40; Jessica Pederson, mileage $32.56; Peterson, Stuart, Rumpca & Rasmussen, public defender contract $8,000; Pitney Bowes, postage $2,000; Pizza Ranch, grand jury meals $56.14; Prairie Reporting, deposition $47; Pump'n Pak, gas $30; Quarrystone Greenhouse, flowers-funeral $110; Quill,
supplies $581.17; R & L Supply, supplies $10.41; Ron's Classic, vehicle repairs $716.87; Joe Rowe, horse
show judge $275; Mark Rowen, mileage/supplies $316.81; Rural Route 1 Services, mats $84.45; Sheldon
Schelling QMHP, MI eval $135; SD State Treasurer, alcohol/drugs tests $1,560; mentally ill $376.49; SDACC,
CLERP $12,278.35; convention $160; Security Labs, web site property tax $1,497; Sioux Empire Automotive
Service Center, vehicle maint $855.71; Sioux Empire Lighting, light bulbs $272.50; City of Sioux Falls, blood
tests $175; Sioux Falls Music, rent sound system $75; Sioux Valley News, publishing/supplies $1,261.43;
Southeastern Behavioral Healthcare, allocation $12,065.50; Sturdevant's Auto Parts, parts/supplies $161.95;
Sunshine Foods, supplies $602.72; Drew Sweeter, mileage $51.06; Paul Twedt, mileage $9.25; Van Education
Center, online school $238; Verizon Wireless, mobile internet $215.05; Volunteers of America, shelter care bed
$1,540; Voyager Fleet Systems, gas $37.76; Thomas Wollman, mileage $18.50; Workplace Tech Center, MSP
mail services $64.75; Ross Wright, mileage $59.20; Xcel Energy, utilities $7,086.37.

Road Fund: A & B Pure Water Online, water $1.11; Allied Oil & Supply, repairs $331.06; A-OX Welding
Supply, acetylene/argon/oxygen $153.94; Boyer Trucks, repair $365.67; Bubba's Quality Auto Parts, supplies
$11.34; City of Canton, utilities $97.84; Clark Engineering, hwy paving projects $15,024.65; Concrete Materials,
asphalt $23,837.70; Independent Publishing, notice $40.20; JFI, propane $50.53; Knology, telephone/internet
service $159.54; Kruse Building Center, materials $19.75; Lawson Products, parts $229.03; MidAmerican
Energy, utilities $8; Nolz Dragline & Const, road work $190,732; Northern States Supply, parts $9.56; Novak
Sanitary Service, garbage/recycling $51; Quill, break room supplies $3.90; SD DOT, hwy projects $16,082.80;
Servall Towel & Linen, towel service $51.79; Sioux Valley News, notice $41.58; Sturdevant's Auto Parts,
supplies $92.86; Tri-State Water, water/cooler rent $20.75; Xcel Energy, utilities $253.21.

E911 Communication Fund: Century Business Products, copier maint contract $30; Ecowater,
water/supplies/rent $98.65; Knology, 911 circuits $836.24; tower rent $100; telephone/internet service $126.76;
Language Line Services, interpreter contract $100; Xcel Energy, radio repeater $14.28.

Emergency Management Fund: Interstate Power Systems, maint & repairs $370.90; Knology,
telephone/internet service $65.86; Sioux Falls Two-Way Radio, batteries $154.98; Ron Straatmeyer, repairs
$496.55; Sturdevant's Auto Parts, battery $75.72; Harold Timmerman, gas $65.79; Verizon Wireless, mobile
internet $42.12.

Solid Waste Fund: Countryside Convenience, gas $120; Dakota Fluid Power, service $1,596.68; Knology,
telephone services/email $49.53; Pomp's Tire Service, tire repairs $350.22; South Lincoln Rural Water, utilities
$28; Southeastern Electric, utilities $209.70; Sturdevant's Auto Parts, supplies $93.83; Sunshine Foods,
supplies $18.03; Verizon Wireless, mobile internet $43.01.

Airport Fund: Clark Engineering Corp, runway rehab $27,709.85; D & G Concrete Const, runway rehab
$351.35; EAA Chapter 289, rent $337.72; Knology, email $.61; Lincoln Co Rural Water, utilities $22; Menards,
supplies $39.94; Southeastern Electric, utilities $201.36.

24/7 Sobriety Fund: CDW-G, scanner $295.75.

Law Library Fund: West Payment Center, publications $553.

The Board adjourned until 8:30 a.m. on July 19, 2011.

Lincoln County Board of Commissioners

______________________________
Dennis Weeldreyer

Attest: ___________________________
Paula Feucht, Auditor

Approved ____________________________
Lincoln County Board of Commissioners