

FARIBAULT COUNTY
BOARD OF COMMISSIONERS
OFFICIAL PROCEEDINGS
MAY 18, 2021

The Faribault County Board of Commissioners met pursuant to the recess of May 4, 2021 in regular session via teleconference in the City of Blue Earth at 9:00 a.m. on May 18, 2021. The following members were present: Bruce Anderson, Bill Groskreutz, Tom Loveall, John Roper, and Greg Young Commissioners. County Auditor/Treasurer/Coordinator Darren Esser, Acting Clerk to the Board Clara Vereide, Central Services Director Lexi Scholten, Planning and Zoning Administrator Loria Rebuffoni, and Kevin Mertens were also present. Also participating in the call were Faribault County employees: K. Anderson, S. Asmus, J. Blair, S. Hauskins, K. Karjala; members of public: Milton Steele.

The meeting was called to order by Chair Roper.
The pledge of allegiance was recited.

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Young/Groskreutz motion carried unanimously to approve the synopsis and official proceedings of the May 4, 2021 regular and drainage authority meetings.

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Groskreutz/Young motion carried unanimously to approve the agenda of May 18, 2021.

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The calendar was updated.

Norm Hall appeared during public comment to announce his retirement after 30 years as news director of KBEW.

Committee reports were given. Loveall reported on Region Nine; Anderson reported on Prairieland; Groskreutz reported on EDA and MVAC; and Roper reported on MVAC.

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United Hospital District Chief Financial Officer Patrick Justin met regarding revenue obligation bonds.

A public hearing was held. No member of the public appeared to make comment.

Groskreutz/Young motion carried unanimously to approve resolution 21-CB-43 approving the reissuance of revenue obligations by the City of Frost for a project by United Hospital District, Inc. Commissioners Anderson, Groskreutz, Loveall, Roper and Young voted yes.

**RESOLUTION APPROVING THE REISSUANCE OF REVENUE
OBLIGATIONS BY THE CITY OF FROST FOR A PROJECT BY UNITED
HOSPITAL DISTRICT, INC.**

BE IT RESOLVED, by the Board of Commissioners of Faribault County, Minnesota (the “County”), as follows:

Section 1. Definitions. The following terms have the meanings given:

“*2018 Note*” means the Issuer’s \$9,428,450 Health Care Facilities Revenue Note, Series 2018, dated October 18, 2018.

“*2018 Project*” (i) the acquisition of real property and improvements from the District located: (a) at the Blue Earth Facilities, (b) in Winnebago, Minnesota, at One North Main Street and 550 Cleveland Avenue West and (c) in Wells, Minnesota, at 55 First Street Southeast; (ii) remodeling of certain portions of the Blue Earth Facilities, including the emergency department, lobby and other common spaces; and (iii) paying costs associated with financing the 2018 Project.

“*Act*” means Minnesota Statutes, Chapter 469.152 through 469.1655.

“*Allonge*” means that Allonge between Issuer and Lender setting forth changes to the 2018 Note as approved by the Issuer.

“*Blue Earth Facilities*” the hospital and clinic facilities located at 515 South Moore Street and 520 South Gailbraith Street, Blue Earth, Minnesota.

“*Borrower*” United Hospital District, Inc., a Minnesota nonprofit corporation, its successors and assigns.

“*Code*” means the Internal Revenue Code of 1986, as amended, and all regulations, amended regulations and proposed regulations issued thereunder, as now existing, or as hereafter amended or proposed.

“*Issuer*” the City of Frost, a municipal corporation and political subdivision of the State.

“*Lender*” means First Farmers & Merchants National Bank, a national banking association, with an office located in Luverne, Minnesota, its successors and assigns as the registered holder of the 2018 Note.

Section 2. General Recitals. The County makes the following recitals of fact:

2.01 Pursuant to authority contained in the Act, the Issuer previously issued the 2018 Note to provide funds for the acquisition and betterment of the 2018 Project.

2.02 The 2018 Project is owned and operated by Borrower as health care facilities.

2.03 Because of the effect of the COVID-19 pandemic on the Borrower’s operations, the Borrower has requested Lender make certain accommodations to the payment provisions of the 2018 Note, including (a) the reduction in the interest rate of the 2018 Note; and (b) extending the maturity date on the 2018 Note to November 18, 2040, all as provided in the Allonge.

2.04 The Issuer has approved the terms of the Allonge.

2.05 Fryberger, Buchanan, Smith & Frederick, P.A., bond counsel (“Bond Counsel”) has advised the County as follows:

(a) The legal authority for reissuance of the 2018 Note is Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”).

(b) In order for interest on the 2018 Note to remain exempt from federal income taxation upon reissuance, the tax-exempt bond rules of the Code require that each jurisdiction in which a portion of the 2018 Project is located or the next higher jurisdiction, such as the County, must hold a public hearing on the 2018 Project and approve the reissuance of the 2018 Note.

(c) In order for the 2018 Note to be legally reissued by the Issuer, Minnesota State law (Minnesota Statutes, Section 471.656) requires that the County consent to the reissuance of the 2018 Note by the Issuer.

Section 3. Public Hearing Held.

3.01 A Notice of Public Hearing was published in the Faribault County Register, the County’s official newspaper and a newspaper of general circulation, calling a public hearing on the proposed reissuance of the 2018 Note and on the 2018 Project. Publication of the Notice of Public Hearing is ratified and approved.

3.02 The Board of Commissioners has, on the date hereof, held a public hearing on the proposed reissuance of the 2018 Note and the 2018 Project, at which all those appearing who desired to speak were heard and written comments were accepted.

Section 4. Recital of Representations Made by Borrower.

4.01 Borrower has agreed to pay any and all costs incurred by the County and the Issuer in connection with the reissuance of the 2018 Note, whether or not such issuance is carried to completion.

4.02 Borrower has represented to the County that no public official of the County has either a direct or indirect financial interest in the 2018 Project nor will any public official either directly or indirectly benefit financially from the 2018 Project.

Section 5. Approval.

5.01 The County consents to the reissuance of the 2018 Note by the Issuer and the refinancing of the 2018 Project.

5.02 The Authorized Officers are authorized and directed to execute and deliver such other documents or certificates needed from the County for the reissuance of the 2018 Note.

Section 6. Nature of the 2018 Note. The 2018 Note shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the County. (There will, however, be a charge, lien or encumbrance on the 2018 Project, which is not an asset of the County.) The 2018 Note as amended by the Allonge recites in substance that the 2018 Note and the interest thereon, are payable solely from revenues received from the 2018 Project and property pledged for payment thereof, and shall not constitute a debt of the County.

Section 7. Payment of County’s Costs. The approvals given in this Resolution, are subject to the agreement by Borrower that it will pay or reimburse the County for payment of any and all

costs incurred by the County in connection with the reissuance of the 2018 Note by the Issuer, whether or not the 2018 Note is reissued.

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Central Services Director Lexi Scholten met regarding office business.

Anderson/Groskreutz motion carried unanimously to approve mobile device stipend for Sara Hauskins.

Young/Groskreutz motion carried unanimously to approve the hiring of Cameron Davis as Faribault County Attorney to fulfill the remainder of the current term ending December 31, 2022 including the conditions set forth in the conditional job offer.

Discussion was held regarding new mask mandate.

Loveall/Anderson motion carried unanimously to follow state recommendation on the mask mandate.

Loveall/Young motion carried unanimously to approve to make changes to business preparedness plan to reflect the new mask mandate.

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Planning and Zoning Administrator Loria Rebuffoni met regarding office business.

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Public Works Director Mark Daly met regarding office business.

Anderson/Young motion carried unanimously to approve advertising for annual diesel/gasoline bids.

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Loveall/Young motion carried unanimously to change the start time of June 15, 2021 meeting to 4:00 p.m. to correlate to 6:30 Board of Appeals.

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Young/Loveall motion carried unanimously to table consideration of the 2-year Sentence to Serve contract with the State of Minnesota beginning July 1, 2021 to the June 1, 2021 meeting.

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Young/Loveall motion carried unanimously to direct the Auditor/Treasurer/Coordinator to apply for the \$2.65 million in Coronavirus Fiscal Recovery Funds and to appoint the County Auditor / Treasurer/Coordinator as Authorized Representative of that application.

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Loveall/Young motion carried unanimously to authorize the Building and Grounds committee to request construction management proposals from Krause-Anderson for the courthouse HVAC project.

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Groskreutz/Loveall motion carried unanimously to approve training requests from C. Beaver to attend a 1-day Blue Life Support seminar in Fergus Falls, M. Lore and D. Anderson to attend a 1-day Agricultural Drainage and the Future of Water Quality 2021 Spring Field Tour.

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Anderson/Young motion carried unanimously to approve Resolution 21-CB-44 approving the repurchase of forfeited tax Parcel 22.200.2610. Commissioners Anderson, Groskreutz, Loveall, Roper, and Young voted yes.

RESOLUTION

WHEREAS, Parcel 22.200.2610 was forfeited to the State of Minnesota in favor of the Taxing Districts and

WHEREAS, the prior owner, Amber Engebretson, has applied to repurchase the parcel pursuant to Minn. Stat. 282.241 to 282.324, and

WHEREAS, the Faribault County Board of Commissioners has considered the application to repurchase the parcel and finds that it would be a hardship for the owner to lose their property, that the repurchase would correct an injustice, and that the repurchase would be in the public’s best interest,

BE IT RESOLVED that Duane and Amber Engebretson, the former owners of parcel 22.200.2610 described as Lots one (1), two (2), three (3), nine (9), and ten (10), in Block fourteen (14) in the Village (now City) of Bricelyn, Faribault County, Minnesota according to the Plat of said Village on file and of record in the Office of the Register of Deeds (now County Recorder) of said County be allowed to repurchase said parcel with the payment in full of the reinstated taxes, assessments, fees and costs as follows:

Taxes	\$ 1,673.03
Special Assessments	269.57
Penalty & Interest	932.76
2016 Publication Fee	20.00
2019 Forfeiture Fee	120.00
Repurchase Fee	100.00
Recording Fee	46.00
Deed Tax	1.65
Re-keying	137.68
State Deed Fee	<u>25.00</u>
Total Cost	\$3,325.69

BE IT FURTHER RESOLVED that the repurchase price must be paid in full by May 31, 2021.

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Young/Anderson motion carried unanimously to pay the following bills:

Auditor warrants for April 1 to April 31, 2021 totaling \$ 681,718.55 as follows:

Date	Amount	Description
04/01/2021	3,200.74	Auditor warrants
04/05/2021	1,610.53	Auditor warrants
04/08/2021	347,095.73	Auditor warrants
04/15/2021	147,178.99	Auditor warrants
04/20/2021	1,122.00	Auditor warrants
04/22/2021	154,927.65	Auditor warrants
04/29/2021	26,582.91	Auditor warrants

ACH-EFT warrants for April 1 to April 31, 2021 totaling \$ 746,000.41 as follows:

Date	Amount	Description
04/01/2021	535.35	Auditor warrants
04/06/2021	355,356.61	Commissioner warrants
04/08/2021	157,684.19	Auditor warrants
04/15/2021	11,747.90	Auditor warrants
04/20/2021	168,550.57	Commissioner warrants
04/22/2021	51,243.79	Auditor warrants
04/29/2021	882.00	Auditor warrants

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The meeting was adjourned for May 2021.

John Roper, Chair

Clara Vereide, Acting Clerk to the Board