

**MINUTES OF THE
OTTER TAIL COUNTY BOARD OF COMMISSIONERS
Government Services Center, Commissioners' Room
500 Fir Avenue W., Fergus Falls, MN
Tuesday, December 26, 2006
9:30 a.m.**

Call to Order

The Otter Tail County Human Services Board convened Tuesday, December 26, 2006, at 9:30 a.m., at the Otter Tail County Government Services Center with Commissioners Roger Froemming, Chair; Dennis Mosher, Vice-Chair; Bob Block, Syd Nelson, and Everett Erickson present.

Approval of Agenda

Motion by Mosher, second by Block, and unanimously carried to approve the Human Services Board agenda of December 26, 2006, as mailed.

Approval of Minutes

Motion by Froemming, second by Erickson, and unanimously carried to approve the Human Services Board minutes of December 12, 2006, as mailed.

Monitoring & Surveillance Service

Motion by Mosher, second by Erickson, and unanimously carried to authorize the appropriate County officials' signatures to execute a Memorandum of Understanding between the County of Otter Tail and Midwest Monitoring & Surveillance, Inc. of Fairmont, MN, to provide monitoring & surveillance services in connection with the electronic monitoring of offenders.

Secure Detention Costs

Court Services Director, Chuck Kitzman, provided annual secure detention costs for 2003 through 2006. He reported secure detention costs for 2006 at \$86,930.00, which is \$32,930.00 over budget and significantly higher than the 2005 secure detention costs of \$50,024.00. Lengthy discussion took place regarding length of time kids are staying in secure detention, out of home placement costs, which have not increased, and corresponding budgets.

Public Health Organizational Structure

Public Health Director, Diane Thorson, presented the current organizational structure in the Public Health Department. She also presented a recommended organizational structure changing the supervision/lines of reporting, for some programs. The new organizational structure would require filling two new supervisory positions. Motion by Mosher, second by Nelson, and unanimously carried to approve the new organizational structure for the Public Health Department as presented by the Director, and to authorize proceeding with the appropriate process to advertise one FTE and one .60 FTE supervisory positions.

Long Term Care Coordination

Human Services Supervisor, Deb Sjostrom, discussed the Minnesota Seniors Healthcare Options (MSHO) program with the Board. She reported total expenditures of \$205,463.78 and actual revenue as \$263,148.22 for the period of January 1, 2006 through June 30, 2006. Ms. Sjostrom also provided the number of persons served through the Long Term Care Coordination program.

Human Services Contracts

Motion by Block, second by Nelson, and unanimously carried to authorize the appropriate County officials' signatures to execute the following Human Services Contracts:

<u>Contracting Agency</u>	<u>Services/Program Provided</u>	<u>Contract Period</u>
Meals by Wheels	Home delivered meals for Eligible Persons	01/01/07 – 12/31/07
Lakes Homes and Program Development, Inc.	Waivered services for persons with mental retardation or related conditions	01/01/07 – 12/31/07
MN Dept. of Human Services, SOS Community Addiction Recovery Enterprises–FFRTC	Chemical Dependency treatment services	01/01/07 – 12/31/07
Kessel Group Home	Residential Services/Assisted Living – Adult Mental Health	01/01/07 – 12/31/07
Larry Kempenich, Rich's E.O.T. Homes, Inc.	Waivered services for persons with mental retardation or related conditions	01/01/07 – 12/31/07
Golden Manor of Fergus Falls	Residential Services/Assisted Living for eligible elderly persons	01/01/07 – 12/31/07
Prairie Community Services	Nursing Service for eligible persons	12/01/06 – 12/31/07
Synsteliem Community Services	Waivered services for persons with mental retardation or related conditions	01/01/07 – 12/31/07
Midwest Community Residential Resources	Waivered services for persons with mental retardation or related conditions	01/01/07 – 12/31/07
Tran\$Em	Supported employment for adults with serious and persistent mental illness	01/01/07 – 12/31/07
Willow Creek Senior Living	Residential Services/Assisted Living for eligible elderly persons	01/01/07 – 12/31/07
West Central Community Services	CADI Program & Medicaid Waiver for home & community based services	01/01/07 – 12/31/07
Parenting Time Center (aka: Someplace Safe or Safe Exchange)	Supervised parent/child visitations for families	01/01/07 – 12/31/07
Pioneer Home, Inc. (Pioneer Main)	Housing with Services/Asst. Living for eligible elderly persons	01/01/07 – 12/31/07
The Thomas House	Residential Services/Assisted Living for eligible elderly persons	01/01/07 – 12/31/07
St. Williams	Residential Services/Assisted Living for eligible elderly persons	01/01/07 – 12/31/07
St. Williams Annex	Community Support Program services for adults with serious and persistent MI	01/01/07 – 12/31/07
Lakeland Mental Health Center, Inc.	Outpatient Chemical Dependency treatment services for eligible individuals	01/01/07 – 12/31/07
Lutheran Social Services – Mill Pond & River Bend	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
Lutheran Social Services – Senior Companion	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
REM Central Lakes, Inc. – Waivered Services	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
REM Central Lakes, Inc. – Independent Living Skills	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
REM Central Lakes, Inc. – Semi-Independent Living Skills	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
Vergas Assisted Living	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06
Beth & Keith Janu – Adult Foster Care	Amendment to 2006 Provider Contract for 2.2553% Reimbursement Increase	Effective 10/01/06

Human Services Worksite LMC

Mr. Dinsmore provided a handout entitled "Otter Tail County Human Services Work-site Labor Management Committee Board Presentation Overview" dated December 26, 2006. Discussion took place regarding goals and priorities of the HS LMC and the value of all Labor Management Committees in the County.

Bills & Claims

Motion by Nelson, second by Block, and unanimously carried to approve the Human Services bills & claims as presented.

Adjournment

At 10:24 a.m., Chairman Froemming declared the meeting of the Otter Tail County Human Services Board adjourned.

Dated: _____ OTTER TAIL COUNTY HUMAN SERVICES BOARD

By: _____
Dennis R. Mosher, Human Services Board Chair

Attest: _____
Larry Krohn, Clerk

Call to Order

The Otter Tail County Board of Commissioners convened Tuesday, December 26, 2006, at 11:00 a.m. at the Otter Tail County Government Services Center with Commissioners Roger Froemming, Chair; Dennis Mosher, Vice-Chair; Bob Block, Syd Nelson, and Everett Erickson present.

Approval of Agenda

Motion by Nelson, second by Block, and unanimously carried to approve the County Board agenda of December 26, 2006, with the following addition:
Ag Advisory Committee Information

Approval of Minutes

Motion by Nelson, second by Block, and unanimously carried to approve the County Board minutes of December 19, 2006, as presented.

Approval of Bills

Motion by Mosher, second by Froemming, and unanimously carried to approve the bills per Attachment A of these minutes.

Mobile Collection Trailer

Solid Waste Director, Mike Hanan, presented quotations for a Household Hazardous Waste Mobile Collection Trailer as follows:

Felling Trailers \$22,450.00 (FOB – Fergus Falls)
Sauk Centre, MN

W.W. Wallwork Truck Center \$23,264.55 (FOB – Fergus Falls)
 Fargo, ND

Motion by Mosher, second by Froemming, and unanimously carried to authorize purchase of a HHW Mobile Collection Trailer from Felling Trailers, in the amount of \$22,450.00, to be paid out of the Solid Waste Budget/Fund as recommended by the Solid Waste Director.

Solid Waste Disposal Bonds for the Proposed Ethanol Plant

Motion by Nelson, second by Block, and unanimously carried to authorize the appropriate County officials' signatures to execute the following documents for the Solid Waste Disposal Bonds:

State of Minnesota Department of Employment and Economic Development Business and Community Development Division Application for Approval of Industrial Development Bond Project Pursuant to Minnesota Statutes, Section 469.152 Through 469.165. (Attachment B of these minutes)

MNDEED Letter dated July 5, 2006 Regarding: Proposed Otter Tail County, Revenue Bonds (Ethanol Plant Project), Series 2006. (Attachment C of these minutes)

Treatment and Correctional Steering Committee (TCSC)

Motion by Mosher, second by Froemming, and unanimously carried to appoint Commissioner Bob Block to the regional Treatment and Correctional Steering Committee with Commissioner Everett Erickson appointed as an alternate.

Petition for Crooked Lake Outlet

Highway Engineer, Rick West, presented a petition for a proposed outlet into Ditch No. 21 from Crooked Lake. Lengthy discussion took place regarding elevations, capacity of the ditch, and feasibility of the proposed project. Motion by Mosher, second by Froemming, and unanimously carried to accept the petition as presented and entitled PETITION FOR USE OF A DRAINAGE SYSTEM AS AN OUTLET, County Ditch No. 21, dated December 26, 2006. (Attachment D of these minutes)

Final Payment – Henning Highway Garage

Motion by Nelson, second by Block, and unanimously carried to authorize Final Estimate No. 7, in the amount of \$5,000.00, payable to Lee's Construction, Inc. for completion of C.P. 02:G-4 HENN, Henning Highway Garage.

2007 Highway Department Budget

Mr. West presented a 2007 Highway Department Budget handout. He briefed the Board on increased costs for maintenance and salt and expressed concern regarding future funding for highway projects.

Forgiveness of Penalty Request

Motion by Nelson, second by Erickson, and unanimously carried to deny (because there was no error on the part of the County to cause a late payment) the Forgiveness of Penalty request of Edward Aksamit, in the amount of \$63.60, for Parcel No. 79-000-99-0032-000.

Payment Approval

Motion by Nelson, second by Froemming, and unanimously carried to approve payment, in the amount of \$111.30, to Wenck Associates, Inc. for services for the Blue Heron Bay Development EIS as describe in Invoice Number 603677 dated October 31, 2006.

License Applications

Motion by Mosher, second by Froemming, and unanimously carried to approve the following applications for license:

Battle Lake Cenex Battle Lake, MN	Tobacco
Koep's Clitherall Corner Clitherall, MN	Tobacco
The Corner Store, OTL, Inc. Battle Lake, MN	Tobacco
Main Street Gas & Goods Dalton, MN	Tobacco
Zorbaz on Pelican Lake Pelican Rapids, MN	Tobacco

Payment Approvals

Motion by Block, second by Erickson, and unanimously carried to approve payment from the Capital Improvement Fund, in the amount of \$7,178.42, plus applicable Minnesota Sales Tax to CropCam, for the purchase of one CropCam Agricultural UAV (Electric) including the following:

Airframe, MP2028g Autopilot, Standard range data link with receiver, GPS Receiver and Antenna, Horizon Version 3.2 Ground Control Software, CropCam Image Software, Manuals, and One Year Technical Support

Motion by Block, second by Mosher, and unanimously carried to approve payment from the General Revenue Fund, in the amount of \$1,250.00, to Hill & Usher, LLC for Aerial Pak Insurance Coverage for the CropCam Agricultural UAV.

Motion by Mosher, second by Nelson, and unanimously carried to approve payment from the Capital Improvement Fund, in the amount of \$6,919.07, to Cooper's Technology Group for the shelving in the County Attorney's office.

Motion by Nelson, second by Block, and unanimously carried to approve a transfer to the Road and Bridge Fund from the Capital Improvement Fund for the following 2006 Capital Expenditures:

2006 Engineering Costs for Henning Garage and Lot	\$63,784.68
John Deere Model 6420 Tractor with Loader	61,690.00
Gas Operated Bituminous Core Drill	5,483.30
Battle Lake Garage (New Lights)	<u>5,250.00</u>
Total	\$136,208.64

Payable 2007 County Drainage System Assessments

Motion by Mosher, second by Erickson, and unanimously carried to authorize the following annual County Drainage System repair/maintenance assessments for payable year 2007:

County Drainage Ditch	Payable 2006	Payable 2007
Drainage Ditch No. 04	\$3,000.00	\$3,300.00
Drainage Ditch No. 05	\$1,250.00	\$1,400.00
Drainage Ditch No. 11	\$500.00	\$550.00
Drainage Ditch No. 12	\$3,000.00	\$3,300.00
Drainage Ditch No. 21	\$2,500.00	\$2,800.00
Drainage Ditch No 29	\$750.00	\$850.00
Drainage Ditch No 37	\$2,500.00	\$2,800.00
Drainage Ditch No. 38	\$2,500.00	\$2,800.00
Drainage Ditch No. 43	\$750.00	\$850.00
Drainage Ditch No 52	\$1,000.00	\$1,100.00
Drainage Ditch No. 53	\$1,500.00	\$1,700.00
Drainage Ditch No. 56	\$1,500.00	\$1,700.00
Drainage Ditch No. 63	\$1,500.00	\$1,700.00
Otter Tail Wilkin JD No. 2	\$3,500.00	\$4,000.00
Total	\$25,750.00	\$28,850.00

Regional Treatment and Correctional Facility Planning

Motion by Block, second by Mosher, and unanimously carried to approve payment, in the amount of \$12,926.00, to the Pope County Auditor as previously approved, to be paid out of the General Fund.

Transfer of Funds

Motion by Nelson, second by Erickson, and unanimously carried to approve a transfer from the General Fund to the Fund 15 (SCDP/Lead Hazard Grant) in the amount of \$26,528.92, to cover the December, 2006 expenditures until the grant funds are received in early January, 2007.

Receipt/Credit Card Reimbursement Policy

Motion by Block, second by Froemming, and unanimously carried to approve the Receipt/Credit Card Reimbursement Policy for County Employees as recommended by Department Heads and attached to these minutes as Attachment E.

Adjournment

At 12:06 p.m., Chair Froemming declared the meeting of the Otter Tail County Board of Commissioners adjourned until Tuesday, January 2, 2007.

Dated: _____

OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: _____

Dennis R. Mosher, Board of Commissioners Chair

Attest: _____

Larry Krohn, Clerk

12/26/2006
 12:08:39

OTTER TAIL COUNTY AUDITOR
 PANELSON RECEIPTS AND DISBURSEMENTS SYSTEM COUNTY 56 IFD66
 WARRANTS FOR PUBLICATION PAGE 1

WARRANTS APPROVED ON 12/26/2006 FOR PAYMENT 12/26/2006

VENDOR NAME	AMOUNT
ADVANCED POLICE SOFTWARE INC	2,495.00
AGGREGATE INDUSTRIES INC	13,844.69
ALEXANDRIA TECHNICAL COLLEGE	90.00
ALL CREATURES VET HOSPITAL	160.59
AMERIGAS	323.61
BATTLE LAKE STANDARD	24.80
BOB'S STANDARD BULK SERVICE	72.30
BOUND TREE MEDICAL LLC	164.43
BRAUN VENDING INC	33.19
CARLISLE TOWNSHIP	1,092.20
CITICORP VENDOR FINANCE INC	189.86
COMMISSIONER OF TRANSPORTATION	1,643.70
COOPERS TECHNOLOGY GROUP	1,197.38
CUMMINS NPOWER LLC	5,309.31
CUTLER MAGNER COMPANY	6,066.93
DAN'S EXHAUST PROS	1,223.51
DELZER CONSTRUCTION INC	2,251.50
FARM & HOME PUBLISHERS LTD	875.00
FERGUS FALLS MEDICAL GROUP	4,473.00
FERGUS INTERNATIONAL INC	7,917.48
FERRELLGAS	238.98
GALL'S INC	384.33
GOVERNMENT FINANCE OFFICERS AS	175.00
GRAINGER INC	230.39
HALL TRUCK CENTER INC	27.96
ANNETTE HARRINGTON	275.25
HENRY'S FOODS INC	695.52
INNOVATIVE OFFICE SOLUTIONS	21.88
JC ELECTRIC INC	75.43
K MART DETROIT LAKES NO 3775	60.23
KEEPRS INC CY'S UNIFORMS	1,057.77
KELLY SERVICES INC	1,788.35
LAB SAFETY SUPPLY INC	202.33
LAKE REGION HEALTHCARE CORP	513.40
LARRY OTT INC TRUCK SERVICE	1,160.00
LAWSON PRODUCTS INC	228.29
LIEBERMAN CO INC	10,658.42
LITTLE FALLS MACHINE INC	903.98
MARK SAND & GRAVEL CO	5,211.51
MICK'S SCUBA INC	172.72
MIDWESTERN MAT RENTAL & SUPPLY	69.60
NATIONAL BUSINESS SYSTEMS INC	6,892.63
NICE THREADS INC	200.00
NORTH DAKOTA STATE UNIVERSITY	23.00
NORTHLAND APPRAISAL SERVICE	300.00
OFFICE DEPOT	31.07
OFFICEMAX CONTRACT INC	157.11
OLYMPIC SALES INC	419.80
OTTER TAIL CO RECYCLING	106.15

12/26/2006 OTTER TAIL COUNTY AUDITOR COUNTY 56 IFD66
12:08:39 PANELSON RECEIPTS AND DISBURSEMENTS SYSTEM PAGE 2
WARRANTS FOR PUBLICATION

WARRANTS APPROVED ON 12/26/2006 FOR PAYMENT 12/26/2006

VENDOR NAME	AMOUNT
OTTER TAIL POWER COMPANY	754.88
OTTER TAIL TRUCKING INC	11,444.40
PERHAM AREA EMS	417.94
PERHAM CO OP CREAMERY	465.41
PERHAM MEMORIAL HOSPITAL & HOM	15.00
PITNEY BOWES	2,470.25
PRODUCTIVE ALTERNATIVES INC	212.60
REVIEW ENTERPRISES INC	97.74
SPRINT	61.26
STEVE SCHIERER APPRAISALS	600.00
STRAND ACE HARDWARE	24.03
STREICHERS	1,607.66
TASER INTERNATIONAL	450.00
SPENCER THOMAS	227.69
TNT REPAIR INC	1,150.71
TRANQUILITY BUILDING SERVICES	452.63
TRI STAR RECYCLING	4,425.00
UGSTAD PLUMBING INC	43.15
ULTEIG ENGINEERS	728.04
UNIVERSITY OF MN	16,100.00
VETERANS INFORMATION SERVICE	144.00
VICTOR LUNDEN COMPANY	188.11
VINYL PRODUCTS MFG INC	1,926.66
VOLDEN CONSTRUCTION INC	1,467.96
WADENA CO AUDITOR TREASURER	1,561.73
WADENA HIDE & FUR COMPANY	20.24
WELDING SUPPLIES & FIRE EQUIPM	50.53
WEST PAYMENT CENTER	2,081.95
WEST TOOL & DESIGN INC	150.00
WHITE BANNER UNIFORM SHOP	386.49
**** FINAL TOTAL.....	\$131,456.64 ****

STATE OF MINNESOTA
MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY DEVELOPMENT DIVISION
APPLICATION FOR APPROVAL OF INDUSTRIAL DEVELOPMENT BOND
PROJECT PURSUANT TO MINNESOTA STATUTES, SECTION 469.152 THROUGH 469.165

(please **submit this form in duplicate** - all supporting data in single copy only)

Date: July 5, 2006

The governing body of the Otter Tail County, Minnesota, hereby applies to the Minnesota Department of Employment and Economic Development (Department) for approval of a proposed Industrial Development Bond issue as required by Minn. Stat. § 469.152 - 469.165.

Address of issuer: Government Services Center
520 W. Fir Ave, Fergus Falls, MN 56537
Telephone: (218) 998-8060

Attn: Larry Krohn
Fax: (218) 998-8075

We have entered into preliminary discussions with:

Firm: Otter Tail Ag Enterprises, LLC
Address: 1220 N. Tower Road

Attorney: Kent D. Mattson
Address: Pemberton, Sorlie, Rufer & Kershner, P.L.L.P.
110 North Mill Street
P.O. Box 866

City: Fergus Falls State: MN 56537

City: Fergus Falls State: MN 56538

Name of Project: Ethanol Plant Project

This firm is engaged primarily in (nature of business): The firm was created for the purpose of building and operating an ethanol production facility near Fergus Falls, Minnesota.

The proceeds from the sale of the Industrial Development Bonds will be used to (describe the project): finance up to \$20 million of the acquisition, construction and equipping of the solid waste portion of a natural gas fired dry mill ethanol production facility to be located near Fergus Falls, Minnesota.

Address of Project: County Highway 116 about three miles north of Minnesota Highway 210 near Fergus Falls, Minnesota.

Acquisition of land and Site Preparation:	\$ <u>5,941,690</u>
New construction/ Renovation:	<u>67,500,000</u>
Sales Tax and JOBZ wages:	<u>4,800,000</u>
Fire Protection and Water Supply and Treatment:	<u>1,030,000</u>
Infrastructure including administrative building and , equipment and rail infrastructure:	<u>2,425,000</u>
Construction and Consultant Contingency Costs:	<u>2,153,310</u>
Organization Costs including Offering Costs:	<u>2,400,000</u>
Capitalized Interest and Financing Costs:	<u>2,000,000</u>
Start-up, Working Capital and Inventory Costs:	<u>7,250,000</u>
Total	\$ <u>95,500,000</u>

Construction will begin on or about September 1, 2006, and will be complete on or about June 30, 2008. There will be 40 new jobs created by the project at an annual payroll of approximately \$1,500,000, excluding benefits, based upon currently prevailing wages. There are no existing jobs provided by the business.

Average wage level of the new jobs is \$37,500/year.

Repayment of the proposed issue will be amortized over a period of 30 years.

The following exhibits are furnished with this application and are incorporated herein by reference:

1. An opinion of bond counsel that the proposal constitutes a project under Minn. Stat. § 469.153, subd. 2.
2. A copy of the resolution by the governing body of the issuer giving preliminary approval for the issuance of its revenue bonds and stating that the project, except for a project under Minn. Stat. § 469.153, subd. 2(g) or (j) would not be undertaken but for the availability of Industrial Development Bond financing.
3. A comprehensive statement by the municipality indicating how the project satisfies the public or purpose and policies of Minn. Stat. § 469.152 - 469.165.
4. A letter of intent to purchase the bond issue or a letter confirming the feasibility of the project from a financial standpoint.
5. A statement signed by the principal representative of the issuing authority to the effect that upon entering into the revenue agreement, the information required by Minn. Stat. § 469.153, subd. 2(g) or (j).
6. A statement signed by the principal representative of the issuing authority that the project does not include any property to be sold or affixed to or consumed in the production of property for sale, and does not include any housing facility to be rented or used as a permanent residence.
7. A statement signed by a representative of the issuing authority that a public hearing was conducted pursuant to Minn. Stat. § 469.154, subd. 4. The statement shall include the date, time and place of the meeting and certify that a draft copy of this application with all attachments was available for public inspection and that all interested parties were afforded an opportunity to express their views.
8. Copies of notice(s) as published which indicate the date(s) of publication and the newspaper(s) in which the notice(s) were published.
9. Provide a plan for compliance of employment preference of economically disadvantaged or unemployed individuals. (See Minn. Stat. § 469.154, subd. 7.)

We, the undersigned, are duly appointed representatives of the Otter Tail County, Minnesota and solicit your approval of this project at your earliest convenience so that we may carry it to a final conclusion.

Signed by: (Principal Officers or Representatives of Issuing Authority; type or print official's name on the line to the left of the signature line. Thank you.)

Roger Froemming
County Board Chair

Signature

Larry Krohn
County Coordinator

Signature

This approval shall not be deemed to be an approval by the Department of the State of the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued therefor.

Authorized Signature, Minnesota Department of
Trade and Economic Development

Date of Approval

Please return to: Minnesota Department of Employment and Economic Development
Attn: Paul Moe
Office of Business Finance
500 Metro Square Building
121 Seventh Place East
St. Paul, Minnesota 55101-2146

Phone: 651-297-1397 Fax: 651-296-5287

July 5, 2006

Minnesota Department of Employment
and Economic Development
Office of Business Finance
Attention: Paul Moe
500 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101-2146

Re: Proposed Otter Tail County, Revenue Bonds (Ethanol Plant Project), Series 2006

Dear Sir or Madam:

Otter Tail Ag Enterprises, LLC, a Minnesota limited liability company (the "Borrower"), has requested the issuance by the Otter Tail County (the "County") of the above-referenced revenue bonds (the "Bonds") in an aggregate principal amount of up to \$20,000,000. The proceeds of the Bonds would be loaned to the Borrower to finance the costs of acquisition and installation of solid waste disposal facilities (including centrifuge, dryer, evaporator) (the "Facilities") in connection with a proposed ethanol plant having an annual production capacity of approximately 55 million gallons to be located in Otter Tail County near the City of Fergus Falls, Minnesota (the "Project"), and including funding of necessary reserves and financed issuance expenses. Enclosed please find the Application of the County for approval of the Project, in duplicate, including the Preliminary Resolution adopted by the County Board of Commissioners.

Based on the representations of the Borrower, the County believes that the Project will be in the public interest and serve a valid purpose under the laws of the State of Minnesota, including the Municipal Industrial Development Act, Minnesota Statutes, Section 469.152 to 469.1651, as amended (the "Act"), by promoting, attracting, encouraging and developing economically sound industry and commerce and by alleviating problems related to solid waste disposal through governmental action.

I further certify, in order to provide the information required to be supplied to the Minnesota Department of Employment and Economic Development (the "Department") as Exhibits 5, 6, and 7 to the Application to the Department for approval of the Project, as follows:

(1) Upon entering into the revenue agreement for the Project between the County and Otter Tail Ag Enterprises, LLC, all information required by Section 469.154, subd. 5, of the Act will be submitted to the Department.

(2) The Project does not include any property to be sold or affixed to or consumed in the production of property for sale, and does not include any housing facility to be rented or used as a permanent residence.

(3) Pursuant to Section 469.154, subd. 4, of the Act, a public hearing was conducted with respect to the Project at the Commissioner's Room at the Otter Tail County Government Services Center, in Fergus Falls, Minnesota on Wednesday, July 5, 2006, at 10:00 a.m., at which hearing all interested parties were afforded an opportunity to express their views, and that, from and after the publication of the notice of public hearing, which publication was made by June 21, 2006, a draft copy of the Application to the Department, with all attachments, was available for public inspection at the County Government Service Center.

Chair, Board of Commissioners
Otter Tail County, Minnesota

PETITION FOR USE OF A DRAINAGE SYSTEM AS AN OUTLET


SYSTEM PROPOSED TO BE USED:
County Ditch No. 21

TO: The Otter Tail County Drainage Authority

I, the undersigned petitioner represent to the Otter Tail County Drainage Authority that:

- 1) I propose to construct a private system to lower the water level in Crooked Lake which will outlet into County Ditch No. 21 in Section 15, T133N-R41W (Sverdrup Township) thru a constructed channel/underground pipe and a wetland.
- 2) I represent that the purpose of this outlet will be to lower Crooked Lake to a point which will allow the Otter Tail County Highway Department to safely operate and maintain County State Aid Highway (CSAH) No. 18.
- 3) I represent that the proposed outlet structure for Crooked Lake which would consist of a control structure and a combination of underground pipe and open ditch. The structure will permit the lowering of Crooked Lake to an elevation below the Ordinary High Water elevation of Crooked Lake agreed upon by the Otter Tail County Drainage Authority. The outlet construction would be located in Section 15, T133N-R41W (Sverdrup Township).
- 4) The public benefit of the construction of this proposed outlet is to prevent the flooding of the segment of County State Aid Highway No. 18 located in Sections 15 and 22, T133N-R41W (Sverdrup Township).
- 5) WHEREAS, I, the petitioner hereinafter signed, do ask the Otter Tail County Drainage Authority for authorization to use County Ditch No. 21 as an outlet for this proposed private drainage project.

Dated this 26th day of December, 2006.


Richard West
Petitioner

Capacity in which I sign:
Otter Tail County Engineer

Otter Tail County
Receipt/Credit Card Reimbursement Policy

It is the policy of Otter Tail County that employees using County-issued credit cards must provide receipts of the underlying transaction. The information on the receipt or invoice must show the date of the transaction, the vendor's name, the items purchased and the cost. In situations where the receipt does not describe the item with specificity, the employee should add an explanation describing the items. Specifically, the credit card transaction receipt, which merely shows that the credit card was used, and a total amount of the transaction is not an adequate documentation of the transaction. Employees who are unable to accurately document the use of County credit cards are responsible for the charges.

This policy includes the Wright Express Cards used for County vehicles. However, because the credit card statement has documentation of fuel usage, a receipt substitute may be used, signed by the employee and the department head indicating that the employee did in fact use the credit card for the particular fuel transaction. Although receipts are required, in this circumstance, an employee will not be held responsible for the cost. Repeated failure to provide receipts may be cause for discipline. Employees who are unable to accurately document the use of County credit cards are responsible for the charges.