

**OFFICIAL PROCEEDINGS
OF A SPECIAL MEETING
OF THE COUNTY BOARD
LAKE COUNTY, MINNESOTA**

September 23, 2016. Commissioners' Chambers, Lake County Service Center, Split Rock River Room, 616 Third Avenue, Two Harbors, Minnesota. Meeting was called to order at 2:30 p.m. by Chair Sve. Commissioners Present: Goutermont, Jones, Hurd, Sve, Walsh. Absent: None. Also present: Laurel Buchanan, Clerk of the Board. Absent: County Administrator Matthew Huddleston.

Unless otherwise stated, all actions have been approved by unanimous yeas vote. Members of the public were present.

Board Chairperson Rich Sve discussed that the purpose of this meeting is to take necessary actions related to time-sensitive contracts with Rural Utilities Service (RUS) for the Broadband Initiative Program (BIP). Board actions will be regarding the temporary Deferral Agreement and a county resolution directing bonding for mechanics' liens, such resolution is required by the RUS to proceed with the Deferral Agreement. Special Assistant County Attorney Russ Conrow reviewed the necessity of these actions and updated the Board of Commissioners on discussions with the RUS. Lake County has requested a six-month deferral of principal payments on the Borrower's outstanding BIP debt. The RUS has approved Lake County's request. RUS has followed up and clarified what is needed to proceed with the Deferral Agreement and implement the six-month deferral of principal payments on Lake County's loan with RUS. If Lake County agrees to post a bond to assure that the liens will be released, RUS will accept a copy of the Board Resolution approving the bond transaction as sufficient evidence to move forward with processing the Deferral. Commissioners discussed an alternative to bonding for the complete amount and whether Lake County may set aside reserves in an amount to be established by the court or a combination of bond and reserve. The proposed resolution regarding the purchase of a bond to release liens was modified to include this alternative.

MOTION GOUTERMONT, SECOND WALSH: 01 – Approve resolution authorizing the Chair to sign the Deferral Agreement, dated as of September 16, 2016, between the County of Lake (“Lake County”) and the United States of America (“RUS” or “the Government”), for Broadband Initiatives Program (BIP) Award, Project Designation MN 1118-B40. Absent: None

MOTION JONES, SECOND HURD: 02 – Approve resolution Approving the Purchase of a Bond to Release Liens, as modified. Absent: None

MOTION JONES, SECOND GOUTERMONT: 03 – Adjourn special meeting at 2:49 p.m. Absent: None

ATTEST:

Laurel D. Buchanan
Clerk of the Board

Rich Sve, Chair
Lake County Board of Commissioners