

May 19, 2003

The Board of Supervisors met on the above date at 9:00 a.m. in the third floor conference room of the Mahaska County courthouse. Present were the following board members: Henry W. VanWeelden, Lawrence Rouw and Greg Gordy.

Also present were the following: Patty Rath, Juvenile Probation Officer; Bruce Buttell, Juvenile Probation Supervisor 8A District; Joel Akason, Oskaloosa Chamber, Greg Life; Jay W. Barnard; Marie Ware, Don Sandor, Cor VanEgmond; Michelle Moore, Mahaska County Agricultural and Rural Development Committee; Lori Faybik, Ottumwa Courier, Sally Finder, Oskaloosa Herald; Jay Christensen, Mahaska Health Partnership, Patti Simpson, Mahaska Health Partnership, Jerry Nussbaum, County Engineer, Joleen Arnold, CPC; Don Russell, Mahaska County Sanitarian; Amy Nossaman, Mahaska County Extension Office; Kirby Moss, Employee Group Services; Marge Striegel, Mahaska County DHS Office; Marla Knight, Iowa Telecom; Kay Swanson, Mahaska County Auditor.

Chairman Gordy opened the meeting with a moment of silence.

It was moved by VanWeelden seconded by Rouw to approve the agenda with the following additions: May 30th Cedar Cleanup Day; Discuss Hwy 102 inside New Sharon City Limit; and Master Matrix. All present voted aye. Motion carried.

It was moved by Rouw seconded by VanWeelden to approve the minutes for April 21st, May 1st and May 5th. All present voted aye. Motion carried.

It was moved by Rouw seconded by VanWeelden to approve the request of the Oskaloosa Area Chamber & Development Group to have the public restrooms open at 6:30 a.m. to 5:00 p.m. on June 14th for Art on the Square. All present voted aye. Motion carried.

Michelle Moore from Mahaska County Rural and Agricultural Development Committee gave the board her report. Michelle gave the board a copy of the reimbursement for program expenditures grant for Community Development Fund.

Bruce Buttell and Patty Rath discussed the matter of Patty Rath, Juvenile Probation Officer remaining in the same office space. No decisions were made today.

9:15 a.m. It was moved by VanWeelden seconded by Rouw to open the public hearing on the RAGBRAI ORDINANCE # 124. Roll call vote: VanWeelden – aye; Rouw – aye; Gordy – aye. Motion carried. Marie Ware from the RAGBRAI Committee discussed the ordinance with the board. It was moved by VanWeelden seconded by Rouw to close the public hearing. Roll call vote: VanWeelden – aye; Rouw – aye; Gordy – aye. Motion carried. The matter was tabled until June 2, 2003.

It was moved by VanWeelden seconded by Rouw to go into closed session pursuant to Iowa Code Chapter 21.5 (1.c). to discuss possible pending litigation. Roll call vote: Gordy – aye; VanWeelden – aye; Rouw – aye. Motion carried. 10:15 a.m. closed session began. 10:40 a.m. It was moved by Rouw seconded by VanWeelden to return to open session. Roll call vote: VanWeelden – aye; Rouw – aye; Gordy – aye. Motion carried.

It was moved by VanWeelden seconded by Rouw to approve the following Resolution. All present voted aye. Motion carried.

RESOLUTION

Approving and authorizing a Loan Agreement and providing for the issuance of a \$2,480,000 General Obligation Hospital Refunding Notes and the levy of taxes to pay the same

WHEREAS, heretofore under date of August 1, 1993, Mahaska County, Iowa (the “County”) issued its \$5,610,000 General Obligation Hospital Notes (the “Series 1993 Notes”), pursuant to a resolution duly adopted by the Board of Supervisors (the “Board”) on August 3, 1993 (hereinafter sometimes referred to as the “Series 1993 Note Resolution”), which are currently outstanding in the aggregate principal amount of \$2,850,000, and which are scheduled to mature on August 1 in each of the years, in the principal amounts and bear interest at the respective rates, as follows:

Year	Principal Amount	Interest Rate Per Annum	Year	Principal Amount	Interest Rate Per Annum
2003	\$415,000	5.00%	2006	\$485,000	5.40%
2004	\$440,000	5.10%	2007	\$510,000	5.60%
2005	\$460,000	5.30%	2008	\$540,000	5.70%

provided, however, that the \$2,435,000 of the Series 1993 Notes scheduled to mature on and after August 1, 2004 (the “Optional Series 1993 Notes”), are redeemable at the option of the County prior to maturity August 1, 2003 (the “Redemption Date”), upon terms of par and accrued interest; and

WHEREAS, pursuant to the provisions of Section 33 1.402(3) and 33 1.443 of the Code of Iowa, notice duly published and hearing held thereon, the County has heretofore determined to contract indebtedness and enter into a loan agreement (the “Loan Agreement”) in the principal amount of \$2,480,000 for the purpose of refunding the Optional Series 1993 Notes;

NOW, THEREFORE, Be It Resolved by the Board of Supervisors of Mahaska County, Iowa, as follows:

Section 1. The County hereby determines to enter into a loan agreement with Ruan Securities Corporation, Des Moines, Iowa, as lender (the “Lender”), in substantially the form attached hereto, providing for a loan to the County in the principal amount of \$2,480,000, at a discount of \$27,280, for the purpose set forth in the preamble hereof.

The Chairperson of the Board and the County Auditor are hereby authorized and directed to sign the Loan Agreement on behalf of the County, and the Loan Agreement is hereby approved.

Section 3. General Obligation County Refunding Notes, in the aggregate principal amount of \$2,480,000, are hereby authorized to be issued in evidence of the obligation of the County under the Loan Agreement, in the denomination of \$5,000 each, or any integral multiple thereof, dated May 1, 2003, maturing on June 1 in each of the years in the principal amounts and bearing interest at the respective rates as follows:

Year	Principal Amount	Interest Rate Per Annum	Year	Principal Amount	Interest Rate Per annum
2004	\$480,000	1.50%	2007	\$505,000	2.55%
2005	\$485,000	1.80%	2008	\$515,000	2.85%
2006	\$495,000	2.20%			

Bankers Trust Company, N.A., Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the Notes and may be hereinafter referred to as the “Registrar” or the “Paying Agent”.

All of the interest on the Notes shall be payable December 1, 2003, and semiannually thereafter on the first day of June and December in each year. Payment of interest on the Notes shall be made to the registered owners appearing on the registration books of the County at the close of business on the fifteenth day of the month next preceding the interest payment date and shall be paid by check or draft mailed to the registered owners at the addresses shown on such registration books. Principal of the Notes shall be payable in lawful money of the United States of America to the registered owners or their legal representatives upon presentation and surrender of the Note or Notes at the office of the Paying Agent.

The Notes shall be executed on behalf of the County with the official manual or facsimile signature of the Chairperson of the Board and attested with the official manual or facsimile signature of the County Auditor and shall have the County’s seal impressed or printed thereon, and shall be fully registered Notes without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Notes shall cease to be such officer before the delivery of the Notes, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Notes shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

The Notes shall be fully registered as to principal and interest in the names of the owners on the registration books of the County kept by the Registrar, and after such registration, payment of the principal thereof and interest thereon shall be made only to the registered owners or their legal representatives or assigns. Each Note shall be transferable without cost to the registered owner thereof only upon the registration books of the County upon presentation to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The record and identity of the owners of the Notes shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 6. Notwithstanding anything above to the contrary, the Notes shall be issued initially as Depository Bonds, with one fully registered Note for each maturity date, in principal amounts equal to the amount of principal maturing on each such date, and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). On original issue, the Notes shall be deposited with DTC for the purpose of maintaining a book-entry system for recording the ownership interests of its participants and the transfer of those interests among its participants (the "Participants"). In the event that DTC determines not to continue to act as securities depository for the Notes or the County determines not to continue the book-entry system for recording ownership interests in the Notes with DTC, the County will discontinue the book-entry system with DTC. If the County does not select another qualified securities depository to replace DTC (or a successor depository) in order to continue a book-entry system, the County will register and deliver replacement notes in the form of fully registered certificates, in authorized denominations of \$5,000 or integral multiples of \$5,000, in accordance with instructions from Cede & Co., as nominee for DTC. In the event that the County identifies a qualified securities depository to replace DTC, the County will register and deliver replacement notes, fully registered in the name of such depository, or its nominee, in the denominations as set forth above, as reduced from time to time prior to maturity in connection with redemptions or retirements by call or payment, and in such event, such depository will then maintain the book-entry system for recording ownership interests in the Notes.

Ownership interest in the Notes may be purchased by or through Participants. Such participants and the persons for whom they acquire interests in the Notes as nominees will not receive certificated Notes, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Notes, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the Notes, as nominee, may desire to make arrangements with such Participant to have all notices of redemption or other

communications of the County to DTC, which may affect such person, forwarded in writing by such Participant and to have notification made of all interest payments.

The County will have no responsibility or obligation to such Participants or the persons for whom they act as nominees with respect to payment to or providing of notice for such participants or the persons for whom they act as nominees.

As used herein, the term "Beneficial Owner" shall hereinafter be deemed to include the person for whom the Participant acquires an interest in the Notes.

DTC will receive payments from the County, to be remitted by DTC to the Participants for subsequent disbursement to the Beneficial Owners. The ownership interest of each Beneficial Owner in the Notes will be recorded on the records of the Participants whose ownership interest will be recorded on a computerized book-entry system kept by DTC.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the County to DTC, and DTC shall forward (or cause to be forwarded) the notices to the Participants so that the Participants can forward the same to the Beneficial Owners.

Beneficial Owners will receive written confirmations of their purchases from the Participants acting on behalf of the Beneficial Owners detailing the terms of the Notes acquired.

Transfers of ownership interests in the Notes will be accomplished by book entries made by DTC and the Participants who act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Notes, except as specifically provided herein. Interest and principal will be paid when due by the County to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 7. The Notes shall be in substantially the following form:

(Form of Note)

UNITED STATES OF AMERICA

STATE OF IOWA MAHASKA COUNTY

GENERAL OBLIGATION HOSPITAL REFUNDING NOTE

No. _____ \$ _____

RATE

MATURITY DATE NOTE DATE

CUSIP

May 1, 2003

Mahaska County (the "County"), in the State of Iowa, for value received, promises to pay on the maturity date of this Note to

or registered assigns, the principal sum of

DOLLARS

in lawful money of the United States of America upon presentation and surrender of this Note at the office of the Bankers Trust Company, N.A., Des Moines, Iowa (hereinafter referred to as the "Registrar" or the "Paying Agent"), with interest on said sum, until paid, at the rate per annum specified above from the date of this Note, or from the most recent interest payment date on which interest has been paid, on June 1 and December 1 of each year, commencing December 1, 2003. Interest on this Note is payable to the registered owner appearing on the registration books of the County at the close of business on the fifteenth day of the month next preceding the interest payment date, and shall be paid by check or draft mailed to the registered owner at the address shown on such registration books.

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Registrar.

This Note is one of a series of notes (the "Notes") issued by the County to evidence its obligation under a certain Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), entered into by the County for the purpose of refunding \$2,435,000 of the County's outstanding General Obligation Hospital Notes, dated August 1, 1993.

The Notes are issued pursuant to and in strict compliance with the provisions of Sections 331.402(3) and 331.443 of the Code of Iowa, 2003, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the County Board of Supervisors authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Notes (the "Resolution"), and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of the Notes and the rights of the owners of the Notes.

This Note is fully negotiable but shall be fully registered as to both principal and interest in the name of the owner on the books of the County in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Note to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or the assignment form hereon completed and

duly executed by the registered owner or the duly authorized attorney for such registered owner.

The County, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the County, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified and Recited that all acts, conditions and things required by the laws and Constitution of the State of Iowa, to exist, to be had, to be done or to be performed precedent to and in the issue of this Note were and have been properly existent, had, done and performed in regular and due form and time; that provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the County for the payment of the principal of and interest on this Note as the same will respectively become due; that the faith, credit, revenues and resources and all the real and personal property of the County are irrevocably pledged for the prompt payment hereof, both principal and interest; and that the total indebtedness of the County, including this Note, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Mahaska County, Iowa, by its Board of Supervisors, has caused this Note to be sealed with the facsimile of its official seal, to be executed with the duly authorized facsimile signature of its Chairperson and attested with the duly authorized facsimile signature of its County Auditor, all as of May 1,2003.

MAHASKA COUNTY, IOWA

By (DO NOT SIGN)
Chairperson, Board of Supervisors

Attest:

(DO NOT SIGN)
County Auditor
(Facsimile Seal)

(On each Note there shall be a registration dateline and a Certificate of Authentication of the Registrar in the following form:)

Registration Date: (Registration Date)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes described in the within-mentioned Resolution.

BANKERS TRUST COMPANY, N.A.
Des Moines, Iowa
Registrar
By (Authorized Signature)
Authorized Officer

ABBREVIATIONS

The following abbreviations, when used in this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UTMA _____
TEN ENT - as tenants by the entireties	(Custodian)
JT TEN - as joint tenants with right of Survivorship and not as Tenants in common	As Custodian for _____ (Minor)
	under Uniform Transfers to Minors Act
	_____ (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Note to

(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint _____, Attorney, to transfer this Note on the books kept for registration thereof with full power of substitution.

Dated: _____

Signature guaranteed:

(Signature guarantee must be provided in accordance with the prevailing standards and procedures of the

Registrar and Transfer Agent. Such standards and procedures may require signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee Program)

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Note in every particular, without alteration or enlargement or any change whatever.

Section 8. The Notes shall be executed as herein provided as soon after the adoption of this resolution as may be possible and thereupon shall be delivered to the Registrar for registration, authentication and delivery to the Lender, upon receipt of the loan proceeds (the "Loan Proceeds"), and all action heretofore taken in connection with the Loan Agreement is hereby ratified and confirmed in all respects.

Section 9. The Optional Series 1993 Notes are hereby called for redemption as of the Redemption Date, and the Bankers Trust Company, N.A., Des Moines, Iowa, is hereby authorized and directed to take all actions necessary to redeem the Optional Series 1993 Notes as of the Redemption Date, including mailing notice of such redemption to all registered owners of the Optional Series 1993 Notes as shown by the County's registration records, at least 30 but not more than 60 days prior to the Redemption Date, by certified mail, return receipt requested.

The Loan Proceeds, together with such other legally available funds of the County as necessary, shall be set aside and used and applied as set forth therein.

Section 10. In the event that the revenues of the Hospital are not sufficient to pay the interest on the Notes as it falls due, and also to pay and discharge the principal thereof at maturity, pursuant to Chapter 76 of the Code of Iowa, there be and there is authorized to be levied on all the taxable property in the County in each of the years while the Notes or any of them are outstanding, a tax sufficient to make up any shortages in such revenues as reported by the Hospital to the County in an amount not to exceed the following:

For collection in the fiscal year beginning July 1, 2004,
sufficient to produce the net annual sum of \$532,175;

For collection in the fiscal year beginning July 1, 2005,
sufficient to produce the net annual sum of \$533,445;

For collection in the fiscal year beginning July 1, 2006,
sufficient to produce the net annual sum of \$532,555;

For collection in the fiscal year beginning July 1, 2007,
sufficient to produce the net annual sum of \$529,678.

The County has been advised by the Hospital that revenues of the Hospital sufficient to pay the principal of and interest on the Notes due during the fiscal year

beginning July 1, 2003, in the amount of \$538,907 have been set aside by the Hospital and will be available to pay the principal of and interest on the Notes when due during such fiscal year.

Section 11. A certified copy of this resolution shall be filed with the County Auditor, and said Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the County and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the County and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Notes hereby authorized and for no other purpose whatsoever. Any amount received by the County as accrued interest on the Notes shall be deposited into such special account and used to pay interest due on the Notes on the first interest payment date.

Section 12. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current available funds of the County in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds in the sum thus advanced. The County hereby pledges the faith, credit, revenues and resources and all of the real and personal property of the County for the full and prompt payment of the principal of and interest on the Notes.

Section 13. It is the intention of the County that interest on the Notes be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the County covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with the applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the Notes will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the County are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The County hereby designates the Notes as "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 14. Continuing Disclosure.

(a) Limited Exemption from Rule. The Securities and Exchange Commission (the "SEC") has promulgated amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (as in effect and interpreted from time to time, the "Rule") which govern the obligations of certain underwriters to require that issuers of municipal bonds enter into contracts for the benefit of the bondholders to

provide continuing disclosure with respect to the bonds. This Board hereby finds, determines and declares that the Notes are exempt from the application of paragraph (b)(5) of the Rule by reason of the exemption granted in paragraph (d)(2) thereof. Specifically, this Board hereby finds that the only “obligated person” (within the meaning of the Rule) with respect to the Notes is the County and that, giving effect to the issuance of the Notes and any other securities required to be integrated with the Notes, there will not be more than \$10 million in principal amount of municipal securities outstanding on the date of issuance of the Notes as to which the County is an obligated person (excluding municipal securities exempt from the Rule under paragraph (d)(1) thereof because, among other things, they were issued in minimum denominations of \$100,000). In making such finding, the County hereby represents that it has not issued within the six months before the date of issuance of the Notes and that it reasonably expects that it will not issue within six months after the date of issuance of the Notes, other securities of the County of substantially the same security and providing financing for the same general purpose or purposes as the Notes. The exemption from the Rule for the Notes is conditioned upon the County agreeing to provide certain continuing disclosure as hereinafter provided. The County has not previously entered into any undertakings under the Rule.

(b) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Notes and the security therefore and to permit participating underwriters in the primary offering of the Notes to comply with paragraph (b)(5) of the Rule, which will enhance the marketability of the Notes, the County hereby makes the covenants and agreements contained in this section for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Notes.

If the County fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any outstanding Notes, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for specific performance or a writ of mandamus. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Notes or under any other provision of this resolution.

As used in this section, “Owner” or “Noteowner” means, with respect to a Note, the registered owner or owners thereof appearing in the register maintained by the Registrar or any “Beneficial Owner” (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, “Beneficial Owner” means, with respect to a Note, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Note (including persons or entities holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Note for federal income tax purposes.

(c) Information To Be Disclosed. The County will provide, either directly or indirectly through an agent designated by the County, the following information at the following times in an appropriate manner:

(1) At least annually to the state information depository then designated or operated by the State of Iowa (the "State Depository"), if any, or, if no State Depository then exists, to any person or entity upon request, certain information (the "Disclosure Information"), including the audited financial statements of the County and any other information of the type contained in the Official Statement for the Notes not included in such financial statements but customarily prepared and made publicly available by the County, which information may be unaudited and which, for financial statement information, shall be for the most recent fiscal year of the County (if in response to a request, the most recent fiscal year ending not less than 270 days before the date of the request), and, for other such information, the information most recently compiled by the County on a customary basis and publicly available under applicable data privacy or other laws.

The County Auditor is hereby designated as the proper recipient of requests for Disclosure Information.

Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to each then nationally recognized municipal securities information repository under the Rule or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify in the Disclosure Information each document so incorporated by reference.

If the Disclosure Information is changed because it is no longer compiled or publicly available or this paragraph (c)(1) is amended as permitted by subsection (d), then the County shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of information provided.

(2) In a timely manner, to the Municipal Securities Rulemaking Board and to the State Depository, if any, notice of the occurrence of any of the following events which is a Material Fact (as hereinafter defined):

(A) Principal and interest payment delinquencies;

(B) Non-payment related defaults;

(C) Unscheduled draws on debt service reserves reflecting financial difficulties;

(D) Unscheduled draws on credit enhancements reflecting financial difficulties;

(E) Substitution of credit or liquidity providers, or their failure

to perform;

(F) Adverse tax opinions or events affecting the tax-exempt status of the security;

(G) Modifications to rights of security holders;

(H) Note calls;

(I) Defeasances;

(J) Release, substitution, or sale of property securing repayment of the securities; and

(K) Rating changes.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Note or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Note within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, to the Municipal Securities Rulemaking Board and to the State Depository, if any, notice of the occurrence of any of the following events or conditions:

(A) the amendment or supplementing of this section pursuant to subsection(d), together with a copy of such amendment or supplement and any explanation provided by the County under subsection (d)(2);

(B) the termination of the obligations of the County under this section pursuant to subsection (d);

(C) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and

(D) any change in the fiscal year of the County.

(d) Term: Amendments: Interpretation. The covenants of the County in this section shall remain in effect so long as any Notes are outstanding. Notwithstanding the

preceding sentence, however, the obligations of the County under this section shall terminate and be without further effect as of any date on which the County delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the County to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Notes or securities firms recommending the Notes to prospective purchasers while the Notes are outstanding to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

This section may be amended or supplemented by the County from time to time, without notice to or the consent of the Owners of any Notes, by a resolution of this Board filed in the office of the recording officer of the County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the County or the type of operations conducted by the County, or (b) is required by, or better complies with, the provisions of paragraph (d)(2) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (d)(2) of the Rule at the time of the primary offering of the Notes, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Owners under the Rule. This section is entered into to comply with, and should be construed so as to satisfy the requirements of, paragraph (d)(2) of the Rule.

Section 15. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed to the extent of such conflict.

Passed and approved May 19, 2003.

Chairperson, Board of Supervisors

Attest: _____
County Auditor

STATE OF IOWA

SS:

MAHASKA COUNTY

I, the undersigned, County Auditor of the aforementioned County, do hereby certify that as such Auditor I have in my possession or have access to the complete records of the County and of its Board of Supervisors and officers and that I have carefully compared the transcript hereto attached with the aforesaid records and that the transcript hereto attached is a true, correct and complete copy of all the records in relation to the authorization and approval of a certain Loan Agreement and the issuance of \$2,480,000 General Obligation Hospital Refunding Notes of said County evidencing the County's obligation under the Loan Agreement and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time with respect thereto.

I further certify that no appeal has been taken to the District Court from the decision of the Board of Supervisors to enter into the Loan Agreement, to issue the Notes or to levy taxes to pay the principal of and interest on the Notes.

I further certify that there has been filed in my office a certified copy of the resolution of the County shown to have been adopted by the Board of Supervisors on May 19, 2003, authorizing and approving the Loan Agreement, issuing the Notes and authorizing for a levy of taxes to pay the same in the event that revenues of the Hospital are not sufficient for such purpose, and that I have duly placed the copy of the resolution on file in my records.

WITNESS MY HAND and the seal of the County hereto affixed this 19th day of May, 2003.

County Auditor

It was moved by Rouw seconded by VanWeelden to approve the Revenue Maintenance and Payment Agreement. All present voted aye. Motion carried.

REVENUE MAINTENANCE AND PAYMENT AGREEMENT

This Revenue Maintenance and Payment Agreement (hereinafter referred to as the "2003 Payment Agreement") made and entered into as of the May 1, 2003, by and between Mahaska County, Iowa, a county and political subdivision of the State of Iowa (the "Issuer"), and Mahaska County Hospital, a county public hospital organized under Chapter 347 of the Code of Iowa (the "Hospital");

WITNESSETH:

WHEREAS, the Issuer and the Board of Hospital Trustees of the Hospital (the "Hospital Board") previously determined it to be advisable to make improvements to the Hospital's facilities (hereinafter sometimes referred to as the "Project"), and the County issued is \$5,610,000 General Obligation Hospital Notes, dated August 1, 1993 (the "Series 1993 Notes"), to pay costs of the acquisition and construction of the Project; and

WHEREAS, the Issuer and the Hospital entered into a Revenue Maintenance and Payment Agreement, dated as of August 1, 1993 (the "1993 Payment Agreement"), pursuant to which the Hospital agreed to maintain its rates at levels high enough to produce sufficient revenues to pay the debt service on the Series 1993 Notes for the purpose of satisfying the Issuer's obligations thereunder the Notes; and

WHEREAS, in order to reduce the debt service requirements of the Series 1993 Notes, the Issuer and the Hospital deem it advisable to prepay the Series 1993 Notes which are scheduled to mature on and after August 1, 2004, in the aggregate principal amount of \$2,435,000 (the "Optional Series 1993 Notes"), and, in strict compliance with Chapter 331 of the Code of Iowa, notice duly published, hearing held thereon and a resolution adopted by the Issuer on May 19, 2003 (the "2003 Note Resolution"), the Issuer has approved a loan agreement (the "2003 Loan Agreement") and the issuance of \$2,480,000 General Obligation Hospital Refunding Notes, dated May 1, 2003 (the "Series 2003 Notes"), for the purpose of refunding the Optional Series 1993 Notes as of August 1, 2003 (the "Redemption Date"); and

WHEREAS, the obligations of the Issuer under the Series 2003 Notes and the 2003 Resolution are payable from the levy of a sufficient continuing annual tax on all the taxable property of the Issuer (the "Debt Service Fund Levy"), and the Issuer and the Hospital have entered into this 2003 Payment Agreement pursuant to which the Hospital will agree to maintain rates at levels high enough to produce sufficient revenues to pay the debt service on the Series 2003 Notes for the purpose of satisfying the Issuer's obligations under the Series 2003 Notes, the 2003 Loan Agreement, and the 2003 Note Resolution, and other matters as set forth herein with terms used herein and not defined herein having the meaning given them in the 2003 Note Resolution;

NOW, THEREFORE, in consideration of the premises and the mutual promises set forth below, the Issuer and the Hospital agree as follows:

Section 1. Application of Loan Proceeds. The proceeds received under the 2003 Loan Agreement (the "Loan Proceeds") will be used and applied to redeem the Optional Series 1993 Notes as of the Redemption Date.

Section 2. Payments and Deposits from Net Revenues: Resolution Funds. The Hospital recognizes that the obligations of the Issuer under the 2003 Loan Agreement, the Series 2003 Notes and the 2003 Note Resolution are payable from the Issuer's Debt Service Fund and in order to prevent the Issuer from having to impose the Debt Service Fund Levy to make such payments, the Hospital agrees to make such payments as may be required from time to time under such documents for and on behalf of the Issuer directly

to Bankers Trust Company, N.A., Des Moines, Iowa (the "Paying Agent"), as and when such payments or deposits are due.

Section 3. Establishment of Rates and Charges. So long as any of the Series 2003 Notes are outstanding, the Hospital facilities, including all improvements and extensions thereto, shall be lawfully operated and maintained as a revenue producing and self-liquidating undertaking. The Hospital Board shall maintain a schedule of rates and charges for the services and facilities of the Hospital, and such schedule shall be revised from time to time so as to be sufficient at all times to meet the prompt payment of all expenses and charges payable therefrom as by law provided, including the payment of interest on and principal of the Series 2003 Notes and to pay currently all proper expenses of operation and maintenance and to otherwise comply with the provisions of the Series 2003 Notes and the 2003 Note Resolution.

Section 4. Budget. An annual budget of expenses of operation and maintenance of the Hospital shall be prepared by the Hospital for each Fiscal Year. Not less than 45 days prior to the beginning of each such Fiscal Year the proposed budget covering the anticipated requirements and expenditures for operation and maintenance of the Hospital during the ensuing Fiscal Year shall be filed with the Board of Supervisors of the Issuer for its review.

Section 5. Arbitrage. Both the Issuer and the Hospital covenant and agree that neither will take any action or fail to take any action with respect to the investment of the Loan Proceeds which would result in constituting the Series 2003 Notes as "arbitrage bonds" within the meaning of such term as used in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and that neither will take any action or fail to take any action which would otherwise cause interest on the Series 2003 Notes to be included in gross income of the recipients thereof for federal income tax purposes.

Section 6. Performance of Obligations Under the 2003 Note Resolution. The Hospital hereby agrees to operate and maintain the Hospital facilities in a manner sufficient to produce revenues to pay the debt service on the Series 2003 Notes and agrees to be bound by the provisions of the 2003 Loan Agreement, the Series 2003 Notes and the 2003 Note Resolution and perform the obligations of the Issuer and the Hospital thereunder in the manner therein provided.

IN WITNESS WHEREOF, the Issuer and the Hospital have hereunto executed this Payment Agreement by their authorized officers all as of the date first above written.

MAHASKA COUNTY, IOWA

By _____
Chairperson, Board of Supervisors

Attest: _____

County Auditor

MAHASKA COUNTY HOSPITAL

By _____
Chairperson, Board of Trustees

Attest:

Board Secretary

It was moved by VanWeelden seconded by Rouw to approve the following Loan Agreement. All present voted aye. Motion carried.

LOAN AGREEMENT

This Loan Agreement is entered into as of May 1, 2003, by and between the Mahaska County, Iowa (the "County") and Ruan Securities Corporation, Des Moines, Iowa (the "Lender"). The parties agree as follows:

1. The Lender shall loan to the County the sum of \$2,480,000, at a discount of \$27,280, and the County's obligation to repay hereunder shall be evidenced by the issuance of General Obligation Hospital Refunding Notes in the aggregate principal amount of \$2,480,000 (the "Notes").

2. The County has adopted a resolution (the "Resolution") authorizing and approving the Loan Agreement and providing for the issuance of the Notes for the purpose of refunding \$2,435,000 of the County's outstanding General Obligation Hospital Notes, dated August 1, 1993. The Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. In and by the Resolution, provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the County for the payment of the principal of and interest on the Notes as the same will respectively become due, and the County has irrevocably pledged the faith, credit, revenues and resources and all the real and personal property of the County for the full and prompt payment of the principal of and interest on the Notes.

4. Any amount received by the County as accrued interest on the Notes shall be deposited in the special account within the County's Debt Service Fund established pursuant to the Resolution and shall be held therein and used, along with other amounts on deposit in such account, to pay interest on the Notes due on the first interest payment date.

5. The Notes, in substantially the form set forth in the Resolution, shall be executed and delivered to the Lender in evidence of the County's obligation to repay the amounts payable hereunder. The Notes shall be dated May 1, 2003, shall bear interest, shall be payable as to principal on the dates and in the amounts, shall be subject to prepayment prior to maturity and shall contain such other terms and provisions as provided in the Notes and the Resolution.

6. This Loan Agreement is executed pursuant to the provisions of Section 331.402(3) of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of the statute.

IN WITNES WHEREOF, we have hereunto affixed our signatures all as of the date first above written.

MAHASKA COUNTY, IOWA

By _____
Chairperson, Board of Supervisors

Attest:

County Auditor

RUAN SECURITIES CORPORATION
Des Moines, Iowa

By _____
(Signature)

Type name and title

It was moved by Rouw seconded by VanWeelden to approve the following agreement. All present voted aye. Motion carried.

**PAYING AGENT AND
REGISTRAR AND TRANSFER AGENT AGREEMENT**

This Agreement is entered into the date hereof between BANKERS TRUST COMPANY, N.A., Des Moines, Iowa (the "Agent") and the MAHASKA COUNTY, IOWA (the "Issuer").

1. **Definition of Terms**-The terms “item,” “receipt,” “transfer,” “turnaround,” “process,” “business day,” and other terms used throughout this Agreement shall be deemed to have the meanings provided in the regulations promulgated pursuant to the Securities Exchange Act of 1934 and the Code of Iowa as amended and in effect from time to time.

2. **Issuance Resolution Incorporated By Reference**-The Agent agrees to act on behalf of the Issuer pursuant to the terms of this Agreement and pursuant to the Issuer’s resolution (the “Resolution”) authorizing and providing for the issuance of \$2,480,000 General Obligation Hospital Refunding Notes, dated May 1, 2003 (the “Notes”). The Resolution and the terms thereof are hereby incorporated by reference and the provisions of this Agreement are to be construed to be consistent with the Resolution. In the event of inconsistent language between the Resolution and this Agreement, the terms of the Resolution shall prevail.

3. **Registrar Function**-The Agent shall maintain records of the identity of the owners of the Notes in order to carry out its function as Registrar and upon request of the Issuer shall from time to time deliver to the Issuer records, documents and other writings made or accumulated in the performance of its duties as Registrar. In such capacity the Agent is authorized at any time to register for original issue certificates representing the Notes and not exceeding the total principal amount of the Notes (“certificates”) and upon surrender for cancellation of certificates to register new certificates for the principal amount of Notes represented by the certificates so cancelled and to redeliver such new certificates.

4. **Transfer Agent Function/Charges**-For the purpose of the original issue of certificates the Agent is hereby directed to record and authenticate certificates signed by or bearing the facsimile signatures of the officers of the Issuer authorized to sign certificates in such names and in such amounts as the Issuer may direct.

The Agent shall make transfers from time to time upon the records of the Issuer of any outstanding certificates and of certificates issued in exchange therefor signed by the officers of the Issuer upon surrender thereof for transfer properly endorsed and upon reasonable assurance that such endorsements are genuine and effective in accordance with Section 554.8401, Code of Iowa. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

The Issuer and the Agent may also require payment by the person requesting an exchange or transfer of the certificates of a service charge and a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a certificate for the unredeemed portion of a certificate surrendered for redemption.

Upon request for cancellation of such certificates the Agent shall record and authenticate new certificates duly signed and deliver such certificates to or upon the order of the person entitled thereto.

Certified specimen signatures of the officers of the Issuer and certified specimen certificates in the form duly approved by the Issuer shall be lodged with the Agent and upon request of the Agent the Issuer will deliver to the Agent a sufficient supply of certificates in the form approved.

5. **Paying Agent Function-** The Agent is hereby authorized and shall make payments of principal and interest to the registered owners of the Notes as follows:

(a) At least one business day prior to each payment date the Issuer will deposit with the Agent in immediately available funds such amount as is required to make such payment.

(b) One business day before each payment date the Agent will pay interest and, upon presentation and surrender of the matured or called Note, will pay principal to each registered owner of the Notes as of the record date by mailing a check to each such owner. In any case where the date of maturity of interest on or principal of the Note or the date fixed for redemption of any Note shall be a Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the day fixed for redemption. Provided, however, that payment of principal shall be made not later than the second day after receipt of the matured Note.

(c) When the Agent shall receive notice from the Issuer of its option to redeem Notes prior to maturity, the Agent shall select the Notes to be redeemed and give notice of the redemption thereof, all in accordance with the terms of the Notes and the Resolution.

6. **Form of Records-**The records of the Agent shall be in such form as to be in compliance with standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986 and Chapter 76 of the Code of Iowa.

7. **Confidentiality of Records-**The Agent's records in connection with the Notes shall remain confidential records entitled to protection and confidentiality pursuant to Section 22.7, Code of Iowa. The Agent agrees that its use of the records will be limited to the purposes of this Agreement and that the Agent will make no private use or permit any private access thereto.

8. **Reliance Upon Certain Certifications and Representations-**The Agent may rely conclusively and act, without further investigation, upon any list,

instruction, certification, authorization, certificate, or other instrument or paper suitably guaranteed and believed by it in good faith and due diligence in performing its functions to be genuine and to have been signed, countersigned, or executed by a duly authorized person or persons or upon the instruction of any authorized officer of the Issuer or upon the advice of the Issuer's counsel; and may register any certificate representing the Notes or may refuse to register any such certificate if in good faith the Agent deems such refusal necessary in order to avoid any liability on the part of either the Issuer or the Agent, and the Issuer agrees to indemnify and hold harmless the Agent from and against any and all losses, costs, claims, and liability for so relying or acting or refusing to act.

9. Rules and Regulations Governing Registration-The Agent shall comply at all times with such rules, regulations and requirements as may govern the registration, transfer and payment of registered Notes including without limitation Chapter 76 and Sections 554.8101 et seq., Code of Iowa, and standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986.

10. Signature of Officers-In case any of the officers of the Issuer whose manual or facsimile signature appears on any certificate, Note or other record delivered to the Agent shall cease to be such officer prior to the registration, processing, or transfer thereof, the Agent may nevertheless process such documents as though the person signing the same or whose facsimile signature appears thereon had not ceased to be such officer unless written instruction of the Issuer to the contrary is received.

11. Record Date-For purposes of determining the registered owners of the Notes the record date shall be deemed to be the fifteenth day of the month preceding the date on which payment of principal, premium, if any, or interest is payable to the registered owners of the Notes ("Payment Date") whether such payment is due to optional redemption, operation of a sinking fund, or for any other reason.

12. Three Days Turnaround-The Agent agrees that it will turnaround within three business days of receipt all items received in proper form for transfer, process or other action pursuant to the terms of this Agreement.

13. Destruction of Cancelled Notes-The Agent will promptly cancel and destroy all Notes or certificates representing the Notes which have been spoiled, surrendered to it for transfer, or with respect to which principal, premium, if any, and interest owing on such Notes has been paid, and will provide the Issuer with a Certificate of Destruction certifying as to the destruction of such cancelled Notes.

14. Payment of Unclaimed Amounts-In the event any payment check representing payment of interest or principal on the Notes is returned to the Agent

or is not presented for payment or if any Note is not presented for payment of principal or premium at the maturity or redemption date, if funds sufficient to pay such interest or principal shall have been made available to the Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or principal payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on its part under the Resolution or on, or with respect to, such interest or principal. The Agent's obligation to hold such funds shall continue for a period equal to six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under the Resolution by the owners of Notes of whatever nature shall be made upon the Issuer.

15. No Obligation to Invest-The Agent will have no obligation to invest any funds in its possession.

16. Compensation of the Agent-The Issuer will pay the Agent reasonable compensation for its services based upon the schedule of fees attached or such other schedule of fees as may be agreed upon from time to time between the Agent and the Issuer. The Agent's compensation may include the amount of any attorney fees incurred by it under Section 17 hereof.

17. Bond Counsel-When the Agent deems it necessary or reasonable it may apply to Bond Counsel for the Issuer or such other law firm or attorney approved by the Issuer for instructions or advice.

18. Termination of Agreement-This Agreement may be terminated by either party by giving the other party at least 90 days advance written notice. At termination of the Agreement, the Agent shall deliver to the Issuer any and all records, documents or other writings made or accumulated in the performance of its duties under this Agreement and shall refund the unearned balance, if any, of fees paid in advance by the Issuer.

19. Examination of Records-The Issuer or its duly authorized agents may examine all records relating to the Notes at the principal office of the Agent at reasonable times as agreed upon with the Agent and such records shall be subject to audit from time to time at the request of the Issuer or the Agent. The Agent, on request, will furnish the Issuer with a list of the names, addresses, and other information concerning the owners of the Notes or any of them.

20. Obligations, Rights and Privileges of the Agent-The Agent shall have, with regard to the particular functions it performs, the same obligation to the

owner or owners of the Notes and shall have the same rights and privileges the Issuer has in regard to those functions.

Dated as of May 1, 2003

MAHASKA COUNTY, IOWA

By _____
Chairperson, Board of Supervisors

Attest:

County Auditor

**BANKERS TRUST COMPANY, N.A.
AGENT**

By _____
Trust Officer

BANKERS TRUST COMPANY, N.A.

PAYING AGENT, BOND REGISTRAR AND TRANSFER AGENT FEE SCHEDULE

(BOOK ENTRY)

INITIAL FEE

\$100.00 (Minimum initial fee)

ANNUAL FEES

\$300.00 (Minimum annual fee)

ADDITIONAL SERVICES

Reasonable charges will be made for additional services or reports not contemplated at the time of execution of the Agreement or not covered specifically elsewhere in this schedule, such as preparation of bondholder lists or government reports or termination of

our services prior to the issue's final maturity. Charges will be based on our analysis of the cost of providing the additional services.

OUT-OF-POCKET EXPENSES

Extraordinary out-of-pocket expenses will be charged at cost. However, this does not include ordinary out-of-pocket expenses such as normal postage and supplies, which are included in the annual fees quoted above.

CHANGES IN FEE SCHEDULE

Bankers Trust reserves the right to renegotiate this fee schedule.

BANKERS TRUST COMPANY, N.A.
Trust Division
(800) 362-1688 in Iowa
(515) 245-5269

It was moved by VanWeelden seconded by Rouw to approve the following 28E agreement with Iowa Department of Natural Resources. All present voted aye. Motion carried.

**INTERGOVERNMENTAL (28E) AGREEMENT
BETWEEN
THE IOWA DEPARTMENT OF NATURAL RESOURCES
AND
MAHASKA COUNTY, IOWA**

THIS AGREEMENT is made and entered into between the Iowa Department of Natural Resources (hereinafter referred to as Department) and Mahaska County.

- I. Authority: This agreement is entered into pursuant to the provisions of Iowa Code Chapter 28E and Iowa Code section 455B.187. This agreement and attachments together with Chapter 567—38, Iowa Administrative Code (IAC), for as long as it remains in effect, shall constitute the entire agreement between the Department and Mahaska County with respect to private water well construction permits. To the extent that this agreement conflicts with the said Chapter 38, then Chapter 38, IAC, shall apply.

Nothing in this agreement or its attachments shall be construed as limiting the power of the Department to issue or deny private water well construction permits and to take any other actions consistent with the provisions of Chapter 567—38, IAC, or any other rules established, or to be established, under Division III of Chapter 455B which the Department deems necessary for the continued proper administration of the private water well permit program.

In the event of a breach by the county of a term or condition of this Agreement, the Department shall have the right to determine the effect of the breach on the remaining terms or conditions of this Agreement.

In the event that all or part of the applicable Mahaska County Ordinances and/or resolution(s) referred to in Section IV.B.3 (ii and iii) of this agreement and/or all or part of said Chapters 38 and 49 is/are invalidated by a judicial decree, then the remaining parts of said rules, ordinances, and/or resolutions, shall remain in full force and effect, however, the Department reserves the right to review the delegation agreement to determine if it should be terminated.

- II. Statement of Purpose: The purpose of this Agreement is to delegate the Department's permit-issuing authority with respect to private water well construction, as specified in 1987 Iowa Code Supplement section 455B.187 and Chapter 567-38, IAC, and to specify the extent and manner of cooperation between the two agencies in conducting programs for the evaluation and issuance of private water well construction permits. Particular emphasis is placed on assuring that the proposed Mahaska County private well program meets or exceeds the minimum standards required by the Department.
- III. Delegation: Mahaska County is authorized to enforce the provisions of the Mahaska County Board of Health Rules and Regulations and the provisions of Chapter 38, IAC as long as this agreement is in force.
- IV. Duties:
- A. Duties of Mahaska County
1. Personnel: Mahaska County represents that it has or will acquire all personnel required for the performance of the work specified under their agreement pursuant to Rule 567—38.15(455B), Iowa Administrative Code, IAC, Mahaska County shall continue to employ sufficient personnel to perform the services of this contract.
2. Documentation: Prior to the effective date of this agreement, Mahaska County shall submit the following information to the Department:
- i) the name(s), title(s), mailing address(es) and phone number(s) of the employee(s) and/or agency(ies) that would be responsible for implementing the provisions of Chapter 567—38, Iowa Administrative Code in Mahaska County;
 - ii) a copy of the resolution agreeing to the water well construction permit rules of Chapter 38(IAC);
 - iii) a copy of the ordinance or Board of Health rules adopting the nonpublic water well construction standards of Chapter 49 (IAC);

3. Application Review and Permit Issuance: Mahaska County shall review all private water well construction permit applications from Mahaska County (except as provided in rule 38.15(4) and section 38.16, IAC), in accordance with the provisions of Mahaska County Ordinances, and the provisions of Chapter 38, IAC. Mahaska County shall issue permits in a timely manner to all applicants who qualify under the provisions of the said ordinance and said rules. Mahaska County shall provide written explanation to all applicants whose application for a private water well construction permit was denied by Mahaska County.

4. Compliance, Inspections and Monitoring: Mahaska County has the primary responsibility for enforcing the rules relating to the private water well construction permit program (Chapter 38, IAC) in Mahaska County as long as this delegation agreement is in force. Nothing in this agreement, however, shall constitute (or be construed to constitute) a valid defense by regulated parties in violation of any local, state or federal statute, regulation or permit.

It is expected that Mahaska County monitor compliance with the program by initiating full or partial on-site inspection and monitoring of permitted wells. If such a program is initiated, the Department shall be allowed access to any reports of such or similar enforcement and monitoring activities.

5. Violations: Violations of the provisions of Chapter 38, Iowa Administrative Code and Mahaska County Ordinances, shall be addressed through the penalty for noncompliance provisions of the said Mahaska County ordinance or any other applicable county ordinance, resolution, rules and/or regulations, except that violations by those applicants that must apply to the Department for permits shall be addressed by the Department by invoking the provisions of Rule 567—38.9 (455B) and/or any other applicable statutory or regulatory provision.

6. Intergovernmental Cooperation: Mahaska County shall submit such information as the Department may require to show compliance with the private water well construction permits program rules and the adequate implementation of the permitting authority delegated to Mahaska County.

B. Duties Of The Department

1. Review of Mahaska County Program: The Department shall periodically review the rules, policies and procedures of the Mahaska County program for consistency with Chapter 38 of Iowa Administrative Code (IAC). The Department shall advise Mahaska County of its findings in writing. Such reviews shall not be more frequent than once a year unless

DNR provides prior written notice, but there shall be a least one review prior to the expiration date of this agreement.

2. Technical Assistance: The Department shall continue to provide technical information to the local programs.
3. Compliance: The Department will limit its involvement in compliance activities to audits of the Mahaska County program as well as review and comment on any proposed changes in the county program unless:
 - i) Mahaska County specifically requests the Department's involvement and the Department agrees to accept responsibility;
 - ii) The Department determines that the Mahaska County program's enforcement response is inappropriate or untimely; or
 - iii) The Department is enforcing the provisions of Rules 567—38.15(\$)(455B), 38.16 (455B) and 38.17 (455B), IAC.

The Department may initiate enforcement actions where specific Mahaska County program actions regarding a specific individual set of circumstances are determined by the Department to not be timely or appropriate. The Department will, however, clearly state its position in writing and allow Mahaska County a reasonable opportunity to act prior to initiating any Department enforcement actions.

4. Intergovernmental Cooperation: In addition to the assistance and cooperation noted regarding specific issues above, the Department will keep Mahaska County informed of state and federal developments which may affect the private water well construction program in Mahaska County.

- V. Period of Agreement: This agreement is valid for an initial period of 5 years beginning on July 1, 2003 and ending on June 30, 2008. It can be renewed thereafter for up to five years, by mutual consent.
- VI. Legal or Administrative Entity Created: No new legal or administrative entity is created by this agreement.
- VII. Manner of Financing: The functions to be performed by Mahaska County, under the provisions of this agreement, are to be financed by the county at no obligation to the state. The county may use permitting fees charged to all eligible applicants pursuant to Rule 567—38.5(455B), IAC. However, Mahaska County is not necessarily limited to the funding source referenced above.

- VIII. Reporting: Pursuant to Subsection 567-38.15(3) (455B), IAC, Mahaska County shall enter all new permit information on the internet access program called Private Well Tracking System (PWTS) before the well is constructed. The county shall ensure that well construction log information has also been entered in the PWTS within 90 days after well construction.
- IX. State Permit Fees: Pursuant to Subsection 567---38.5(1), Mahaska County shall submit to the Department a fee of \$25 for each well permit issued starting July 1, 2003. These fees shall be submitted within 90 days of well permit issuance. Fees must be submitted along with DNR form 542-8073.
- X. Termination: The Department or Mahaska County may terminate this agreement by providing to the other party a written notice of intent to terminate this agreement, at least 30 days prior to the intended date of termination. The notice shall specify the reasons for termination, and shall be delivered by sending the notice to the person listed below via U.S. Certified Mail.

Chairperson	Director
Mahaska County Board of Supervisors	Department of Natural Resources
Mahaska County Courthouse	502 East 9 th Street
Oskaloosa, IA 52577	Des Moines, Iowa 50319-0034

Upon termination, Mahaska County shall transfer to the Department all private water well construction permit program records in its possession, including file copies of permits, permittee files, unused application forms, all pending applications and pending fees and all other documents generated as a result of this program. Not later than 30 days following the stated termination date, Mahaska County shall deliver the above materials to the Department at the following address:

Department of Natural Resources
 Water Supply Section
 401 SW 7th Street
 Des Moines, Iowa 50309-4611

- XI. Filing and Recording: A copy of this agreement shall be filed with the Secretary of State and a second copy of this agreement shall be recorded with the Mahaska County Recorder before it shall be in full force and effect, all pursuant to Iowa Code section 28E.8.

This agreement includes a signature page.

IN WITNESS THEREOF, the Department and Mahaska County have executed two copies of this agreement, each of which shall be considered an original.

IOWA DEPARTMENT OF NATURAL RESOURCES

Wayne Gieselman, Administrator
Environmental Services Division

STATE OF IOWA

ss:

COUNTY OF POLK

On this _____ day of _____, 2003 before me, the undersigned, a Notary Public in and for Said County and State, personally appeared Wayne Gieselman, to me personally known, and who, being by me duly sworn, did say that he is the Administrator of the Environmental Services Division of the Iowa Department of Natural Resources, that this instrument as signed on behalf of said department and that the said Wayne Gieselman, as Administrator of the Environmental Services Division acknowledges the execution of this instrument to be his voluntary act and the voluntary act and deed of said department, by it voluntarily executed.

Notary Public

MAHASKA COUNTY

It was moved by VanWeelden seconded by Rouw to approve the request of Marjorie Striegel a the Department of Human Services Office to lease a Minolta Di450 Digital Copier for 60 months. VanWeelden – aye; Rouw – aye; Gordy –nay. Motion carried.

Marla Knight and Marjorie Striegel presented the board with a proposal to switch the telephone lines to Iowa Telecom. The matter was tabled until the June 2, 2003 meeting.

Amy Nossaman, Director of the Mahaska County Extension Office discussed with the board the possibility of the extension office getting health insurance benefits on the Mahaska County plan. No decisions were made today.

Kirby Moss, from Employee Group Services discussed the health insurance plan changes with the board.

It was moved by Rouw seconded by VanWeelden to make the following changes to the employee health insurance plan effective July 1, 2003.

Deductible - current \$100 single/\$200 family change to \$500 single/\$1000 family;
Out of Pocket - current \$300 single/\$600 family change to \$500 single/\$1000 family;
Doctor Office - current the deductible & Coinsurance applies change to \$20 Copay;

Prescription - currently Generic covered at 100% after deductible, Name brand covered at 80% after deductible change to \$10 Generic/\$25 Name Brand. All present voted aye. Motion carried.

It was moved by VanWeelden seconded by Rouw to accept the audit report of Mahaska County for fiscal year ended June 30, 2002. All present voted aye. Motion carried.

Lawrence Rouw discussed the Master Matrix plan that requires the supervisors to sign off on the forms. Will get more details before the June 2, 2003 meeting.

It was moved by VanWeelden seconded by Rouw to set the date of June 16th for Road Vacation Public Hearing on streets in Peoria. All present voted aye. Motion carried.

It was moved by VanWeelden seconded by Rouw to approve the local bid for resurfacing on project L-SP14,23(01)—03. All present voted aye. Motion carried.

The matter of the ditch cleaning policy was tabled.

County Engineer, Jerome Nusbaum, recommended that Snyder & Associates do some bridge inspections for the county.

The engineer will ask for quotes for some equipment.

It was moved by VanWeelden seconded by Gordy to approve the request to help with cleanup days for Cedar on May 30th. All present voted aye. Motion carried.

Meeting adjourned.

Chairman, Mahaska County Board of
Supervisors

ATTEST: _____
Kay Swanson, Mahaska County Auditor