

October 2, 2007

The Board of Supervisors of Shelby County, Iowa, met pursuant to law and rules of said board in regular session at 9:00 a.m. in the Supervisors Chambers of the Shelby County Courthouse with the following members present: Roger Schmitz, Chairman; Richard Ferry, Vice-Chairman; LaVon Christensen; and Marsha J. Carter, Clerk.

It was moved by Christensen, seconded by Ferry, to approve the agenda AND the following items contained in the Consent Agenda:

- A. Minutes of September 18 and 21, 2007
- B. Office Reports – None
- C. Committee Reports

AYES: Schmitz, Ferry, Christensen

NAYES: None

It was moved by Ferry, seconded by Christensen, to approve the Claims of September 28, 2007, as listed in the Claims Register. AYES: Schmitz, Ferry, Christensen NAYES: None

It was moved by Schmitz, seconded by Christensen, to appoint Richard Ferry to the Board of Health as a voting member, not as a liaison. AYES: Schmitz, Ferry, Christensen NAYES: None

A discussion was held on Shelby County's status as Fiscal Agent for the Harrison/Monona/Shelby County Empowerment Board. Carter informed the Board that her office had been handling this for ten years. The Chair requested that Carter contact the Empowerment Board to see if another county would take a turn as fiscal agent.

It was moved by Ferry, seconded by Christensen, to transfer \$10,000 from General Basic to the Insurance Reimbursement Fund. AYES: Schmitz, Ferry, Christensen NAYES: None

David Yamada, Shelby County DevelopSource, updated the Board on the economic development projects for Shelby County. He did inform the Board that Shelby County Cookers had been granted a second extension until June 30, 2008 to meet the 174 jobs as required by the IDED grant.

The County Engineer updated the Board on activities of the county road crews and the status of current maintenance and construction projects.

Charles Trailer, Planning and Zoning Administrator, submitted the minutes from the Planning and Zoning Commission stating the following regarding the Urban Renewal Plan: "Discussion on Urban Renewal Plan vs. Comprehensive Plan. Since it is an Ag industry, it is in line with the Comprehensive Plan. The Administrator had found that the Renewal Plan was not inconsistent with Chapter 4 Development Opportunities in both Agriculture and Manufacturing Industry sections. It was moved by Terry Cox, seconded by Duane Errett, to approve the Urban Renewal Plan as presented and directed the Administrator to inform the Board of Supervisors of this action. Motion carried."

#### **DOUGLAS TOWNSHIP URBAN RENEWAL AREA DISIGNATION AND PLAN HEARING**

The Board of Supervisors of Shelby County, Iowa, met on October 2, 2007, at 9:30 o'clock, a.m., at the Supervisors Chambers, Shelby County Courthouse, Harlan, Iowa, for the purpose of conducting a public hearing on the designation of an urban renewal area and on a proposed urban renewal plan and project. The Chairperson presided and the roll being called the following Supervisors were present and absent:

Present: Schmitz, Ferry, Christensen

Absent: None.

The Board investigated and found that notice of the intention of the Board to conduct a public hearing on the designation of the Douglas Township Urban Renewal Area and on an urban renewal plan and project for the Area had been published according to law and as directed by the Board and that this is the time and place at which the Board shall receive oral or written objections from any resident or property owner of the County. All written objections, statements, and evidence heretofore filed were reported to the Board, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

Margaret Kilpatrick – concerned about truck traffic, dust, smell

Carl Larson – complained of headache and nausea from smell

Carl Larson – concerned about illegal aliens working at the dairy. Board explained this had nothing to do with the County. This is a Federal issue.

Carl Larson – How does this road help the rest of the county? County Engineer explained jobs creation and the sale of supplies, feed, etc. helps the entire community. Farmers from the surrounding area have sold hundreds of acres of silage to the dairy. There needs to be a decent road to get the silage from the fields to the dairy.

Dave Yamada – explained the job opportunities. The dairy currently employs 80 with the plan to expand to 120. These people are purchasing homes, buying gas, supplies, and groceries in our community.

Carl Larson – Did dairy offer money towards the road? County Engineer explained that the dairy is offering to provide the land for the increased right of way free of charge.

Gary Allen – questions about how an Urban Renewal Area works. Board explained process.

Gary Allen – questions about road surfacing and bridge repair. County Engineer explained proposed surfacing plan.

Jan Allen – concerned about detour during construction. County Engineer discussed possible detours.

Wava Petersen – questions about term of bond and what happens if dairy closes. County Attorney explained that the property taxes for the dairy necessary to pay the bond payments will be collected first, no matter who owns the property.

Roger Whitson – questions about the life of the surface of the road. County Engineer addressed.

Roger Whitson – What about the next person that wants their road fixed? Board explained that it would be considered if they meet the State criteria for jobs creation.

Doug Baughman – questions on road upgrade

Mike Rasmussen – questions on road maintenance

There being no further objections, comments, or evidence offered, the Chairperson announced the hearing closed.

Supervisor Ferry moved the adoption of a resolution entitled “A Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan and Project for the Douglas Township Urban Renewal Area”, seconded by Supervisor Christensen. After due consideration, the Chairperson put the question on the motion and the roll being called, the following named Supervisors voted:

Ayes: Schmitz, Ferry, Christensen

Nays: None.

Whereupon, the Chairperson declared the resolution duly adopted and signed approval thereto.

RESOLUTION NO. 2007-29

A Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan and Project for the Douglas Township Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa counties by Chapter 403 of the Code of Iowa, the “Urban Renewal Law”, a county must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the county and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the county; and

WHEREAS, it has been recommended that an urban renewal area be established within the boundaries set out in Exhibit A to this Resolution; and

WHEREAS, notice of a public hearing by the Board of Supervisors on the question of establishing the area identified above as an urban renewal area and on a proposed urban renewal plan and project for the area was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Board has conducted said hearing; and

WHEREAS, the proposed urban renewal plan and project were submitted to the Planning and Zoning Commission of the County; and

WHEREAS, Section 403.17 of the Code of Iowa requires an agreement between a county and a city with respect to an urban renewal area located within two miles of the city limits of a city; and

WHEREAS, the property proposed to be included in the urban renewal area is located within two miles of the city limits of the City of Kirkman; and

WHEREAS, copies of the urban renewal plan, notice of public hearing and notice of a consultation meeting with respect to the urban renewal plan were mailed to IKM Community School District and Iowa Western Community College; the consultation meeting was held; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors of Shelby County, Iowa, as follows:

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa is found to exist within the boundaries set out in Exhibit A.

Section 2. The area identified in Section 1 hereof is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the Douglas Township Urban Renewal Area.

Section 3. The development of this area is necessary in the interest of the public health, safety or welfare of the residents of Shelby County, Iowa.

Section 4. It is hereby determined by this Board of Supervisors as follows:

- A. The proposed urban renewal plan conforms to the general plan of the county as a whole;
- B. Proposed commercial development in the urban renewal area is necessary and appropriate to facilitate the proper growth and development of the County in accordance with sound planning standards and local community objectives.

Section 5. The urban renewal plan for the Douglas Township Urban Renewal Area is made a part hereof and is hereby in all respects approved in the form presented to this Board, and the proposed project for such area based upon such plan is hereby in all respects approved.

Section 6. The agreement between the County and the City of Kirkman set out as Exhibit B to this Resolution is hereby approved, and the Chairperson and County Auditor are hereby authorized and directed to execute the agreement on behalf of the County.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved October 2, 2007.

**EXHIBIT A**  
**Legal Description**  
**Douglas Township Urban Renewal Area**

The East ½ of Section 26; NE1/4, E1/2NW1/4, NE1/4SW1/4 & N1/2SE1/4 of Section 35, all in Township 80 North, Range 38, West of the 5<sup>th</sup> P.M.;

and

The following road rights-of-way: 1400<sup>th</sup> Street beginning at the Northwest Corner of Section 34-T80N-R38 West of the 5<sup>th</sup> P.M.; east to Redwood Road; Redwood Road beginning at the Northeast Corner of Section 35-T80N-R38, West of the 5<sup>th</sup> P.M.; north to 1500<sup>th</sup> Street and 1500<sup>th</sup> Street beginning at the Northeast Corner of said Section 26-T80N-R38, West of the 5<sup>th</sup> P.M., east to Road M47, all in Shelby County, Iowa.

**EXHIBIT B**

**URBAN RENEWAL AGREEMENT WITH CITY OF KIRKMAN**

WHEREAS, pursuant to Chapter 403 of the Code of Iowa, counties have certain urban renewal powers; and

WHEREAS, in accordance with paragraph 4 of Section 403.17 of the Code of Iowa, a county may exercise urban renewal powers with respect to property which is located within two miles of the boundary of a city only if the county and city have entered into a joint agreement with respect to such exercise of powers; and

WHEREAS, the Board of Supervisors of Shelby County (the “County”) has begun the process of approving an urban renewal plan and establishing an urban renewal area (the “Douglas Township Urban Renewal Area”); and

WHEREAS, some of the property within the proposed Douglas Township Urban Renewal Area, the legal description of which is shown on Exhibit A hereto, is located within two miles of the boundary of the City of Kirkman, Iowa (the “City”); and

WHEREAS, the Board of Supervisors of the County has requested that the City enter into an agreement in order to enable the County to exercise urban renewal powers within that portion of the Douglas Township Urban Renewal Area that is within two miles of the boundary of the City;

NOW, THEREFORE, it is agreed by the County and the City as follows:

Section 1. The County may exercise urban renewal powers pursuant to Chapter 403 of the Code of Iowa with respect to that portion of the property included within the Douglas Township Urban Renewal Area that is within two miles of the boundary of the City.

Section 2. This Agreement shall be deemed to meet the statutory requirements of paragraph 4 of Section 403.17 of the Code of Iowa and shall be effective following approval by the governing bodies and execution by the appropriate officials of the County and the City.

IN WITNESS WHEREOF, the County has caused this Agreement to be executed by the Chairperson of its Board of Supervisors and attested by its County Auditor, and the City has caused this Agreement to be executed by its Mayor and attested by its City Clerk, as of the dates shown opposite their respective signatures below.

SHELBY COUNTY, IOWA

By: \_\_\_\_\_  
Chairperson, Board of Supervisors

Attest:

\_\_\_\_\_  
County Auditor

Date: \_\_\_\_\_

CITY OF KIRKMAN, IOWA

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

EXHIBIT A  
Legal Description  
Shelby County, Iowa  
Douglas Township Urban Renewal Area

The East ½ of Section 26; NE1/4, E1/2NW1/4, NE1/4SW1/4 & N1/2SE1/4 of Section 35, all in Township 80 North, Range 38, West of the 5<sup>th</sup> P.M.;

and

The following road rights-of-way: 1400<sup>th</sup> Street beginning at the Northwest Corner of Section 34-T80N-R38 West of the 5<sup>th</sup> P.M.; east to Redwood Road; Redwood Road beginning at the Northeast Corner of Section 35-T80N-R38, West of the 5<sup>th</sup> P.M.; north to 1500<sup>th</sup> Street and 1500<sup>th</sup> Street beginning at the Northeast Corner of said Section 26- T80N-R38, West of the 5<sup>th</sup> P.M., east to Road M47, all in Shelby County, Iowa.

**MINUTES PROVIDING FOR PASSAGE OF AN ORDINANCE  
ESTABLISHING AN URBAN RENEWAL TAX INCREMENT AREA**

The Board of Supervisors of Shelby County, Iowa, met on October 2, 2007 at 9:30 o'clock a.m., at the Supervisors Chambers of the Shelby County Courthouse, in Harlan, Iowa.

The Chairperson presided and the roll was called showing Supervisors present and absent, as follows:

Present: Schmitz, Ferry, Christensen

Absent: None.

Supervisor Christensen introduced an ordinance entitled "Ordinance No. 2007-1. An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Douglas Township Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa."

It was moved by Supervisor Ferry and seconded by Supervisor Christensen that the ordinance be adopted. The Chairperson put the question on the motion and the roll being called, the following named Supervisors voted:

Ayes: Schmitz, Ferry, Christensen

Nays: None.

Whereupon, the Chairperson declared the motion duly carried and declared that said ordinance had been given its initial passage.

It was moved by Supervisor Ferry and seconded by Supervisor Christensen that the statutory rule requiring said ordinance to be considered and voted on for passage at two Board meetings prior to the meeting at which it is to be finally passed be suspended. The Chairperson put the question on the motion and the roll being called, the following named Supervisors voted:

Ayes: Schmitz, Ferry, Christensen

Nays: None.

Whereupon, the Chairperson declared the motion duly carried.

It was moved by Supervisor Christensen and seconded by Supervisor Ferry that the ordinance entitled "Ordinance No. 2007-1, An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Douglas Township Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa", now be put upon its final passage and adoption. The Chairperson put the question on the final passage and adoption of said ordinance and the roll being called, the following named Supervisors voted:

Ayes: Schmitz, Ferry, Christensen

Nays: None.

Whereupon, the Chairperson declared the motion duly carried and said ordinance duly adopted, as follows:

**ORDINANCE NO. 2007-1**

An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Douglas Township Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa

BE IT ENACTED by the Board of Supervisors of Shelby County, Iowa:

Section 1. Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the Douglas Township Urban Renewal Area, each year by and for the benefit of the state, city, county, school districts or other taxing districts after the effective date of this ordinance in order to create a special fund to pay the principal of and interest on loans, moneys advanced to or indebtedness, including bonds proposed to be issued by Shelby County to finance projects in such area.

Section 2. Definitions. For use within this ordinance the following terms shall have the following meanings:

“County” shall mean Shelby County, Iowa.

“Urban Renewal Area” shall mean the Douglas Township Urban Renewal Area, the boundaries of which are set out below, such area having been identified in the Urban Renewal Plan approved by the Board of Supervisors by resolution adopted on October 2, 2007:

The East ½ of Section 26; NE1/4, E1/2NW1/4, NE1/4SW1/4 & N1/2SE1/4 of Section 35, all in Township 80 North, Range 38, West of the 5<sup>th</sup> P.M.;

and

The following road rights-of-way: 1400<sup>th</sup> Street beginning at the Northwest Corner of Section 34-T80N-R38 West of the 5<sup>th</sup> P.M.; east to Redwood Road; Redwood Road beginning at the Northeast Corner of Section 35-T80N-R38, West of the 5<sup>th</sup> P.M.; north to 1500<sup>th</sup> Street and 1500<sup>th</sup> Street beginning at the Northeast Corner of said Section 26-T80N-R38, West of the 5<sup>th</sup> P.M., east to Road M47, all in Shelby County, Iowa.

Section 3. Provisions for Division of Taxes Levied on Taxable Property in the Urban Renewal Area. After the effective date of this ordinance, the taxes levied on the taxable property in the Urban Renewal Area each year by and for the benefit of the State of Iowa, the County and any city, school district or other taxing district in which the Urban Renewal Area is located, shall be divided as follows:

- (a) that portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the Urban Renewal Area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the County certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the special fund referred to in paragraph (b) below, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for said taxing district into which all other property taxes are paid. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in the Urban Renewal Area on the effective date of this ordinance, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll applicable to property in the annexed territory as of January 1 of the calendar year preceding the effective date of the ordinance which amends the plan for the Urban Renewal Area to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.
- (b) that portion of the taxes each year in excess of such amounts shall be allocated to and when collected be paid into a special fund of the County to pay the principal of and interest on loans, moneys advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under the authority of Section 403.9(1), of the Code of Iowa, incurred by the County to finance or refinance, in whole or in part, projects in the Urban Renewal Area, and to provide assistance for low and moderate-income family housing as provided in Section 403.22, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2 of the Code of Iowa, and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the taxing district without limitation by the provisions of this ordinance. Unless and until the total assessed valuation of the taxable property in the Urban Renewal Area exceeds the total assessed value of the taxable property in such area as shown by the assessment roll referred to in subsection (a) of this section, all of the taxes levied and collected upon the taxable property in the Urban Renewal Area shall be paid into the funds for the respective taxing districts as taxes by or for said taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness, and bonds, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.
- (c) the portion of taxes mentioned in subsection (b) of this section and the special fund into which that portion shall be paid may be irrevocably pledged by the County for the payment of the principal and interest on loans, advances, bonds issued under the authority of

Section 403.9(1) of the Code of Iowa, or indebtedness incurred by the County to finance or refinance in whole or in part projects in the Urban Renewal Area.

(d) as used in this section, the word “taxes” includes, but is not limited to, all levies on an ad valorem basis upon land or real property.

Section 4. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 5. Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 6. Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law.

Passed and approved by the Board of Supervisors of Shelby County, Iowa, on October 2, 2007.

### **MINUTES TO CONDUCT HEARING ON AND TO SET DATE FOR SALE OF BONDS**

The Board of Supervisors of Shelby County, Iowa, met on October 2, 2007, at 10:00 o'clock a.m. at the Shelby County Courthouse, Harlan, Iowa, pursuant to prior action of the Board of Supervisors, notice duly published and to law. The meeting was called to order by the Chairperson, and the roll was called showing the following Supervisors present and absent:

Present: Schmitz, Ferry, Christensen

Absent: None.

This being the time and place specified for taking action on the proposal to issue General Obligation Urban Renewal County Road Bonds, Series 2007, the County Auditor announced that no written objections had been placed on file. Whereupon, the Chairperson called for any written or oral objections, and there were none.

After due consideration and discussion, Supervisor Ferry introduced the resolution next hereinafter set out and moved its adoption, seconded by Supervisor Christensen. The Chairperson put the question upon the adoption of said resolution, and the roll being called, the following Supervisors voted:

Ayes: Schmitz, Ferry, Christensen

Nays: None

Whereupon, the Chairperson declared the resolution duly adopted as hereinafter set out.

### **RESOLUTION NO. 2007-30**

Resolution taking additional action to issue and fixing the time and place for receiving and canvassing bids and considering and passing a resolution for the award of \$1,065,000 General Obligation Urban Renewal County Road Bonds, Series 2007, and providing for the advertisement of such sale

WHEREAS, pursuant to the provisions of Chapter 331 of the Code of Iowa, Shelby County, Iowa (the “County”), has heretofore proposed to contract indebtedness and issue General Obligation Urban Renewal County Road Bonds, Series 2007 (the “Bonds”), pursuant to Chapter 403 of the Code of Iowa for the purpose of planning, undertaking, and carrying out an urban renewal project within the Douglas Township Urban Renewal Area, consisting of the construction of improvements to county roads, and has published a notice of such proposal and has held a hearing thereon; and

WHEREAS, the County desires to offer the Bonds for public sale in the aggregate principal amount of \$1,065,000 and to provide for the advertisement of such sale;



NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Shelby County, Iowa, as follows:

Section 1. The Board of Supervisors hereby determines to proceed with the issuance of the Bonds and declares that this resolution constitutes the authorization to issue the Bonds required by Section 403.12 of the Code of Iowa.

Section 2. Sealed bids for the purchase of the Bonds shall be received and canvassed on behalf of the County at 10:00 o'clock a.m. on October 16, 2007, at the Shelby County Courthouse, Harlan, Iowa, and the Board of Supervisors shall meet on the same date at 11:30 o'clock a.m. at the Shelby County Courthouse, Harlan, Iowa, for the purpose of considering such bids received and considering and passing a resolution providing for the award and issuance of the Bonds.

Section 3. The County Auditor is authorized and directed to publish notice of said sale, as provided by Chapter 75 of the Code of Iowa, in substantially the following form:

NOTICE OF SALE

Shelby County, Iowa  
\$1,065,000 General Obligation Urban Renewal County Road Bonds,  
Series 2007

Sealed bids will be received on behalf of Shelby County, Iowa, until 10:00 o'clock a.m. on the 16<sup>th</sup> day of October, 2007, at the Shelby County Courthouse, Harlan, Iowa, for the purchase of \$1,065,000 General Obligation Urban Renewal County Road Bonds, Series 2007, of the County, at which time such bids will be opened and canvassed. Thereafter such bids will be presented to the County Board of Supervisors for consideration at its meeting to be held at 11:30 o'clock a.m. on the same date at the Shelby County Courthouse, Harlan, Iowa, at which time the Bonds will be sold to the best bidder for cash. No open bids will be accepted.

The Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof, will be dated November 1, 2007, will bear interest payable semiannually on each June 1 and December 1 to maturity, commencing June 1, 2008, and will mature on June 1 in the following years and amounts:

Year	Principal Amount	Year	Principal Amount
2009	\$ 65,000	2014	\$110,000
2010	\$ 95,000	2015	\$115,000
2011	\$ 95,000	2016	\$120,000
2012	\$100,000	2017	\$125,000
2013	\$105,000	2018	\$135,000

The right is reserved to the County to call and redeem all of the said Bonds maturing in the years 2014 to 2018, inclusive, in whole or from time to time in part, in one or more units of \$5,000, prior to maturity (and within a maturity by lot), upon terms of par and accrued interest.

Bidders must specify a price of not less than \$1,055,415, plus accrued interest. The legal opinion of Dorsey & Whitney LLP, Attorneys, Des Moines, Iowa, will be furnished by the County.

A good faith deposit of \$10,650 is required and may be forfeited to the County in the event the successful bidder fails or refuses to take and pay for the Bonds.

The Bonds are being issued pursuant to the provisions of Chapters 331 and 403 of the Code of Iowa and will constitute general obligations of the County, payable from taxes levied upon all the taxable property in the County without limitation as to rate or amount.

The Securities and Exchange Commission (the "SEC") has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule") that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for such securities, it has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the holders of such securities to provide certain disclosure

information to prescribed information repositories on a continuing basis so long as such securities are outstanding.

On the date of issuance and delivery of the Bonds, the County will execute and deliver a Continuing Disclosure Certificate pursuant to which the County will undertake to comply with the Rule. The County will covenant and agree to comply with and carry out the provisions of the Continuing Disclosure Certificate. All of the officers of the County will be authorized and directed to take any and all actions as may be necessary to comply with the Rule and the Continuing Disclosure Certificate.

Bidders should be aware that the official terms of offering to be published in the Official Statement for the Bonds contain additional bidding terms and information relative to the Bonds. In the event of a variance between statements in this Notice of Sale (except with respect to the time and place of the sale of the Bonds and the principal amount offered for sale) and said official terms of offering, the provisions of the latter shall control.

By order of the County Board of Supervisors of Shelby County, Iowa.

Marsha J. Carter  
County Auditor

Section 4. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved October 2, 2007.

There being no further business appearing, the Chairman declared the meeting adjourned at 10:44 a.m.

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Roger Schmitz, Chairman

ATTEST: \_\_\_\_\_  
Marsha J. Carter  
Clerk to the Board of Supervisors

NOTE: These minutes are as recorded by the Clerk to the Board of Supervisors and are subject to Board approval at the next regular meeting.