

**MINUTES OF SIOUX COUNTY BOARD OF SUPERVISORS**  
**MEETING HELD ON DECEMBER 10, 2019**

- 1) The Board of Supervisors of Sioux County, Iowa, met pursuant to adjournment at 9:00 a.m. with Chairman Mark Sybesma presiding. Members present were John Degen, Al Bloemendaal, Jerry Muilenburg, Carl Vande Weerd and Mark Sybesma.
- 2) Minutes of the meeting held on December 5, 2019 were submitted and the Chairman declared them approved.
- 3) Claims were approved for December 10, 2019 as submitted by the County Auditor.
- 4) As the was the date and time for a Public Hearing on the proposal to issue revenue bonds, the Chairman opened the hearing. Cory Nelson, CEO of Sioux Center Health stated that Sioux Center Health would be using \$8,000,000 of the County's bonding capacity for tax exempt bonds. Sioux Center Health would also be using part of the City of Hull's bonding capacity as well. No other written or oral comments were received. The Chairman closed the Public Hearing. Motion by Bloemendaal and supported by Degen to approve the following resolution. Roll call on vote: Bloemendaal, Yes; Degen, Yes; Muilenburg, Yes; Vande Weerd, Yes; Sybesma, Yes. Motion carried unanimously.

RESOLUTION 2019-38

Resolution Authorizing and Providing for the Issuance of Not to Exceed \$8,000,000 Aggregate Principal Amount of Health Facility Revenue Bonds (Sioux Center Health Project), Series 2019 and Approving the Execution of Documents Relating to the Bond, and Related Matters

WHEREAS, the County of Sioux, State of Iowa (the "Issuer"), is a county and political subdivision of the State of Iowa authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, as amended (the "Act") to issue revenue bonds for the purpose of acquiring, constructing, improving and equipping a facility for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under Section 501(a) of Code (a "Tax Exempt Organization") and retiring any existing indebtedness on a facility for a Tax Exempt Organization, each of which purposes is a "project" within the meaning of the Act and each of which projects may be located within the Issuer, within eight miles of the corporate limits of the Issuer; and

WHEREAS, the Issuer has been requested by Sioux Center Health (the "Borrower"), a Tax Exempt Organization, to issue its Health Facility Revenue Bonds (Sioux Center Health Project), Series 2019, in an aggregate principal amount not to exceed \$8,000,000 (the "Bond") pursuant to the Act for the purposes of providing funds to the Borrower (a) to finance a portion of the costs of constructing, equipping and furnishing (i) an addition to the Borrower's Royale Meadows skilled nursing facility of approximately 32 units including single occupant rooms, fully accessible toilet rooms and roll-in showers, and related site and other improvements, all located at 1400 7<sup>th</sup> Avenue Southeast, Sioux Center, Iowa; (ii) an addition to the Borrower's clinic including exam rooms and support space for family practice and specialty physicians and related site and other improvements located at 1101 9<sup>th</sup> Street SE, Sioux Center, Iowa (the "Borrower Campus"); (iii) an addition to the Borrower's Crown Pointe assisted living facility to add approximately 24 assisted living units and 16 memory care units, a new entrance and garages, an addition to connect all wings with the kitchen, dining room, café, salon, bank, post office and theater area, and related site and other improvements all located at 1400 7<sup>th</sup> Avenue Southeast, Sioux Center, Iowa; and (iv) a retail building for durable medical equipment, occupational health and space for visiting physicians and related site and other improvements located at the Borrower Campus (collectively, the "Project"), (b) to fund any necessary reserve

funds, (c) to fund capitalized interest; and (d) to pay for costs of issuance and certain other costs associated with the issuance of the Bond; and

WHEREAS, it is proposed to finance the foregoing through the issuance of the Bond and to loan the proceeds from the sale of the Bond to the Borrower under a loan agreement between the Issuer and the Borrower, the obligations of which will be sufficient to pay the principal of, premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond, when issued, shall be a limited obligation of the Issuer, and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, and the principal of and interest and premium, if any, on the Bond shall be payable solely out of the revenues derived from the aforementioned Loan Agreement or otherwise as provided therein; and

WHEREAS, notice of intention to issue the Bond has, as directed by the Board of Supervisors of the Issuer, been duly given in compliance with the Act and Section 147(f) of the Internal Revenue Code;

WHEREAS, pursuant to published notice of intention, this Board of Supervisors has conducted a public hearing, as required by Section 419.9 of the Act and Section 147(f) of the Internal Revenue Code, and this Board of Supervisors deems it necessary and advisable to proceed with the issuance of the Bond and the loan of the proceeds of the Bond to the Borrower; and

WHEREAS, the Borrower is negotiating with American State Bank, Sioux Center, Iowa (the "Lender") to purchase the Bond;

NOW, THEREFORE, IT IS RESOLVED by the Board of Supervisors of the Issuer, as follows:

Section 1. In order to finance the Project, fund any necessary reserves, fund capitalized interest and pay a portion of the costs of issuance of the Bond, the Bond is hereby authorized and ordered to be issued by the Issuer in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein, and the forms, terms and provisions of the Bond are hereby approved and the Chairperson and County Auditor are hereby authorized and directed to execute, attest and deliver the Bond, including the use of facsimile signatures as therein provided; it is the intent hereof that the Bond shall be issued in an aggregate principal amount not to exceed \$8,000,000 and shall bear interest at an interest rate not to exceed 3% per annum and shall mature on the dates and in the amounts and shall be subject to mandatory sinking fund redemption on such dates and in such amounts as shall be finally determined by the Borrower and the Lender. The execution and delivery of the Bond by the Chairperson and County Auditor shall constitute approval by this Board and the Issuer of the final terms and provisions of the Bond, including the final principal amount thereof, the interest rate thereon, the dates and amounts of maturities thereof and the redemption provisions related thereto.

Section 2. The Issuer shall loan the proceeds of the Bond to the Borrower for the purposes set forth in the preamble hereof, such loan of the proceeds of the Bond to be pursuant to one or more Loan Agreements (the "Loan Agreement") by and between the Issuer and the Borrower, in substantially the form as has been presented to and considered by this Board and containing substantially the terms and provisions set forth therein, and the form, terms and provisions of the Loan Agreement are hereby approved, subject to the review and approval of counsel to the Issuer, and the Chairperson and the County Auditor are hereby authorized and directed to execute and deliver the Loan Agreement with such changes, modifications, deletions or additions as deemed appropriate by bond counsel.

Section 3. Pursuant to an Assignment and Pledge Agreement (the "Pledge Agreement") to be entered into between the Issuer and the Lender, the Issuer, among other things, will grant to the Lender a security interest in all of the Issuer's rights, title and interest in and to the Loan Agreement (except certain reserved rights), including, but not limited to, the right to receive Loan Repayments (as defined in the Loan Agreement). The Chairperson and County Auditor are hereby authorized and directed to execute and deliver the Pledge Agreement with such changes, modifications, deletions or additions as deemed appropriate by bond counsel.

Section 4. It is hereby found, determined and declared that the Bond and interest and premium, if any, thereon shall never constitute the debt or indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers, but the Bond and interest and premium, if any, thereon shall be payable solely and only from the revenues derived from the Loan Agreement and the debt obligations of the Borrower delivered pursuant thereto; and no part of the cost of the Project will be payable out of the general funds or other contributions of the Issuer (except the proceeds of the Bond).

Section 5. The Chairperson and the County Auditor are hereby authorized and directed to execute, attest and deliver any and all documents, instruments and agreements and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Loan Agreement, the Pledge Agreement, an agreement concerning the maintenance of the tax-exempt status of the Bond, and to carry out the intent and purposes of this Resolution, including the preamble hereto and the execution by the Chairperson and, if required, the County Auditor, of the Bond, the Loan Agreement, the Pledge Agreement and an agreement concerning the maintenance of the tax-exempt status of the Bond shall constitute conclusive evidence of their approval and this Board's approval thereof and of any and all changes, modifications, additions or deletions therein from the respective forms thereof now before this meeting.

Section 6. In order to qualify the Bond as a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Code, the Issuer hereby makes the following factual statements and representations:

(A) The Issuer hereby designates the Bond as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code;

(B) The reasonably anticipated amount of tax-exempt obligations (other than obligations described in clause (ii) of Section 265(b)(3)(c) of the Code) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during this calendar year 2019 will not exceed \$10,000,000; and

(C) Not more than \$10,000,000 of obligations issued by the Issuer during this calendar year 2019 (including the Bond) have been designated for purposes of Section 265(b)(3) of the Code.

Section 7. The provisions of this Resolution are hereby declared to be separable and if any action, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 8. This Resolution shall become effective immediately upon its passage and approval.

Section 9. All resolutions, parts of resolutions or prior actions of the Issuer in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved December 10, 2019.

SIOUX COUNTY, IOWA

/s/Mark Sybesma, Chairperson

Attest:/s/Ryan Dokter, County Auditor

The Board also took action on the following documents relating to the revenue bond and are on file in the County Auditor's Office:

Motion by Bloemendaal and supported by Muilenburg to approve the Loan Agreement. Motion carried unanimously.

Motion by Bloemendaal and supported by Vande Weerd to approve the Form of Sioux County Bond. Motion carried unanimously.

Motion by Bloemendaal and supported by Vande Weerd to approve the Sioux County Assignment and Pledge Agreement. Motion carried unanimously.

Motion by Degen and supported by Muilenburg to approve the Sioux County Agreement to Purchase Bonds. Motion carried unanimously.

- 5) Shari Kastein, CEO of the Family Crisis Center, updated the Board on the work being done with the agency. Kastein made a funding request for FY21 in the amount of \$20,000 and would request any additional funding above that amount as well. The Board took no action on this request at this time.
- 6) Merle Wynia, spoke on behalf of the Sioux County Library Association. The Association requested a separate check in FY21 for the One County One Book Program. The FY21 funding request for the libraries was a 4% increase from FY20 which equates to \$268,350. The Board took no action on this request at this time.
- 7) Karen Schuiteman, Treasurer of the Sioux County Youth Fair presented the financial statement for the Youth Fair. Danielle Jasper who is the next Treasurer was present for the meeting. Schuiteman reported that no decision has been made as to where the fair will relocate to, but anticipates being at the current location for another 2 to 3 years. Requested \$25,000 in funding for FY21. The Board took no action on this request at this time.
- 8) Doug Julius, Sioux County Engineer,
  - Requested Board approval of two permit agreements, 1) Boer & Sons to place a sanitary sewer main in section 14 of Sheridan Township and 2) Windstream Communications to bury a fiber optic cable in section 25 of Grant Township. Motion by Vande Weerd and supported by Degen to approve the two permits. Motion carried unanimously.
  - Updated the Board on secondary road activities.
- 9) Committee Reports:
  - **Sybesma**– Reported on 3<sup>rd</sup> Judicial meeting in Sioux City. Reported on a performance evaluation given for Maureen Hansen.

**10)** The Chairman adjourned the meeting at 10:10 a.m. until 9:00 a.m. Tuesday, December 17, 2019.

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Mark Sybesma, Chairman  
Sioux County Board of Supervisors

ATTEST: \_\_\_\_\_  
Ryan Dokter  
Sioux County Auditor