

**MINUTES OF SIOUX COUNTY BOARD OF SUPERVISORS**  
**MEETING HELD ON JANUARY 21, 2020**

- 1) The Board of Supervisors of Sioux County, Iowa, met pursuant to adjournment at 9:00 a.m. with Chairman Jerry Muilenburg presiding. Members present were John Degen, Jerry Muilenburg, Carl Vande Weerd, Al Bloemendaal and Mark Sybesma.
- 2) Minutes of the meeting held on January 14, 2020, were submitted and the Chairman declared them approved.
- 3) Dan Altena, Sioux County Sheriff,
  - Reviewed the Sheriff budget for FY21.
  - Updated the Board on staffing in the jail.
  - Distributed and reviewed the Sheriff Quarterly Report.
- 4) Tom Kunstle, Sioux County Attorney, reviewed the Attorney and District Court budgets for FY21 with the Board.
- 5) Kathi Wetter, Veteran's Affairs Director, reviewed the Veteran's Affairs FY21 budget with the Board.
- 6) Ryan Dokter, Sioux County Auditor, submitted the Resolution Authorizing the Execution of a Memorandum of Agreement with Sioux Center Health, and Fixing a Date for Hearing on the Proposed Issuance of Revenue Bonds or Notes in an Amount Not to Exceed \$4,500,000 for Board consideration and action. Sioux Center Health CEO, Cory Nelson, was present for the discussion. Nelson stated that the original ask was for \$6,000,000 in 2020, but reduced that to \$4,500,000 as the City of Hull picked up the difference on their tax exempt bonding authority. Motion by Bloemendaal and supported by Sybesma to approve the following resolution, memorandum of agreement and setting the date of February 25, 2020 for a public hearing. Roll call on vote: Degen, Yes; Vande Weerd, Yes; Sybesma, Yes; Bloemendaal, Yes; Muilenburg, Yes. Motion carried unanimously.

RESOLUTION NO. 2020-04

A Resolution authorizing the execution of a Memorandum of Agreement with Sioux Center Health, and fixing a date for a hearing on the proposed issuance of revenue bonds or notes pursuant to Chapter 419 of the Iowa Code.

WHEREAS, the County of Sioux, State of Iowa (the "Issuer"), is a municipal corporation and political subdivision of the State of Iowa authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, 2019, as amended (the "Act"), to issue revenue bonds or notes for a project located within, or within eight miles of, the Issuer for the purpose of financing the cost of acquiring, by construction or purchase, land, buildings, improvements, and equipment, or any interest therein, suitable for the use of any 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 the Code (a "Tax Exempt Organization"), refunding any revenue bonds or notes issued pursuant to the Act and paying costs of issuance associated therewith; and

WHEREAS, the Issuer has been requested by Sioux Center Health or an affiliate thereof (the "Borrower"), a Tax Exempt Organization, to issue its revenue bonds or notes, in one or more series, in an aggregate principal amount not to exceed \$4,500,000 (the "Bonds") for the purpose 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 Bonds; and

WHEREAS, it is proposed to finance the foregoing through the issuance of the Bonds and to loan the proceeds from the sale of the Bonds to the Borrower pursuant to a Loan Agreement between the Issuer and the Borrower, the obligations of which will be sufficient to provide for a portion of the financing for the Project as aforementioned; and

WHEREAS, the Bonds, if issued, shall be limited obligations 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, interest and premium, if any, on the Bonds shall be payable solely out of the revenues derived from the Loan Agreement; and

WHEREAS, before the Bonds may be issued, it is necessary to conduct a public hearing on the proposal to issue the Bonds, all as required and provided for by Section 419.9 of the Act and Section 147(f) of the Code.

WHEREAS, a Memorandum of Agreement in the form and with the contents set forth in Exhibit A attached hereto, has been presented to the Issuer which sets forth certain mutual undertakings and agreements between the Issuer and the Borrower, relating to the further processing of said Bonds;

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the "Regulations") dealing with the issuance of the Bonds, all or a portion of the proceeds of which are to be used to reimburse the Borrower for Project expenditures made by the Borrower prior to the date of issuance of the Bonds, and the Regulations generally require that the Issuer make a prior declaration of its official intent for the Borrower to reimburse itself for such prior expenditures out of the proceeds of the Bonds and that the Bonds be issued and the reimbursement allocation be made from the proceeds of the Bonds within a certain period after the payment of the expenditure or the date the Project is placed in service; and

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

Section 1. The Memorandum of Agreement in the form and with the contents set forth in Exhibit A attached hereto is hereby approved, and the Chairperson is hereby authorized to execute said Memorandum of Agreement and the County Auditor is hereby authorized to attest the same; said Memorandum of Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, and containing the provisions set forth in Exhibit A attached hereto.

Section 2. Officials of the Issuer are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of the Memorandum of Agreement.

Section 3. This Board shall meet on the 25th day of February, 2020, at the Board Chambers, 210 Central Avenue SW, Orange City, Iowa, at 9:00 o'clock a.m., at which time and place any resident or property owner of the Issuer may present oral or written objections on the proposal to issue the Bonds referred to in the preamble hereof.

Section 4. The County Auditor, or his designee, is hereby directed to give notice of intention to issue the Bonds, setting forth the amount and purpose thereof, the time when and place where the hearing will be held, by publication at least once not less than fifteen (15) days prior to the date fixed for the hearing, in a newspaper published and having a general circulation within the Issuer. The notice shall be in substantially the following form:

NOTICE OF INTENTION TO ISSUE REVENUE BONDS OR NOTES  
(SIOUX CENTER HEALTH PROJECT)

The Board of Supervisors of Sioux County, Iowa, (the “Issuer”) will meet on the 25<sup>th</sup> day of February, 2020, at 9:00 o’clock a.m., at the Board Chambers, 210 Central Avenue SW, Orange City, Iowa 51041, for the purpose of conducting a public hearing on the proposal to issue revenue bonds or notes, of the Issuer in the aggregate principal amount not to exceed \$4,500,000 (the “Bonds”) and to loan said amount to Sioux Center Health or an affiliate thereof (the “Borrower”), for the purpose of providing funds to the Borrower to (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 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 Bonds. The Project and the assets financed by the Bonds will be owned and operated by the Borrower.

The Bonds, when issued, will be limited obligations and will not constitute general obligations of the Issuer nor will they be payable in any manner by taxation, but the Bonds will be payable solely and only from amounts received by the Issuer pursuant to one or more Loan Agreements between the Issuer and the Borrower, the obligations of which will be sufficient to pay the principal of and interest and redemption premium, if any, on the Bonds as and when the same shall become due.

At the time and place stated above, oral or written objections from any resident or property owner of the Issuer may be presented. At such meeting or any adjournment thereof, the Issuer shall adopt a resolution determining whether or not to proceed with the issuance of the Bonds. Written comments may also be submitted to the Issuer at the Sioux County Auditor’s Office, Sioux County Courthouse, 210 Central Avenue SW, Orange City, Iowa 51041. Written comments must be received by the above hearing date.

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

Ryan Dokter  
County Auditor

Section 5. On the basis of representations of the Borrower, the Issuer declares (a) that the Borrower intends to undertake the Project; (b) that other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution (or other qualifying reimbursement resolution), or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the Borrower and no expenditures will be made by the Borrower until after the date of this Resolution (or other qualifying reimbursement resolution); and (c) that the Borrower reasonably expects to reimburse the expenditures made for costs of the Project out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 6. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved January 21, 2020.

/s/Jerry Muilenburg, Chairperson

Attest: /s/Ryan Dokter, County Auditor

STATE OF IOWA  
COUNTY OF SIOUX                      SS:

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting County Auditor of the aforementioned County and that as such I have in my possession or have access to the complete official records of said County and of its Board and officers; and that I have carefully compared the transcript hereto attached with the aforesaid official records and that said transcript hereto attached is a true, correct and complete copy of all of the official records showing the action taken by the Board of Supervisors of said County to authorize the execution of a Memorandum of Agreement by and between Sioux Center Health and said County and to set a public hearing date as set forth therein.

WITNESS my hand and the seal of said County hereto affixed this 21<sup>st</sup> day of January, 2020.

/s/Ryan Dokter County Auditor

(Seal)

EXHIBIT A  
MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT is between the County of Sioux County, Iowa (the "Issuer") and Sioux Center Health (the "Borrower").

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

(a) The Issuer is authorized by Chapter 419 of the Code of Iowa, 2019, as amended (the "Act") to issue revenue bonds or notes for a project located within, or within eight miles of, the Issuer for the purpose of financing the cost of acquiring, by construction or purchase, land, buildings, improvements, and equipment, or any interest therein, suitable for the use of any 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 the Code (a "Tax Exempt Organization"), and paying costs of issuance associated therewith.

(b) The Borrower, a Tax Exempt Organization, wishes to obtain satisfactory assurance from the Issuer that, subject to the public hearing required by the Act and Section 147(f) of the Internal Revenue Code and the terms of this Agreement, and to due compliance with all requirements of law and the obtaining of all necessary consents and approvals and to the happening of all acts, conditions and things required to exist, happen or be performed precedent to and in connection therewith in due time, form and manner as required by law, such bonds or notes, in one or more series, will be issued by the Issuer in a principal amount not to exceed \$4,500,000 (the "Bonds") for the purpose 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 Bonds.

2. Undertakings on the Part of the Issuer.

(a) The Issuer will begin the proceedings necessary to authorize the issuance of the Bonds in an aggregate principal amount not to exceed \$4,500,000.

(b) Subject to due compliance with all requirements of law and the terms of this Agreement, including the provisions of and the public hearing required by the Act, it will cooperate with the Borrower in the issuance and sale of such Bonds, and the proceeds from the issuance of such Bonds shall be loaned to the Borrower upon such terms sufficient to pay the principal of and interest and redemption premium, if any, on such Bonds, as and when the same shall become due all as shall be authorized by law and mutually satisfactory to the Borrower and the Issuer.

(c) The Issuer shall determine when, in what amount, and if the Bonds may be issued without causing the Issuer to lose its qualification as a “qualified small issuer” within the meaning of Section 265(b)(3)(C) of the Code.

3. Undertakings on the Part of the Borrower.

(a) It will use all reasonable efforts to cooperate with the Issuer and comply with the Act and all other provisions of law relating to financing the Project, and the issuance and sale of such Bonds.

(b) It will enter into one or more loan agreements (the “Loan Agreement”) with the Issuer under the terms of which the Borrower will obligate itself to pay to the Issuer sums sufficient to pay the principal of and interest and redemption premium, if any, on such Bonds as and when the same shall become due and payable, such instrument to contain other provisions required by law and such other provisions as shall be mutually acceptable to the Issuer and the Borrower.

(c) It will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertaking or as it may deem appropriate in pursuance thereof.

4. General Provisions.

(a) All commitments on the part of the Issuer and the Borrower herein are subject to the condition that on or before one year from the date hereof (or such other date as shall be mutually agreed to) the Issuer and the Borrower shall have agreed to mutually acceptable terms relating to the issuance and sale of such Bonds, and mutually acceptable terms and conditions of the documents and proceedings referred to in paragraphs 2 and 3 hereof.

(b) The Borrower agrees that it will (i) pay an Issuer fee required by the Issuer if the Bonds are issued and (ii) reimburse the Issuer for all reasonable and necessary direct out-of-pocket expenses which the Issuer may incur including, but not limited to, legal fees, administrative costs, printing and publication costs, and filing fees arising from the execution of this Agreement and the performance or preparation to perform by the Issuer of its obligations hereunder done at the request of the Borrower, whether or not such Bonds are issued.

(c) All commitments of the Issuer hereunder are further subject to the conditions that the Issuer, and its elected and appointed officials, shall in no event incur any liability for any act or omission hereunder, and that such Bonds described herein shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision and shall not constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers.

The execution of this Memorandum of Agreement by the Issuer is not intended to nor does it create a binding commitment on the part of the Issuer to proceed with the issuance of the Bonds. It is further understood that the issuance of the Bonds is subject to further review by the Board of Supervisors of the Issuer and compliance with all provisions of the Act and the Code, including the holding of a public hearing with respect thereto.

(d) Preparation of all resolutions, agreements, instruments, certificates, or other documents in final form for adoption and execution shall be the sole responsibility of Bond Counsel.

(e) In the event Sections 145 and 146 of the Code restrict the aggregate principal amount of Bonds for Tax-Exempt Organizations which the Issuer may issue in any calendar year, the Issuer may, in its discretion, rescind its commitments under Paragraph 2 hereof, without liability on the part of the Issuer.

(f) All commitments of the Issuer hereunder are further subject to the condition that the Bonds will only be issued if the Issuer determines that such issuance will not cause the Issuer to lose its qualification as a “qualified small issuer” within the meaning of Section 265(b)(3)(c) of the Code in any year.

Dated this 21<sup>st</sup> day of January, 2020.

SIOUX COUNTY, IOWA

By:/s/Jerry Muilenburg, Chairperson

Attest:/s/Ryan Dokter, County Auditor

SIOUX CENTER HEALTH

By:/s/Cory Nelson, Authorized Representative

## 7) Committee Reports:

- **Degen**– 1) Reported on the EMS and Communications meetings from January 15. A new communications tower was discussed, which will need FAA approval before construction can begin. Budgets were also discussed. 2) Reported that he contacted the Maurice Fire Department in regards to County funding for their new emergency vehicle, as well as developing a plan for responding to emergency calls at the airport.
- **Muilenburg** – Reported on the Wellness Committee meeting from January 14. Employees who have earned the maximum amount of sick time will have the option to get \$300 deducted from their sick time to go towards a gym membership. Auditor Dokter asked the Board for direction on department heads whose sick time may not be accurately reflected as well as how to handle elected officials that may seek this reimbursement as they do not get any sick time. The general consensus was that department heads and elected officials would be allowed to receive the reimbursement.
- **Bloemendaal & Muilenburg** – Reported on the Airport Board meeting from January 20. An erosion control plan was approved and discussed the closure of the Orange City Airport.

- **Muilenburg, Vande Weerd, & Bloemendaal** – Reported that there were many good sessions from ISAC University held in Des Moines last week.

8) Doug Julius, Sioux county Engineer,

- Reported that secondary roads worked on snow clean up Friday through Monday.
- Distributed the County snow ordinance for information.

9) Motion by Degen and supported by Vande Weerd to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 10:48 a.m. until 9:00 a.m. Tuesday, January 28, 2020.

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Jerry Muilenburg, Chairman  
Sioux County Board of Supervisors

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