

**PROCEEDINGS OF THE WASHINGTON COUNTY BOARD OF SUPERVISORS MEETING
TUESDAY, FEBRUARY 14, 2017**

Chairperson Richard Young called the meeting to order at 9:30 a.m. in the Courthouse chambers in regular session. Items on the agenda were: discussion and possible action regarding Board of Health recommendations for future space needs; Resolution 17-07 related to Property Tax Suspension; Resolution 17-08 related to Bond refinancing; approval of application for renewal of State liquor license – The Kalona Golf Club. Supervisor Stan Stoops, Bob Yoder, Jack Seward, Jr., and Abe Miller were present.

Others attending were: Xiomara Levsen, Washington Evening Journal; Mary Zielinski, Kalona News; Sally Hart, KCII Radio; Jo Greiner, County Recorder; Jennine Wolf, County Environmental Health Director; Peggy Wood and Karri Fisher, County Public Health; John Gish, County Attorney; Shawn Ellingson, County Sheriff's Office; Jeff Garrett, County Treasurer; Jacob Thorius, County Engineer; Cyndie Sinn, County IT/Budget Director; Amber Williams, Board of Supervisors Administrative Assistant; and citizens Bette Brant, Tom Duwa, Bill Miller, Karyl Miller, Charlotte Stalder, Denny Stalder, Les Zickefoose, Tom Vittetoe, and Lu Harland.

All motions were passed unanimously by those supervisors in attendance unless noted otherwise.

On motion by Seward, seconded by Yoder, the Board voted to approve the agenda as published.

The Board resumed discussion of future space needs of Washington County Public Health (WCPH) in conjunction with property located at 628 East 3rd Street in Washington. Presently there are plans to renovate and remodel the building that is located on the property. In turn, Board consideration is being given to the building serving as a home for WCPH upon completion of the renovation and remodeling. Hobart Historic Renovation, Cedar Rapids, would be the property owner and would also do the renovation and remodeling work. Seward stated he had met with Jim Hobart of Hobart Historic Renovation to discuss various matters of concern regarding the property. Such concerns include the location of the property with regard to surrounding property, traffic, parking, cost, and the means of funding a possible purchase. According to Seward, Hobart stated that available space would allow for 37 parking spaces. Hobart also expressed willingness to meet with area property owners and respond to concerns. Seward also stated that Hobart had provided additional funding options which a lease period in excess of the five-year lease that was presented earlier as well as a reduction in the \$350,000 initial payment that was also presented earlier. Finally, Hobart also expressed a willingness to extend the deadline for a Board decision until February 21, 2017. Seward agreed with Miller who stated that despite the additional options provided by Hobart, the total cost of the project remained unchanged from the \$1.9 million total that was presented earlier. Seward advocated for the Board delaying a vote on the matter until the next Board meeting on February 21, 2017 in order to allow adequate time to study the latest information provided by Hobart as well as to allow for public comment. Citizen Tom Vittetoe spoke out against the location as a home for Public Health and said that additional land would need to be acquired in order to meet standards contained in the Statewide Urban Design and Specification manual. Based on the 22,000 sq. ft. size of the building, such standards call for at least 100 parking spaces and at least 4 handicapped parking spaces. Also, according to Vittetoe, a loading zone would be required. Stoops moved, and Yoder seconded the motion, that Washington County step away from the proposed project and not become involved with occupying space at property located at 628 East 3rd Street in Washington. Prior to the vote, Stoops told those assembled that he did not intend to give up his efforts to find a new home for Public Health but he had heard too many objections from the public to vote in favor of the project currently under consideration. Young stated he had heard little public support for the proposed project due to its location and Yoder agreed that the location was a major issue. Miller reiterated that he was still of the opinion that there were simply too many issues with the proposal. Seward, who also serves as a Board of Health member, stated that even if the total cost of the proposed project could be reduced, the location issue would still remain. Young called for a vote on the motion made by Stoops and seconded by Yoder and the motion passed unanimously.

On motion by Seward, seconded by Yoder, the Board voted by way of roll call vote to approve Resolution 17-07 as follows and to authorize the Chairperson to sign Resolution 17-07 on behalf of the Board.

**RESOLUTION 17-07
WASHINGTON COUNTY BOARD OF SUPERVISORS
Notice of Property Tax Suspension**

WHEREAS, Indalecio and Maria Paredes are the owners of record of parcel WACWS 11-20-181-006 located at 1140 S Iowa Ave, Washington, Iowa, and,
WHEREAS, Maria Paredes is a recipient of federal supplementary security income through the Department of Human Services as verified by the "Notice of Decision" filed with the Washington County Treasurer, and,

WHEREAS, Section 427.9 of the Code of Iowa requires the county board of supervisors to suspend unpaid property tax, interest, and costs on parcels owned by persons who are recipients of federal supplementary security income, state supplementary assistance, or are residents of a health care facility which is receiving payment from the department of human services for their care until such time that the recipients no longer own the parcel, and,

WHEREAS, Maria Paredes has filed a request for property tax suspension with the Washington County Treasurer affirming compliance with the policy approved by the Washington County Board of Supervisors on March 24, 2009.

NOW BE IT THEREFORE RESOLVED, by the Washington County Board of Supervisors to suspend the unpaid property tax liability, as well as any unpaid penalty and costs, on parcel WACWS 11-20-181-006 until such time that the parcel is no longer owned by Maria Paredes or until the Department of Human Services ceases to affirm continued eligibility. If eligibility is not confirmed by DHS, prior taxes will remain suspended, but current taxes will become due and payable.

On motion by Miller, seconded by Yoder, the Board voted by way of roll call vote to approve Resolution 17-08 as follows and to authorize the Chairperson to sign Resolution 17-08 on behalf of the Board.

RESOLUTION NO. 17-08

Resolution authorizing and approving a Loan Agreement, providing for the issuance of \$3,525,000 General Obligation Refunding Bonds, Series 2017A, and directing the levy of taxes to pay the same

WHEREAS, the Board of Supervisors (the “Board”) of Washington County, Iowa (the “County”), has previously issued \$8,000,000 General Obligation County Road Improvement Bonds, Series 2011A, (the “Series 2011A Bonds”); and

WHEREAS, in the resolution authorizing the issuance of the Series 2011A Bonds, the County reserved the right to call for payment prior to maturity any or all of the Series 2011A Bonds maturing after June 1, 2017 (the “Callable Series 2011A Bonds”); and

WHEREAS, the Board has heretofore proposed to issue General Obligation Refunding Bonds, Series 2017A, pursuant to the provisions of Chapter 331 of the Code of Iowa, and has proposed to enter into a loan agreement (the “Loan Agreement”) for the purpose of paying the cost, to that extent, of refunding all of the Callable Series 2011A Bonds and has published notice of the proposed action and has held a hearing thereon; and

WHEREAS, it has been proposed that the County enter into the Loan Agreement with Northland Securities, Minneapolis MN (the “Purchaser”) and issue \$3,525,000 General Obligation Refunding Bonds, Series 2017A (the “Bonds”) in evidence of its obligations under the Loan Agreement; and

WHEREAS, the Purchaser prepared a certain Bond Purchase Agreement (the “Bond Purchase Agreement”) with respect to the Loan Agreement and the Bonds, and the Board has previously approved the Bond Purchase Agreement and has made provision for its execution and delivery; and

WHEREAS, it is now necessary to take final action for approval of the Loan Agreement and the issuance of the Bonds, and to authorize the early redemption of the Callable Series 2011A Bonds;

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

Section 1. The County shall enter into the Loan Agreement with the Purchaser in substantially the form as has been placed on file with the Board, providing for a loan to the County in the principal amount of \$3,525,000, for the purpose set forth in the preamble hereof.

The Chairperson of the Board and 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 2. The Bonds are hereby authorized to be issued in evidence of the obligation of the County under the Loan Agreement, in the total aggregate principal amount of \$3,525,000, to be dated March 7, 2017, in the denomination of \$5,000 each, or any integral multiple thereof, maturing semiannually on June 1 and December 1 in each of the years, in the respective principal amounts and bearing interest at the respective rates as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Date</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
12/1/2017	\$410,000	2.00%	12/1/2019	\$445,000	2.00%
6/1/2018	\$430,000	2.00%	6/1/2020	\$450,000	3.00%
12/1/2018	\$435,000	2.00%	12/1/2020	\$455,000	2.00%
6/1/2019	\$440,000	2.00%	6/1/2021	\$460,000	3.00%

Section 3. Bankers Trust Company, Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the Bonds and may be hereinafter referred to as the “Registrar” or the “Paying Agent”. The County shall enter into an agreement (the “Registrar/Paying Agent Agreement”) with the Registrar, in substantially the form as has been placed on file with the Board; the Chairperson and County Auditor are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the County; and the Registrar/Paying Agent Agreement is hereby approved.

The Bonds are not subject to redemption prior to maturity.

Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2017. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the Bonds 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 to the registered owners at the addresses shown on such registration books. Principal of the Bonds 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 Bond or Bonds at the office of the Paying Agent.

The Bonds 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 be fully registered Bonds without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds, 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 Bonds shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

The Bonds 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 Bond shall be transferable 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 Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 4. Notwithstanding anything above to the contrary, the Bonds shall be issued initially as Depository Bonds, with one fully registered Bond 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 Bonds 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 Bonds or the County determines not to continue the book-entry system for recording ownership interests in the Bonds 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 bonds 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 bonds, 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 Bonds.

Ownership interest in the Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive certificated Bonds, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant’s interest in the Bonds, which will be confirmed in accordance with DTC’s standard procedures. Each such person for which a Participant has an interest in the Bonds, 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 Bonds.

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 Bonds 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 Bonds acquired. Transfers of ownership interests in the Bonds 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 Bonds, 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 5. The Bonds shall be in substantially the following form:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF IOWA

WASHINGTON COUNTY

GENERAL OBLIGATION REFUNDING BOND, SERIES 2017A

No. _____ \$ _____

RATE	MATURITY DATE	BOND DATE	CUSIP
_____ %	_____ 1, _____	March 7, 2017	

Washington County (the "County"), Iowa, for value received, promises to pay on the maturity date of this Bond to
Cede & Co.
New York, NY

or registered assigns, the principal sum of

THOUSAND DOLLARS

in lawful money of the United States of America upon presentation and surrender of this Bond at the office of Bankers Trust Company, 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 Bond, 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, 2017, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Bond 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 to the registered owner at the address shown on such registration books.

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

This Bond is one of a series of General Obligation Refunding Bonds, Series 2017A (the "Bonds"), issued in the aggregate principal amount of \$3,525,000 by the County to evidence its obligation under a certain Loan Agreement, dated as of March 7, 2017 (the "Loan Agreement"), entered into by the County for the purpose of paying the cost, to that extent, of refunding the County's General Obligation County Road Improvement Bonds, Series 2011A that are scheduled to mature after June 1, 2017.

The Bonds are issued pursuant to and in strict compliance with the provisions of Sections 331.402(3) and 331.443 of the Code of Iowa, 2015, 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 Bonds (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 Bonds and the rights of the owners of the Bonds.

The Bonds are not subject to redemption This Bond 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 Bond 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 Bond 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 Bond as the same will respectively become due; and that the total indebtedness of the County, including this Bond, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Washington County, Iowa, by its Board of Supervisors, has caused this Bond 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 March 7, 2017.

WASHINGTON COUNTY, IOWA

By (DO NOT SIGN) _____
Chairperson, Board of Supervisors

Attest:

(DO NOT SIGN) _____
County Auditor

Registration Date: (Registration Date)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution.

BANKERS TRUST COMPANY
Des Moines, Iowa
Registrar

By (Authorized Signature)
Authorized Officer

ABBREVIATIONS

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

Table with 3 columns: Abbreviation, Description, and Full Name. Includes TEN COM, TEN ENT, JT TEN, and UTMA.

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 Bond 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 Bond 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 Bond in every particular, without alteration or enlargement or any change whatever.

ASSIGNMENT

Section 6. The Bonds 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 or upon the direction of the Purchaser, upon receipt of the loan proceeds (the "Proceeds"), and all action heretofore taken in connection with the Loan Agreement and the sale of the Bonds is hereby ratified and confirmed in all respects.

Section 7. Bankers Trust Company, as Registrar and Paying Agent for the Series 2011A Bonds is hereby authorized to take all action necessary to call the Callable Series 2011A Bonds for redemption as of June 1, 2017 (the "Redemption Date"), and is further authorized and directed to give notice of such redemption by sending notice to each of the registered owners of the Callable Series 2011A Bonds to be redeemed at the addresses shown on the County's registration books, not less than 30 days prior to the Redemption Date.

Section 8. As required by Chapter 76 of the Code of Iowa, and for the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there is hereby ordered levied on all the taxable property

in the County in each of the years while the Bonds or any of them are outstanding, a tax sufficient for that purpose, and in furtherance of this provision, but not in limitation thereof, there is hereby levied on all the taxable property in the County the following direct annual tax for collection in each of the following fiscal years:

For collection in the fiscal year beginning July 1, 2017,
sufficient to produce the net annual sum of \$934,074;

For collection in the fiscal year beginning July 1, 2018,
sufficient to produce the net annual sum of \$933,450;

For collection in the fiscal year beginning July 1, 2019,
sufficient to produce the net annual sum of \$935,850;

For collection in the fiscal year beginning July 1, 2020,
sufficient to produce the net annual sum of \$933,350.

Section 9. A certified copy of this resolution shall be filed with the County Auditor, and the 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 Bonds hereby authorized and for no other purpose whatsoever.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the Bonds remain outstanding and unpaid, any funds of the County which may lawfully be applied for such purpose may be appropriated, budgeted and, if received, used for the payment of the principal of and interest on the Bonds as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 8 of this Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for said purpose and evidenced in the County's budget.

Section 10. 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.

Section 11. It is the intention of the County that interest on the Bonds 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 Bonds 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 Bonds as "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 12. 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, an underwriter 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 covenants and agrees that it will comply with and carry out the provisions of the Continuing Disclosure Certificate. 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 Rule and the Continuing Disclosure Certificate.

Section 13. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

On motion by Seward, seconded by Yoder, the Board voted to approve a renewal of a Class B Beer (BB) License (including wine coolers) with Outdoor Services and Sunday Sales for the Kalona Golf Club, 1376 Hwy 1 South, Kalona, Iowa 52247, for the period of April 1, 2017 to March 31, 2018. Sheriff Jared Schneider expressed no objection to approval of the application.

At 10:01 a.m. on motion by Miller, seconded by Seward, the Board voted to adjourn.

ATTEST:
FEBRUARY 14, 2017

RICHARD L. YOUNG
Chairperson, Board of Supervisors

DANIEL L. WIDMER
County Auditor