

July 15, 2019

The Mahaska County Board of Supervisors met in regular session on the above date at 9:00 a.m. in the third floor conference room of the Mahaska County courthouse. Present were the following board members: Chairman – Mark Groenendyk; Vice chairman – Steve Wanders; Member – Steve Parker. Also present were; Angie Holland, Oskaloosa Herald; RD Keep, The Sun; Joe Lancello, KBOE; Russ Van Renterghem, Sheriff; Tom Flaherty, Economic Director; Andrew Ritland, Attorney; Roger Shindell, Carosh Compliance Solutions and Susan Brown, Mahaska County Auditor. This meeting was live streamed by Communications Research Institute of William Penn University.

Chairman Groenendyk opened the meeting at 9:00 a.m. with a moment of silence.

It was moved by Wanders seconded by Parker to approve the agenda for today's meeting. All present voted aye. Motion carried.

Public Comments: None

No MCARD or Conservation report today.

It was moved by Parker seconded by Wanders to approve minutes of July 1. All present voted aye. Motion carried.

It was moved by Wanders seconded by Parker to approve the following resolution. All present voted aye. Motion carried.

RESOLUTION NO. 2019-32

Resolution authorizing and approving a Loan Agreement and providing for the issuance of a \$355,000 Cedar Township Fire Station Note

WHEREAS, the Board of Supervisors (the "Board") of Mahaska County (the "County"), State of Iowa, has been requested by the Board of Trustees of Cedar Township (the "Township") to anticipate the collection of taxes levied on property within the Township, pursuant to Section 359.43 of the Code of Iowa, and borrow money on behalf of the Township in the amount of \$355,000 to pay the cost of constructing a fire station for the Township; and

WHEREAS, Cedar Township has entered into agreements with Harrison Township, White Oak Township and the City of Fremont, pursuant to which each of the Townships and the City of Fremont have agreed to contribute funds to pay a portion of the cost of constructing the fire station; and

WHEREAS, the Board has proposed to enter into a loan agreement (the “Loan Agreement”) pursuant to the provisions of Sections 331.402 and 359.45 of the Code of Iowa and has published notice of the proposed action and has held a hearing thereon; and

WHEREAS, it is necessary at this time to approve the Loan Agreement and authorize the issuance of a \$355,000 Cedar Township Fire Station Note (the “Note”) in evidence of the obligation of the County under the Loan Agreement;

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

The County hereby determines to enter into the Loan Agreement with American State Bank, Osceola, Iowa, as lender (the “Lender”), providing for a loan to the County in the principal amount of \$355,000 for the purpose set forth in the preamble hereof.

The Chairperson 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.

The Note is hereby authorized to be issued in the principal amount of \$355,000, shall be dated July 30, 2019, and shall be payable as to both principal and interest in the manner hereinafter specified.

The County Auditor is hereby designated as the registrar and paying agent for the Note and may be hereinafter referred to as the “Registrar” or the “Paying Agent.”

Section 2. Interest on the Note, at the rate of 3.40% per annum, shall be paid on June 1 and December 1 of each year, beginning December 1, 2019. Principal of the Note shall be paid in annual installments on June 1 in each of the years, in the respective principal amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2020	\$14,000	2029	\$20,000
2021	\$15,000	2030	\$20,000
2022	\$16,000	2031	\$21,000
2023	\$16,000	2032	\$22,000
2024	\$17,000	2033	\$23,000
2025	\$17,000	2034	\$23,000
2026	\$18,000	2035	\$24,000
2027	\$19,000	2036	\$25,000
2028	\$19,000	2037	\$26,000

Payment of both principal of and interest on the Note shall be made 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 payment date and shall be

paid by electronic means or by check or draft mailed to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest shall be payable only upon presentation and surrender of the Note to the Paying Agent.

The County reserves the right to prepay principal of the Note in any amount on June 1, 2024, or any date thereafter, on terms of par and accrued interest. All principal so prepaid shall cease to bear interest on the prepayment date.

The Note shall be executed on behalf of the County with the official manual or facsimile signature of the Chairperson and attested with the official manual or facsimile signature of the County Auditor and shall be a fully registered Note without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Note shall cease to be such officer before the delivery of the Note, 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 Note shall be fully registered as to principal and interest in the name of the owner 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 owner or its legal representatives or assigns. The Note 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 Note shall be in substantially the following form:

(Form of Note)

UNITED STATES OF AMERICA
STATE OF IOWA MAHASKA COUNTY

CEDAR TOWNSHIP FIRE STATION NOTE

\$355,000

INTEREST RATE	MATURITY DATE	NOTE DATE
3.40%	June 1, 2037	July 30, 2019

The Board of Supervisors of Mahaska County (the "County"), State of Iowa, for value received, promises to pay in the manner hereinafter provided to

American State Bank
1000 Jeffreys Drive
Osceola, Iowa

or registered assigns, the principal sum of THREE HUNDRED FIFTY-FIVE THOUSAND DOLLARS (\$355,000), together with interest on the outstanding principal hereof from the date of this Note, or from the most recent payment date on which interest has been paid, except as the provisions hereinafter set forth with respect to prepayment prior to maturity may be or become applicable hereto.

Interest on this Note, at the rate of 3.40% per annum, shall be paid on June 1 and December 1 of each year, beginning December 1, 2019. Principal of this Note shall be paid in annual installments on June 1 in each of the years, in the respective principal amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2020	\$14,000	2029	\$20,000
2021	\$15,000	2030	\$20,000
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2024	\$17,000	2033	\$23,000
2025	\$17,000	2034	\$23,000
2026	\$18,000	2035	\$24,000
2027	\$19,000	2036	\$25,000
2028	\$19,000	2037	\$26,000

Both principal of and interest on this Note are payable to the registered owner appearing on the registration books of the County maintained by the County Auditor (hereinafter referred to as the “Registrar” or the “Paying Agent”) at the close of business on the fifteenth day of the month next preceding the payment date in lawful money of the United States of America by electronic means or by check or draft mailed to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest will be payable only upon presentation and surrender of this Note to the Paying Agent.

This Note is issued by the County to evidence its obligation under a certain Loan Agreement, dated as of the date hereof (the “Loan Agreement”) entered into by the County for the purpose of providing funds to pay a portion of the cost of the construction of a fire station by Cedar Township (the “Township”).

This Note is issued pursuant to and in strict compliance with the provisions of Sections 359.43, 359.45 and 331.402 of the Code of Iowa, 2019, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the Board of Supervisors of the County, authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of this Note (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 this Note and the rights of the owner of this Note.

The County reserves the right to prepay principal of this Note in any amount on June 1, 2024 or any date thereafter, on terms of par and accrued interest. All principal so prepaid will cease to bear interest on the prepayment date.

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

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

And It Is Hereby Certified and Recited that all acts, conditions and things required by the laws and Constitution of the State of Iowa, to exist, to be had, to be done or to be performed precedent to and in the issue of this Note were and have been properly existent, had, done and performed in regular and due form and time; that this Note does not constitute a general obligation of the County, but is payable only from taxes levied on property located within Cedar Township, Harrison Township, White Oak Township and the City of Fremont, and that the total indebtedness of the County, including this Note, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Mahaska County, Iowa, by its Board of Supervisors, has caused this Note to be executed by its Chairperson and attested by its County Auditor, on the 30th day of July, 2019.

MAHASKA COUNTY, IOWA

By (DO NOT SIGN)

Chairperson

Attest:

(DO NOT SIGN)

County Auditor

ABBREVIATIONS

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

TEN COM - as tenants in common

UTMA _____

TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with
right of survivorship and
not as tenants in common

(Custodian)
As Custodian for _____
(Minor)
under Uniform Transfers to Minors Act

(State)

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

ASSIGNMENT

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

(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

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

Dated: _____

Signature guaranteed:

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

The Note 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 and delivery to or upon the direction of the Lender, upon receipt of the loan
proceeds, and all action heretofore taken in connection with the Loan Agreement is
hereby ratified and confirmed in all respects.

The interest or principal and both of them falling due in any year or years shall, if
necessary, be paid promptly from current funds of the Township 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.

It is the intention of the County that interest on the Note 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 Note 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 Note as a “Qualified Tax Exempt Obligation” as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

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

Passed and approved on July 15, 2019.

It was moved by Parker seconded by Wanders to accept the following reports as presented: Treasurer, semi-annual and annual; Sheriff, 4th qtr and annual; Recorder, 4th qtr and annual; Veterans Affairs, 4th qtr. All present voted aye. Motion carried.

It was moved by Parker seconded by Wanders to approve cancelling of outstanding warrants for FY17/18 in the amount of \$1,971.02 along with an undeliverable warrant from FY18/19 in the amount of \$395.46. All present voted aye. Motion carried.

It was moved by Wanders seconded by Parker to add Stephen Shannon to Sheriff Dept payroll as full time jailer effective July 5, 2019. Rate to start is \$30,000/yr. All present voted aye. Motion carried.

It was moved by Parker seconded by Wanders to approve 28E agreements with Barnes City and Leighton for 1 hour of police protection from sheriff dept at \$42.00/hr effective for FY20. All present voted aye. Motion carried.

It was moved by Wanders seconded by Parker to approve agreement as presented with Land Recyclers Inc. totaling \$57,000.00 for environmental work at tower sites for radio communications system. All present voted aye. Motion carried.

It was moved by Wanders seconded by Parker to approve service agreement with Nyhart for interim GASB 75 actuarial update for the fiscal year ending June 30, 2019 at \$2,000.00 cost. All present voted aye. Motion carried.

Roger Shindell of Carosh Compliance Solutions reviewed progress and items completed for HIPAA compliance for Mahaska County. It was moved by Groenendyk seconded by Wanders to accept renewal agreement excluding cyber security training modules at cost of \$10,808.00 for FY20. All present voted aye. Motion carried.

Committee reports: Parker: IHCC Regional Development held Cargill tour on Jul 11; S Iowa Detention Center – we are member but do not have anyone placed there; Wanders: Central IA Juvenile Detention Center in Eldora is growing – taking on more state contracts. Groenendyk: Rey Freeman Communications Consulting will be in county tomorrow. Two radio communications system tower sites have been identified – still looking for third.

Public Comments: None

It was moved by Wanders seconded by Parker to adjourn. All present voted aye.
Motion carried.

Attest: _____
Susan L. Brown
Mahaska Co Auditor

Mark Groenendyk
Mahaska County Board of Supervisors