

DECEMBER 3, 2013 — FORTYEIGHTH MEETING OF THE WOODBURY COUNTY BOARD OF SUPERVISORS

The Board of Supervisors met on Tuesday, December 3, 2013 at 10:00 a.m. Board members present were Clausen, Smith, Tripp, Boykin, and Monson. Staff members present were Karen James, Board Administrator, Dennis Butler, Finance/Operations Controller, Joshua Widman, Assistant County Attorney, and Patrick F. Gill, Auditor/Clerk to the Board.

The meeting was called to order.

Motion by Tripp second by Boykin to approve the minutes of the 11/26/2013 Board meeting. Carried 5-0. Copy filed.

Motion by Smith second by Monson to approve the county's claims totaling \$549,265.21. Carried 4-0; Tripp abstained. *4402*
Copy filed.

Motion by Tripp second by Boykin to approve the appointment of Caleb Christopherson, Temporary Asst. County Attorney, County Attorney Dept., effective 12/04/13, \$20.00/hour. Not to exceed 120 days. Carried 5-0. Copy filed. *22*

Motion by Monson second by Tripp to approve and authorize the Chairperson to sign Federal Aid Agreement for Project Number STP-S-Co97(110)—5E-97, HMA Resurfacing Project on County Highway K45 (Old Highway 75). Carried 5-0. Copy filed. *9-1961*

Discussion of Master Planning Agreement with Terry Lutz, McClure Engineering Company was postponed due to a conflict.

A public hearing was held at 10:15 a.m. for the Issuance of not to exceed \$7,000,000 Aggregate Principal Amount of Healthcare Facilities Revenue Bonds.

The Chairperson called on anyone wishing to be heard.

Motion by Boykin second by Monson to close the hearing. Carried 5-0 on a roll call vote.

Motion by Monson second by Boykin to approve and authorize the Chairperson to sign a Resolution authorizing and providing for the issuance of not to exceed \$7,000,000 Aggregate Principal Amount of Healthcare Facilities Revenue Bond of Woodbury County, Iowa, for the purpose of lending the proceeds thereof to Jackson Recovery Center, Inc. (The "Borrower"); the execution and delivery of a Financing Agreement among the County, the Borrower and U.S. Bank National Association providing for the repayment of the loan of the proceeds of said bond and the securing of said repayment obligation; the sale of said bond; and the execution of other documents related thereto. Carried 5-0 on a roll call vote. *20*

RESOLUTION #11,940

RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$7,000,000 AGGREGATE PRINCIPAL AMOUNT OF HEALTHCARE FACILITIES REVENUE BOND OF WOODBURY COUNTY, IOWA, FOR THE PURPOSE OF LENDING THE PROCEEDS THEREOF TO JACKSON RECOVERY CENTER, INC. (THE "BORROWER"); THE EXECUTION AND DELIVERY OF A FINANCING AGREEMENT AMONG THE COUNTY, THE BORROWER AND U.S. BANK NATIONAL ASSOCIATION PROVIDING FOR THE REPAYMENT OF THE LOAN OF THE PROCEEDS OF SAID BOND AND THE SECURING OF SAID REPAYMENT OBLIGATION; THE SALE OF SAID BOND; AND THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

WHEREAS, the County of Woodbury, State of Iowa (the "Issuer"), is a County authorized and empowered by the provisions of Chapter 419 of the Code of Iowa, 2013 as amended (the "Act"), to issue revenue bonds or notes 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") or to retire any existing indebtedness on a facility for a Tax Exempt Organization or to refund any Bonds issued pursuant to the Act; and

WHEREAS, the Issuer has been previously requested by Jackson Recovery Centers, Inc. (the "Borrower"), a Tax Exempt Organization, to issue revenue bonds or notes, in an aggregate principal amount not to exceed \$6,000,000 (the "Original Bonds"), in one or more series, pursuant to the Act, and to loan said amount to the Borrower for the purpose of (1) paying a portion of the costs of acquiring, constructing, furnishing and equipping a new Child and Adolescent Recovery Hospital to be located on the vacant lot on West Fourth Street immediately west of the River Hills Recovery Center which is located at 3320 West Fourth Street, Sioux City, Iowa (the "Project"); and (2) paying for certain costs of issuance of the Bonds; and

WHEREAS, the Issuer previously held a hearing on the proposal to issue the Original Bonds on December 11, 2012 and adopted a resolution determining to proceed with the issuance of the Original Bonds; and

WHEREAS, because of increases in the costs of constructing the Project, the Borrower has requested the Issuer to issue additional bonds or notes in the amount of \$1,000,000 (the "Additional Bonds") to finance a portion of the additional costs of the Project; and

WHEREAS, pursuant to published notice of intention the Issuer held a hearing on the proposal to issue the Additional Bonds on December 3, 2013 and objections or other comments relating to the issuance of the Additional Bonds have been heard; and

WHEREAS, it is proposed that the Original Bonds and the Additional Bonds be combined and issued as a single Healthcare Facilities Revenue Bond in a principal amount not to exceed \$7,000,000 (the "Bond") and that the Issuer loan the proceeds of the Bond to the Borrower pursuant to a Financing Agreement (the "Financing Agreement") among the Issuer, the Borrower and U.S. Bank National Association (the "Lender") pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of and interest and premium, if any, on the Bond, as and when the same shall be due; and

WHEREAS, the Bond, if 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 Financing Agreement or otherwise as provided therein; and

WHEREAS, the Borrower has arranged for the sale of the Bond to the Lender;

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

Section 1. In order to finance a portion of the costs of the Project and pay certain costs of issuance associated thereto, the Bond, in an aggregate principal amount of not to exceed \$7,000,000, 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. The Bond shall be issued as a single Bond and the Bond will bear interest at an initial rate not to exceed 7% per annum as may be determined by the Borrower and the Lender prior to the issuance thereof and as adjusted from time to time as provided in the Bond. The execution and delivery of the Bond by the Chairperson and the County Auditor shall constitute approval thereof by the Issuer and the Chairperson and the County Auditor are hereby authorized and directed to execute the Bond and deliver the same to the Lender.

Section 2. The Issuer shall loan to the Borrower the proceeds of the Bond pursuant to the Financing Agreement 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 Chairperson and the County Auditor are hereby authorized and directed to execute and deliver the Financing Agreement with such changes, modifications, deletions or additions as deemed appropriate by Bond Counsel.

Section 3. The Bond will be a special limited obligation of the Issuer. The Bond shall not be payable from or a charge upon any funds other than the revenues derived from the Financing Agreement and the debt obligations of the Borrower thereunder pledged to the payment thereof, nor shall the Issuer be subject to any liability thereon. No holder of the Bond shall ever have the right to compel any exercise of the taxing power of the Issuer to pay the Bond or the interest thereon, nor to enforce payment thereof against any property of the Issuer. The Bond shall not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision or limitation and shall never constitute nor give rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers.

Section 4. The Financing Agreement, and the Bond are hereby made a part of this Resolution as though fully set forth herein and are hereby approved in substantially the forms presented to the Board. The Chairperson and the County Auditor are authorized and directed to execute, acknowledge, and deliver said documents on behalf of the Issuer with such changes, insertions and omissions therein as Bond Counsel may deem appropriate, such execution to be conclusive evidence of approval of such documents in accordance with the terms hereof.

Section 5. The Chairperson and the County Auditor are authorized and directed to execute and deliver all other documents which may be required under the terms of the Financing Agreement or by Bond Counsel, and to take any other action as may be required or deemed appropriate for the performance of the duties imposed thereby to carry out the purposes thereof. The Borrower, as part of the documents related to the issuance of the Bond, shall agree to comply with certain requirements of the Code regarding use and investment of the proceeds of Bond and certain other moneys related to Bond (the "Continuing Requirements") and the Borrower shall agree to monitor compliance with the Continuing Requirements and take remedial action with respect to any failure to comply with the Continuing Requirements.

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 the Bond and any other 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 2013 will not exceed \$3,000,000; and

(C) Not more than \$7,000,000 of obligations issued by the Issuer during this calendar year 2013 (including the Bond) have been designated for purposes of Section 265(b)(3) of the Code.

The Issuer shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

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

Section 9. This Resolution shall become effective immediately upon its passage and approval.

Passed and approved December 3, 2013.
WOODBURY COUNTY BOARD OF SUPERVISORS
Copy filed.

Action to approve and authorize the Chairperson to sign a Master Planning Agreement was postponed due to a conflict.

The Chairperson asked if there were any individuals or groups wishing to make a presentation of items not on the agenda, or Supervisors concerns.

The Board recessed at 10:20 until 10:40.

The Board reconvened at 10:40.

Motion by Tripp second by Monson to go into closed session per Iowa Code Section 21.5(1)(c). Carried 5-0 on a roll call vote.

Motion by Tripp second by Boykin to go out of closed session per Iowa Code Section 21.5(1)(c). Carried 5-0 on a roll call vote.

Motion by Tripp second by Monson to go into closed session for Economic Development Director's position per Iowa Code Section 21.5(i). Carried 5-0 on a roll call vote.

Motion by Tripp second by Monson to go out of closed session for Economic Development Director's position per Iowa Code Section 21.5(1). Carried 5-0 on a roll call vote.

Motion by Tripp second by Smith to go into closed session for Economic Development Director's position per Iowa Code Section 21.5(i). Carried 5-0 on a roll call vote.

Motion by Smith second by Monson to go out of closed session for Economic Development Director's position per Iowa Code Section 21.5(1). Carried 5-0 on a roll call vote.

The Board adjourned the regular meeting until December 10, 2013.