

February 21, 2012

The Des Moines County Board of Supervisors met in regular session at the Court House in Burlington at 9 AM on Tuesday, February 21st, 2012, with Tom Broeker, Dan Cahill and Bob Beck present.

Unless otherwise noted, all motions passed unanimously.

Meet with Department Heads: County Engineer Brian Carter stated that crews won't haul rock until roads are drier. Driving a rock truck on them would tear up roads worse. He has scheduled several bid openings during the coming weeks. CPC Ken Hyndman reported that he will be attending meetings on Thursday and Friday. Land Use Administrator Jeff Hanan stated that there is still an opening on the Zoning Commission.

The following correspondence was received: email from Todd Sladke regarding financing the GRMC project.

Accounts Payable Claims in the amount of \$532,562.29 were approved upon motion by Beck and second by Cahill.

Hyndman discussed a proposed contract for involuntary committals with St. Luke's Hospital in Cedar Rapids. The hospital wants the County to subsidize the patient's private insurance, which the County does not do for any other facility. The rate per day is already much higher than other hospitals. The Board agreed that Hyndman should continue to negotiate a lower rate.

Sam Warner was appointed to the Board of Adjustment upon motion by Cahill. Seconded by Beck. Warner's term will expire November 2016.

At 9:32, Cahill moved to open a public hearing on a proposal to issue revenue bonds in the principal amount of not to exceed \$60,000,000 for the benefit of Great River Medical Center. Beck seconded. Mark Richardson, CEO of GRMC, stated that this bond helps the hospital take advantage of interest rates of 3.5%, saving the hospital \$400,000 per year. Also, the new Klein Center will add 10 to 15 new jobs when it opens.

Larry Williams, 1607 Navajo, questioned whether this action would affect the County's bonding capacity and was reassured by Cahill that it will not impact the County. Steve Nadel, a bonding attorney acting on behalf of the Supervisors, had advised them that the County would have no liability for repayment of the bonds and would be able to borrow money if necessary. Williams stated that he approved the County supporting the hospital because it is the largest employer in the county. Todd Sladke, Vice-President of Finance for GRMC, added that the bonds will be repaid from the revenue stream of the hospital. Using a governmental entity, with a tax exempt rate, keeps the interest rate low. Part of the savings is shortening the term of the bonds from 19 years to 15 years. Both the original bond for construction of the hospital and new bond for Klein Center will mature in 2027.

Cahill moved to close the public hearing. Seconded by Beck.

Motion to approve the Resolution relating to the holding of a Public Hearing and approving proceedings for the issuance and sale of revenue bonds in an aggregate principal amount not to exceed \$60,000,000 for the benefit of Great River Medical Center was made by Cahill. Seconded by Beck. Motion passed unanimously.

RESOLUTION

RESOLUTION RELATING TO THE HOLDING OF A PUBLIC HEARING AND APPROVING PROCEEDINGS FOR THE ISSUANCE AND SALE OF REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 FOR THE BENEFIT OF GREAT RIVER MEDICAL CENTER.

WHEREAS, Des Moines County 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, 2911, as amended (the "Act"), to issue 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 to refund any bonds issued pursuant to the Act and to retire any existing indebtedness of a Tax Exempt Organization; and

WHEREAS, the Issuer has been requested by Great River Medical Center (the "Borrower") a Tax Exempt Organization, to issue revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$60,000,000 (the "Bonds") pursuant to the Act for the purpose of: (1) financing a portion of the costs of the construction, renovation, expansion, equipping and furnishing a nursing facility and related facilities and improvements all located on the Borrower's campus at 1221 South Gear Avenue, West Burlington, Iowa (the "Project"); (2) retiring existing indebtedness of the Borrower by refunding the previous issue of Healthcare Revenue Bonds, Series 2001 (Great River Medical Center) (the "Prior Bonds") issued by the Iowa Finance Authority for the benefit of the Borrower; (3) funding a debt service reserve fund for the Bonds; and (4) paying 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 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 Bonds as and when the same shall be due and payable; 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, notice of intention to issue the Bonds, 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; and

WHEREAS, a public hearing has been held on the proposal to issue the Bonds at the time and place as specified in said notice and all comments for or against the proposal to issue the Bonds have been heard and considered, and

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

Section 1. It is hereby determined that is necessary and advisable that the Issuer proceed with the issuance of the Bonds, as authorized and permitted by the Act, and loan the proceeds of the sale of the Bonds to the Borrower, all upon terms and conditions mutually satisfactory to the Issuer and the Borrower.

Section 2. At the public hearing conducted by the Board of Supervisors, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds.

Section 3. The Board of Supervisors shall proceed with all proceedings necessary to finalize the issuance of the Bonds.

Section 4. The Bonds, if issued, and the interest and premium, if any, thereon, will be payable solely out of the revenues derived from the Loan Agreement, and shall never constitute an indebtedness of the Issuer within the meaning of any state constitutional provision or statutory limitations, and shall not constitute nor give rise to a pecuniary liability of said Issuer or a charge against its general credit or taxing powers. All costs and expenses incident to the issuance and sale of the bonds, including, but not limited to, accounting, legal special counsel, Bond Counsel, Issuer's Counsel, printing and filing fees, shall be paid from proceeds of the Bonds or directly by the Borrower.

Section 5. All resolutions and orders or parts thereof, in conflict herewith are, to the extent of such conflict, hereby repealed, and this Resolution shall be in full force and effect immediately upon its adoption.

Passed and approved February 21, 2012.
Tom, Broeker, Chairperson, Board of Supervisors
Attest: Carol S. Copeland, County Auditor

The following reports were received and filed:
Boarding of Prisoners, January 2012
Sheriff's Monthly Report of Collections, January 2012

Cahill moved to approve minutes for the Board meeting held on February 14th, 2012. Seconded by Broeker. Roll Call Vote: Cahill, Aye Broeker, Aye Beck, Abstain

During committee reports, Beck had attended a Grow Greater Burlington meeting this morning. They had discussed the Flint Ridge Business Park. Broeker added that all Board members attended the Conference Board meeting and budget hearing.

Meeting was adjourned at 9:51 AM.

A work session was held regarding the Army Reserve Building. Herb Dannenberg, with the BRAC division based at Fort McCoy, WI, stated that the Army will be ready to dispose of the property in about four months, following environmental tests. If the County decides to acquire the property, the Local Redevelopment Authority would reconvene and apply to the Department of Justice. The County can mothball the building up to a year until money is available to remodel it. However, only the Sheriff will be eligible to use the building. Broeker responded that the County is a long way from the luxury of having a training center. Cahill asked for Chief Deputy White's opinion. White replied that the Sheriff's Department would use the building as a regional training center and would make some revenue from holding those classes. There is a fenced area for an impound yard and garage. It would be a real asset for the County. However, he is not in favor of moving the Sheriff's full staff. Maintenance Supervisor Rodney Bliesener added that his main concern is the budget. All his projects were cut plus 4%. He would need to add staff and equipment in order to take on another building. He will have difficulty taking care of the County's current assets. Beck asked how long the County could let the property sit. Dannenberg answered months. Dannenberg stated that the County has a deadline of one month to decide. If all government entities turn it down, the building will probably be sold at auction. The LRA would have to release claim to the building.

This Board meeting is recorded and the tape is kept on file for two years. The minutes are also posted on the county's website www.co.des-moines.ia.us.

Approved February 28, 2012
Tom Broeker, Chairman
Attest: Carol S. Copeland, County Auditor