

Floyd County Board of Supervisors Meeting
July 10, 2023, 9:00 a.m.

The Floyd County Board of Supervisors met at Floyd County Courthouse EOC/Training Room with the following in attendance: Supv Mark Kuhn, Supv Dennis Keifer and Supv Jim Jorgensen.

Keifer/Jorgensen moved to approve the agenda as presented. Motion carried 3-0.

Public comment: Larry Bortz commented on the wind farm activity and concerns of companies providing no notifications and no county input on the process, some counties are placing moratoriums, Worth County has a good ordinance, and would like the county to address this; Boyd Campbell would like to have a future agenda item.

Keifer/Jorgensen moved to approve the June 26, 2023 minutes. Motion carried 3-0.

Jorgensen/Keifer moved to approve the claims presented: County 3077-3093 and 1-71 and Secondary Roads #23048-23049 and 10000-10024. Motion carried 3-0.

Updates on various boards/commissions/activities: Supv Keifer attended Charles City Main Street and Chamber of Commerce meetings. Supv Jorgensen met with Dispatch staff and has had numerous conversations on ambulance services. Supv Kuhn attended County Social Services (CSS) HR Committee and CSS Board meetings.

Updates on Law Enforcement Center/Courthouse Project: The custodians have planted a tree and other plants in the outside atrium area. The Board discussed punch list items, concerns of work not getting completed, today's Owner-Architect-Contractor meeting being cancelled, a timeline to complete the items and the punch list process means the project is substantially complete. Cole Excavating plans to complete dirt work and seeding on the west property line when they seed the grass on the north side of the lot after August 15, the date when warranty for germination of grass seed starts. Jorgensen/Keifer moved to approve Pay Ap #43 for \$83,083.84 and pay with American Rescue Plan Act (ARPA) funds. Motion carried 3-0.

Keifer/Kuhn moved to approve payment of invoices from Ahlers & Cooney for \$5,094.88 for pipeline ordinance work and \$4,357.50 for Summit Carbon Iowa Utility Board Permit Proceedings and to pay with ARPA funds. Motion carried 3-0. Jen Solomon, Zoning Assistant, informed the Board that the Zoning Commission will not be holding the public hearing for the pipeline ordinance on July 12 due to a technical issue of the publication.

Jorgensen/Keifer moved to pay L&J Industries \$1,425 for a generator stand and to pay with ARPA funds. Motion carried 3-0.

At 9:35 a.m. the public hearing opened regarding General Obligation Emergency Communications Loan Agreement to Borrow Money Thereunder. Kuhn mentioned the purpose of the hearing is to consider borrowing an amount not to exceed \$5.1 million for the purpose of paying the cost of and installing improvements to the E911 emergency communications system. Auditor Carr reported that no comments were received in opposition to or support of the communication tower project. Ben Chatfield thanked the Board for moving this forward. Gordon Boge, representing the Coalition for Better County Government, questioned why the county wouldn't want Motorola to carry the ball for a couple of years and then bond for \$3 million. Brian Chambers mentioned the budget is tight, Motorola put together good numbers and if they forgo bells and whistles to stay under the amount, you won't find "fat" in that number. Sherry Schmidt, Motorola Account manager, mentioned the incentive to approve the project ends August 24. Bill Biwer questioned if the process takes several years to complete, the whole dollar amount wouldn't be needed all at once. Chatfield mentioned Motorola's payment milestones were 25% upon signing paperwork, 60% when the equipment is delivered and 15% due on completion and suggested the possibility of bonding for 85% upfront and then take a second bond later. Heidi Kuhl, Northland Securities rep, stated there are pros and cons to doing bonds either way; if you do it all right now, you know what interest rate is but you don't know what it will be later, there are costs associated each time you go out to the bonding process, the Standard and Poors rating the county will be going through lowers the county's interest rate, the county can invest proceeds until used at good rates, and the hearing provides that if money isn't used that you can use the money for any E911 purposes, use it for lowering the debt for one year, or hold additional hearings to repurpose the proceeds. Merlyn Schweizer suggested leasing for two to three years until the project gets completely done and then bond. With no further comments, Kuhn declared the hearing closed at 9:47 a.m.

Kuhn commented that the Board didn't come here with the idea that we were going to decide to change to the funding source with Motorola and in two or three years decide if we were going to bond and requested more information; Schmidt provided information previously with a rate of 4.25% which could only be held for 30 days

but the agreement to get the discounted price for costs of the project is tied to the August deadline, regardless of leasing or bonding. Carr commented that there are costs outside of the Motorola contract, such as radios, potential land acquisition and contingencies, lease payments could not be made without bonding, bond rates are lower than Motorola's lease payments, and the county would invest the money in the project fund at good rates until funds were expended. Kuhl provided 10-, 12- and 15-year bond options built with .25 point cushion, pending the S&P rating, included in proposed interest rates of 3.65%, 3.72% and 3.86% and debt service levies of \$0.57, \$0.49, or \$0.42/\$1000 of taxable value respectively. Holding off another week to seek lease rates from Motorola pushes the timeline to meet Motorola's deadline if the county decides to bond; Kuhl's timeline allows locking in the interest rate on July 28 and proceeds issued August 22. Kuhl recommends putting this all in one bond issuance because rates are favorable rather than splitting in two bonds. Schmidt commented that there would be 30 days to make the first payment on the project. Chatfield commented on the two parts of the project with Motorola's cost of \$4.3+ million, not included is the acquisition of land if needed, Omnitel's cost of installing fiber at \$15,000, pager costs of \$187,000, and contingencies that brought the number to \$4.9 million and the Board suggested bonding for \$5.1 million to make sure there was enough. Kuhn commented if the county leases with Motorola at approximately \$525,000 for 10 years and it doesn't cover the costs of the extra items, it doesn't seem like the lease is a good option. Keifer commented that he contacted Carroll County about their \$4 million project, didn't have to build towers but ended up buying a tower, and leased with Motorola for one or two years before they did a bond issue; the county needs to do this project and figure out what is in the best financial interest of the county. Chambers commented that Motorola's lease is \$0 down and the first payment is due in 12 months, which buys time to come up with a tighter bond. Kuhl commented that even though a payment isn't due for a year, interest would still accrue at Motorola's interest rate, and are still at the risk of putting the project into two bonds, not knowing what interest rates will be, and losing out on reinvestment rates; Bonding covers everything upfront. Chatfield changed his position after doing rough calculations and stated that bonding at \$5.1 million at 3.65% interest rather than Motorola's lease at potentially 4.25% on the \$4.3 million which doesn't include the rest of the project is by far the best option, saving about \$400-500,000. Kuhn commented on how tight the county's budgets are, the unknown issues the county is dealing with in the next year with property taxes, reductions from the state government, and the proposal to fund as suggested other than bonds puts more risk to the county and he doesn't see any reason why the Board would consider anything other than bonding. Jorgensen commented that he believes the bonding is the way to go. Keifer commented that he has changed his position from leasing and bonding later to bonding now.

Kuhl reviewed the finance plans including estimated costs for financing, legal, and S&P rating. The County has the option to include in the bond the cost of making the first payment due in June 2024 since the county does not have an option to do an initial debt levy. Kuhl mentioned that ARPA funds are restricted to be used for bond payments. The consensus of the Board was to bond for 10 years rather than 12 or 15 years.

Keifer/Jorgensen moved to approve Res #27-23* Resolution taking additional action on proposal to enter into a General Obligation Emergency Communications Loan Agreement: The Board proposed to enter into a General Obligation Emergency Communications Loan Agreement and to borrow money in a principal amount not to exceed \$5,100,000, pursuant to Iowa Code Sections 331.402 and 331.441(2)(b)(17) for the purpose of paying the cost of acquiring and installing improvements to the 911 emergency communications system and pursuant to law and duly published notice of the proposed action, has held a hearing on July 10; be it resolved by the board as follows: Section 1. The Board hereby determines to enter into the Loan Agreement in the future and orders that General Obligation Emergency Communications Bonds, Series 2023A be issued at such time. The Board further declares that this resolution constitutes the "additional action" required by Iowa Code Section 384.24A. Section 2. Further action with respect to the Loan Agreement is hereby adjourned to the Board of Supervisors meeting scheduled for July 17, 2023. Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict. Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law. Roll call vote: Ayes-Keifer/Jorgensen/Kuhn; motion carried 3-0.

Jorgensen/Keifer moved to approve the first reading of Res #28-23* A resolution by the Board to declare emergency medical services (EMS) to be an essential county service as authorized by Iowa Code Section 422D.1. Whereas, Floyd County contracts for EMS for its residents and ensuring efficient and effective EMS coverage is essential for maintaining the health and welfare of its residents; whereas, in order to be able to efficiently and effectively provide EMS to its residents, the Board will proceed with the process under Iowa Code Section 422D.1 to declare emergency medical services as an essential county service in order to allow a local option income surtax and/or an ad valorem property tax for EMS and the creation of a county emergency medical services system advisory council to assist in researching and assessing the service needs of the county and guiding implementation

of the same; whereas, on May 8, 2023, the County directed notice of the first meeting to consider this resolution be made and any other actions be taken as necessary to proceed with the process under Iowa Code Section 422D.1 to declare EMS to be an essential county service. Roll call vote: Ayes-Jorgensen, Keifer, Kuhn; motion carried 3-0.

Jorgensen/Keifer moved to approve the letter of support to the City of Charles City for the Thriving Communities Grant for the purpose of addressing housing shortage needs. Motion carried 3-0.

The Board discussed ISG's proposal to provide services to assist with a drainage utility resolution at a cost of up to \$3,500 and Bolton & Menk's model for the same purpose available at no cost. Both firms have provided modifications to an original resolution drafted by the Iowa Drainage District Association. If the County were to seek Bolton & Menk's services to assist in preparing the resolution/procedures, a contract could be obtained. Other options would be to contact other counties who have established procedures already rather than procuring engineering services from ISG or Bolton & Menk. Bob Goodwin, Goodwin Law Office, provided a letter of engagement to assist with the process on legalities of utilities crossing drainage districts. Jorgensen/Kuhn moved to approve the letter of engagement with Goodwin Law Office at \$230 per hour, not to exceed \$3,000 to represent the county to review and provide input regarding a drainage district utility resolution; Jorgensen/Kuhn amended the motion to include paying for Goodwin's services out of the General Fund. Motion carried 3-0.

Keifer/Jorgensen moved to approve Res #29-23* Vacation Accrual Transition for Employees Hired in FY23: On June 26, the Board revised Section 4.2 Vacation in the Employee Handbook, and; effective July 1, new full-time employees will earn five days of vacation time upfront and also accrue five days of vacation during the first year of employment, earning a total of 10 days in year one; prior to July 1, 2023, new full-time employees accrued eight days of vacation in the first year, two days less per year than employees hired after July 1, 2023, and; 13 full-time employees hired in FY23 and currently employed have accrued vacation time based on the 8-day schedule and the Board deems it fair and just to modify accrued vacation time based on the new schedule for those employees; be it resolved by the Board to direct the Auditor to transition accrued vacation time for employees hired in FY23 on a prorated basis equal to 10 days of vacation earned in the first year of employment; be it further resolved that this action does not include an adjustment or extension to the maximum accrual of vacation time and all vacation time taken is subject to work requirements of the department and approval of the elected official or department head as stated in the Handbook. Roll call vote: Ayes-Keifer, Jorgensen, Kuhn; motion carried 3-0.

Jorgensen/Keifer moved to approve FY24 wage certifications for two Child Support Recovery employees and Jill McKeen, Decat/CPPC Coordinator, at 3% following her 6-month probationary period. Motion carried 3-0.

Jacob Page, County Engineer, will look into Merlyn Schweizer's inquiry about incomplete work on the City of Charles City cable project to Mason City. Keifer and Jorgensen each commented on separate issues where brush on private property obstructs the view along railroad tracks; Page said he has no authority to address issues on private property but the railroad may consider putting crossing bars at the tracks. Page reported Secondary Roads crews are working on drive permits, work orders, rock resurfacing, mowing blacktops and gravels, patching, general shop maintenance, shouldering on B60, 220th St culvert project, brushing, and ditch cleaning. Office staff have completed the S70 plans, are working on pavement marking project, finished the 130th Ave railroad/culvert project, the 155th and Victory Ave Bridge letting is next week, and general office work. Bids for a new loader exceeded the \$200,000 budgeted amount; Murphy Implement's bid was \$222,000, Caterpillar was \$218,000 and Housby Volvo was \$209,000 but didn't meet all the specifications. Page intends to go with the Caterpillar bid, payment is due upon delivery and arrival is expected to be with 4-6 months.

The Board noted the resignation of Michelle Ruzicka, Public Health Nurse, effective July 14.

The Board noted a donation of \$1,550 from Farmer Family Endowment Fund for the purpose of courthouse flowers and gardening. Board members will sign a thank you to Ruth Farm for the contribution.

Future agenda items: Wind turbine projects.

Keifer/Jorgensen moved to adjourn. Motion carried 3-0.

**This is a summary of the resolution; full text of resolutions may be inspected during normal business hours in the Floyd County Auditor's office and at www.floydcoia.org.*

ATTEST:

Gloria A. Carr
Floyd County Auditor

Mark A. Kuhn, Chair
Floyd County Board of Supervisors