

BRANCH COUNTY BOARD OF COMMISSIONERS
FEBRUARY SESSION (SECOND DAY)
February 23, 2021

1/ The Board of Commissioners of the County of Branch met, pursuant to adjournment, via video conference call, on Tuesday, February 23, 2021.

Chairman Hazelbaker called the meeting to order at 4:01 pm.

Present: Commissioners Randall Hazelbaker, Jon Houtz, Tim Stoll, Tom Matthew and Leonard Kolcz via video conference call.

County Clerk Teresa Kubasiak and Administrator Bud Norman were present in the Boardroom at the Courthouse.

Commissioner Matthew led the Board in the Pledge of Allegiance.

2/ Motion by Commissioner Kolcz, seconded by Commissioner Stoll to approve the agenda.

Upon roll call vote the results were as follows:

Yes –Stoll, Matthew, Houtz, Kolcz, Hazelbaker – 5

No – 0

MOTION CARRIED

3/ Motion by Commissioner Houtz, seconded by Commissioner Kolcz, to approve the minutes of the February 9, 2021 Board meeting.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

4/ Motion by Commissioner Houtz, seconded by Commissioner Stoll, to appoint Chuck Zemla as the local Designated Assessor for Branch County.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

5/ Motion by Commissioner Houtz, seconded by Commissioner Kolcz, to change the meeting time to 11:00am for the work meetings for May 20, June 17, October 21, November 18 and December 16.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

6/ Motion by Commissioner Houtz, seconded by Commissioner Stoll, to create a full time 911 IT support position, at the M4 wage level with new hire benefits to be paid from the 911 budget, effective immediately.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

7/ Motion by Commissioner Houtz, seconded by Commissioner Stoll, to amend the Purchasing and Receiving Policy to \$5,000, as presented.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

8/ Motion by Commissioner Houtz, seconded by Commissioner Stoll, to approve the plan for hiring a 911 Director.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

9/ Motion by Commissioner Stoll, seconded by Commissioner Kolcz, to approve the purchase of a fingerprint scanner and accessories from ID Networks in the amount of \$8580, with the funds coming from the CPL Fund.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

Consent Agenda:

approve the Bills and Accounts in the amount of \$149,162.16, Payroll in the amount of \$689,897.41 and Taxes in the amount of \$180,179.62.

to accept the 2020 4th Quarter Investment Report, as presented.

10/ Motion by Commissioner Matthew, seconded by Commissioner Kolcz, that authorization is given to approve the following items by Consent Agenda: Bills & Accounts and the 4th Quarter Investment Report.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

11/ Motion by Commissioner Matthew, seconded by Commissioner Stoll, to approve the 911 communications funding with bond counsel, financial guidance and a placement agent.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

12/ Motion by Commissioner Matthew, seconded by Commissioner Kolcz, to approve the Bond resolution for the 911 Communications project.

2021-02
BOND RESOLUTION
County of Branch
Capital Improvement Bond, Series 2021

WHEREAS, there have been prepared and presented to the County Board of Commissioners (the "Board") of the County of Branch, Michigan (the "County"), a description of improvements to the County of Branch (the "Capital Improvement Project"), all as more fully described in APPENDIX A, pursuant to the terms of Section 517 of Act No. 34, Public Acts of Michigan, 2001 as amended ("Act 34"); and

WHEREAS, it has been estimated that the period of usefulness of the Capital Improvement Project is not less than 20 years and that the total cost of the Capital Improvement Project and issuing the Bond will not exceed \$9,400,000 to be provided by the proceeds from the sale of the Bond by the County pursuant to Act 34; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF COMMISSIONERS OF THE COUNTY OF BRANCH, MICHIGAN, AS FOLLOWS:

1. **Bond Details:** Pursuant to Act 34, the Bond of the County, aggregating not to exceed the principal sum of \$9,400,000, shall be issued for the purpose of defraying the cost of the Project as described in APPENDIX A attached hereto. The Bond shall be known as "County of Branch Capital Improvement Bond, Series 2021" (the "Bonds" or "Bond") and shall be dated March 1, 2021 or such later date as ordered by the Branch County Administrator (the "Administrator") which delivery shall be in accordance with the provisions set forth in APPENDIX D. The Bond shall be issued as a single term Bond or as ordered by the Administrator as a serial bond in the denominations of \$5,000 or more, which shall provide for insertions of the semiannual principal payment amounts as set forth in APPENDIX B. The Bond shall mature semiannually on the first day of January and July in each year as set forth in the attached APPENDIX B.

2. **Interest Payment and Date of Record.** The Bond shall bear interest semiannually payable January 1, 2022 and each July 1 and January 1 thereafter, until maturity, which interest as to the Bond is set forth in APPENDIX B, subject to revisions based upon the final sale terms. Interest shall be paid to the registered owner of each Bond as of the applicable date of record. If interest is paid differently, the Bond form attached as APPENDIX C shall be changed accordingly.

The date of record for each interest payment shall be the 15th day of the calendar month preceding the date such payment is due.

3. **Prior Redemption.** Bonds maturing on or after January 1, 2022 shall be subject to redemption prior to maturity at the option of the County, in whole or in part, in any order and on any date on or after the call date of January 1, 2022 ("Call Date"). Said Bonds called for redemption shall be redeemed at par, plus accrued interest to the date fixed for redemption.

With respect to partial redemption's, if any, the portion of the Bond outstanding in a denomination larger than the minimum authorized denomination may be redeemed provided such portion and the amount not being redeemed each constitutes an authorized denomination. In the event that less than the entire principal amount of the Bond is called for redemption, upon surrender of the Bond to the transfer agent (as defined below). The transfer agent shall authenticate and deliver to the registered owner of the Bond a new bond in the principal amount of the principal portion not redeemed.

Notice of redemption shall be sent to the registered holder of the Bond being redeemed by first class mail at least thirty (30) days prior to the date fixed for redemption, which notice shall fix the date of record with respect to the redemption, if different than otherwise provided in the resolution authorizing the issuance of the Bond. Any defect in such notice shall not affect the validity of the redemption proceedings. The Bond so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the transfer agent to redeem the same.

4. **Bond Registration and Transfer.** The Bonds shall be registrable upon the registration books of the County kept by a paying agent, bond registrar, and transfer agent (the "Transfer Agent") to be named by the Administrator or County Treasurer. The Transfer Agent so named may be any bank or trust company permitted by law to offer and offering the necessary services pertaining to the payment, authentication, registration, transfer and exchange of the Bonds. The Bonds may also be registrable at the office of the County Treasurer, who shall be the Transfer Agent, and in which event as the Transfer Agent shall be paying agent, transfer agent, and authenticating agent for the Bonds.

5. **Transfer or Exchange of Bonds.** Any Bond may be transferred upon the books required to be kept by the Transfer Agent pursuant to this Section, by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for transfer, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Transfer Agent shall record such transfer on the registration books and shall register such transfer on the registration grid attached to the Bond. At the time of such transfer the Transfer Agent shall note on the Bond the outstanding principal amount thereof at the time of such transfer. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The County shall not be required to: (i) issue, register the transfer of, or exchange any Bond during a period beginning at the opening of business fifteen days before the day of the mailing of a notice of prepayment of Bond or installments thereof selected for redemption under Section 203 of this Resolution and ending at the close of business on the day of that mailing, or (ii) to register the transfer of or exchange any Bond or portion thereof so selected for prepayment. In the event any Bond is called for prepayment in part, the Transfer Agent, upon surrender of the Bond, shall note on the Bond the principal amount prepaid and shall return the Bond to the registered owner thereof together with the prepayment amount on the prepayment date.

6. **Execution and Delivery.** The Bonds shall be executed for and on behalf of the County by the Chairman of the Board of Commissioners (the "Chairman") and County Clerk either manually or by causing their facsimile signatures to be affixed to the Bonds, and the seal of the County or a facsimile thereof shall be affixed to or imprinted on the Bonds. The Bonds shall thereafter be authenticated by the Transfer Agent as authenticating agent. The Bonds, when so executed and authenticated, shall be delivered to the purchaser upon receipt of the purchase price of the Bonds.

7. **Mutilated, Lost, Stolen or Destroyed Bonds.** In the event any Bond is mutilated, lost, stolen or destroyed, the Chairman of the Board of Commissioners and the County Clerk shall, on behalf of the County, execute and deliver, or order the Transfer Agent to authenticate and deliver, a new Bond having a number not then outstanding, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed.

In the case of a mutilated Bond, a replacement Bond shall not be delivered unless and until such mutilated Bond is surrendered to the Transfer Agent. In the case of a lost, stolen, or destroyed Bond a replacement Bond shall not be delivered unless and until the County and the Transfer Agent shall have received such proof of ownership and loss and such indemnity as they determine to be sufficient, which shall consist at least of: (i) a lost instrument Bond for principal and interest remaining unpaid on the lost, stolen or destroyed Bond; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the Bond lost, stolen or destroyed and the circumstances under which it was lost, stolen or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the County and the Transfer Agent against loss due to the lost, stolen or destroyed Bond and the issuance of any replacement Bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the County and the Transfer Agent in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the County.

8. **Bond Sale.** The Administrator shall either hire a Placement Agent to schedule the date for the sale or placement of the Bonds and shall offer the Bonds for sale at a time and place specified in the Request for Proposal for the Bonds, which shall be circulated, at least seven (7) days prior to such sale. The Administrator shall, after consultation with bond counsel, approve the Request for Proposal.

The Administrator is authorized to arrange for a Request for Proposal to be distributed by either of the following:

- (a) A Placement Agent to be retained to assist in contracting prospective purchasers of the Bonds;
or
- (b) The Request may be circulated by the Administrator to potential purchasers.

In either situation the Request for Proposal shall be sent to local banks and other banks which have expressed an interest in purchasing the Bonds.

The Request for Proposal in the form attached as Appendix D should be circulated so that proposals or bids are received no later than March 31, 2021.

9. **Reduction in Aggregate Amount of Bonds.** In the event proposals or bids received for constructing and equipping the Project shall be less than the estimate, the Administrator reserves the right to reduce the principal amount of the Bonds upon the advice of its financial advisor and bond counsel. If a reduction in the principal amounts is recommended and determined necessary by the Administrator, the principal amount shall be reduced and reflected in a written order to be supplied by the Administrator.

10. **Source of Repayment:** The County intends to repay the Bonds from monthly collections of a local telephone surcharge. The County agrees to pledge its limited tax full faith and credit for the repayment of the Bonds and will pledge sufficient amounts of County taxes levied each year provided that the amount of taxes necessary to pay the principal and interest on the Bonds, together with the other taxes levied for the same year, shall not exceed the limit authorized by law and the Michigan Constitution.

11. **Debt Retirement Fund:** All monies set aside by the County toward the repayment of the Capital Improvement Project shall be kept by the County in a separate fund hereby established, to be known as the "Debt Retirement Fund". All moneys in the Debt Retirement Fund shall be kept in a separate depository account with one or more banks or trust companies where the principal of and interest on the Bonds are payable, and such moneys shall be used solely for the payment of the principal of and interest on the Bonds and expenses incidental thereto. All accrued interest and the Premium, if any, received from the purchaser of the Bond shall be deposited in the Debt Retirement Fund upon receipt. Capitalized interest, if any, may be deposited in the Debt Retirement Fund or in the Construction Fund

12. **Construction Fund:** There is hereby established a Construction Fund into which all proceeds of the borrowing shall be deposited, except the accrued interest on the Bond and Premium, if any, received from the purchaser of the Bond and any capitalized interest. All moneys in the Construction Fund shall be used solely for the payment in full of costs of the Capital Improvement Project, including the costs of issuing the Bonds. Surplus moneys remaining in the Construction Fund after completion of the Capital Improvement Project and payment in full of the costs of the Capital Improvement Project (or provision for such payment) may be deposited in the Debt Retirement Fund or used for additional capital projects approved by the County as set forth in this Resolution.

13. **Investments:** Moneys in the Debt Retirement Fund and the 2021 Construction Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Finance Director of the County which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature or be subject to redemption at the option of the bond holder, not later than (a) in the case of the Debt Retirement Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Construction Fund, the estimated dates when moneys in such fund will be required to pay costs of the Capital Improvement Project. Obligations purchased as an investment of moneys in the Debt Retirement Fund or the Construction Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

14. **Depositories:** All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Debt Retirement Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the County shall select the depository or depositories to be used from those banks authorized in this Section.

15. **Approval of the Department of Treasury.** The issuance and sale of the Bonds may be subject to the approval of the Michigan Department of Treasury, as required by law, and the Chairman of the Board of Commissioners, if necessary, is hereby authorized to make application to the Department of Treasury for permission to issue and sell the Bonds, to provide all necessary documentation and to pay the related fee.

16. **Arbitrage and Tax Covenants:** Notwithstanding any other provision of this Resolution, the County covenants that it will not at any time or times:

(a) Permit any proceeds of the Bonds or any other funds of the County or under its control to be used directly or indirectly: (i) to acquire any securities or obligations, the construction of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"); or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would: (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code; or (ii) adversely affect the tax exempt status of the Bonds and the interest thereon from the State of Michigan income taxation.

17. **Qualified Tax Exempt Status of Bonds.** The Bonds are designated as a "**Qualified Tax-Exempt Obligations**" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265(b)(3)(B) of the Code.

18. **Retention of Bond Counsel.** The firm of Clark Hill PLC, Detroit, Michigan, are hereby retained to act as bond counsel for the County in connection with the issuance, sale and delivery of the Bonds.

19. **Retention of Financial Consultants.** MFCCI, LLC, Troy, Michigan, is hereby retained to act as financial consultant and advisor to the County in connection with the sale and delivery of the Bonds.

20. **Severability.** If any section, paragraph, sentence, clause or phrase of this Resolution shall be held invalid, the same shall not affect any other part of this Resolution.

21. **Conflicting Resolutions.** All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

22. **Effective Date.** This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the County Board of Commissioners as soon as practicable after adoption.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

Committee/ Liaison Reports:

Stoll – Commission on Aging continuing to provide minimal programs.

Houtz – BATA buses are running. Rides are down. Pines received a \$352,000 emergency funding grant from MDHHS

Chairman's Remarks:

Hazelbaker – Thanked the County Complex staff for their hard work cleaning up after the recent snow storm.

13/ Motion by Commissioner Houtz, seconded by Commissioner Stoll, to adjourn at 4:25pm.

Upon roll call vote the results were as follows:

Yes –Stoll, Kolcz, Matthew, Houtz, Hazelbaker, – 5

No – 0

MOTION CARRIED

Chairman

Clerk