

RESOLUTION NO. 2021-14

Resolution setting the date for a public hearing on proposal to enter into a Road Use Tax Revenue Loan Agreement and to borrow money thereunder in a principal amount not to exceed \$2,675,000

WHEREAS, the Board of Supervisors (the "Board") of Lyon County, Iowa (the "County") proposes to enter into a Road Use Tax Revenue Loan Agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$2,675,000, pursuant to the provisions of Section 331.402 of the Code of Iowa, for the purpose of paying the costs, to that extent, of acquiring road graders (the "Acquisition") for use by the County's public works personnel, and it is necessary to fix a date of a meeting of the Board of Supervisors at which it is proposed to take action to enter into the Road Use Tax Revenue Agreement and to give notice thereof, as required by such law; and

WHEREAS, pursuant to Section 331.301 of the Code of Iowa, a county shall substantially comply with a procedure established by a state law for exercising a county power, and, if a procedure is not established by state law, a county may determine its own procedure for exercising the power; and

WHEREAS, no other provision of the Code of Iowa sets forth any procedures which are required to be followed by a county prior to entering into a loan agreement payable from road use tax revenues to be received from the State of Iowa, and, accordingly, pursuant to Section 331.301 of the Code of Iowa, the County may determine its own procedures for such purpose;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors of Lyon County, Iowa, as follows:

Section 1. Pursuant to Section 331.301 of the Code of Iowa, it is hereby determined by this Board that the provisions of and the procedures specified in Sections 331.402 and 331.443 of the Code of Iowa are appropriate to be followed by this Board prior to entering into the Loan Agreement, and it is hereby found and determined that, pursuant to the provisions of Section 331.402 of the Code of Iowa, the County must publish notice as prescribed by Section 331.443 of the Code of Iowa of its proposed action to institute proceedings to enter into the Loan Agreement and hold a hearing thereon.

Section 2. This Board shall meet on the June 22, 2021 at the Lyon County Courthouse, Rock Rapids, Iowa, at 10:00 o'clock a.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Loan Agreement.

Section 3. The County Auditor is hereby directed to give notice of the proposed action on the Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held, by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the County. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO ENTER INTO A
LOAN AGREEMENT IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,675,000

(ROAD USE TAX REVENUE)

The Board of Supervisors of Lyon County, Iowa, will meet on June 22, 2021, at the Lyon County Courthouse, Rock Rapids, Iowa, at 10:00 o'clock a.m., for the purpose of instituting proceedings and taking action to enter into a Road Use Tax Revenue Loan Agreement (the "Loan Agreement") in a principal amount not to exceed \$2,675,000, for the purpose of acquiring road graders for use by the County's public works personnel.

The Loan Agreement will not constitute a general obligation of the County, but will be payable solely and only from annual road use tax funds received by the County from the State of Iowa, which funds will be pledged for the full and prompt payment of the principal and interest payable under the Loan Agreement.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Sections 331.402 and 331.443 of the Code of Iowa.

At that time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the Board may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the Board of Supervisors of Lyon County, Iowa.

Jen Smit
County Auditor

Section 4. Pursuant to Section 1.150-2 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, the County declares (a) that it intends to undertake the Acquisition which are reasonably estimated to cost approximately \$2,675,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the "Bonds"), or (ii) expenditures made no earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the County, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Acquisition have heretofore been made by the County and no expenditures will be made by the County until after the date of this Resolution or a prior intent resolution of the County, and (c) that the County reasonably expects to reimburse the expenditures made for costs of the County out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations

Section 5. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. This resolution shall be in full force and effect immediately after its adoption and approval, as provided by law.

Passed and approved June 8, 2021.



Chairperson, Board of Supervisors

Attest:



County Auditor

