

Regular Session of the Board of County Commissioners for the County of St. Joseph, State of Michigan, was held in the Commissioners' Room, Courthouse at the Village of Centreville, Michigan on September 18, 2018 at 5:00 p.m.

Chairman Allen called the meeting to order.

The Invocation was given by Commissioner Czajkowski.

The Pledge to the American Flag was given.

Deputy County Clerk Valerie Casterline called the roll and the following Commissioners were present:

Allen J. Balog	John L. Dobberteen
Daniel Czajkowski	Kathy Pangle
	Dennis Allen

Also, present: Teresa Doehring, Administrator/Controller and Ryan Post, Finance Director.

AGENDA

It was moved by Commissioner Balog and seconded by Commissioner Pangle to approve the agenda. Motion carried.

MINUTES APPROVED

It was moved by Commissioner Dobberteen and seconded by Commissioner Czajkowski that the minutes for September 4, 2018 be approved as presented. Motion carried.

COMMUNICATIONS

Letter from the Michigan Public Service Commission, Re: Notice of public hearing on September 18, 2018 to consider Consumers Energy Company’s request for Credit B to reflect effects of Federal Tax Cuts and Jobs Act of 2017.

Copy of Letter from Federal Energy Regulatory Commission to Renewable World Energies, LLC, Re: Three Rivers Hydroelectric Project.

Resolution from Menominee County, Re: Opposing HB 5752 and 5753.

Minutes of the Commission on Aging Board meetings of July 18 and August 22, 2018.

It was moved by Commissioner Dobberteen and seconded by Commissioner Pangle that the Communications be placed on file. Motion carried 5-0.

CITIZENS’ COMMENT

Tim Carls of 63044 Klinger Lake Road in Florence Township commented.

FY 2018 EMERGENCY MANAGEMENT GRANT AGREEMENT

It was moved by Commissioner Pangle and seconded by Commissioner Dobberteen to approve the 2018 Emergency Management Grant Agreement. Motion carried.

FY 2019 EMERGENCY MANAGEMENT GRANT WORK AGREEMENT

It was moved by Commissioner Dobberteen and seconded by Commissioner Pangle to approve the FY 2019 Emergency Management Grant Work Agreement. Motion carried.

FY 2019 COMMUNITY CORRECTIONS GRANT AGREEMENT

It was moved by Commissioner Dobberteen and seconded by Commissioner Balog to approve the FY 2019 Community Corrections Grant Agreement. Motion carried 5-0 upon a roll call vote.

UNBUDGETED CAPITAL REQUEST TO PURCHASE COPY/PRINT/SCAN MACHINE FOR DOC

It was moved by Commissioner Balog and seconded by Commissioner Dobberteen to approve the unbudgeted Capital Request to purchase a Copy/Print/Scan machine for DOC. Motion carried 5-0 upon a roll call vote.

SET BUDGET WORK SESSION DATE

It was moved by Commissioner Czajkowski and seconded by Commissioner Pangle to approve the next Budget Work Session Date for October 31 after the Executive Committee meeting. Motion carried.

AUTHORIZE ISSUANCE OF BONDS FOR COA PROJECT  
RESOLUTION 17-2018

The following resolution was offered by Commissioner Dobberteen:

WHEREAS, pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), the County of St. Joseph (the “County”) has the authority to issue bonds to pay the costs of any capital improvement items; and

WHEREAS, the County desires to design, acquire, and construct certain capital improvements, including, but not limited to, renovations, improvements, and additions to a building to be used by the St. Joseph County Commission on Aging for a senior services enrichment center, senior residence and other Commission on Aging purposes; as well as all site work, work, furnishings, fixtures, and equipment necessary or incidental to these improvements (the "Improvements"); and

WHEREAS, the Improvements will enable the County to provide more efficient and better quality public services to County residents; and

WHEREAS, to finance the cost of making the Improvements the Board of County Commissioners deems it necessary to borrow the sum of not to exceed \$3,600,000 and to issue its General Obligation Limited Tax Bonds, Series 2018 therefor pursuant to the provisions of Act 34.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. **NECESSITY.** It is necessary for the public health, safety, and welfare of the County to make the Improvements and issue bonds of the County, pursuant to Act 34, to finance the Improvements.
2. **PERIOD OF USEFULNESS.** The estimated period of usefulness of the Improvements is determined to be in excess of thirty (30) years.
3. **ISSUANCE OF BONDS.** To defray the cost of the Improvements, including legal, engineering, financial and other expenses, the County shall issue its bonds known as General Obligation Limited Tax Bonds, Series 2018 (the "Bonds") in the aggregate principal amount of not to exceed \$3,600,000, as finally determined by the Authorized Officer (defined below) in an order signed by the Authorized Officer (the "Sale Order"). The balance of the cost of the Improvements, if any, shall be paid by grants or funds appropriated by the County.
4. **BOND TERMS.** The Bonds shall be issued in fully registered form as to both principal and interest, in minimum denominations of \$100,000 each, or any multiple of \$1,000 above that amount, or such other denominations determined by the Authorized Officer in the Sale Order ("Authorized Denominations"). The Bonds shall be numbered consecutively in the order of their registration, shall be dated the date of delivery or such other date approved by the Authorized Officer in the Sale Order, and shall be payable serially or as term bonds as determined by the Authorized Officer in the Sale Order. The Bonds shall bear interest at a rate or rates, payable semiannually on such dates, all as determined by the Authorized Officer in the Sale Order, which rate may be adjusted periodically during the term of the Bonds pursuant to a method approved by the Authorized Officer. The Authorized Officer may determine or alter the bond terms within the parameters of this resolution as hereafter provided.
5. **CAPITALIZED INTEREST.** The Authorized Officer shall have the authority to determine that up to one year of interest on the Bonds be capitalized.
6. **PAYMENT OF PRINCIPAL AND INTEREST.** Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the Bond registration books as the registered owner thereof. Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books as of the determination date. Initially, the determination date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the determination date may be changed by the County to conform to market practice.
7. **PLEDGE OF LIMITED TAX FULL FAITH AND CREDIT, GENERAL OBLIGATION.** The County hereby pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. The County intends to pay the principal of and interest on the Bonds from funds of the County Commission on Aging. Each year, the County shall be obligated, as a first budget obligation, to advance money from its General Fund to pay the principal of and interest on the Bonds to the extent funds of the Commission on Aging are insufficient therefor. In the event there are insufficient moneys for the payment of principal of and interest on the Bonds, the County shall levy a tax on all taxable property in the County for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable constitutional and statutory limitations on the taxing power of the County.
8. **PRIOR REDEMPTION AT THE OPTION OF THE COUNTY OR THE PURCHASER.**
  - (a) **Mandatory Redemption.** Principal designated as a term bond maturity shall be subject to mandatory redemption, in whole or in part, by lot, at par plus accrued interest, on the redemption dates and in the amounts determined by the Authorized Officer.
  - (b) **Optional Redemption by County.** The Bonds shall be subject to redemption prior to maturity as determined by the Authorized Officer at the time of sale.
  - (c) **Notice of Redemption.** Notice of optional redemption of Bonds shall be given by mail to the Registered Owners of the Bonds to be redeemed not less than thirty (30) days prior to the date fixed for redemption, addressed to the Registered Owner at the registered address shown on the registration books of the County maintained by the Paying Agent (defined below). Bonds so called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Paying Agent to redeem the same. So long as the book-entry-only system remains in effect, the Paying Agent will give notice to Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), and only Cede & Co. will be deemed to be a holder of the Bonds.
  - (d) **Optional Redemption by Purchaser.** The Authorized Officer is authorized to approve and determine that the Bonds be subject to redemption at the option of the Purchaser (defined below), in whole or in part, but without premium or penalty on a tender date to be established by the Authorized Officer, such option to be exercised by the Purchaser giving written notice of the exercise of the option no less than 90 days prior to the tender date. The tender date may be October 1, 2033 or such other date determined by the Authorized Officer. The Authorized officer may alter, amend and add to the terms governing a redemption at the option of the Purchaser and may approve and determine obligations of the County, including notice obligations, in connection a redemption at the option of the Purchaser.

**9. PAYING AGENT AND REGISTRATION.**

(a) **Appointment of Paying Agent.** From time to time the Authorized Officer is authorized designate and appoint a paying agent, which may also act as transfer agent and bond registrar (the "Paying Agent") and is authorized to remove the Paying Agent and appoint a successor Paying Agent. The initial Paying Agent shall be appointed by the Authorized Officer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Bonds.

(b) **Book Entry Eligible.** At the option of the initial purchaser of the Bonds, the Bonds may be issued initially in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for DTC. DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry-only form, in Authorized Denominations, and purchasers will not receive certificates representing their interest in Bonds purchased. Payment of principal and interest will be made by the Paying Agent to DTC. While the Bonds are held in book-entry-only form, then the Bonds shall be transferred in accordance with the procedures established by DTC. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent or bond registrar shall have no responsibility with respect to such transfers. The Authorized Officer shall have the authority from time to time to appoint a successor depository trustee to serve in the place of DTC. While the Bonds are issued in book-entry-only form the Paying Agent shall serve as paying agent only.

(c) **Registration Outside of Book-Entry-Only System.** In the event the book-entry-only system is not selected or is discontinued, the following provisions would apply to the Bonds. Registration of the Bonds shall be recorded in the registration books of the County to be kept by the Paying Agent. Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his legal representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in Authorized Denominations or any permitted multiple thereof, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the County and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the County's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent, acting as bond registrar, shall have no responsibility with respect to such transfers.

**10. BOND FORM.** The Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with such changes as are recommended by the County's Bond Counsel and approved by the officers of the County signing the Bonds whose signature thereon shall be conclusive evidence of such approval.

**11. EXECUTION OF BONDS.** The Chair of the Board of County Commissioners or the Vice Chair and the Clerk of the County or the Deputy Clerk are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the County. Upon execution, the Bonds shall be delivered to the purchaser thereof upon receipt of the purchase price.

**12. BONDS MUTILATED, LOST OR DESTROYED.** If any Bond shall become mutilated, the County, at the expense of the holder of the Bond, shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the County and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the County, at the expense of the owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act 354, Public Acts of Michigan, 1972, as amended, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

**13. BOND PAYMENT FUND.** For payment of principal of and interest on the Bonds, there shall be established and maintained a debt service fund for the Bonds (the "Bond Payment Fund"). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds and such amount of any premium determined by the Authorized Officer shall be placed into the Bond Payment Fund. The County shall budget annually a sufficient amount to pay the annual principal of and interest on the Bonds and deposit such amount in the Bond Payment Fund as needed to make payments of principal and interest as they become due. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds that first come due. Any monies remaining in the Bond Payment Fund after the annual payments of principal of and interest on the Bonds shall be transferred to the General Fund and shall no longer be pledged hereunder.

**14. CONSTRUCTION FUND.** Prior to delivery and sale of the Bonds, there shall be established a construction fund (the "Construction Fund"). After deducting the sums that are required to be deposited in the Bond Payment Fund, the balance of the proceeds of the Bonds shall be deposited into the Construction Fund. The moneys on deposit in the Construction Fund from time to time shall be used solely for the purpose for which the Bonds were issued. Any unexpended balance shall be used for such purposes as allowed by law. Any monies remaining in the Construction Fund after payment of all such costs shall be transferred to the Bond Payment Fund. After completion of the Improvements and disposition of any remaining Bond proceeds, pursuant to the provisions of this Section, the Construction Fund shall be closed.

**15. INVESTMENT OF FUNDS.** Moneys in the funds and accounts established herein may be invested by the County as allowed by law subject to the limitations imposed by arbitrage regulations and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

16. **DEPOSITORY AND FUNDS ON HAND.** Monies in the several funds and accounts maintained pursuant to this Resolution may be kept in one or more accounts at financial institutions designated by resolution of the County, and if kept in one account, the monies shall be allocated on the books and records of the County in the manner and at the times provided in this Resolution.

17. **ADDITIONAL BONDS.** In accordance with the provisions of Act 34, the County reserves the right to issue additional bonds, which shall be of equal standing and priority with the Bonds.

18. **CONTRACT WITH BONDHOLDERS.** The provisions of this Resolution shall constitute a contract between the County and the holder or holders of the Bonds from time to time and after the issuance of any of such Bonds, no change, variation or alteration of the provisions of this Resolution may be made that would lessen the security for the Bonds. The provisions of this Resolution shall be enforceable by appropriate proceedings taken by such holder or holders, either at law or in equity.

19. **SALE OF BONDS.** The Authorized Officer is hereby authorized to negotiate the sale of the Bonds to a financial institution selected by the Authorized Officer or to circulate or to cause to be circulated a request for proposals to purchase the Bonds and to negotiate the sale of the Bonds to such financial institutions as the Authorized Officer shall determine (the "Purchaser"). The County determines that a negotiated sale is in the best interest of the County because its relationships with local banking institutions may provide a low interest rate while also saving on the costs of issuance for the Bonds and will provide flexibility to respond to market conditions.

20. **AUTHORIZED OFFICER.** Notwithstanding any other provision of this Resolution, the Chair of the Board of County Commissioners and the County Administrator/Controller, or either one of them acting alone (the "Authorized Officer"), are authorized within the limitations set forth below to determine the title of the Bonds, the interest rate or rates, maximum interest rate, a method to adjust interest rates during the term of the Bonds, amount of discount or premium, amount of maturities, principal amount, amount of good faith deposit, if any, denominations, dates of issuance, dates of maturities, interest payment dates, optional and mandatory redemption rights, tender options, and term bond options. The authority granted to the Authorized Officer by this Section, is subject to the following limitations:

(a) The par amount of the Bonds shall not exceed \$3,600,000.

(b) The interest rate or rates on the Bonds (including any adjusted interest rate) shall not exceed the maximum rate allowed by law.

(c) The final maturity date of the Bonds shall not be later than thirty years after the date the Bonds are issued.

(d) The Bonds shall not be sold at a price of less than 98.00% of the par value of the Bonds, provided, however, the Authorized Officer is authorized to agree to such fees as may be included in the proposal of the Purchaser.

The Authorized Officer is hereby authorized for and on behalf of the County, without further Board of County Commissioners approval, to: (a) engage a placement agent; (b) negotiate the sale of the Bonds and enter into a Bond Purchase Agreement or otherwise award the sale of the Bonds; and (c) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

Approval by the County of the matters delegated in this section or any other sections may be evidenced by execution or approval of a Sale Order or such documents by the Authorized Officer. The Authorized Officer is authorized to execute any documents or certificates necessary to complete the transaction, including, but not limited to, any applications including applications to the Michigan Department of Treasury (including an Application for State Treasurer's Approval to Issue Long-Term Securities, applications for waivers, and the submission of any supporting or related documents), any certificates, receipts, orders, agreements, instruments, security reports, a blanket letter of representations, and any certificates relating to federal or state securities laws, rules or regulations, and to pay any fees required by the State of Michigan.

21. **QUALIFIED TAX-EXEMPT OBLIGATION.** The County reasonably anticipates that the amount of qualified tax-exempt obligations that will be issued by the County and all subordinate entities during this calendar year shall not exceed \$10,000,000. The County hereby designates the Bonds, in their total principal amount, as qualified tax-exempt obligations for purposes of Section 265(b)(3)(B) of the Code.

22. **DEFEASANCE.** In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

23. **TAX COVENANT.** The County covenants to comply with all requirements of the Code necessary to assure that the interest on the bonds will be and will remain excludable from gross income for federal income tax purposes. The Authorized Officer and other appropriate officials of the County are authorized to do all things necessary (including the making of such covenants of the County as shall be appropriate) to assure that the interest on the Bonds will be and will remain excludable from gross income for federal income tax purposes.

24. **BOND COUNSEL.** The firm of Dickinson Wright PLLC is hereby employed as bond counsel to the County for the issuance of the Bonds. The County acknowledges that Dickinson Wright PLLC represents a number of financial institutions in public finance matters, including financial institutions that may potentially purchase the Bonds, and consents to Dickinson Wright PLLC's representation of the County as bond counsel and, and waives any conflict of interest arising from such representation of a financial institution or underwriter that may purchase the Bonds in other matters not involving the County. The Authorized Officer is authorized to enter into an engagement letter with bond counsel in accordance with the fees shown in the financial reports of the placement agent.

- 25. RESOLUTION SUBJECT TO MICHIGAN LAW. The provisions of this Resolution are subject to the laws of the State of Michigan.
- 26. SECTION HEADINGS. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.
- 27. SEVERABILITY. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.
- 28. CONFLICT. Except as provided above, all resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds.
- 29. EFFECTIVE DATE OF RESOLUTION. This Resolution is determined by the Board of County Commissioners to be immediately necessary for the preservation of the peace, health and safety of the County and shall be in full force and effect from and after its passage.

It was moved by Commissioner Dobberteen and seconded by Commissioner Pangle to approve the resolution and waive second reading. Motion carried 5-0 upon a roll call vote.

RESOLUTION TO ESTABLISH INDIGENT DEFENSE FUND #260  
RESOLUTION 18-2018

**WHEREAS**, the County of St. Joseph will enter into a grant agreement with the Michigan Indigent Defense Commission (MIDC); and

**WHEREAS**, the purpose of the grant is for the MIDC to provide funding to assist St. Joseph County to comply with the Compliance Plan and Cost Analysis approved by the MIDC for the provision of indigent criminal defense services through the Standards approved by LARA on May 22, 2017, and the processes described in the MIDC Act; and

**WHEREAS**, the Michigan Department of Treasury has established the Indigent Defense Fund as a special revenue fund #260 within its mandated Uniform Chart of Accounts; and

**WHEREAS**, each grantee must comply with the Department of Treasury’s Uniform Chart of Accounts and establish the Indigent Defense Fund as a special revenue fund #260; and

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, the Board of Commissioners of the County of St. Joseph does hereby create and establish the Indigent Defense Fund #260.

It was moved by Commissioner Balog and seconded by Commissioner Dobberteen to approve resolution and waive second reading. Motion carried 5-0 upon a roll call vote.

NOMINATIONS/APPOINTMENTS

There were none.

ADMINISTRATOR’S REPORT

Teresa Doehring recognized Erin Goff and T.J. Baker for their hard work on grant funding. She also mentioned how the MSU Extension 4H Leadership Program benefited the community.

FINANCE DIRECTOR’S REPORTS

Mr. Post presented the following reports:

Budget Amendments

It was moved by Commissioner Dobberteen and seconded by Commissioner Pangle to approve the Budget Amendments as presented. Motion carried.

Per Diem and Expenses

It was moved by Commissioner Dobberteen and seconded by Commissioner Pangle to approve the Per Diem and Expenses as presented. Motion carried.

Financial Statements

It was moved by Commissioner Dobberteen and seconded by Commissioner Czajkowski to approve the Financial Statements as presented. Motion carried.

COMMITTEE REPORTS

Law Enforcement

Commissioner Balog stated that the Committee had not met.

Judiciary

Commissioner Dobberteen stated that the Committee had not met.

Physical Resources

Commissioner Dobberteen stated that the Committee had not met.

Executive/Committee of the Whole

Chairman Allen noted minutes were available.

CHAIRMAN’S REPORT

Commissioner Allen congratulated the Conservation District for their successful dinner event.

COMMISSIONERS’ COMMENTS

Commissioner Pangle stated she, along with Commissioner Balog and Commissioner Czajkowski attended the Conservation Dinner at Covered Bridge Farm. She said there was 250 people in attendance and adequate parking, although some did park on the grass. She said they will need to look into better wheelchair access.

Commissioner Czajkowski discussed the Roads Committee and township supervisors working with the County Commissioners and all of the progress on the roads. He said seal coating had been done for 210 miles and included 57 projects.

Commissioner Czajkowski thanked Tim Carls for his input on Covered Bridge parking and the need for more signage.

ADJOURNMENT

At 5:28 p.m., it was moved by Commissioner Pangle and seconded by Commissioner Czajkowski that the St. Joseph County Board of Commissioners adjourn until October 2, 2018 at 5:00 p.m. Motion carried.

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Valerie Casterline, Deputy County Clerk

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Dennis Allen, Chairman