

PUBLIC BUILDING COMMISSION MEETING AGENDA
TUESDAY, JUNE 14, 2016
6:30 P.M.

- A. CALL TO ORDER** – President Jim Miller

- B. NEW BUSINESS**
 - 1. PBC Meeting Minutes – Tuesday, May 7, 2012

 - 2. PBC Resolution No. R-16-01 – A Resolution to call for the redemption and defeasance of certain outstanding bonds.

- C. ADJOURN**

PBC RESOLUTION NO. R-16-01

A RESOLUTION OF THE PUBLIC BUILDING COMMISSION OF THE CITY OF COFFEYVILLE, KANSAS, DIRECTING THE CALL FOR REDEMPTION AND DEFEASANCE OF CERTAIN OUTSTANDING BONDS AND PROVIDING FOR NOTICE OF SAID REDEMPTION AND DEFEASANCE.

WHEREAS, the Public Building Commission of the City of Coffeyville, Kansas, a municipal corporation of the State of Kansas (the “Issuer”), has heretofore been created by the City of Coffeyville, Kansas (the “City”) under the authority of K.S.A. 12-1757 *et seq.*, as amended by Charter Ordinance No. 24 of the City (collectively the “Act”); and

WHEREAS, pursuant to K.S.A. 12-187 *et seq.*, as amended by Charter Ordinance No. 23 of the City, and Resolution No. R-01-119, a special question election was duly held in the City on October 23, 2001, on the following question:

Shall the following be adopted?

Shall the City of Coffeyville, Kansas, be authorized, pursuant to the authority of K.S.A. 12-187 *et seq.*, as amended, and Charter Ordinance No. 23 of the City, to: (1) impose a one-half percent (.50%) retailers’ sales tax (the “Healthcare Sales Tax”) for the purpose of assisting Coffeyville Regional Medical Center (“CRMC”) in the repayment of the principal of and interest on revenue bonds to be issued by the City, in one or more series, for the benefit of CRMC to finance improvements to healthcare facilities operated by CRMC (the “Hospital Bonds”); and (2) if the City determines to issue a combination of hospital revenue bonds and sales tax revenue bonds authorize the issuance by the City of its sales tax revenue bonds to directly finance all or a portion of such healthcare facility improvements (the “Healthcare Sales Tax Bonds”) to pay the costs of the CRMC improvements; provided, the Healthcare Sales Tax shall be subject to the following conditions: (a) approval by the electors of the City; (b) the execution of a cooperation agreement between the City, the Board of Trustees of CRMC and CRMC, Inc. regarding the application of the Healthcare Sales Tax (the “Cooperation Agreement”); (c) commencement to occur on the first day of the next calendar month after the later of the following: (i) expiration of the one percent (1%) retailers’ sales tax currently imposed by Montgomery County, Kansas (the “County”) authorized by the electors of the County on November 8, 1994 for the purpose of inducing industrial prospects to locate in the County, which County sales tax is estimated to expire on or about September 1, 2002, and (ii) the execution of the Cooperation Agreement referred to in sub paragraph (b) hereof; and (d) termination of the collection to occur upon the earlier of the following: (i) the collection of \$15,000,000 in sales tax revenue; (ii) retirement of the Healthcare Sales Tax Bonds, if issued; or (iii) 240 months after commencement?

WHEREAS, it was found and determined that a majority of the qualified electors of the City voting on the question had voted in favor of the imposition of the Healthcare Sales Tax; and

WHEREAS, pursuant to the Act and Resolution No. R-12-01 of the PBC (the “Bond Resolution”), the PBC has heretofore issued its Health Care Facilities Refunding Revenue Bonds, Series 2012 (Coffeyville Regional Medical Center) (the “Series 2012 Bonds”), for the purpose of providing funds to refund the PBC’s Health Care Facilities Revenue Bonds, Series 2002 (Coffeyville Regional Medical Center) (the “Series 2002 Bonds”), which were originally issued to pay all or a portion

of the costs to construct an addition to the acute care hospital facility in the City (collectively the “Project”); and

WHEREAS, in connection with the issuance of the Series 2012 Bonds, it was necessary and desirable for the PBC to execute and deliver: (i) a Supplemental Trust Indenture dated May 15, 2012 (the “Supplemental Indenture”), amending and supplementing the Trust Indenture dated as of December 15, 2002 (as supplemented and amended, the “Indenture”), with Security Bank of Kansas City, as successor to UMB Bank, n.a., and INTRUST Bank, N.A., as Trustee (the “Trustee”), for the purpose of securing the Series 2012 Bonds as provided therein; and (ii) a Supplemental Lease with Option to Purchase dated May 15, 2012 (the “Supplemental Lease”), supplementing and amending Lease with Option to Purchase dated as of December 15, 2002 (as supplemented and amended, the “Lease”), with the City, pursuant to which the PBC continued to lease the Project to the City in consideration of rentals (the “Basic Rent”) which, in the aggregate, are intended to be sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2012 Bonds; and

WHEREAS, after payment of its Basic Rent at the times and in the manner set forth in the Lease, from time to time the City has sufficient additional funds remaining from the collection of the Healthcare Sales Tax to prepay all or a portion of its Basic Rent pursuant to *Section 3.5* of the Lease (the “Basic Rent Prepayments”); and

WHEREAS, the City adopted Resolution No. R-16-76 which (i) deemed it advisable to use additional funds remaining from the collection of the Healthcare Sales Tax to make, from time to time and at the discretion of the City, Basic Rent Prepayments to the Issuer; (ii) requested that the Issuer use such Basic Rent Prepayments to defease and redeem the outstanding Series 2012 Bonds at or prior to their stated maturity in the amounts and on the dates determined by the Issuer in accordance with the Bond Resolution and the Indenture; and (iii) provided notice that the City elected to exercise its option to purchase the Project pursuant to *Article XVIII* of the Lease; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is in the best interests of the Issuer to defease and redeem all or a portion of the following Series 2012 Bonds at or prior to their stated maturity in the amounts and on the dates hereinafter set forth (the “Defeased Bonds”):

<u>Maturity Date</u>	<u>Maturity Amount</u>	<u>Redemption Date</u>
August 1, 2016	\$1,185,000	At Maturity
August 1, 2017	1,215,000	At Maturity
August 1, 2018	1,190,000	August 1, 2017

WHEREAS, the Issuer desires to retain the services of Springsted Incorporated, Kansas City, Missouri (“Municipal Advisor”), as municipal advisor, and Gilmore & Bell, P.C. (“Bond Counsel”) as bond counsel with respect to such defeasance and redemption; and

WHEREAS, in order to provide for the payment of the Defeased Bonds it is desirable to enter into an escrow trust agreement (the “Escrow Agreement”), by and between the Issuer and the escrow agent named therein (the “Escrow Agent”).

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE PUBLIC BUILDING COMMISSION OF THE CITY OF COFFEYVILLE, KANSAS:

Section 1. The Defeased Bonds maturing August 1, 2018, will be called for redemption and payment on August 1, 2017, and the Defeased Bonds maturing in the years 2016 and 2017 will be paid at

their scheduled maturity, in accordance with the Bond Resolution and the Indenture which authorized the Defeased Bonds.

Section 2. The President, Secretary and the other officers and representatives of the Issuer, the administrative staff of the City, the Municipal Advisor, and Bond Counsel are hereby authorized and directed to take such actions as may be necessary to carry out the defeasance and redemption of the Defeased Bonds, including providing the notices of redemption and defeasance of the Defeased Bonds.

Section 3. The Issuer is hereby authorized to enter into the Escrow Agreement and the President and Secretary are hereby authorized and directed to execute the Escrow Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the Issuer. The Escrow Agent is hereby authorized to carry out, on behalf of the Issuer, the duties, terms and provisions of the Escrow Agreement, and the Escrow Agent, the Municipal Advisor and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein.

Section 4. All costs associated with the redemption and defeasance of the Defeased Bonds shall be paid by the City.

Section 5. The Issuer hereby acknowledges receipt of written notice of the City's election to exercise its option to purchase the Project pursuant to *Article XVIII* of the Lease. The President, Secretary and the other officers and representatives of the Issuer, the administrative staff of the City, the Municipal Advisor, and Bond Counsel are hereby authorized and directed to take such actions as may be necessary to carry out the sale and transfer of the Project from the Issuer to the City pursuant to the Lease.

Section 6. This Resolution shall be in full force and effect from and after its adoption.

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ADOPTED by the governing body of the Issuer on June 14, 2016.

(SEAL)

Jim Miller, President

ATTEST:

Cindy Price, Secretary

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of PBC Resolution No. R-16-01 of the Issuer adopted by the governing body on June 14, 2016, as the same appears of record in my office.

DATED: June 14, 2016.

Cindy Price, Secretary

PUBLIC BUILDING COMMISSION MEETING MINUTES
MONDAY, MAY 7, 2012
4:30 P.M.

The Board of Commissioners met in Regular Session at 4:30 p.m. with President Jim Miller presiding.

Present:

COMMISSIONER TIM BRANT
COMMISSIONER JANIE GILLIS
COMMISSIONER PAUL KRITZ
COMMISSIONER LINDA MOLEY
COMMISSIONER CINDY PRICE

Absent:

COMMISSIONER DON EDWARDS

A. CALL TO ORDER – President Jim Miller

B. NEW BUSINESS

1. PBC Meeting Minutes – Tuesday, April 17, 2012

MOTION: Move to approve the minutes as presented.

ACTION: THE MOTION WAS MADE BY COMMISSIONER KRITZ AND SECONDED BY COMMISSIONER GILLIS. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER EDWARDS WHO WAS ABSENT.

2. PBC Resolution No. R-12-03 – A Resolution to Issue Health Care Facility Revenue Refunding Bonds.

MOTION: Move to approve PBC Resolution No. R-12-03 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER KRITZ AND SECONDED BY COMMISSIONER GILLIS. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER EDWARDS WHO WAS ABSENT.

- Finance Director Stephanie Richardson stated the bonds met the parameters as established in the original resolution. There will be a net present savings of \$1,491,962.53 and the bonds will pay off in 2018, four years early.

C. ADJOURN

MOTION: Move to adjourn.

ACTION: THE MOTION WAS MADE BY PRESIDENT MILLER AND SECONDED BY COMMISSIONER GILLIS. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER EDWARDS WHO WAS ABSENT.

**REGULAR COMMISSION MEETING MINUTES
MONDAY, MAY 7, 2012**

2

Time the meeting was adjourned: 4:36 p.m.

Date the minutes were approved

Cindy Price, Secretary