

(Published in *The Abilene Reflector-Chronicle* on December 1, 2017)

ORDINANCE NO. 3342

AN ORDINANCE OF THE CITY OF ABILENE, KANSAS, AUTHORIZING THE EXECUTION OF A FIRST SUPPLEMENTAL LEASE AGREEMENT BETWEEN THE CITY, AS LESSEE AND THE ABILENE, KANSAS PUBLIC BUILDING COMMISSION, AS LESSOR; AUTHORIZING THE EXECUTION OF A FIRST SUPPLEMENTAL SUBLEASE BETWEEN THE CITY, AS SUBLESSOR AND HOSPITAL DISTRICT NO. 1, DICKINSON COUNTY, KANSAS, AS SUBLESSEE AND APPROVING THE ISSUANCE OF ABILENE, KANSAS PUBLIC BUILDING COMMISSION REFUNDING REVENUE BONDS, SERIES 2017, AND APPROVING AND AUTHORIZING VARIOUS DOCUMENTS AND ACTIONS RELATED THERETO.

WHEREAS, the governing body of the Abilene, Kansas Public Building Commission (the "Commission") has adopted a resolution authorizing issuance of its Refunding Revenue Bonds, Series 2017, in an aggregate principal amount of \$17,405,000 to provide funds to refund and redeem a portion of the Commission's outstanding Revenue Bonds, Series 2011 and Series 2012, originally issued to pay a portion of the costs of improvements to the hospital facilities of Hospital District No. 1, Dickinson County, Kansas (the "District"), known as Memorial Health System and located in the City of Abilene, Kansas (the "City") and to lease and continue to lease such improvements (the "Project") to the City for lease payments sufficient to produce revenue to pay the principal of and interest on the Bonds issued by the Commission pursuant to Trust Indenture, dated December 1, 2011 as amended and supplemented by a First Supplemental Indenture, dated December 14, 2017 (together "the "Indenture"); and

WHEREAS, the City finds and determines that it is necessary and desirable in connection with issuance of the Commission's Refunding Revenue Bonds, Series 2017 (the "2017 Bonds") to authorize and approve the following documents:

(1) First Supplemental Lease Agreement dated as of December 14, 2017, which supplements and amends a Lease Agreement, dated as of December 1, 2011 (collectively, the "Lease"), each between the Commission, as lessor and the City, as lessee pursuant to which the City continue to lease the Project in consideration of payments of Rent and other charges provided for therein;

(2) First Supplemental Sublease Agreement dated as of December 14, 2017, which supplements and amends a Sublease Agreement, dated as of December 1, 2011 (collectively, the "Sublease"), each by and between the City, as sublessor, and Hospital District No. 1, Dickinson County, Kansas (the "District"), as sublessee, pursuant to which the City subleases the Project to the District in consideration of payments of Rent and other charges provided for therein;

(3) First Supplemental Pledge of Revenues and Intercreditor Agreement dated as of December 14, 2017, which supplements and amends a Pledge of Revenues and

Intercreditor Agreement dated as of December 1, 2011, by and among the Commission, the City, the District and Security Bank of Kansas City, as successor trustee to UMB Bank, n.a. (as Trustee with respect to the Bonds and Certificates defined therein), pursuant to which the District makes covenants with respect to the operation and maintenance of the Project and payment of its obligations under the Sublease and Parity Obligations as described therein and providing for coordination of the rights and remedies of Parity Obligation Holders as defined therein;

(4) Continuing Disclosure Undertaking (the “Undertaking”) pursuant to which the obligated parties as defined therein agree to provide continuing disclosure with respect to the Bonds as required by Securities and Exchange Commission Rule 15c2-12;

(5) Tax Compliance Agreement (the “Tax Compliance Agreement”) by and among the Commission, the City, Security Bank of Kansas City, as Trustee, and the District, under which the parties make certain representations and agreements under the Internal Revenue Code of 1986 relating to interest on the Bonds described therein being and continuing to be excludable from gross income for federal income tax purposes; and

(6) All additional documents and certificates as are necessary to accomplish the purposes of this ordinance; and

WHEREAS, all documents referred to in the preceding paragraph are referred to collectively herein as the “City Documents”.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ABILENE, KANSAS:

SECTION 1. Definition of Terms. All terms and phrases not otherwise defined in this ordinance shall have the meanings given them in the Lease.

SECTION 2. Approval of Bonds. The governing body of the City approves issuance of the 2017 Bonds by the Commission and the execution of a Bond Purchase Agreement between the Commission and UMB Bank, n.a., as Underwriter of the 2017 Bonds.

SECTION 3. Authorization of the City Documents. The City is authorized to enter into and deliver the City Documents.

SECTION 4. Authorization of the Official Statement. The information describing the City contained in the Preliminary Official Statement, in the form submitted to the City with this Ordinance, is ratified and confirmed and the Mayor or other officers or agents of the City are authorized to provide information necessary to supplement, complete and amend the Preliminary Official Statement as a final Official Statement for the Bonds. The City approves and authorizes the use of the Official Statement in the reoffering of the Bonds by the Underwriter. The information in the Official Statement describing the City is “deemed final” in accordance with Securities and Exchange Commission Rule 15c2-12.

SECTION 5. Execution of City Documents. The Mayor or Acting Mayor are authorized and directed to execute and deliver the City Documents for and on behalf of and as the act and deed of the City, with such corrections or amendments thereto as the Mayor or Acting Mayor approves on advice of counsel, which approval shall be evidence by his or her execution thereof, and all such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance or in connection with the Lease and Sublease. The City Clerk, or any deputy thereof or assistant thereto, is authorized and directed to attest the execution of the City Documents, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance or in connection with the Lease and Sublease.

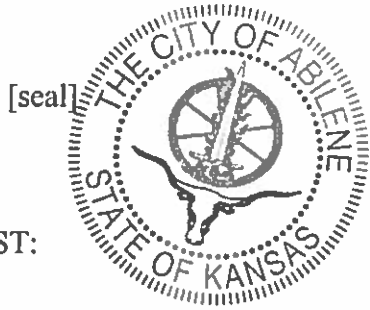
SECTION 6. Further Authority. The City shall, and the officers, agents and employees thereof, are further authorized and directed to, take such actions, expend such moneys and execute such other documents, certificates and instruments as may be necessary or desirable in order to carry out and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the City in the City Documents, all as necessary to carry out and give effect to the transactions contemplated herein and in the City Documents.

SECTION 7. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval and the publication one time in the City's official newspaper.

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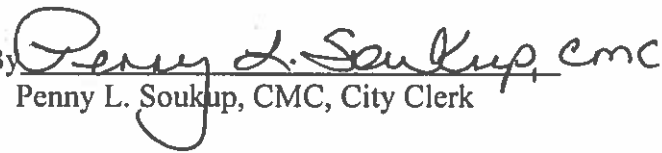
ADOPTED AND APPROVED by the governing body of the City of Abilene, Kansas on November 27, 2017.

CITY OF ABILENE, KANSAS



By 
Timothy Shafer, Mayor

ATTEST:

By 
Penny L. Soukup, CMC, City Clerk