

Members of the public wishing to speak during Public Comment or on Items of Business must register with the County Clerk prior to the beginning of the meeting.

AGENDA

PUBLIC BUILDING COMMISSION COMMISSIONERS

Wednesday, February 12, 2014 | immediately following the 8:30 a.m. Regular Meeting

TO BE HELD IN THE ANNEX COMMISSION CHAMBERS

A. CALL TO ORDER

B. ITEMS OF BUSINESS:

Items of business includes all timed items, bids, contracts and agreements, public hearings and organizational business coming before the Governing Body

1. Consider Adopting A Resolution To Approve The Issuance Of Bonds.

Documents: [public building cover issue bonds0214.pdf](#), [pbcreolution franklin county pbc authorizing issuance 2014a 2014b 0214.pdf](#)

C. CONSIDER A MOTION FOR ADJOURNMENT

FRANKLIN COUNTY

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| TO: Public Building Commission | Reviewed: |
| FROM: Lisa J. Johnson | Ext. 3485 |
| DEPARTMENT: Administration | |
| DATE: Wednesday, February 12, 2014 | No. |

ITEM: Consider adopting a resolution to issue bonds.

Background:

It is necessary for the Commission to adopt a resolution to issue lease revenue bonds for the HVAC project and the Criminal Justice Center project. A proposed resolution is attached for review and adoption.

Recommended Action: Approve resolution.

Attachments: Resolution.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE FRANKLIN COUNTY PUBLIC BUILDING COMMISSION TO ISSUE ITS LEASE REVENUE BONDS AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS

WHEREAS, the county of Franklin, Kansas (the "County"), has pursuant to Resolution No. 06-020 of the County adopted on March 20, 2006 (the "Resolution"), and K.S.A. 12-1757 *et seq.*, as amended (collectively, the "Act"), created the Franklin County Public Building Commission (the "Commission"); and

WHEREAS, the Commission is authorized by the Resolution and the Act to acquire, construct, furnish and equip public buildings within the County, to lease such buildings to the County or other qualified governmental entities and to issue revenue bonds to pay the costs of such buildings; and

WHEREAS, the Commission adopted (1) Resolution No. 13-01 on March 20, 2013 ("Resolution No. 13-01"), indicating its intent to issue not to exceed \$2,000,000 principal amount of lease purchase revenue bonds (the "Series 2014-A Bonds") to pay the cost of constructing improvements to the Franklin County, Kansas (the "County") courthouse consisting of replacing the HVAC system and all related appurtenances (the "2014-A Improvements"), and to pay the cost of issuing the Series 2014-A Bonds, and (2) Resolution No. 13-2 on November 14, 2013 ("Resolution No. 13-2"), indicating its intent to issue not to exceed \$2,400,000 principal amount of lease purchase revenue bonds (the "Series 2014-B Bonds") to pay the cost of renovating, equipping and furnishing a building for use as a justice center and/or other County business (the "2014-B Improvements"), and to pay the cost of issuing the Series 2014-B Bonds; and

WHEREAS, Resolution Nos. 13-01 and 13-2 were published in accordance with the requirements of K.S.A. 12-1757 *et seq.*, and no petition in opposition to the 2014-A Improvements, the 2014-B Improvements, the 2014-A Bonds or the 2014-B Bonds was received by the County Clerk within 30 days following publication of either resolution; and

WHEREAS, the Commission does hereby find and determine that it is desirable that the Commission issue its Series 2014-A Bonds for the purpose of paying the costs of the 2014-A Improvements and its Series 2014-B Bonds for the purpose of paying the costs of the 2014-B Improvements; and

WHEREAS, in connection with the issuance of the 2014-A Bonds, the Commission finds and determines that it is necessary to enter into: (1) a Base Lease (the "2014-A Base Lease"), by and between the Commission, as lessee, and the County, as lessor, pursuant to which the County will lease certain real property, as defined therein, to the Commission; (2) a Lease Agreement (the "2014-A Lease"), by and between the County, as lessee, and the Commission, as lessor, pursuant to which the Commission will lease back certain real property to the County (with an option to purchase) in consideration of certain rental payments, and other charges provided for in the 2014-A Lease; and (3) a Bond Purchase Agreement providing for the sale of the 2014-A

Bonds by the Commission to Piper Jaffrey & Co., Leawood, Kansas (the “Underwriter”) (collectively, the “2014-A Bond Documents”); and

WHEREAS, in connection with the issuance of the 2014-B Bonds, the Commission finds and determines that it is necessary to enter into: (1) a First Supplemental Base Lease by and between the Commission, as lessee, and the County, as lessor (the “First Supplemental Base Lease”), which amends a Base Lease dated as of May 15, 2011, pursuant to which the County will continue leasing certain real property, as defined therein, to the Commission; (2) a First Supplemental Lease Agreement, by and between the County, as lessee, and the Commission, as lessor (the “First Supplemental Lease”), which amends a Lease Agreement dated as of May 15, 2011 (the Lease Agreement, as amended, referred to herein as the “2014-B Lease”), pursuant to which the Commission will continue leasing certain real property back to the County (with an option to purchase) in consideration of certain rental payments, and other charges provided for in the 2014-B Lease, and (3) a Bond Purchase Agreement (the “BPA”) providing for the sale of the 2014-B Bonds by the Commission to the Underwriter (the First Supplemental Lease, the First Supplemental Indenture and the BPA are referred to collectively as the “2014-B Bond Documents”);

NOW, THEREFORE, BE IT RESOLVED BY THE FRANKLIN COUNTY PUBLIC BUILDING COMMISSION, AS FOLLOWS:

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the 2014-A Lease and the 2014-B Lease authorized by this Resolution, the Trust Indenture between the Commission and Security Bank of Kansas City, Kansas City, Kansas (the “Trustee”), providing for the issuance of the 2014-A Bonds (the “2014-A Indenture”), or in the Trust Indenture between the Commission and the Trustee dated as of May 15, 2011, as amended by the First Supplemental Trust Indenture providing for the issuance of the 2014-B Bonds (the “2014-B Indenture”).

Section 2. Authorization of and Security for the Bonds. There is authorized, and the Trustee is directed to issue on behalf of the Commission, the Series 2014-A Bonds for the purpose of providing funds to pay the cost of the 2014-A Improvements, including the costs of issuance of the Series 2014-A Bonds and the Series 2014-B Bonds for the purpose of providing funds to pay the cost of the 2014-B Improvements, including the costs of issuance of the Series 2014-B Bonds.

The Series 2014-A Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such form, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed in and subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed in and subject to the provisions, covenants and agreements set forth in the 2014-A Indenture. The Series 2014-A Bonds shall be special limited obligations of the Commission payable solely from the revenues and rents derived by the Commission pursuant to the 2014-A Lease, including, rental payments to be made by the County pursuant to the 2014-A Lease.

The Series 2014-B Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such form, shall be subject to redemption and payment prior to the

maturity thereof, and shall be issued in the manner prescribed in and subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed in and subject to the provisions, covenants and agreements set forth in the 2014-B Indenture. The Series 2014-B Bonds shall be special limited obligations of the Commission payable solely from the revenues and rents derived by the Commission pursuant to the 2014-B Lease, including, rental payments to be made by the County pursuant to the 2014-B Lease.

The Bonds shall not be general obligations of or constitute a pledge of the full faith and credit of the Commission, the County, or the state of Kansas within the meaning of any constitutional or statutory provision.

Section 3. Authorization of Bond Documents. The Chairman and Secretary are hereby authorized to execute the Bond Documents on behalf of the Commission in the forms presented to the Commission this date with such modifications as are approved by the Chairman and Secretary, and to execute such ancillary certificates and documents necessary to accomplish the purposes set forth herein and in such documents.

Section 4. Official Statement and Continuing Disclosure. The Commission ratifies and confirms its prior approval of the form and content of the Preliminary Official Statement and deems it final except for the omission of certain information as provided in Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “SEC Rule”). The Commission further approves the form and content of any addenda, supplement, or amendment thereto utilized to prepare the final Official Statement and deems such Official Statement “final” in accordance with the provisions of the SEC Rule. The Chairman and Secretary are authorized to execute and deliver a certificate pertaining to the accuracy and adequacy of the information in the Official Statement. The Commission covenants and agrees to provide continuing disclosure as required by the SEC Rule and as set forth in the Continuing Disclosure Letter attached to the Official Statement and made a part hereof.

Section 5. Tax Covenant. The Commission covenants and agrees that (1) it will comply with all applicable provisions of the Code of 1986, as amended (the “Code”), including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; (2) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds; (3) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued; (4) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Commission in any manner, or take or omit to take any action, that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code; and (5) it will not use or permit the use of any proceeds of Bonds or any other funds of the Commission nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The Commission will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Commission.

Section 6. Designation of Bonds as Qualified Tax-Exempt Obligations. The Commission ratifies the designation by the County of the Bonds as “qualified tax-exempt obligations” as such term is defined in § 265(b)(3) of the Code.

Section 7. Execution of Bonds. The Chairman is authorized and directed to execute the Bonds and deliver the same to the Trustee for authentication on behalf of and as the act and deed of the Commission in the manner provided in the applicable Indenture.

Section 8. Pledge of the Rental Payments. The Commission hereby pledges the rental payments received from the 2014-A Lease to the payment of the Series 2014-A Bonds and pledges the rental payments received from the 2014-B Lease to the payment of the Series 2014-B Bonds (which shall be on a parity with respect to the pledge of the rental payments from the 2014-B Lease to the payment of the Series 2011 Bonds), all in accordance with the Act. The lien created by the pledge of revenue for a series of Bonds shall be discharged with respect to such Bonds when all of the Bonds of such series shall be deemed to have been paid within the meaning of the applicable Indenture.

Section 9. Further Authority. The Commission shall, and the officers, agents and employees of the Commission are authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Resolution and to carry out, comply with and perform the duties of the Commission with respect to the Bonds and the Bond Documents, all as necessary to carry out and give effect to the transaction contemplated by this Resolution, and the Bond Documents.

Section 10. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the Commission.

ADOPTED by the Franklin County Public Building Commission on February 12, 2014.

FRANKLIN COUNTY PUBLIC
BUILDING COMMISSION

Chairman

Secretary