

**Meeting of the Board of Trustees
Barton County Community College**

March 18, 2008

Resolution for Lease Purchase Agreement

Comments: The College has been working with DMA architects on the planning for the renovation and expansion of the Library and the Technical Building. Funding has been secured from the Kansas Board of Regents as well as tax credits (5 year) that will be sold by the Foundation. In addition, the Foundation is presently soliciting funds to assist with the project. It may be necessary to finance a portion of the project with a lease purchase agreement. We are currently working with bond council Gillmore and Bell.

A resolution from the Board is required to enter into a lease purchase agreement. If it is necessary to enter into the lease, further details outlining the lease, terms, etc. will be presented to the board for approval.

Recommendation: It is recommended that the Board approve Resolution #08-01 (attached) as presented.

Action: Dean of Administration

(Published in the *Great Bend Tribune*
on March __, 2008 and subsequently on March __, 2008)

RESOLUTION NO. 08-01

**A RESOLUTION OF THE GOVERNING BODY OF BARTON COUNTY
COMMUNITY COLLEGE DETERMINING THE ADVISABILITY OF
FINANCING IMPROVEMENTS TO CERTAIN COLLEGE BUILDINGS BY
THE EXECUTION AND DELIVERY OF A LEASE PURCHASE
AGREEMENT.**

WHEREAS, the governing body of Barton County Community College (the "College") has considered the need of the College, its students and its constituents for improvements to the library building, technical building and math and science building on the main College campus (the "Improvements"), and has found and determined that such Improvements are in the public interest; and

WHEREAS, the governing body has considered various means of financing the acquisition, construction, installation and equipping of the Improvements, and has found and determined that it would be in the public interest to acquire, construct, install and equip the Improvements through the execution and delivery of a Lease Purchase Agreement; and

WHEREAS, pursuant to K.S.A. 71-201, and subject to the conditions set forth in K.S.A. 10-1116c, the College has legal authority to authorize the acquisition, construction, installation and equipping of the Improvements and the financing of such acquisition through the execution and delivery of a Lease Purchase Agreement;

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF BARTON COUNTY COMMUNITY COLLEGE;

Section 1. Authorization to Acquire, Construct, Install and Equip the Improvements. The College is hereby authorized to complete final plans and specifications and to contract for the acquisition, construction, installation and equipping of the Improvements, at an estimated cost of not to exceed \$4,300,000.

Section 2. Intent to Enter into Lease Purchase Agreement. The College intends to apply at least \$1,300,000 of available funds to pay a portion of the costs of the Improvements, leaving not more than \$3,000,000 of Improvement costs to be financed by the College. The governing body may commence negotiations to enter into a Lease Purchase Agreement (the "Lease") to provide such financing for the acquisition, construction, installation and equipping of the Improvements.

Section 3. Conditions to Execution and Delivery of Lease Purchase Agreement. The execution and delivery of the Lease Purchase Agreement is subject to the publication and protest period requirements of K.S.A. 10-1116c, adoption of a Resolution approving the forms and authorizing the

execution and delivery of the Lease and such legal documents as may be necessary in connection with it, the terms of which shall be satisfactory to the governing body and to the lessor named therein.

Section 4. Expenditure of Funds in Anticipation of Financing. In order to permit and expedite the acquisition, construction, installation and equipping of the Improvements and realization of the public benefits to be derived from it, the College may expend lawfully available funds prior to execution and delivery of the Lease, to be reimbursed upon execution and delivery of the Lease.

Section 5. Declaration of Official Intent. This Resolution shall constitute a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 6. Total of Payments; Publication of Resolution. The expected total of all payments to be made by the College pursuant to the Lease (excluding amounts required for maintenance, taxes or insurance on the Improvements) is \$4,475,000. The Secretary of the governing body is hereby authorized and directed to publish this Resolution once each week for 2 consecutive weeks in a newspaper of general circulation within the boundaries of the College district. If a protest petition signed by not less than 5% of the qualified voters of the College district, as determined by the vote for secretary of state at the last general election, is filed with the county election officer within 30 days following the last publication of this Resolution, the proposed Lease shall not take effect unless approved by a majority of the qualified voters of the College district voting at an election to be held thereon as prescribed in K.S.A. 10-1116c.

Section 7. Further Authority. The officials of the College, the College's attorney, Gilmore & Bell, P.C. ("Bond Counsel") and other consultants are authorized to proceed with the planning and document preparation of the Improvements, the Lease, and other legal documents necessary in order to comply with the intent of this resolution, subject to final approval of such documents by the governing body.

ADOPTED BY the governing body of Barton County Community College this 18th day of March, 2008.

(Seal)

Chairperson

ATTEST:

Secretary

CERTIFICATE OF COUNTY ELECTION OFFICER

STATE OF KANSAS)
) ss:
COUNTY OF BARTON)

I, the undersigned, County Clerk of Barton County, Kansas, do hereby certify that I have reviewed a copy of Resolution No. 08-01 of the governing body of Barton County Community College, adopted on March 18, 2008, declaring it the intent of the College to enter into a financing arrangement for certain College building improvements (the "Improvements") involving a Lease Purchase Agreement in an amount not to exceed \$3,000,000, and such Resolution was published in the *Great Bend Tribune* on March ____, 2008 and March ____, 2008 and no sufficient protest was submitted in my office against the Improvements, or the Lease Purchase Agreement, as provided by K.S.A. 10-1116c.

WITNESS my hand and official seal on May ____, 2008.

(Seal)

County Clerk