

RESOLUTION NO. 1242

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF COLBY, KANSAS AUTHORIZING THE REDEMPTION AND PAYMENT OF ITS HOSPITAL LOAN ANTICIPATION REVENUE BONDS, SERIES 2024, (CITIZENS MEDICAL CENTER, INC.) AND THE SALE AND CONVEYANCE OF CERTAIN PROPERTY TO CITIZENS MEDICAL CENTER, INC.

WHEREAS, pursuant to Ordinance No. 1658 and the Trust Indenture dated as of April 1, 2024, the City of Colby, Kansas (the "Issuer") has previously issued its Hospital Loan Anticipation Revenue Bonds, Series 2024 (Citizens Medical Center, Inc.) in the original aggregate principal amount of \$108,249,000 (the "Bonds") to finance the cost of acquiring, constructing, improving and equipping a facility to be used for healthcare purposes (the "Project"); and

WHEREAS, pursuant to a Site Lease dated as of April 1, 2024, Citizens Medical Center, Inc., a Kansas not-for-profit corporation (the "Tenant"), granted a leasehold interest to the Issuer in the real property on which the Project was constructed, and pursuant to a Project Lease dated as of April 1, 2024, the Issuer granted a leasehold interest to the Tenant in the Project (the "Lease"); and

WHEREAS, the Tenant desires to provide for the immediate payment of all outstanding Bonds, the redemption premium and interest thereon accruing to the redemption date on or before February 15, 2026 (the "Redemption Date"), by depositing a sum sufficient for such purpose with UMB Bank, N.A., as trustee (the "Trustee") for the Bonds; and

WHEREAS, the Issuer and the Tenant will provide the Trustee written notice to redeem all outstanding Bonds on the Redemption Date; and

WHEREAS, sufficient funds will be deposited with the Trustee to accomplish the redemption of the Bonds on the Redemption Date; and

WHEREAS, the Tenant desires to exercise its option to purchase the Project under *Section 17.1* of the Lease and is not in default under the Lease; and

WHEREAS, the Tenant has provided the Issuer written notice of its intent to exercise its option to purchase the Project on the Redemption Date;

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COLBY, KANSAS:

Section 1. The Mayor and Clerk are authorized and directed to execute and deliver a bill of sale and a release of lease, in substantially the forms submitted to the Governing Body concurrently with the adoption of this Resolution. The Clerk is directed to deliver the executed bill of sale and release of lease to the Trustee for delivery to the Tenant upon deposit of sufficient funds to pay the purchase option price as specified in the Lease and provide for the redemption of the outstanding Bonds on the Redemption Date.

Section 2. The Mayor and Clerk are further authorized and directed to sign such other instruments and certificates as shall be necessary and desirable in connection with this Resolution, and are further authorized to take such further actions as may be necessary to accomplish the purposes of this Resolution.

Section 3. The Trustee is directed to take all action necessary to accomplish the purpose of this Resolution including providing for notice of redemption of the outstanding Bonds in accordance with the requirements of the Trust Indenture dated as of April 1, 2024 authorizing and securing the Bonds.

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ADOPTED by the governing body of the City of Colby, Kansas on December 31, 2025.

CITY OF COLBY, KANSAS

Lee Leiker, Mayor

[SEAL]

Attest:

By: _____
Joni Ketchum, City Clerk