

TRIPLETT WOOLF GARRETSON, LLC

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RESOLUTION NO. 25-11

OF THE

GOVERNING BODY OF

CITY OF ANDOVER, KANSAS

RELATING TO:

\$1,960,000

CITY OF ANDOVER, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES A, 2014  
(KMC MOB, LLC)

and

\$490,000

CITY OF ANDOVER, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES B, 2014  
(KMC MOB, LLC)

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RESOLUTION NO. 25-11

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF ANDOVER, KANSAS APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (I) A SPECIAL WARRANTY DEED, (II) A BILL OF SALE, (III) A TERMINATION AND RELEASE OF LEASE, AND (IV) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.

WHEREAS, the City of Andover, Kansas (the "Issuer") is a municipal corporation organized under the laws of the State of Kansas; and

WHEREAS, the Issuer is authorized pursuant to K.S.A. 12-1740 *et seq.* to issue its revenue bonds for the purpose of paying all or any portion of the cost of purchasing, acquiring, constructing and equipping facilities for commercial, hospital and recreational purposes and to enter into leases with any person, firm or corporation for such facilities; and

WHEREAS, the Issuer has previously issued its Taxable Industrial Revenue Bonds, Series A, 2014 (KMC MOB, LLC) in the original aggregate principal amount of \$1,960,000, of which none remains Outstanding (the "Series A, 2014 Bonds") and Taxable Industrial Revenue Bonds, Series B, 2014 (KMC MOB, LLC) in the original aggregate principal amount of \$490,000, of which none remain Outstanding (the "Series B, 2014 Bonds")

WHEREAS, the Issuer issued the Series A, 2014 Bonds and Series B 2014 Bonds (collectively, the "Bonds"), for the purpose of (i) paying the costs of purchasing, acquiring, constructing, equipping, furnishing, and installing a medical office facility located in the City of Andover, Kansas (the "Project"), and (ii) paying costs of issuance of the 2014 Bonds (as defined below); and

WHEREAS, the Project is leased by the Issuer to KMC MOB, LLC, a Kansas limited liability company, as Tenant (the "Tenant"), pursuant to a certain Lease Agreement, dated as of December 1, 2014 (the "Lease"); and

WHEREAS, the Bonds are payable from the Trust Estate created pursuant to a certain Trust Indenture, dated as of December 1, 2014 (the "Indenture"), by and between the Issuer and Community National Bank & Trust, Winfield, Kansas, as Trustee (the "Trustee"), which Trust Estate includes a pledge of the Project and revenue received from the fees charged and Basic Rent received pursuant to the Lease; and

WHEREAS, the payment of principal of and interest on the Series A, 2014 Bonds is guaranteed by the Tenant pursuant to the terms of a certain Guaranty Agreement, dated as of December 1, 2014; and

WHEREAS, payment of the principal of and interest on the Series A, 2014 Bonds was unconditionally guaranteed by and between Dr. Badr Idbeis, Dr. Edward J. Wade, Dr. George W.

Reader, Dr. Robert Fleming, Dr. Mohamed H. Farhoud, Dr. Daniel R. Alvarez, Dr. Parula P. Raghavan, Dr. Prakash V. Raghavan, Dr. Muhammad A. Khan, and Dr. George F. Zakharia (collectively, the “Individual Guarantor”) pursuant to the terms of an Individual Guaranty Agreement, dated as of December 1, 2014 (the “Individual Guaranty Agreement”); and

WHEREAS, Section 15.1 of the Lease provides for the purchase of the Project by the Tenant upon the proper exercise of the Tenant’s option to purchase and the payment (pursuant to Section 15.2) to the Issuer of \$1,000; and

WHEREAS, all of the principal of and interest on the Bonds have been paid in full upon their respective maturity dates; and

WHEREAS, the Tenant has provided notice of its election to purchase the Project on or about May 22, 2025 (the “Closing Date”); and

WHEREAS, the Issuer finds it necessary to authorize the execution and delivery of (i) a Special Warranty Deed, (ii) Bill of Sale, (iii) Termination and Release of Lease, and (iv) Satisfaction, Release and Discharge of Indenture in connection with the exercise by the Tenant of its option to purchase the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ANDOVER, KANSAS, AS FOLLOWS:

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Lease and Indenture (as defined below).

Section 2. Sale of the Project. The Issuer is hereby authorized to convey the Project to the Tenant upon receipt by the Issuer of the \$1,000 to which it is entitled pursuant to Section 15.2 of the Lease. The Issuer hereby acknowledges proper notice of the Tenant’s exercise of its option to purchase the Project or otherwise waives any additional notice requirements under the Lease.

Section 3. Authorization of Special Warranty Deed. The Issuer is hereby authorized to execute and deliver its Special Warranty Deed (the “Special Warranty Deed”) for the real property portions of the Project to the Tenant, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the deed before the governing body on this date.

Section 4. Authorization of Bill of Sale. The Issuer is hereby authorized to execute and deliver its Bill of Sale (the “Bill of Sale”) for the personal property portions of the Project to the Tenant, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Bill of Sale before the governing body on this date.

Section 5. Authorization of Termination and Release of Lease. The Issuer is hereby authorized to execute and deliver a Termination and Release of Lease (the “Lease Termination”) by and between the Tenant, the Issuer and the Trustee, upon satisfaction of the conditions

contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Lease Termination before the governing body on this date.

**Section 6. Authorization of Satisfaction, Release and Discharge of Indenture.** The Issuer is hereby authorized to execute and deliver a Satisfaction, Release and Discharge of Indenture (the "Indenture Release") by and between the Issuer and the Trustee, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Indenture Release before the governing body on this date.

**Section 7. Execution of Documents.** The Mayor of the Issuer is hereby authorized and directed to execute the Special Warranty Deed, Bill of Sale, Lease Termination, and Indenture Release for and on behalf of and as the act and deed of the Issuer in substantially the forms as they are presented today with such minor corrections or amendments thereto as the Mayor of the governing body of the Issuer shall approve, which approval shall be evidenced by his execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Resolution. The City Clerk or any Deputy City Clerk of the Issuer are hereby authorized and directed to attest the execution of the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release, on behalf of the Issuer and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 8. Delivery of Documents.** The Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release shall be delivered by the Mayor, City Clerk or other appropriate staff member of the Issuer concurrently upon the satisfaction of the requirements set forth in the Lease and in Section 2 of this Resolution. Prior escrow delivery of the aforesaid documents may be made to Bond Counsel.

**Section 9. Further Authority.** The Issuer shall, and the officers, agents and employees of the Issuer are hereby authorized and directed to, take such action and execute such other documents, certificates and instruments as may be necessary or desirable to (i) carry out and comply with the provisions of this Resolution, (ii) carry out, comply with and perform the duties of the Issuer with respect to the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release (iii) cause the release and discharge of the Guaranty Agreements by the parties thereto, all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

**Section 10. Effective Date.** This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by the governing body of the City of Andover, Kansas this 13th day of May, 2025.

[seal]



CITY OF ANDOVER, KANSAS

By

Ronnie Price, Mayor

ATTEST:

By

Dana Engstrom, City Clerk

## EXCERPT OF MINUTES

The governing body of the City of Andover, Kansas met in regular session, at the normal meeting place in the City on May 13, 2025 at 7:00 p.m., with Mayor Ronnie Price presiding, and the following members of the governing body present: Tim Berry, Philip Hamilton, Michael Henry, Jodi Ocadiz, Mike Warrington, and Paul Wemmer.

and the following members absent: None

Thereupon, and among other business, there was presented to the governing body a Resolution entitled:

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF ANDOVER, KANSAS APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (I) A SPECIAL WARRANTY DEED, (II) A BILL OF SALE, (III) A TERMINATION AND RELEASE OF LEASE, AND (IV) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.**

Thereupon, the Resolution was considered and discussed; and on motion of Council President Henry, seconded by Council Member Ocadiz, the Resolution was adopted by a majority vote of all members present.

Thereupon, the Resolution having been adopted by a majority vote of the members of the governing body present, it was given No. 25-11 and was directed to be signed by the Mayor and attested by the City Clerk.

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CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of the Minutes of the proceedings at the May 13, 2025 meeting of the governing body of the City of Andover, Kansas.

[seal]



  
Dana Engstrom, City Clerk