

ORDINANCE NO. 2018-1758

AN ORDINANCE AUTHORIZING THE ISSUANCE OF HOSPITAL FACILITIES REVENUE REFUNDING BONDS (MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION), TAXABLE SERIES 2018 OF THE CITY OF MURRAY, KENTUCKY IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$15,000,000, THE PROCEEDS OF WHICH SHALL BE LOANED TO MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION, A KENTUCKY NONPROFIT CORPORATION, TO REFUND, ON AN INTERIM BASIS, THE OUTSTANDING HOSPITAL FACILITIES REVENUE BONDS (MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION PROJECT), SERIES 2010 THAT WERE ORIGINALLY ISSUED TO PAY FOR OF THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF CERTAIN HOSPITAL FACILITIES LOCATED WITHIN THE CITY OF MURRAY, KENTUCKY WHICH ARE SUITABLE FOR USE IN THE FURTHERANCE OF THE HEALTH CARE AND HEALTH RELATED PURPOSES OF MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION; FURTHER AUTHORIZING THE ISSUANCE OF HOSPITAL FACILITIES REVENUE REFUNDING BONDS (MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION), SERIES 2020 OF THE CITY OF MURRAY, KENTUCKY IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$15,000,000, THE PROCEEDS OF WHICH SHALL BE LOANED TO MURRAY-CALLOWAY COUNTY PUBLIC HOSPITAL CORPORATION FOR THE PURPOSE OF REFUNDING SAID TAXABLE SERIES 2018 BONDS; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF EACH SUCH SERIES OF BONDS; AUTHORIZING A SUPPLEMENTAL LOAN AGREEMENT AND SUPPLEMENTAL INDENTURE APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE SUCH BONDS; AUTHORIZING A BOND PURCHASE AGREEMENT, A TAX REGULATORY AGREEMENT; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF EACH SUCH SERIES OF BONDS.

WHEREAS, the City of Murray, Kentucky (the "Issuer"), by virtue of the laws of the Commonwealth of Kentucky (the "Commonwealth"), including Chapter 103 of the Kentucky Revised Statutes, is authorized and empowered among other things (a) to make a loan to assist in defraying the cost of the acquisition, construction, installation and equipping of an "industrial building", as defined in Section 103.200 of the Kentucky Revised Statutes, within the boundaries of the Issuer, (b) to issue and sell its revenue bonds to provide moneys for such loan and (c) to enact this Ordinance and execute and deliver the agreements and instruments hereinafter identified; and

WHEREAS, the Issuer previously issued its Hospital Facilities Revenue Bonds (Murray-Calloway County Public Hospital Corporation Project), Series 2010 (the "Prior Bonds") which financed the acquisition, construction, installation and equipping of health care and health related

facilities (the "Project") that are owned and operated by the Murray-Calloway County Public Hospital Corporation (the "Borrower"); and

WHEREAS, the Borrower, in order to achieve debt service savings with respect to the Prior Bonds, has requested that the Issuer refund the Prior Bonds through the issuance of its (i) approximately \$15,000,000 Hospital Facilities Revenue Refunding Bonds, Taxable Series 2018 (the "Taxable Series 2018 Bonds") and (ii) approximately \$15,000,000 Hospital Facilities Revenue Refunding Bonds, Series 2020 (the "Series 2020 Bonds" and together with the Taxable Series 2018 Bonds, the "Bonds") said Series 2020 Bonds to be issued to refund and redeem the Taxable Series 2018 Bonds, all under the provisions of the laws of the Commonwealth, particularly Chapter 103 of the Kentucky Revised Statutes (the "Act"); and

WHEREAS, Siemens Financial Services, Inc. (the "Taxable Purchaser"), submitted the best proposal for the purchase of the Taxable Series 2018 Bonds and Siemens Public, Inc. (the "Tax-Exempt Purchaser"), submitted the best proposal for the purchase of the Series 2020 Bonds; and

WHEREAS, this City Council (the "Issuing Authority"), at the time of issuance of the Prior Bonds, determined and does hereby confirm that the acquisition, construction, installation and equipping of the Project, is a project designed for use in furtherance of the health care and health related purposes of the Borrower which will promote the welfare of the people of the Commonwealth, promote reconversion to a peacetime economy, relieve conditions of unemployment, aid in the rehabilitation of returning veterans, encourage the increase of industry in the Commonwealth, promote the economic welfare of the people of the Issuer, create or preserve jobs and employment opportunities and assist in the development of industrial activities to the benefit of the people of the Issuer, and that the Issuer, by assisting with the refinancing of the Project through the issuance the Bonds will be acting in the manner consistent with and in furtherance of the provisions of the laws of the Commonwealth, including the Act;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF MURRAY, KENTUCKY, AS FOLLOWS:

Section 1. Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Third Supplemental Trust Indenture with respect to the Bonds (the "Supplemental Indenture") to be executed by the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

Any reference herein to the Issuer or the Issuing Authority, or to any officers or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof," "hereby," "hereto," "hereunder," and similar terms, mean this Ordinance.

Section 2. Determinations of Issuer. This Issuing Authority hereby finds, determines and declares that all statements of fact set forth in the preambles to this Ordinance are true and correct in all respects, and such preambles are incorporated into the body of this Ordinance by

reference as if set forth at length herein. Pursuant to the Act, this Issuing Authority hereby affirms that the Project is an “industrial building” as defined in the Act and is consistent with the provisions of Sections 103.200 to 103.285 of the Act; that such industrial building consists of an industrial building suitable for use as facilities related to or in furtherance of the healthcare and health related purposes of the Borrower, as set forth in Section 103.200(1)(c) of the Act; and that the refinancing of such industrial building is to be financed with the proceeds of the Bonds pursuant to the provisions of the Act.

Section 3. Authorization of Bonds. It is hereby determined to be necessary to, and the Issuer shall issue, sell and deliver, as provided herein and pursuant to the authority of the Act, (i) Hospital Facilities Revenue Refunding Bonds, Taxable Series 2018 (the “Taxable Series 2018 Bonds”) and (ii) Hospital Facilities Revenue Refunding Bonds, Series 2020 (the “Series 2020 Bonds”) and together with the Taxable Series 2018 Bonds, the “Bonds”). The Taxable Series 2018 Bonds are being issued to refund all the outstanding Hospital Facilities Revenue Bonds (Murray-Calloway County Public Hospital Corporation Project), Series 2010 (the “Prior Bonds”) and to pay related costs and the Series 2020 Bonds are being issued to refund all the Taxable Series 2018 Bonds outstanding at the time of the issuance of the Series 2020 Bonds and to pay related costs, all in accordance with the provisions of the Supplemental Loan Agreement (the “Supplemental Agreement”) to be executed by the Issuer and the Borrower. The maximum amount of Taxable Series 2018 Bonds to be issued is the amount required to refund the Prior Bonds and to pay related costs, such amount being approximately \$15,000,000. The maximum amount of Series 2020 Bonds to be issued is the amount required to refund the Taxable Series 2018 Bonds and to pay related costs, such amount being approximately \$15,000,000.

Section 4. Terms and Execution of the Bonds. The Bonds shall be issued in the forms and denominations, shall be numbered, dated and payable as provided in the Supplemental Indenture. The Bonds shall mature as provided in the Supplemental Indenture, and have such terms, bear such interest, and be subject to mandatory and optional redemption as provided in the Supplemental Indenture. This Issuing Authority hereby fixes and establishes the interest rate in effect from time to time on the Bonds in the manner and pursuant to the provisions of the Supplemental Indenture. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor and City Clerk. In case any officer whose signature or a facsimile thereof shall appear on the Bonds shall cease to be such officer before the issuance or delivery of the Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until after that time.

The forms of the Bonds shall comply with the provisions of the Supplemental Indenture, and are hereby approved, and when the same shall be executed on behalf of the Issuer by the appropriate officers thereof in the manner contemplated hereby and by the Supplemental Indenture, shall represent the approved forms of Bonds of the Issuer.

Section 5. Sale of the Bonds. In accordance with a written request, addressed to the Mayor from the Borrower, that the sale of the Bonds be made privately upon a negotiated basis, (i) the Taxable Series 2018 Bonds are hereby awarded to Siemens Financial Services, Inc. (the “Taxable Purchaser”), at the purchase price set forth, and on the terms and conditions described, in the Bond Purchase Agreement with respect to the Taxable Series 2018 Bonds (the “Taxable Bond Purchase Agreement”) among the Issuer, the Borrower and the Taxable Purchaser and (ii)

the Series 2020 Bonds are hereby awarded to Siemens Public, Inc. (the "Tax-Exempt Purchaser" and together with the Tax-Exempt Purchaser, collectively, the "Purchasers"), at the purchase price set forth, and on the terms and conditions described, in the Bond Purchase Agreements, as hereinafter defined with respect to the Series 2020 Bonds (the "Tax-Exempt Bond Purchase Agreement" and together with the Taxable Bond Purchase Agreement, collectively, the "Bond Purchase Agreements") to be executed by the Issuer, the Borrower and the Tax-Exempt Purchaser. The Mayor and City Clerk are authorized and directed to make, on behalf of the Issuer, the necessary arrangements to establish the date, location, procedure and conditions for the delivery of the Bonds to the respective Purchasers, and to take all steps necessary to effect due execution and delivery to the respective Purchasers of the related series of the Bonds (or temporary bonds delivered in lieu of definitive Bonds until their preparation and delivery can be effectuated) under the terms of this Ordinance, the Bond Purchase Agreements, the Supplemental Agreement and the Supplemental Indenture. It is hereby determined that the price for and the terms of the Bonds, and the sale thereof, all as provided in the aforesaid documents, are in the best interests of the Issuer and consistent with all legal requirements.

Section 6. Arbitrage Provisions. The Issuer will restrict the use of the proceeds of the Series 2020 Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Series 2020 Bonds are delivered to the Tax-Exempt Purchaser, so that they will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Mayor or any other officer having responsibility with respect to the issuance of the Series 2020 Bonds, is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, consultant or agent of the Issuer, to deliver one or more certificates for inclusion in the transcript of proceedings for the Series 2020 Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and regulations thereunder (collectively, the "Tax Regulatory Agreements").

Section 7. Authorization of Supplemental Agreement, Supplemental Indenture, Bond Purchase Agreements, Tax Regulatory Agreements, and All Other Documents to be Executed by the Issuer. In order to better secure the payment of the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable, the Mayor and City Clerk are authorized and directed to execute, acknowledge and deliver in the name and on behalf of the Issuer, the Supplemental Indenture, Supplemental Agreement, Tax Regulatory Agreements, and Bond Purchase Agreements, each in substantially the usual and customary form, which are hereby approved, with such changes therein not inconsistent with this Ordinance and not substantially adverse to the Issuer as may be permitted by the Act and approved by the officers executing the same on behalf of the Issuer. The approval of such changes by said officers, and that such are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of such Supplemental Indenture, Tax Regulatory Agreements, Supplemental Agreement and Bond Purchase Agreements by such officers.

The Mayor and City Clerk are each hereby separately authorized to take any and all actions and to execute such financing statements, assignments, certificates and other instruments that may be necessary or appropriate in the opinion of Dinsmore & Shohl, LLP, as Bond Counsel, in order to effect the issuance of the Bonds and the intent of this Ordinance. The City Clerk, or other appropriate officer of the Issuer, shall certify a true transcript of all proceedings

had with respect to the issuance of the Bonds, along with such information from the records of the Issuer as is necessary to determine the regularity and validity of the issuance of the Bonds.

In case the manual or facsimile signature of the Mayor or the City Clerk shall appear on any of the Supplemental Indenture, Supplemental Agreement, Tax Regulatory Agreements and Bond Purchase Agreements or any financing statement, assignment, certificate or other instrument executed in connection with the Bonds and the person occupying such office shall cease to be such officer before the delivery of any of the foregoing, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

Section 8. Covenants of Issuer. In addition to other covenants of the Issuer in this Ordinance, the Issuer further covenants and agrees as follows:

(a) Payment of Principal, Premium and Interest. The Issuer will, solely from the sources herein or in the Supplemental Indenture provided, pay or cause to be paid the principal of, premium, if any, and interest on each and all Bonds on the dates, at the places and in the manner provided herein, in the Supplemental Indenture and in the Bonds.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bonds, Supplemental Agreement, Tax Regulatory Agreements, Bond Purchase Agreements and Supplemental Indenture, and in all proceedings of the Issuer pertaining to the Bonds. The Issuer warrants and covenants that it is, and upon delivery of the Bonds will be, duly authorized by the laws of the Commonwealth, including particularly and without limitation the Act, to issue the Bonds and to execute the Supplemental Agreement, the Tax Regulatory Agreements, the Supplemental Indenture and the Bond Purchase Agreements, and all other documents to be executed by it, to provide for the security for payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent herein and in the Supplemental Indenture set forth; that all actions on its part for the issuance of the Bonds and execution and delivery of the Supplemental Agreement, the Tax Regulatory Agreements, the Supplemental Indenture, the Bond Purchase Agreements and all other documents to be executed by it in connection with the issuance of the Bonds, have been or will be duly and effectively taken; and that the Bonds will be valid and enforceable special obligations of the Issuer according to the terms thereof. Each provision of this Ordinance, the Supplemental Indenture, the Supplemental Agreement, the Tax Regulatory Agreements, the Bond Purchase Agreements and each Bond, and all other documents to be executed by the Issuer in connection with the issuance of the Bonds, is binding upon each officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; and each duty of the Issuer and of its officers and employees undertaken pursuant to such proceedings for the Bonds is established as a duty of the Issuer and of each such officer and employee having authority to perform such duty.

Section 9. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Ordinance, or in any Bond, or in the Supplemental Agreement, the Supplemental Indenture, the Tax Regulatory Agreements, or the Bond Purchase Agreements, or under any judgment obtained against the Issuer or by the enforcement of any

assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any officer as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to any holder of any Bond, or otherwise, of any sum that may be due and unpaid by the Issuer upon any of the Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Issuer or any receiver thereof, or for or to the owner or any holder of any Bond, or otherwise, of any sum that may remain due and unpaid upon any Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of the Supplemental Agreement, Supplemental Indenture, Bond Purchase Agreements, Tax Regulatory Agreements, and the issuance of the Bonds.

Section 10. No Debt or Tax Pledge. The Bonds do not constitute an indebtedness of the Issuer within the meaning of the Constitution of the Commonwealth. The Bonds shall be payable solely from the revenues and security interests pledged for their payment as provided in the Supplemental Indenture, and neither moneys raised by taxation nor any other general or special revenues of the Issuer shall be obligated or pledged for the payment of principal of, premium (if any) or interest on the Bonds.

Section 11. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 12. Open Meetings Law. This Issuing Authority hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this Issuing Authority, and that all deliberations of this Issuing Authority and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 13. Effective Date. This Ordinance shall be in full force and effect from and after its passage and publication of a summary hereof, as provided by law.

Introduced and read on the 24th day of May, 2018 followed by a second reading on the 14th day of June, 2018 and upon motion duly made and seconded, this ordinance was adopted.

Approved:

Mayor

Attest:

City Clerk

CERTIFICATE

I, City Clerk of the City of Murray, Calloway County, Kentucky, do hereby certify that the above is a true copy of Ordinance No. 2018-_____, as adopted by the City Council at a meeting held on June 14, 2018, whereat a quorum was present and voting, all as shown by the records of said City in my office.

SIGNED:

City Clerk

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