

**NEOSHO COUNTY COMMUNITY COLLEGE
BOARD OF TRUSTEES**

**SPECIAL BOARD MEETING
AGENDA**

**March 29, 2016 – 5:30 P.M.
Student Union – Room 209**

- I. Call to Order**
- II. Roll Call**
- III. Approval of the Agenda**
- IV. Reports**
 - A. President – Dr. Brian Inbody
- V. New Business**
 - A. Resolution 2016-10: 2010 Ottawa Campus Bond Refinancing
- VI. Adjournment**

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**SPECIAL BOARD MEETING
MINUTES**

**March 29, 2016 – 5:30 P.M.
Student Union – Room 209**

I. CALL TO ORDER

David Peter called the meeting to order at approximately 5:30 p.m. in Room 209 of the Student Union.

II. ROLL CALL

The following members were present in person: Kevin Berthot, Lori Kiblinger, David Peter, Dennis Peters, and Jenny Westerman. Charles Boaz was absent.

Also in attendance were Claudia Christiansen, Denise Gilmore, John Haas, Dr. Brian Inbody, Kent Pringle, Sarah Robb, Ben Smith, Sandi Solander, and The Chanute Tribune.

III. APPROVAL OF THE AGENDA

On motion by Dennis Peters and second by Lori Kiblinger the agenda was approved as printed.

VI. REPORTS

A. President – Dr. Brian Inbody reported that spring enrollment is down 5.6%, summer is down 7.4%, and fall is up 32.5%. He reported on the KBOR meeting he attended this week, the latest update on the technical education center in LaHarpe, and his meeting with Lynn Jenkins this morning in Garnett.

VII. NEW BUSINESS

A. 2010 Ottawa Campus Bond Refinancing

The College was recently contacted by John Haas, Ranson Financial Consultants, that there was an opportunity to take advantage of lower interest rates if the College refinanced the 2010 Ottawa Campus Bonds. The cost of refinancing the bonds varies with the manner selected by the Board to receive the savings, but estimated about \$91,000. The savings, however, after these fees are paid, will be in excess of \$121,000, depending on interest rates at the time of closing. The Board has the option of immediate savings, savings throughout the payback period, or savings at the end of the period.

Additionally, this will give NCCC the opportunity to transfer the debt and ownership of the building from the NCCC Foundation to the College proper. Currently the bond is carried not by the college, but by the NCCC Foundation who then leases the building to the college for the yearly price of the annual bond payment. This was done due to state statute that, at the time, forbid community colleges from owning property outside their home counties. That statute has since been repealed allowing NCCC to own the campus outright.

It was the president's recommendation that the College proceed with the Ottawa bond refinancing, that the Chief Financial Officer, Ranson Financial Consultants, LLC, Gilmore & Bell, P.C., and other officers and representatives of the College be authorized and directed to take such other action as may be necessary to carry out the public sale of such Series Certificates.

Resolution 2016-10

WHEREAS, the Board of Trustees of Neosho County Community College (the "College") has considered the need of the College and its residents to acquire by lease-purchase agreement an educational facility, of approximately 52,000 square feet, in the City of Ottawa, Kansas, for use by the College for its educational purposes (the "Improvements"), and, in connection therewith, to refinance certain outstanding Educational Facility Revenue Bonds, Series 2010, of the City of Ottawa, Kansas (the "Series 2010 Bonds") that financed such Improvements on behalf of the Neosho County Community College Foundation and the College, and have found and determined that such lease-purchase agreement and acquisition and refinancing of the Improvements is in the public interest; and

WHEREAS, pursuant to K.S.A. 71-201 and K.S.A. 10-1116c, the College has legal authority to authorize the execute and deliver a lease-purchase agreement for the Improvements and the financing of the same;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF NEOSHO COUNTY COMMUNITY COLLEGE;

Section 1. **Intent to Enter into Lease Purchase Agreement.** The Board of Trustees shall commence negotiations to enter into a lease-purchase agreement (the "Lease") to provide financing for the Improvements, and to provide for refinancing of the Series 2010 Bonds, which Lease shall contain such terms, conditions and provisions as shall be acceptable to the Board of Trustees.

Section 2. **Conditions to Execution and Delivery of Lease Purchase Agreement.** The execution and delivery of the Lease is subject to the publication and protest period requirements of K.S.A. 10-1116c, adoption and publication of a Resolution approving the forms and authorizing the execution of the Lease and execution and delivery of such legal documents as may be necessary in connection with it, the terms of which shall be satisfactory to the Board of Trustees and to the lessor named therein.

Section 3. **Total of Payments; Publication of Notice of Intent.** 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 \$5,667,375. The Secretary of the Board of Trustees 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. If a protest petition signed by not less than 5% of the qualified voters of the College, 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 the Resolution, the proposed Lease shall not take effect unless approved by a majority of the qualified voters of the College voting at an election to be held thereon as prescribed in K.S.A. 10-1116c.

Section 4. **Further Authority.** The officials of the College, the Purchaser, the College's attorney, 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 Board of Trustees.

Upon motion by Kevin Berthot and second by Dennis Peters the above resolution was approved unanimously.

VIII. Adjournment

On motion by Kevin Berthot and second by Dennis Peters the meeting adjourned at 6:05 pm.

Respectfully submitted,

David Peter, Board Chair

Denise L. Gilmore, Board Clerk