



AGENDA
PUBLIC BUILDING COMMISSION
March 18, 2019
6:30 P.M.

“Augusta – Where the metro’s edge meets the prairie’s serenity offering the perfect blend of opportunity and proximity for living, commerce and culture.”

A. CALL TO ORDER

B. NEW BUSINESS

1. RESOLUTION NO. 01-2019 AUTHORIZING ESCROW TRUST AGREEMENT TO FACILITATE BOND DEFEASANCE FOR COTTONWOOD POINT

Consider approval of Resolution No. 01-2019 authorizing the execution of an escrow trust agreement to provide for the payment of certain outstanding tax-exempt refunding revenue bonds, series 2010-a, of the city of Augusta, Kansas public building commission; and authorizing certain actions to be taken in conjunction therewith.

- a) Staff Report
- b) Motion/Vote**

C. ADJOURNMENT

PUBLIC BUILDING COMMISSION
FEBRUARY 28, 2019
6:00 P.M.

The Public Building Commission of the City of Augusta, Kansas met on February 28, 2019. The meeting was called to order by PBC President Tom Leffler. Members present were Cale Magruder, Eric Birk, Jamie Crum, Kip Richardson, Mike Rawlings and Ron Reavis. Commission members Paul Belt was absent. Also present were City Attorney Austin Parker, City Manager Josh Shaw, Assistant City Manager Cody Sims and City Clerk Erica Jones.

Minutes: Rawlings made a motion to approve the minutes from the January 21, 2019 meeting and Richardson seconded the motion. Motion carried without opposition.

New Business:

Subscription for Purchase of United States Treasury Time Deposit Securities – State and Local Government Series: Rawlings made a motion to authorize the Secretary of the Public Building Commission to sign documents authorizing bond counsel Gilmore & Bell to subscribe for purchase of United States Treasury Time Deposit Securities – State and Local Government Series in connection with defeasance of bonds issued by the City of Augusta related to projects at Cottonwood Point. Richardson seconded the motion. Motion carried without opposition.

Adjourn: At 6:12 p.m. Reavis made a motion to adjourn the meeting. Rawlings seconded the motion. Motion carried without opposition.

Mike Rawlings, Secretary

REQUEST FOR SPECIAL PUBLIC BUILDING COMMISSION MEETING

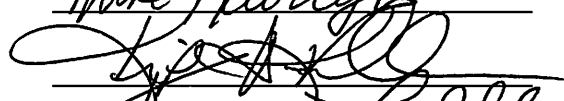
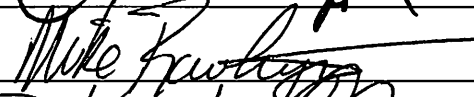
Augusta, Kansas

March 13, 2019

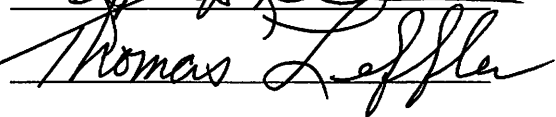
To Tom Leffler
President of the Public Building Commission of Augusta, Kansas

We, the undersigned, governing body members of the Public Building Commission of Augusta, Kansas hereby respectfully request you call a special meeting of the Public Building Commission at 6:30 p.m. March 18, 2019 at City Hall in order to discuss and approve documents related to the defeasance of the PBC Tax-Exempt Refunding Revenue Bonds, Series 2010-A.

Signed:



Tom Leffler



PBC/Governing Body Members



**CITY OF AUGUSTA
PUBLIC BUILDING COMMISSION
AGENDA REPORT**

Meeting Date: March 18, 2019
 Department: Administration
 Submitted By: Josh Shaw, City Manager
 Prepared By: Josh Shaw, City Manager
 Agenda Title: **Resolution No. 01-2019 Authorizing Escrow Trust Agreement to
 Facilitate Bond Defeasance For Cottonwood Point**

RECOMMENDED ACTION:

Approve Resolution No. 01-2019 Authorizing the Execution of an Escrow Trust Agreement to Provide for the Payment of Certain Outstanding Tax-Exempt Refunding Revenue Bonds, Series 2010-A, of the City of Augusta, Kansas Public Building Commission; and Authorizing Certain Actions to be Taken in Conjunction Therewith

BACKGROUND:

At the Public Building Commission (PBC) meeting held on January 21st, 2019, Cottonwood Point indicated that they were exploring a refinancing option of the outstanding Series 2010 refunding bonds that have about five years remaining. By refinancing with local banks, they will be able to pay off the City’s bonds and extend their payment term, but reduce their annual payment amounts for cash flow purposes. This would free up sizeable amounts of cash to address improvements and other operational needs.

At the most recent meeting held on February 28, 2019, the PBC authorized bond counsel to pursue SLGS securities in order to initiate the refinancing process. Staff and the City Attorney advised the PBC that once Cottonwood Point finalized their plans, additional actions would have to be taken to execute the refinancing. Attached for the PBC’s review and consideration is a resolution drafted by bond counsel authorizing an escrow agreement to pay the outstanding debt for the Series 2010-A bonds. As explained in the most recent PBC meeting, Cottonwood Point is trying to pay off the bonds about a year ahead of their scheduled redemption period, meaning that an escrow fund must be created to hold the money they provide to the City/PBC until the bonds formal redemption date.

Bond Counsel Kevin Cowan will be present at the meeting to answer any questions regarding this resolution, agreement, and appurtenant documents.

ANALYSIS:

After speaking with representatives from Cottonwood Point and bond counsel in the week leading up to the PBC meeting, adjustments were made to the attached agreements that provide a window of time until August 1st for Cottonwood Point to formally execute their financial plan. Cottonwood Point has raised a number of questions with the county appraiser regarding the impact to their tax exempt status of paying off the PBC bonds and plan to work with the Kansas Board of Tax Appeals (BOTA) over the next 90 days to verify that their tax exempt status will remain in place after the defeasance is executed. In recognition of this timeframe that will delay some of the financing changes, staff and bond counsel amended the resolution and agreements in your packet to allow the PBC to authorize the escrow trust agreement to move forward if Cottonwood Point completes their review activities by August 1st. If they do not meet this deadline, the PBC will have to meet at least one more time later in 2019 to revise and execute new agreements once the financing is able to proceed.

FISCAL IMPACT/FUNDING SOURCE:

N/A

Department Head Approval Date: 3/13/2019

City Manager Approval Date: 3/14/2019

City Attorney Approval Date:

Attachments (*list in packet assembly order*):

1. Request for Special PBC Meeting
2. Proposed ETA Resolution No. 01-2019
3. Escrow Trust Agreement
4. Escrow Agents Closing Certificate
5. Bond Counsel Opinion
6. Discharge of Indenture
7. Distribution List
8. Termination of Leases
9. Warranty Deed

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF THE
CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
HELD MARCH 18, 2019**

The City of Augusta, Kansas Public Building Commission (the "PBC") met at City Hall in the City of Augusta, Kansas, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The President declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ESCROW TRUST AGREEMENT TO PROVIDE FOR THE PAYMENT OF CERTAIN OUTSTANDING TAX-EXEMPT REFUNDING REVENUE BONDS, SERIES 2010-A, OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION; AND AUTHORIZING CERTAIN ACTIONS TO BE TAKEN IN CONJUNCTION THEREWITH.

Thereupon, Member _____ moved that said Resolution be adopted. The motion was seconded by Member _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the President declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. PBC __-2019 and was signed by the governing body and attested by the Secretary.

* * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

(SEAL)

Secretary

RESOLUTION NO. PBC __-2019

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ESCROW TRUST AGREEMENT TO PROVIDE FOR THE PAYMENT OF CERTAIN OUTSTANDING TAX-EXEMPT REFUNDING REVENUE BONDS, SERIES 2010-A, OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION; AND AUTHORIZING CERTAIN ACTIONS TO BE TAKEN IN CONJUNCTION THEREWITH.

WHEREAS, the City of Augusta, Kansas Public Building Commission (the “PBC”) has heretofore entered into a Trust Indenture, dated as of May 1, 2002 and a Supplemental Trust Indenture No. 1, dated as of November 18, 2010 (jointly, the “Bond Indenture”) authorizing the issuance of Tax-Exempt Refunding Revenue Bonds, Series 2010-A (the “Series 2010-A Bonds”) and setting forth the terms and details of the Series 2010-A Bonds; and

WHEREAS, the Bond Indenture provides that the covenants and requirements contained in the Bond Indenture and the rights of the Owners of the Series 2010-A Bonds under the Bond Indenture are terminated if sufficient funds are placed in an escrow fund comprised of cash or United States Government Obligations, or both, in accordance therewith; and

WHEREAS, the PBC will receive funds, or will direct funds, to provide for an escrow fund sufficient for payment of the Series 2010-A Bonds in accordance with the Bond Indenture; and

WHEREAS, it is deemed advisable to provide for the payment of the Series 2010-A Bonds as soon as possible by the execution of the Escrow Trust Agreement between the PBC and the Escrow Agent.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in the Bond Indenture, the following words and terms as used in this Resolution shall have the following meanings:

“**Bond Counsel**” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the PBC.

“**Bond Payment Date**” means any date on which principal of or interest on any Series 2010-A Bond is payable, including the Redemption Date.

“**City**” means the City of Augusta, Kansas.

“**Costs of Defeasance Fund**” means the City of Augusta, Kansas Public Building Commission Costs of Defeasance Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A.”.

“**Escrow Agent**” means The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, and its successors and assigns.

“**Escrow Fund**” means the “City of Augusta, Kansas Public Building Commission, Escrow Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A,” created herein.

“**Escrow Trust Agreement**” means the Escrow Trust Agreement relating to the Series 2010-A Bonds between the PBC and the Escrow Agent.

“**Escrowed Securities**” means the direct, noncallable United States Governmental Obligations, as described in the Escrow Agreement.

“**PBC**” means the City of Augusta, Kansas Public Building Commission.

“**President**” means the duly elected and acting President of the PBC or, in the President's absence, the duly appointed and/or elected Vice President or President Pro Tem of the PBC.

“**Redemption Date**” means April 1, 2020, the redemption date for the Series 2010-A Bonds that are being paid in advance of Stated Maturity.

“**Secretary**” means the duly appointed and acting Secretary of the PBC or, in the Secretary's absence, the duly appointed and/or elected Deputy Secretary or Acting Secretary of the PBC.

“**Series 2010-A Bonds**” means the PBC's Tax-Exempt Refunding Revenue Bonds, Series 2010-A, dated April 15, 2008.

“**State**” means the State of Kansas.

ARTICLE II

AUTHORIZATION OF ESCROW TRUST AGREEMENT

Section 201. Authorization of Escrow Trust Fund. There is hereby authorized to be created in the custody of the Escrow Agent, the “Escrow Fund” and the “Costs of Defeasance Fund.”

Section 202. Application of Moneys in the Escrow Fund and Costs of Defeasance Fund. Moneys in the Escrow Fund and the Costs of Defeasance Fund shall be administered in accordance with the provisions of the Escrow Trust Agreement. The form of the Escrow Trust Agreement presented to the governing body this date is hereby approved. The President and Secretary are hereby authorized to execute the Escrow Trust Agreement in substantially such form with such changes or modifications as are necessary to accomplish the purposes of this Resolution.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS

Section 301. Deposit and Application of Funds in Escrow Fund. Simultaneously with execution of the Escrow Trust Agreement, there shall be transferred to the Escrow Agent for deposit in the Escrow Fund, sufficient funds to provide for the Debt Service Requirements on the Outstanding Series 2010-A Bonds on each Bond Payment Date, including the Redemption Date, and for deposit in the Costs of Defeasance Fund to provide for payment of costs associated with the establishment of the Escrow Trust Agreement. Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in Bond Indenture and the Escrow Agreement.

ARTICLE IV

REDEMPTION OF BONDS

Section 401. Redemption of Bonds. The Outstanding Series 2010-A Bonds, becoming due on in the years 2021 and thereafter, are hereby called for redemption and payment prior to maturity on the Redemption Date. Said Series 2010-A Bonds shall be redeemed in accordance with the Bond Indenture by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to such Redemption Date. The officers of the PBC and the Paying Agent are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of said portion of Series 2010-A Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 501. Severability. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. In case any covenant, stipulation, obligation or agreement contained in this Resolution shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the PBC to the full extent permitted by law.

Section 502. Further Authority. Prior to August 1, 2019, the officers of the PBC, including the President and Secretary, shall be, and they hereby are, authorized and directed to (a) execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution and (b) to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 503. Governing Law. This Resolution shall be governed exclusively by and constructed in accordance with the applicable laws of the State.

Section 504. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body, and the documents, actions, authorizations and approvals shall continue to be effective, so long as the same are accomplished and exercised before August 1, 2019.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

ADOPTED by the governing body of the City of Augusta, Kansas Public Building Commission, on March 18, 2019.

(Seal)

President

ATTEST:

Secretary

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of the Resolution No. PBC__-2019 (the "Resolution") of the City of Augusta, Kansas Public Building Commission, adopted by the governing body on March 18, 2019 as the same appears of record in my office, and that said Resolution has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: March 18, 2019.

Secretary

ESCROW TRUST AGREEMENT

BETWEEN

CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Escrow Agent

DATED AS OF [DATE NOT LATER THAN JULY 31], 2019

Entered in Connection with the Defeasance of

\$980,000

TAX-EXEMPT REFUNDING REVENUE BONDS

SERIES 2010-A

ESCROW TRUST AGREEMENT

THIS ESCROW TRUST AGREEMENT, dated as of [DATE NOT LATER THAN JULY 31,] 2019, by and between the **City of Augusta, Kansas Public Building Commission**, a municipal corporation organized and existing under the laws of the State of Kansas (the “Issuer”), and **The Bank of New York Mellon Trust Company, N.A.**, a national banking association with its corporate trust office located in Chicago, Illinois, and having full trust powers, as Escrow Agent (the “Escrow Agent”).

WITNESSETH:

WHEREAS, the Issuer has heretofore duly authorized and issued the Defeased Bonds; and

WHEREAS, the Defeased Bonds will mature (or will be subject to redemption prior to maturity in accordance with *Schedule 3* attached hereto) and will have interest payable in the amounts and at the times shown on *Schedule 1* attached hereto; and

WHEREAS, pursuant to the Resolution, the Issuer authorized the transfer of certain funds to the Escrow Trustee, which funds, with investment earnings thereon, will be sufficient to pay the principal of, and interest on the Defeased Bonds including the purchase of non-callable direct obligations of the United States of America described in *Schedule 2* attached hereto.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Definitions. In addition to the definitions contained in the Resolution, the following words and terms used in this Escrow Agreement shall have the following meanings, unless the context or use indicates another or different meaning:

“**Agreement**” means this Escrow Trust Agreement.

“**Bond Counsel**” means the firm of Gilmore & Bell, P.C., Wichita, Kansas, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the Issuer.

“**Bond Payment Date**” means any date on which any principal of, or interest on, any of the Defeased Bonds is due and payable, including the Redemption Date.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Costs of Defeasance Fund**” means the fund by that name created in *Section 3* of this Agreement.

“**Defeased Bond Indenture**” means jointly, the Original Indenture and Supplemental Indenture No. 1, of the Issuer authorizing issuance of the Series 2010-A Bonds.

“**Defeased Bonds**” means the \$980,000 aggregate principal amount of the Series 2010-A Bonds, scheduled to mature in the years 2020 to 2022, inclusive, as more fully described in the Verification Report attached hereto.

“Escrow Agent” means The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois and its successor or successors at the time acting as the Escrow Agent under this Agreement.

“Escrow Fund” means the fund by that name created in *Section 3* of this Agreement.

“Escrowed Securities” means the direct non-callable obligations of the United States of America listed on *Schedule 2* attached hereto, and any Substitute Escrowed Securities.

“Issuer” means City of Augusta, Kansas Public Building Commission.

“Original Indenture” means the Trust Indenture, dated as of May 1, 2002, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as Trustee.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., the paying agent for the Defeased Bonds as designated in Supplemental Indenture No. 1, and any successor or successors at the time acting as paying agent for any of the Defeased Bonds.

“Redemption Date” means April 1, 2020.

“Resolution” means Resolution No. PBC ___-2019 of the Issuer authorizing execution of this Agreement.

“Series 2010-A Bonds” means the Issuer's Tax-Exempt Refunding Revenue Bonds, Series 2010-A, dated November 18, 2010, and currently Outstanding in an aggregate principal amount of \$980,000.

“Substitute Escrowed Securities” means non-callable direct obligations of the United States of America, which have been acquired by the Escrow Agent and substituted for Escrowed Securities in accordance with *Section 8* of this Agreement.

“Supplemental Indenture No. 1” means the Supplemental Trust Indenture No. 1, dated November 18, 2010, between the Issuer and The Bank of New York Mellon Trust Company, N.A., which supplemented the Original Indenture and provided for the issuance of the Defeased Bonds.

2. Receipt of Bond Resolution. Receipt of an executed counterpart of the Resolution and a true and correct copy of the Defeased Bond Indenture is hereby acknowledged by the Escrow Agent, and reference herein to, or citation herein of, any provision of said documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if they were fully set forth herein.

3. Creation of the Escrow Fund and Costs of Defeasance Fund. There are hereby created and established with the Escrow Agent special, irrevocable and separate trust funds to be held in the custody of the Escrow Agent and designated as the “City of Augusta, Kansas Public Building Commission Escrow Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A,” and “City of Augusta, Kansas Public Building Commission Costs of Defeasance Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A.

4. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement, and pursuant to the provisions of the Resolution, the Issuer herewith deposits with the Escrow

Agent, and the Escrow Agent acknowledges receipt and deposit of, funds in the amount of \$_____. The Escrow Agent shall apply such amount as follows:

(a) \$_____ shall be used to purchase the Escrowed Securities described in *Schedule 2* hereto, which shall be delivered to and deposited in the Escrow Fund.

(b) \$_____ shall be held uninvested in the Escrow Fund as a beginning balance.

6. Creation of Lien. The Escrow Fund shall be irrevocable. The owners of the Defeased Bonds are hereby granted an express lien on, and security interest in, the Escrowed Securities and the cash in the Escrow Fund and all earnings thereon until used and applied in accordance with this Agreement. The matured principal of, and earnings on, the Escrowed Securities and any cash in the Escrow Fund are hereby pledged and assigned, and shall be applied solely for the payment of the principal of and interest on the Defeased Bonds.

7. Application of Cash and Escrowed Securities in the Escrow Fund.

(a) Except as otherwise expressly provided in this Section or in *Section 8* hereof, the Escrow Agent shall have no power or duty to invest any money held hereunder or to sell transfer or otherwise dispose of any Escrowed Securities.

(b) On or prior to each Bond Payment Date, the Escrow Agent shall withdraw from the Escrow Fund an amount equal to the principal of and interest on the Defeased Bonds becoming due and payable on such Bond Payment Date, as set forth in *Schedule 1* and *Schedule 3* attached hereto, and the principal on the Defeased Bonds becoming due on the Redemption Date as set forth on *Schedule 1* and *Schedule 3* attached hereto, and shall forward such amount to the offices of the respective Paying Agent(s), so that immediately available funds will reach the offices of the Paying Agent(s) on or before 12:00 Noon, Central time on such Bond Payment Date and the Redemption Date. In order to make the payments required by this *subsection (b)*, the Escrow Agent is hereby authorized to redeem or otherwise dispose of Escrowed Securities in accordance with the maturity schedules in *Schedule 2* attached hereto. The liability of the Escrow Agent to make the payments required by this subsection (b) shall be limited to the money and Escrowed Securities in the Escrow Fund.

(c) Upon the payment in full of the principal of and interest on the Defeased Bonds on the Redemption Date, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred to the Issuer, for transfer to Cottonwood Point, Inc. within 30 days.

(d) After the transfers described in *subsection (b)* above, cash balances in excess of \$1,000 remaining in the Escrow Fund from redemption of SLGS shall, to the extent required or permitted by applicable Treasury Regulations and to the extent that such securities are then available for purchase, be invested by the Escrow Agent in SLGS, maturing on or prior to the next interest Bond Payment Date on the Defeased Bonds, at the rate of 0.00%, in accordance with the provisions of *Schedule 2* attached hereto.

8. Substitute Escrowed Securities.

(a) In the event that any of the Escrowed Securities are not available for delivery on the date of the issuance of the Bonds, the Escrow Agent is directed to accept substitute securities in lieu thereof,

provided: (1) the substitute securities are non-callable direct obligations of the United States of America, (2) the maturing principal of and interest on such substitute securities (excluding any interest after any optional call date) is equal to or greater than the maturity value of such unavailable Escrowed Securities, (3) principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities, and (4) the Issuer directs the Escrow Agent in writing to make such substitution, and Bond Counsel approves such substitution in writing. If the original Escrowed Securities become available and are tendered to the Escrow Agent, the Escrow Agent shall accept such Escrowed Securities, shall return the substitute securities to the provider and shall notify Bond Counsel and the Issuer of the transaction.

(b) At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, request the redemption of or otherwise dispose of the Escrowed Securities and to substitute for the Escrowed Securities solely cash or Substitute Escrowed Securities. The Escrow Agent shall purchase such Substitute Escrowed Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Escrowed Securities together with any other funds available for such purpose. The substitution may be effected only if: (1) the substitution of the Substitute Escrowed Securities for the original Escrowed Securities occurs simultaneously; (2) the Escrow Agent shall receive from an independent certified public accountant acceptable to the Escrow Agent in its reasonable judgment a certification, satisfactory in form and substance to the Escrow Agent, to the effect that after such substitution (A) the principal of and interest on the Escrowed Securities to be held in the Escrow Fund after the substitution (including Substitute Escrowed Securities to be acquired), together with any other money to be held in the Escrow Fund after such transaction, will be sufficient to pay all remaining principal of and interest on the Defeased Bonds pursuant to *Schedule 1* and *Schedule 3* hereto, and (B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Paying Agent(s) for the Defeased Bonds will not be diminished or postponed thereby; and (3) the Escrow Agent shall receive a written opinion of Bond Counsel to the effect that such substitution would not cause the interest on the Defeased Bonds to become included in gross income for purposes of federal income taxation under then existing law. In the event that any such substitution results in cash held in the Escrow Fund in excess of the cash required for the certification of an independent certified public accountant referred to in this subsection (b) (as evidenced by such certification), the Escrow Agent shall, at the request of the Issuer, withdraw such excess from the Escrow Fund and pay such excess to the Issuer, for transfer to Cottonwood Point, Inc. within 30 days provided that, in the written opinion of Bond Counsel delivered to the Escrow Agent, such withdrawal and application will not be contrary to State law and will not cause the interest on the Defeased Bonds to become included in gross income for purposes of federal income taxation.

9. Redemption of Defeased Bonds. The Escrow Agent acknowledges that (a) the Issuer has notified the Escrow Agent that the Issuer has elected to call the Defeased Bonds described in *Schedule 3* hereto for redemption and payment prior to maturity, on the Redemption Date, in accordance with the Defeased Bond Indenture and (b) the Issuer has directed the Escrow Agent to notify the Paying Agent not less than 45 days and not more than 90 days prior to each Redemption Date of such call for redemption so that the Paying Agent may cause notice of the call for redemption and payment of the Defeased Bonds to be given on behalf of the Issuer in the manner provided in the Defeased Bond Indenture. The Escrow Agent agrees to give notice of said redemption, in substantially the form of *Exhibit A* attached hereto, on behalf of the Issuer. The Escrow Agent is further directed by the Issuer to give additional notice of defeasance in substantially the form of *Exhibit B* attached hereto, to the Paying Agent and to Piper Jaffray & Co., the original purchaser of the Series 2010-A Bonds. Notice shall also be given to certain repositories in order to comply with the provisions of Rule 15c2-12 of the Securities and Exchange Commission in substantially the form of *Exhibit C* attached hereto; provided however, that

the Escrow Agent shall not have any liability to any party in connection with any failure to timely file such notice of optional redemption with any repository, including the Municipal Securities Rulemaking Board via its Electronic Municipal Marketplace Access system, and the sole remedy available shall be an action by the holders of the Defeased bonds in mandamus for specific performance or similar remedy to compel performance. Additional notice is for convenience in facilitating said redemption and defeasance; failure to give such notice as aforesaid, or any defect therein, shall not affect the validity of any proceedings for the redemption and defeasance of the Defeased Bonds.

10. Reports of the Escrow Agent. As long as any of the Defeased Bonds, together with the interest thereon, have not been paid in full, the Escrow Agent shall, at least sixty (60) days prior to each Bond Payment Date and the Redemption Date, determine the amount of money which will be available in the Escrow Fund to pay the principal of and interest on the Defeased Bonds on the next Bond Payment Date or Redemption Date. In the event that funds are not sufficient to make the required payments on such Bond Payment Date or Redemption Date, the Escrow Agent shall certify in writing to the Issuer (a) the amount so determined and (b) a list of the moneys and Escrowed Securities held by the Escrow Agent in the Escrow Fund on the date of such certification, including all moneys held by it which were received as interest or profit from Escrowed Securities.

11. Liability of Escrow Agent. Notwithstanding any provision contained herein to the contrary, the Escrow Agent, including its officers, directors, employees and agents, shall:

(a) not be liable for any action taken or omitted under this Agreement so long as it shall have acted in good faith and without gross negligence;

(b) be protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons;

(c) not be required to risk, use or advance its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder; and

(d) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care.

(e) not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on, or right of set-off with respect to, any of the moneys or Escrowed Securities on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(f) not be liable for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and moneys to pay the Defeased Bonds. So long as the Escrow Agent applies the Escrowed Securities and moneys held in the Escrow Fund as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Defeased Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from, and proximate to, its failure to comply fully with the terms of this Agreement.

- (g) not be responsible for any action or failure to take action on the part of the Paying Agent.

In the event of the Escrow Agent's failure to account for any of the Escrowed Securities or moneys received by it, said Escrowed Securities or moneys shall be and remain the property of the Issuer in trust for the Owners of the Defeased Bonds and if, for any reason, such Escrowed Securities or moneys are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

12. Fees and Costs. The aggregate amount of the costs, fees and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement and in carrying out any of the duties, terms or provisions of this Agreement is a one-time fee in the amount of \$500, which amount shall be paid from money on deposit in the Costs of Defeasance Fund established hereby. Notwithstanding the preceding sentence, the Escrow Agent shall be entitled to reimbursement from the Issuer of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement. Claims for such reimbursement may be made to the Issuer and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

In addition to the amount set forth in *Section 5* hereof, the Escrow Agent shall receive the sum of \$5,500 for deposit into the Costs of Defeasance Fund hereby created with the Escrow Agent. The Escrow Agent shall pay from such Fund costs associated with this Agreement and defeasance of the Defeased Bonds, including the aforementioned Escrow Agent and Paying Agent fees, in an aggregate sum of not to exceed \$5,500. An estimated schedule of such expenses is attached hereto as *Schedule 5*. The Escrow Agent is authorized to pay such costs based on receipt of invoices or statements in amounts not in excess of those estimated on *Schedule 5*. In the event invoices are received in excess of the estimated amounts set forth on *Schedule 5*, such amounts may not be paid without additional approval of the Issuer. Any funds on deposit in the Costs of Defeasance Fund not needed to pay such expenses shall be returned to the Issuer by not later than September 1, 2019, and thereafter transferred within 30 days to Cottonwood Point, Inc.

13. Resignation or Removal of Escrow Agent; Successor Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from its duties and responsibilities hereby created by giving written notice by registered or certified mail to the Issuer and the Paying Agent(s) (who shall cause notice to be given to the Owners of the Defeased Bonds) not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the acceptance of the Issuer of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the Issuer, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the Issuer and signed by the owners of a majority in principal amount of the Defeased Bonds then outstanding; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to all Owners of such Defeased Bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the Issuer if the Escrow Agent fails to make timely payment on any Bond Payment Date or the Redemption Date to the Paying Agent(s) of the amounts required to be paid by it on such Bond Payment Date or

Redemption Date by *Section 7(b)* of this Agreement; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to the Paying Agent(s) and to all Owners of such Defeased Bonds, who are not parties to such instruments. Any removal pursuant to this paragraph shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the Issuer, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

If the Escrow Agent shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, the Issuer shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the Issuer in the manner above provided, and any such temporary Escrow Agent so appointed by the Issuer shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by the Issuer pursuant to the foregoing provisions of this Section within 60 days after written notice of resignation of the Escrow Agent has been given to the Issuer or instrument of removal has been delivered to the Escrow Agent, the Owner of any of the Defeased Bonds or any retiring or removed Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers authorized to do business in the State of Kansas (as required by K.S.A. 10-116a *et seq.*, as amended), and organized under the banking laws of the United States or the State of Kansas and shall have at the time of appointment capital and surplus of not less than \$10,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent without any further act, deed or conveyance shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the Issuer, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver all securities and money held by it to its successor. Should any transfer, assignment or instrument in writing from the Issuer be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it may be a party, shall, if satisfactory to the

Issuer, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

14. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the Owners from time to time of the Defeased Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such Owners, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such Owners, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the Owners of the Defeased Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such Owners or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified written opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Defeased Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

15. Indemnification. The Issuer hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and hold harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Fund established hereunder, the acceptance of the moneys and securities deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this *Section 15*. The indemnities contained in this *Section 15* shall survive the termination of this Agreement.

The Escrow Agent and its respective successors, assigns, agents, directors, officers, employees and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof or any payment, transfer or other application of the moneys or securities held by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel who may or may not be counsel to the Issuer, and in reliance upon the opinion of such counsel shall have full and complete authorization and

protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer.

16. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Bond Resolution or this Agreement to be given to or filed with the Issuer or the Escrow Agent if the same shall be duly mailed by certified mail addressed:

(a) To the Issuer at:

City of Augusta, Kansas Public Building Commission
113 E. 6th
Augusta, Kansas
Attention: Secretary

(b) To the Escrow Agent at:

The Bank of New York Mellon Trust Company, N.A.
2 North LaSalle Street, Suite 700
Chicago, Illinois 60602
Attention: Corporate Trust Department

(c) To the Paying Agent(s) at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235

17. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made.

18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained, and shall in no way affect the validity of the remaining provisions of this Agreement.

19. Successors and Assigns. All of the covenants, promises and agreements in this Agreement contained by or on behalf of the Issuer or by or on behalf of the Escrow Agent shall be binding upon, and inure to the benefit of, their respective successors and assigns, whether or not so expressed.

20. Governing Law. This Agreement shall be governed by, and be construed in accordance with, the laws of the State of Kansas.

21. Headings. Any headings preceding the text of the several Sections hereof or marginal notes appended to copies hereof, shall be solely for convenience of reference, and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

22. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded, for all purposes, as one original, and shall constitute and be but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials, and their corporate seals to be hereunder affixed and attested as of the date first above written.

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION**

By _____
Title: President

ATTEST:

Title: Secretary

**THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.,
as Escrow Agent**

By _____
Title: Vice President

**SCHEDULE 1
TO ESCROW TRUST AGREEMENT**

BOND PAYMENT SCHEDULES

**Tax-Exempt Refunding Revenue Bonds
Series 2010-A, Dated November 18, 2010**

| <u>Bond Payment Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Payment</u> |
|-------------------------------------|-------------------------|------------------------|---------------------------------|
| 10/1/2019 | | 15,925.00 | 15,925.00 |
| 4/1/2020 | 325,000 | 15,925.00 | 340,925.00 |
| 10/1/2019 | | 10,846.88 | 10,846.88 |
| 4/1/2021 | 330,000 | 10,846.88 | 340,846.88 |
| 10/1/2019 | | 5,484.38 | 5,484.38 |
| 4/1/2022 | 325,000 | 5,484.38 | 330,484.38 |

**SCHEDULE 2
TO ESCROW TRUST AGREEMENT**

SCHEDULE OF ESCROWED SECURITIES [(SLGS)]

| <u>Type of Security</u> | <u>Rate</u> | <u>Maturity Date</u> | <u>Maturity Value</u> | <u>Purchase Price</u> | <u>CUSIP No.</u> |
|--------------------------------|--------------------|-----------------------------|------------------------------|------------------------------|-------------------------|
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |
| SLGS | | | | | |

**SCHEDULE 3
TO ESCROW TRUST AGREEMENT**

REDEMPTION OF BONDS

The following maturities of the Defeased Bonds will be called for redemption and payment, prior to maturity, on the respective redemption dates and at the respective redemption prices shown below:

| Series to be <u>Redeemed</u> | Redemption <u>Date</u> | Maturities to be <u>Redeemed</u> | Principal to be <u>Redeemed</u> | Redemption <u>Price</u> |
|---|-----------------------------------|---|--|------------------------------------|
| Series 2010-A | April 1, 2020 | 2021-2022 | \$980,000 | 100% |

**SCHEDULE 4
TO ESCROW TRUST AGREEMENT**

SUMMARY OF ESCROW FUND TRANSACTIONS

| <u>Date</u> | <u>Escrow Receipts</u> \$ | <u>Escrow Disbursements</u> \$ | <u>Balance</u> \$ |
|-------------|----------------------------------|---------------------------------------|----------------------|
|-------------|----------------------------------|---------------------------------------|----------------------|

**SCHEDULE 5
TO ESCROW TRUST AGREEMENT**

ESTIMATED COSTS OF DEFEASANCE

| <i>Recipient</i> | <i>Purpose</i> | <i>Amount</i> |
|--|-----------------------------------|----------------|
| The Bank of New York Mellon Trust Company, N.A. | Escrow Agent | \$500 |
| Gilmore & Bell, P.C. | Legal Fees and Defeasance Opinion | <u>5,000</u> |
| | TOTAL | <u>\$5,500</u> |

EXHIBIT A

Treasurer of the State of Kansas
Landon State Office Bldg.
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235

Piper Jaffray & Co.
11635 Rosewood Street
Leawood, Kansas 66211

RE:

CALL FOR REDEMPTION

**CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
TAX-EXEMPT REFUNDING REVENUE BONDS
SERIES 2010-A, DATED NOVEMBER 18, 2010**

Notice is hereby given pursuant to K.S.A. 10-129, as amended, and pursuant to the provisions of Article III Trust Indenture dated as of May 1, 2002 as amended and supplemented by a Supplemental Trust Indenture No. 1 dated as of November 18, 2010 (the "Bond Indenture") between the City of Augusta, Kansas Public Building Commission (the "Issuer") and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), that the above mentioned bonds described in the attached Notice of Call for Redemption (the "Called Bonds"), have been irrevocably called for redemption and payment on April 1, 2020, subject to the availability of funds therefor.

The Paying Agent is hereby requested to disseminate the attached Notice of Call for Redemption in accordance with K.S.A. 10-129 and the Bond Indenture. After redemption of the Called Bonds the Paying Agent is requested to complete the attached Paying Agent's Certification and forward a copy of same to the undersigned.

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION**

By _____
The Bank of New York Mellon Trust Company, N.A.,
as Escrow Agent

NOTICE OF CALL FOR REDEMPTION

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION
TAX-EXEMPT REFUNDING REVENUE BONDS
SERIES 2010-A, DATED NOVEMBER 18, 2010**

Notice is hereby given to the registered owners of the above-captioned bonds (the "Bonds") that pursuant to the provisions of Article III of the Trust Indenture dated as of May 1, 2002 as amended and supplemented by a Supplemental Trust Indenture No. 1 dated as of November 18, 2010 (the "Bond Indenture") between the City of Augusta, Kansas Public Building Commission (the "Issuer") and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), that the Bonds maturing April 1, 2021, and thereafter (the "Called Bonds"), have been called for redemption and payment on April 1, 2020 (the "Redemption Date"), at the designated office of the Bank of New York Mellon Trust Company, N.A. (the "Bond Registrar and Paying Agent").

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Cusip No.</u> |
|---------------------------------|------------------------------------|---------------------------------|-----------------------------|
| April 1, 2021 | \$330,000 | 3.250% | 051358AZ2 |
| April 1, 2022 | 325,000 | 3.375% | 051358BA6 |

On the Redemption Date there shall become due and payable, upon the presentation and surrender of each such Called Bond, the redemption price thereof equal to 100% of the principal amount thereof together with interest accrued to the Redemption Date. Interest shall cease to accrue on the Called Bonds so called for redemption from and after the Redemption Date provided such funds for redemption are on deposit with the Paying Agent.

Neither the Issuer nor the Paying Agent shall be responsible for the selection or use of the CUSIP identification numbers shown above or printed on any of the Called Bonds. Said CUSIP identification numbers are included solely for the convenience of the owners of the Bonds.

Under the provisions of the Interest and Dividend Tax Compliance Act of 1983, as amended and codified at Section 3406(a)(I) of the Internal Revenue Code of 1986, paying agents making payments of interest or principal on corporate securities or making payments of principal on municipal securities may be obligated to withhold a 31 percent tax from remittances to individuals who have failed to furnish the Paying Agent with a valid taxpayer identification number. Registered Owners of the Bonds who wish to avoid the imposition of the tax should submit certified taxpayer identification numbers when presenting the Called Bonds for payment.

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION**

By _____
The Bank of New York Mellon Trust Company, N.A.,
as Paying Agent

This Notice of Redemption shall be mailed by certified mail to The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, and the Treasurer of the State of Kansas, Topeka, Kansas, not less than 45 days prior to the Redemption Date and to Piper Jaffray & Co., the original purchaser of the Series 2010-A Bonds, not less than 30 days prior to the Redemption Date. Notice shall also be given to certain repositories in order to comply with the provisions of Rule 15c2-12 of the Securities and Exchange Commission. Notice may also be given in accordance with guidelines set forth in Securities and Exchange Commission Release No. 34-23856, but such notice is not required by law. The Paying Agent shall notify the registered owners of the Called Bonds as provided in K.S.A. 10-129 as amended, and the Bond Indenture.

EXHIBIT B

NOTICE OF DEFEASANCE OF BONDS

**CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
TAX-EXEMPT REFUNDING REVENUE BONDS
SERIES 2010-A, DATED NOVEMBER 18, 2010**

Notice is hereby given that the City of Augusta, Kansas Public Building Commission and The Bank of New York Mellon Trust Company, N.A. have entered into a certain Escrow Trust Agreement dated as of [DATE NOT LATER THAN JULY 31], 2019, which provides that the above mentioned bonds maturing April 1, 2020 and thereafter (the "Defeased Bonds"), and the interest accruing thereon, have been defeased to their respective maturities. An Escrow Fund has been established to provide for payment of the principal of and interest on the Defeased Bonds as the same shall become due and payable. The Escrow Fund is irrevocable and the owners of the Defeased Bonds are granted an express lien on, and security interest in, the direct non-callable obligations of the United States of America and the cash in the Escrow Fund and all earnings thereon.

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION**

By The Bank of New York Mellon Trust Company, N.A.,
 as Escrow Agent

This Notice of Defeasance shall be mailed by first class mail to The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois and the Treasurer of the State of Kansas, Topeka, Kansas, and to Piper Jaffray & Co., the original purchaser of the Series 2010-A Bonds not more than 60 days after [DATE NOT LATER THAN JULY 31], 2019. Notice shall also be given to certain repositories in order to comply with the provisions of Rule 15c2-12 of the Securities and Exchange Commission. Notice may also be given in accordance with guidelines set forth in Securities and Exchange Commission Release No. 34-23856, but such notice is not required by law.

EXHIBIT C

EVENT NOTICE PURSUANT TO SEC RULE 15C2-12(B)(5)(C)

TO: The Municipal Securities Rulemaking Board via the Electronic Municipal Market Access system for municipal securities disclosures (www.emma.msrb.org)

Issuer/Obligated Person: City of Augusta, Kansas Public Building Commission (the “Obligated Person”)

Issue(s) to which this Report Relates and CUSIP Base Numbers for said Issues:

| Description | Series | Dated Date | Maturities | CUSIP Nos. |
|------------------------------------|---------------|-------------------|------------|---------------------------------------|
| Tax-Exempt Refunding Revenue Bonds | Series 2010-A | November 18, 2010 | 2020-2022 | 051358AY5; 051358AZ2; 051358BA6 |

Event Reported: Defeasance of the above-referenced Bonds on [DATE NOT LATER THAN JULY 31], 2019; see attached *Exhibit A*.

The information contained in this Notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Notice is, or should be construed as, a representation by the Obligated Person that the information included in this Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.

For additional information, contact:

City of Augusta, Kansas Public Building Commission
113 E. 6th
P.O. Box 489
Augusta, Kansas 67010
Attention: Secretary
Phone No. (316) 775-4510
Fax No. (316) 775-4566

CITY OF AUGUSTA, KANSAS

Date Submitted: _____

By The Bank of New York Mellon Trust Company, N.A.,
as Escrow Agent

Enclosure

cc: Erica Jones, City Clerk
Piper Jaffray & Co., original purchaser

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF THE
CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
HELD MARCH 18, 2019**

The City of Augusta, Kansas Public Building Commission (the "PBC") met at City Hall in the City of Augusta, Kansas, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The President declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ESCROW TRUST AGREEMENT TO PROVIDE FOR THE PAYMENT OF CERTAIN OUTSTANDING TAX-EXEMPT REFUNDING REVENUE BONDS, SERIES 2010-A, OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION; AND AUTHORIZING CERTAIN ACTIONS TO BE TAKEN IN CONJUNCTION THEREWITH.

Thereupon, Member _____ moved that said Resolution be adopted. The motion was seconded by Member _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: _____.

Nay: _____.

Thereupon, the President declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. PBC __-2019 and was signed by the governing body and attested by the Secretary.

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

(SEAL)

Secretary

RESOLUTION NO. PBC __-2019

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ESCROW TRUST AGREEMENT TO PROVIDE FOR THE PAYMENT OF CERTAIN OUTSTANDING TAX-EXEMPT REFUNDING REVENUE BONDS, SERIES 2010-A, OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION; AND AUTHORIZING CERTAIN ACTIONS TO BE TAKEN IN CONJUNCTION THEREWITH.

WHEREAS, the City of Augusta, Kansas Public Building Commission (the “PBC”) has heretofore entered into a Trust Indenture, dated as of May 1, 2002 and a Supplemental Trust Indenture No. 1, dated as of November 18, 2010 (jointly, the “Bond Indenture”) authorizing the issuance of Tax-Exempt Refunding Revenue Bonds, Series 2010-A (the “Series 2010-A Bonds”) and setting forth the terms and details of the Series 2010-A Bonds; and

WHEREAS, the Bond Indenture provides that the covenants and requirements contained in the Bond Indenture and the rights of the Owners of the Series 2010-A Bonds under the Bond Indenture are terminated if sufficient funds are placed in an escrow fund comprised of cash or United States Government Obligations, or both, in accordance therewith; and

WHEREAS, the PBC will receive funds, or will direct funds, to provide for an escrow fund sufficient for payment of the Series 2010-A Bonds in accordance with the Bond Indenture; and

WHEREAS, it is deemed advisable to provide for the payment of the Series 2010-A Bonds as soon as possible by the execution of the Escrow Trust Agreement between the PBC and the Escrow Agent.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in the Bond Indenture, the following words and terms as used in this Resolution shall have the following meanings:

“**Bond Counsel**” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the PBC.

“**Bond Payment Date**” means any date on which principal of or interest on any Series 2010-A Bond is payable, including the Redemption Date.

“**City**” means the City of Augusta, Kansas.

“**Costs of Defeasance Fund**” means the City of Augusta, Kansas Public Building Commission Costs of Defeasance Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A.”.

“**Escrow Agent**” means The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, and its successors and assigns.

“**Escrow Fund**” means the “City of Augusta, Kansas Public Building Commission, Escrow Fund for Tax-Exempt Refunding Revenue Bonds, Series 2010-A,” created herein.

“**Escrow Trust Agreement**” means the Escrow Trust Agreement relating to the Series 2010-A Bonds between the PBC and the Escrow Agent.

“**Escrowed Securities**” means the direct, noncallable United States Governmental Obligations, as described in the Escrow Agreement.

“**PBC**” means the City of Augusta, Kansas Public Building Commission.

“**President**” means the duly elected and acting President of the PBC or, in the President's absence, the duly appointed and/or elected Vice President or President Pro Tem of the PBC.

“**Redemption Date**” means April 1, 2020, the redemption date for the Series 2010-A Bonds that are being paid in advance of Stated Maturity.

“**Secretary**” means the duly appointed and acting Secretary of the PBC or, in the Secretary's absence, the duly appointed and/or elected Deputy Secretary or Acting Secretary of the PBC.

“**Series 2010-A Bonds**” means the PBC's Tax-Exempt Refunding Revenue Bonds, Series 2010-A, dated April 15, 2008, and currently Outstanding in an aggregate principal amount of \$1,295,000.

“**State**” means the State of Kansas.

ARTICLE II

AUTHORIZATION OF ESCROW TRUST AGREEMENT

Section 201. Authorization of Escrow Trust Fund. There is hereby authorized to be created in the custody of the Escrow Agent, the “Escrow Fund” and the “Costs of Defeasance Fund.”

Section 202. Application of Moneys in the Escrow Fund and Costs of Defeasance Fund. Moneys in the Escrow Fund and the Costs of Defeasance Fund shall be administered in accordance with the provisions of the Escrow Trust Agreement. The form of the Escrow Trust Agreement presented to the governing body this date is hereby approved. The President and Secretary are hereby authorized to execute the Escrow Trust Agreement in substantially such form with such changes or modifications as are necessary to accomplish the purposes of this Resolution.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS

Section 301. Deposit and Application of Funds in Escrow Fund. Simultaneously with execution of the Escrow Trust Agreement, there shall be transferred to the Escrow Agent for deposit in the Escrow Fund, sufficient funds to provide for the Debt Service Requirements on the Outstanding Series 2010-A Bonds on each Bond Payment Date, including the Redemption Date, and for deposit in the costs of Defeasance Fund to provide for payment of costs associated with the establishment of the Escrow Trust Agreement (\$_____). Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in Bond Indenture and the Escrow Agreement.

ARTICLE IV

REDEMPTION OF BONDS

Section 401. Redemption of Bonds. The Outstanding Series 2010-A Bonds, becoming due on in the years 2021 and thereafter, are hereby called for redemption and payment prior to maturity on the Redemption Date. Said Series 2010-A Bonds shall be redeemed in accordance with the Bond Indenture by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to such Redemption Date. The officers of the PBC and the Paying Agent are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of said portion of Series 2010-A Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 501. Severability. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. In case any covenant, stipulation, obligation or agreement contained in this Resolution shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the PBC to the full extent permitted by law.

Section 502. Further Authority. The officers of the PBC, including the President and Secretary, shall be, and they hereby are, authorized and directed to (a) execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Resolution and (b) to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 503. Governing Law. This Resolution shall be governed exclusively by and constructed in accordance with the applicable laws of the State.

Section 504. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body.

ADOPTED by the governing body of the City of Augusta, Kansas Public Building Commission, on March 18, 2019.

(Seal)

President

ATTEST:

Secretary

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of the Resolution No. PBC__-2019 (the "Resolution") of the City of Augusta, Kansas Public Building Commission, adopted by the governing body on March 18, 2019 as the same appears of record in my office, and that said Resolution has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: March 18, 2019.

Secretary

ESCROW AGENT'S CLOSING CERTIFICATE
ESCROW TRUST AGREEMENT
BETWEEN
THE CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
AND
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
DATED MARCH 25, 2019

The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as escrow agent (the "Escrow Agent") under the Escrow Trust Agreement dated as of March 25, 2019 (the "Agreement"), between the Escrow Agent and the City of Augusta, Kansas Public Building Commission (the "Issuer"), in connection with the defeasance of the Issuer's Tax-Exempt Refunding Revenue Bonds, Series 2010-A (the "Bonds"), does hereby certify as follows:

1. Power and Authority of Escrow Agent. The Escrow Agent is a national banking association duly organized and existing under the laws of the United States of America, is authorized and empowered to execute and deliver the Agreement and has full power and authority to act as Escrow Agent as provided in the Agreement.

2. Execution of Escrow Agreement. The Agreement has been duly executed on behalf of the Escrow Agent, by a duly authorized officer, who was at the time of the execution of the Agreement, and is now, the duly elected or appointed, qualified and acting incumbent of his or her respective office, and duly authorized to perform the acts referred to in this paragraph.

3. Deposit of Cash and Escrowed Securities. The Escrow Agent, in accordance with the requirements of the Agreement, has received the cash and Escrowed Securities as described in the Agreement, and deposited said cash and Escrowed Securities in the Escrow Fund and the Costs of Defeasance Fund created by the Agreement.

DATED: March 25, 2019.

THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.,
as Escrow Agent

By: _____
Title: Vice President



One Main Place - 100 North Main, Suite 800
Wichita, Kansas 67202-1311

(316) 267-2091 / (316) 262-6523 FAX / gilmorebell.com

March 25, 2019

Governing Body
City of Augusta, Kansas
Public Building Commission

The Bank of New York Mellon
Trust Company, N.A.
Chicago, Illinois

Re: City of Augusta, Kansas Public Building Commission Tax-Exempt Refunding
Revenue Bonds, Series 2010-A (the "Defeased Bonds")

We have acted as Special Counsel in connection with a certain Escrow Trust Agreement relating to the Defeased Bonds, dated March 25, 2019 (the "Agreement") between City of Augusta, Kansas Public Building Commission (the "PBC" or the "Issuer") and The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois (the "Trustee" and "Escrow Agent"), relating to the Defeased Bonds. The Defeased Bonds were issued pursuant to a Trust Indenture dated as of May 1, 2002, and a Supplemental Trust Indenture No. 1, dated as of November 18, 2010, between the Issuer and the Trustee (jointly, the "Bond Indenture"). The Agreement was authorized pursuant to Resolution PBC __-2019 of the Issuer (the "Escrow Resolution"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Bond Indenture and Agreement.

We have examined originals or copies, certified or otherwise authenticated to our satisfaction, of the following:

- (a) The Bond Indenture.
- (b) The Escrow Resolution
- (c) The Agreement.
- (d) Such other documents, proceedings and instruments and related matters of law as we have deemed necessary or advisable for the purpose of this opinion.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Agreement has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer, enforceable against the Issuer, subject as to enforcement of remedies to any applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights heretofore or hereafter enacted to the extent applicable and subject to the exercise of judicial discretion in appropriate cases.

2. All conditions precedent to the satisfaction, discharge and defeasance of the Defeased Bonds contained in the Bond Indenture have been complied with, the Defeased Bonds are deemed to be paid and discharged under the Bond Indenture and the requirements contained in the Bond Indenture and all other rights granted thereby have ceased and terminated with respect to the Defeased Bonds in accordance with the provisions thereof.

3. The discharge and defeasance of the Defeased Bonds will not cause the interest on the Defeased Bonds to become included in gross income for federal income tax purposes.

This opinion is delivered to you for your use only pursuant to the Bond Indenture, and it may not be used or relied upon by, or published or communicated to, any third party for any purpose whatsoever without our prior written approval in each instance.

KMC:daa

DISCHARGE OF TRUST INDENTURE

WHEREAS, City of Augusta, Kansas Public Building Commission (the "Issuer") and The Bank of New York Mellon Trust Company, N.A., a banking association organized under the laws of the United States of America (the "Trustee"), have heretofore entered into a certain Trust Indenture, dated as of May 1, 2002 as amended and supplemented by a Supplemental Trust Indenture No. 1, dated November 18, 2010 (jointly, the "Trust Indenture"), in connection with the issuance by the Issuer of its Tax-Exempt Refunding Revenue Bonds, Series 2010-A, dated November 18, 2010 (the "Series 2010-A Bonds"); and

WHEREAS, Sections 1101 and 1102 of the Trust Indenture specify the conditions of discharge and release of the Trust Indenture, and upon satisfaction of such conditions of discharge and release, requires the Trustee to execute, acknowledge and deliver to the Issuer such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and satisfaction; and

WHEREAS, the conditions of satisfaction and discharge as enumerated in Sections 1101 and 1102 of the Trust Indenture have been met to satisfaction of the Trustee;

THEREFORE, the Trustee hereby certifies:

(i) that the principal of, premium, if any, and interest due and payable upon the Series 2010-A Bonds outstanding have been paid, or such payment has been provided for in accordance with Sections 1101 and 1102 of the Trust Indenture; and

(ii) all other conditions of satisfaction and discharge of the Trust Indenture, including provision being made for paying all other sums payable under such indenture, including the payment of the fees and expenses of the Bond Trustee to the date of retirement of the Series 2010-A Bonds have been met.

FURTHER, the Trust Indenture, and the lien thereof upon any property pledged thereunder to secure payment of the Series 2010-A Bonds, is hereby discharged and released and the termination of any UCC financing statements or other security documents is hereby authorized.

THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.,
CHICAGO, ILLINOIS

By: _____
Title: Vice President

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss.
COUNTY OF LAKE)

This instrument was acknowledged before me on March 25, 2019 by Robert W. Hardy, as Vice President, The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States of America.

[SEAL]

Notary Public

My Appointment expires: _____

**CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION
 ESCROW DEFEASANCE OF
 REFUNDING REVENUE BONDS, SERIES 2010-A
 (COTTONWOOD POINT, INC.)**

DISTRIBUTION LIST

| ISSUER | TRUSTEE & PAYING AGENT |
|--|---|
| <p>CITY OF AUGUSTA, KANSAS PUBLIC BUILDING COMMISSION 113 E. 6th, P.O. Box 489 Augusta, Kansas 67010 Telephone: (316) 775-4510 Fax: (316) 775-4566</p> <p>Joshua Shaw, City Manager E-mail: jshaw@augustagov.org</p> <p>Cody Sims, Assistant City Manager E-mail: csims@augustagov.org</p> <p>Erica Jones, Clerk/Finance Director E-mail: ejones@augustagov.org</p> <p>Austin Parker, Legal Counsel E-mail: austinkparker3@gmail.com</p> | <p>BNY MELLON 2 N. LaSalle St., 7th Fl. Chicago, IL 60602</p> <p>Cindy Reis, Account Officer Vice President I PNF Senior Client Service Mgr Telephone: (312) 827-1358 Fax: (312) 827-8542 Email: cynthia.reis@bnymellon.com</p> <p>BNY MELLON TRUST COMPANY, N.A. 2 N. LaSalle St., 7th Fl. Chicago, IL 60602</p> <p>Robert W. Hardy Vice President and Senior Transaction Manager Telephone: (312) 827-8627 Fax: (312) 827-8522 Email: robert.hardy@bnymellon.com</p> <p>BNY MELLON 10161 Centurion Parkway, Ste 200 Jacksonville, FL 32256</p> <p>Lori-Ann Soriano, Vice President Telephone: (904) 998-4707 Email: lori.t.soriano@bnymellon.com</p> |
| <p style="text-align: center;">BOND COUNSEL</p> <p>GILMORE & BELL, P.C. 100 N. Main, Suite 800 Wichita, Kansas 67202 Telephone: (316) 267-2091 Fax: (316) 262-6523</p> <p>Kevin Cowan, Esq. E-mail: kcowan@gilmorebell.com</p> <p>Dawn Albrecht, Legal Assistant E-mail: dalbrecht@gilmorebell.com</p> | <p style="text-align: center;">SUBTENANT</p> <p>COTTONWOOD POINT, INC. 100 Cottonwood Point Lane Augusta, Kansas 67010 Telephone: (316) 775-0368</p> <p>Ms. Carmen Montague, Director Mr. Bob Hirschfeld, President E-Mail: cottonwoodpoint@sbcglobal.net</p> |
| <p style="text-align: center;">SUBTENANT BANK</p> <p>COMMUNITY NATIONAL BANK & TRUST 645 State Street Augusta, Kansas 67010 Telephone: (316) 775-6068 Fax: 316-775-6097</p> <p>Mr. Eric Grooms, President E-Mail: Eric.Grooms@communitynational.net</p> | <p style="text-align: center;">SUBTENANT</p> <p>COTTONWOOD POINT, INC. 100 Cottonwood Point Lane Augusta, Kansas 67010 Telephone: (316) 775-0368</p> <p>Ms. Carmen Montague, Director Mr. Bob Hirschfeld, President E-Mail: cottonwoodpoint@sbcglobal.net</p> |

Email distribution to: jshaw@augustagov.org; csims@augustagov.org; ejones@augustagov.org; austinkparker3@gmail.com; cottonwoodpoint@sbcglobal.net; Cynthia.reis@bnymellon.com; Robert.hardy@bnymellon.com; lori.t.soriano@bnymellon.com; kcowan@gilmorebell.com; dalbrecht@gilmorebell.com; cottonwoodpoint@sbcglobal.net; Eric.Grooms@communitynational.net

TERMINATION OF LEASES

WHEREAS, the City of Augusta, Kansas Public Building Commission (the "PBC") has heretofore entered into a Lease With Option to Purchase dated as of May 1, 2002 (the "Original Lease") by and between the PBC, as lessor, and the City of Augusta, Kansas (the "City"), as lessee, notice of which is recorded in Book 1061 at page 86 in the office of the Butler County, Kansas Register of Deeds; and entered into a Supplemental Lease With Option to Purchase No. 1 dated as of November 18, 2010 (the "Supplemental Lease," and, with the Original Lease, jointly, the "Lease") by and between the same parties, notice of which is recorded in Book 2012 at page 3606 in the office of the Butler County, Kansas Register of Deeds; ; and

WHEREAS, the City and Cottonwood Point, Inc. have heretofore entered into a Sublease, dated as of May 1, 2002, as amended and supplemented by a Supplemental Sublease No. 1, dated as of November 18, 2010 (jointly, the "Sublease"); and

WHEREAS, the PBC has provided for the redemption and defeasance of its Tax-Exempt Refunding Revenue Bonds, Series 2010-A, dated November 18, 2010 (the "Bonds") issued in connection with the Lease; and

WHEREAS, The Bank of New York Mellon Trust Company, N.A. (the "Trustee") has received sufficient funds to satisfy the City's obligations under the Lease; and

THEREFORE, the property described in the attached *Schedule I* is hereby released from any claim of the PBC, the Trustee and the City under the Lease and Sublease.

Effective the ____ day of [MONTH NOT LATER THAN JULY], 2019.

**CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION**

[SEAL]

By: _____
Tom Leffler, President

ATTEST:

By: _____
Mike Rawlings, Secretary

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF BUTLER)

This instrument was acknowledged before me this ___day of [MONTH NOT LATER THAN JULY], 2019, by Tom Leffler, President of the City of Augusta, Kansas Public Building Commission and Mike Rawlings, Secretary of the City of Augusta, Kansas Public Building Commission.

(Seal)

Notary Public

My Appointment Expires:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By: _____
Vice President

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

This instrument was acknowledged before me on [DATE NOT LATER THAN JULY 31,] 2019 by Robert W. Hardy, as Vice President, The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, a national banking association organized under the laws of the United States of America.

[SEAL]

Notary Public

My Appointment expires:

SCHEDULE I

TERMINATION OF LEASES

LEGAL DESCRIPTION

COTTONWOOD POINT, INC.

- (a) The following described real estate in Butler County, Kansas:

FINAL PLANNED UNIT DEVELOPMENT (PUD), COTTONWOOD POINT, an Addition to Augusta, in Butler County, Kansas, part of the Northeast Quarter of the Southeast Quarter of Section Numbered 15, Township Numbered 27 South, Range Numbered 4 East of the 6th p.m., in Butler County, Kansas.

- (b) All buildings, additions, improvements, machinery and equipment now constructed, located or installed on the site, together with any substitutions or replacements therefor, the property described in paragraphs (a) and (b) together constituting the Project as referred to in the Indenture and Lease.

A Real Estate Sales Questionnaire is not required because this deed is made solely for the purpose of securing or releasing security for a debt or other obligation. See K.S.A. 79-1437e(a)(2).

WARRANTY DEED
(Kansas Statutory Form)

The City of Augusta, Kansas Public Building Commission, a municipal corporation, Grantor,

CONVEYS AND WARRANTS TO

Cottonwood Point, Inc., a Kansas corporation, the following described real estate in Butler County, Kansas:

FINAL PLANNED UNIT DEVELOPMENT (PUD), COTTONWOOD POINT, an Addition to Augusta, in Butler County, Kansas, part of the Northeast Quarter of the Southeast Quarter of Section Numbered 15, Township Numbered 27 South, Range Numbered 4 East of the 6th p.m., in Butler County, Kansas.

for the sum of \$10.00 and other good and valuable consideration;

EXCEPT AND SUBJECT TO: easements and rights-of-way of record.

Effective the ___ day of [MONTH NOT LATER THAN JULY], 2019.

Attest:

CITY OF AUGUSTA, KANSAS
PUBLIC BUILDING COMMISSION

By: _____
Tom Leffler, President

Mike Rawlings, Secretary

STATE OF KANSAS)
) SS:
COUNTY OF BUTLER)

This instrument was acknowledged before me on the ___ day of [MONTH NOT LATER THAN JULY], 2019 by Tom Leffler, President of the City of Augusta, Kansas Public Building Commission.

[NOTARY SEAL]

Notary Public

My Appointment Expires: _____

Typed or Printed Name of Notary Public