

## RESOLUTION NO. 2004-009

### A RESOLUTION APPROVING A LEASE FOR THE FINANCING OF LANDFILL IMPROVEMENTS BY HARDIN COUNTY FISCAL COURT AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO SUCH LEASE

WHEREAS, the governing body of the Hardin County Fiscal Court (the "Lessee") has the power, pursuant to Section 65.940 et seq. of the Kentucky Revised Statutes to enter into lease agreements with or without the option to purchase in order to provide for the use of property for public purposes;

WHEREAS, the governing body of the Lessee (the "Hardin County Fiscal Court") has previously determined, and hereby further determines, that the Lessee is in need of the Property, as defined in the Lease hereinafter described;

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interests of the Lessee that the Lessee and the Kentucky Association of Counties Leasing Trust (the "Lessor") for the leasing by the Lessee from the Lessor \$1,500,000.00 for Landfill construction project.

NOW THEREFORE, BE IT ORDERED AND RESOLVED BY THE **Hardin County Fiscal Court**:

Section 1. Recitals & Authorization. The Lessee hereby approves the Lease Agreement (the "Lease") and all Collateral Documents, as defined in the Lease, each in substantially the form presented to this Governing Body. It is hereby found and determined that the Project identified in the Lease is public property to be used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the Lessee to enter into the Lease for the purposes therein specified, and the execution and delivery of the Lease and all representations, certifications and other matters contained in the Closing Memorandum with respect to the Lease, or as may be required by the Lessor prior to delivery of the Lease, are hereby approved, ratified and confirmed. The Judge/Executive and Clerk of the Lessee are hereby authorized to execute the Lease, together with such other agreements or certifications, which may be necessary to accomplish the transaction contemplated by the Lease.

Section 2. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 3. Sunshine Law. This Governing Body hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Governing Body, and that all deliberations of this Governing Body and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

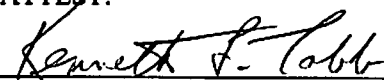
Section 4. Conflicts. All resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed and the provisions of this Resolution shall prevail and be given effect.

Section 5. Effective Date. This Resolution shall take effect from and after its passage, as provided by law.

INTRODUCED, SECONDED AND ADOPTED, at a duly convened Fiscal Court Meeting of the Governing Body, held on 23 February 2004, signed by the County Judge/Executive of the Lessee, attested by the County Clerk, filed and indexed as provided by law.

By:   
Harry L. Berry, Hardin County Judge/Executive

ATTEST:

  
Kenneth L. Tabb, Hardin County Clerk

Kentucky Association of Counties Leasing Trust Program

(CoLT)

380 Kings Daughters Drive, Frankfort, Kentucky 40601, Phone 1-800-777-1524

LEASE APPLICATION

Part I – County Applicant Information

1. Applicant Name: HARDIN COUNTY FISCAL COURT

2. Mailing Address: P. O. BOX 568, ELIZABETHTOWN, KY 42702-0568

3. E-Mail Address: carolynr.hcgo@hcky.org Employer ID# 61-6000756

4. Telephone Number: (270) 765-2350 FAX Number: (270) 737-5590

5. Contact Person(s): Carolyn K. Ritchie Hardin County Treasurer

6. Name, Address, Telephone & Facsimile  
and E-mail address of Applicants Attorney

Ken Howard

P O Box 884

Elizabethtown, KY 42702-0884

(270) 765-6726 fax (270) 737-0087

hcao@hcky.org

7. Date of Most Recent PVA Assessment of Real and Personal Property in the  
County: 2003

Net Assessed Value of All Real Property in the County: \$ 3,385,835,538.00

8. Has your County issued any bonds within the last 18 months? YES (x)  
(If yes, provide on a separate sheet the amount of Bonds, Issue Date, NO ( )  
Project Description, Bond Rating and the Rating Agency.)

9. Does the County have any bonds or leases this Calendar year?

YES ( ) NO (x)

( If yes, on a separate sheet of paper we need the date, amount and purpose)

10. Will any of this lease be paid by AOC or any other governmental  
Agency?

YES ( )

NO (x)

**PART I - COUNTY APPLICANT INFORMATION ( continued)**

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Applicant: HARDIN COUNTY FISCAL COURT

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Please attach explanations for any "YES" answers to the following questions

11. Will any proceeds from this lease be used directly or indirectly in the business of a person other than a state or local government unit? YES ( )  
NO (xx)
12. Will property used or to be used in a private business be pledged as security for this lease? YES ( )  
NO (xx)
13. Will payments made with respect to property or borrowed money used or to be used in a private business be used in making lease payments? YES ( )  
NO (xx)
14. Will lease proceeds be loaned directly or indirectly to nongovernmental persons or used by such persons for purposes unrelated to the Project? YES ( )  
NO (xx)
15. Will the Project be used for purposes other than performance of one or more lawful governmental functions of the Applicant? YES ( )  
NO (xx)
16. Has the Applicant defaulted in the payment of any obligation on which it was or is the primary obligor? YES ( )  
NO (xx)
17. Has the Applicant ever applied to the State Local Finance Officer for Approval to issue bonds? YES (xx)  
NO ( )
18. What is the useful life of this Project: Entire Landfill 54 Years  
Will the term of this lease exceed the useful economic life of the Project to be funded with this lease? YES ( )  
NO (xx)
19. Is the Project covered by this lease necessary for the provision of the essential and ongoing services by your County? YES (xx)  
NO ( )
20. Does the County have any outstanding financial obligations in the form of loans, bonds, notes, equipment leases or payments to Public Properties Corporation? (If yes, provide on separate sheet for each Obligation the initial principal amount of the obligation, total amount To be paid during current fiscal year and principal amount outstanding At the beginning of current fiscal year.) YES (xx)  
NO ( )

**PART I - COUNTY APPLICANT INFORMATION (continued)**

Page 3

APPLICANT: HARDIN COUNTY FISCAL COURT

20. Does the County intend to use any other Budget Fund other than the General Fund to pay for this debt? ( i.e. Road Fund, Jail Fund, etc.) If so, which fund.

Yes, Solid Waste Funds

21. Estimated growth rate for the next 5 years (based on past history and expected future changes):

	<u>Total Budget Revenues</u>	<u>Total Budget Expenditures</u>
Year 1:	<u>2</u> %	<u>2</u> %
Year 2:	<u>3</u> %	<u>3</u> %
Year 3:	<u>3</u> %	<u>3</u> %
Year 4:	<u>3</u> %	<u>3</u> %
Year 5:	<u>4</u> %	<u>4</u> %

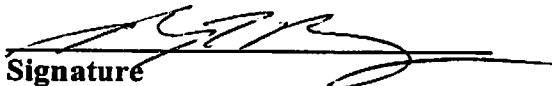
Also, as part of the application, please include copies of the following:

- 1) Audit Reports for Fiscal Year ending in 1998, 1999, 2000, 2001 and 2002. (Please send unbound copies, do not send original bound copies.)
- 2) ~~Fourth Quarter report for Fiscal Year 2002-2003 as submitted to the Department of Local Government or Annual Audit Report if available.~~
- 3) ~~Budget for Fiscal Year 2003-2004~~

2003 Audit  
needed

Certification

I, Harry L. Berry, do hereby certify that the information contained in this lease application is complete and accurate, that Applicant will voluntarily provide CoLT with any updates to this information should any changes occur, and that Applicant will provide any additional information that may be requested by CoLT for purposes of processing this lease.



Signature

Harry L. Berry

Name

Hardin County Judge/Executive

Title

## Kentucky Association of Counties Leasing Trust Program (CoLT)

P.O. Box 4207 Frankfort, Kentucky 40604-4207 Phone 1-800-777-1524

### LEASE APPLICATION (continued)

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#### Part II - Construction Lease Information

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1. Anticipated Lease Term: 60 months
2. Preferred Financing Type:  Fixed Rate  Variable Rate
3. Project Breakdown (List major cost components for this project, e.g. construction, renovation, professional fees, land or equipment acquisition, etc., or attach Engineer/Architect Cost Estimate or Feasibility Study.)

Component #	Description	Cost
	Expansion of Landfill - Cell 2B	\$2,400,000.00
	Total Project Cost (All Components):	\$2,400,000.00
	Total Amount Requested from CoLT:	\$1,500,000.00

4. If Total Project Cost is not being requested from CoLT, please provide the following:

Source of Additional Funds	Amount	Status of Funding
Solid Waste Fund	\$900,000.00	Paid from Solid Waste Fund so far

**Part II - Construction Lease Information** (continued)

Applicant: Hardin County Fiscal Court

5. Will land, buildings or real estate be Acquired as part of this Component?

Yes ( ) No (X)

Will currently owned land, buildings or real estate be used in this Component?

Yes (X) No ( )

If yes to either question, please supply the following information about the property:

County: Hardin Deed Book: 777 Page: 262

Street Address: 1620 Audubon Trace  
Elizabethtown, KY 42701

General Description:  
(legal description not needed)

The Hardin County Landfill is an approved contained landfill by the State of Kentucky and meets all Federal EPA requirements. After all permits are obtained the expected life of this facility will exceed fifty (50) years.

Encumbrances (if none, so state): Bond issues  
KACO

**Harry L. Berry**  
**Hardin County Judge/Executive**

**Steve W. Smith**  
**Deputy Judge/Executive**

**Carolyn K. Ritchie**  
**County Treasurer**



**P.O. Box 568**  
**Elizabethtown, KY 42702-0568**  
**Office: (270) 765-2350 • Fax: (270) 737-5590**  
**Email: hcgo@hcky.org**

**Magistrates:**  
**Bill Brandenburg**  
**Tom Jagers**  
**Bill Hay**  
**John Wiseman**  
**Garry King**  
**Roy Easter**  
**Douglas H. Goodman**  
**Phillip Crady**

February 23, 2004

Mr. Gene Kiser  
State Local Debt Officer  
Second Floor, Capital Center Complex  
1024 Capital Center Drive  
Frankfort, KY 40601

**REFERENCE:** Notification of Intent to Lease

Dear Mr. Kiser:

Please accept this correspondence and enclosures as Hardin County Fiscal Court's Notification of Intent to lease pursuant to KRS 65.944. A Public Hearing on this matter was held on Monday, February 23, 2004 at 3:30 p.m.

1. Lessee: Hardin County Fiscal Court  
Attn: Harry L. Berry, Hardin County Judge/Executive  
P O Box 568  
Elizabethtown, Kentucky 42702-0568
2. Purpose: To cover construction expenses for the expansion of Hardin County Contained Landfill in the amount of 1.5 million dollars.
3. Terms of Lease Agreement:
  - (A) Kentucky Association of Counties Leasing Trust  
P. O. Box 4207  
Frankfort, KY 40604-4207
  - (B) Closing date will be as soon as possible after a favorable decision by the State Local Debt Officer.
  - (C) Lease amount is not to exceed \$1,500,000.00
  - (D) Interest rate will be a fixed rate, set at closing.
  - (E) Lease prepayment is available.

4. Sources of lease payments:

- (A) Lease requires monthly interest payments due on 20<sup>th</sup> of each month until lease is paid in full, and on an annual principal payments.
- (B) Under the proposed arrangement, the County will use the Solid Waste (Landfill) Fund excess revenues to apply to the lease rental payments.

5. Actual bids were not sought, but through a review of available funding sources, CoLT was selected as the best source of funds.

6. Attachments:

- (A) Pro forms lease with Hardin County Fiscal Court
- (B) Certification from Hardin County Fiscal Court
- (C) Adopted Resolution No. 2004-009 by Hardin County Fiscal Court
- (D) Minutes of Local Public Hearing

If you have any questions or are in need of further information, please do not hesitate to contact me or Carolyn K. Ritchie, Hardin County Treasurer.

Date submitted: February 23, 2004

Authority for Governing Body:

  
Harry L. Berry, Hardin County Judge/Executive



**Harry L. Berry**  
**Hardin County Judge/Executive**



**Steve W. Smith**  
**Deputy Judge/Executive**

**Carolyn K. Ritchie**  
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February 23, 2004

Mr. Gene Kiser  
State Local Debt Officer  
Second Floor, Capital Center Complex  
1024 Capital Center Drive  
Frankfort, KY 40601

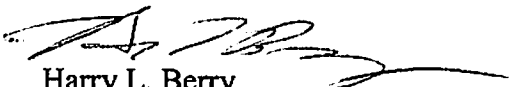
**REFERENCE: Hardin County Lease - Landfill**

Dear Mr. Kiser:

The Hardin County Fiscal Court certifies that it has the ability to meet the additional financial commitments necessitated by the proposed lease with KACo Leasing Trust. Payments on the said lease will come from excess cash in Hardin County's Solid Waste Fund.

Thank you for your assistance in this matter.

Sincerely,

  
Harry L. Berry  
Hardin County Judge/Executive

HLB/ckr