



Main Campus
325 Maine
Lawrence, KS 66044-1360
785-505-5000

LMH South
3500 Clinton Place
Lawrence, KS 66047

May 29, 2013

Mr. David Corliss
City Manager
City of Lawrence, Kansas
6 E. 6th Street
Lawrence, Kansas 66044

Board of Trustees

Allen Belot

Jane Blocher

Rob Chestnut

Joe Flannery

Chuck Heath

Judy Keller

Re: \$6,685,000 (not to exceed) City of Lawrence, Kansas Hospital Revenue Bonds, Series 2013 (The Lawrence Memorial Hospital)

Gina Pacumbaba-Watson

Lee Reussner, M.D.

Mike Wildgen

Dear Mr. Corliss,

The Lawrence Memorial Hospital requests the assistance of the City in the issuance of a new series of industrial revenue bonds to finance, refinance and reimburse the costs of certain equipment and facilities to support hospital operations and to pay costs of issuance of the Series 2013 Bonds. Like all bonds issued for LMH, the bonds will be special obligations of the City, payable solely from payments and collateral pledged by LMH. The proposed bonds will not constitute a debt or liability of the City. This letter is in lieu of the Application Form for Economic Incentives and Tax Abatements and the appropriate application fee will be mailed to the City.

President &
Chief Executive Officer

Gene Meyer

A summary of the proposed issue is attached hereto.

Under separate cover, David Queen or Scott Waller of Gilmore & Bell will be providing the Ordinance for the proposed Series 2013 Bonds. If possible, LMH would like to schedule the first reading (if applicable) of the Ordinance for the Commission's June 11th meeting and final approval for the Commission's June 18th meeting. The closing of the bond issue is anticipated to be the week of July 1st.

Please call me if you have any questions. Thank you for your assistance.

Sincerely,


Gene Meyer
President and CEO

cc: Joseph Pedley
William Henderson
David Queen
Scott Waller
Gina Riekoff

816-221-1000
FAX: 816-221-1016
WWW.GILMOREBELL.COM



GILMORE & BELL, A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
2405 GRAND BOULEVARD, SUITE 1100
KANSAS CITY, MISSOURI 64108-2521

OTHER OFFICES:
ST. LOUIS, MISSOURI
WICHITA, KANSAS
LINCOLN, NEBRASKA

May 24, 2013

BOND ISSUE SUMMARY

\$6,685,000 (not to exceed)
City of Lawrence, Kansas
Hospital Revenue Bonds, Series 2013
(The Lawrence Memorial Hospital)

The Board of Trustees of The Lawrence Memorial Hospital (the "Hospital") plans to adopt a resolution approving a request for issuance of the Series 2013 Bonds in the aggregate principal amount not to exceed \$6,685,000.

The Series 2013 Bonds would be issued for the purposes of providing funds to finance, refinance and reimburse the costs of certain equipment and facilities to support hospital operations and to pay costs of issuance of the Series 2013 Bonds.

The Hospital also plans to use Hospital moneys to redeem the outstanding Series 2003 Bonds issued by the City for the benefit of the Hospital. After the issuance of the Series 2013 Bonds and the redemption of the Series 2003 Bonds, three series of bonds (Series 2006, 2012 and 2013) will be outstanding for the benefit of the Hospital, all of which are secured on a parity.

None of the bonds issued by the City for the benefit of the Hospital constitute a debt or liability of the City or constitute a pledge of the faith and credit of the city or its taxing power, and are payable solely from revenues derived from the operation of the Hospital and a pledge of the Hospital Facility and certain other funds held under the indentures securing the bonds.

The Bonds are currently expected to be sold by private placement with BMO Harris Bank, a part of BMO Financial Group, as purchaser.