

ORDINANCE NO. 0-99- 57

City Hall R-13577
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 AN ORDINANCE CREATING THE CITY OF CONWAY, ARKANSAS HEALTH FACILITIES BOARD (CONWAY REGIONAL MEDICAL CENTER) PURSUANT TO THE PROVISIONS OF ARKANSAS CODE OF 1987 ANNOTATED, TITLE 14, CHAPTER 137, (A.C.A. 14-137-101, et seq); PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Conway, Arkansas (the "City"), pursuant to the provisions of Arkansas Code of 1987 Annotated, Title 14, Chapter 137, (the "Act"), is authorized to establish public facilities boards for the purposes set forth in the Act, which include assisting in the financing of health care facilities within or near the City; and

WHEREAS, Conway Regional Medical Center, an Arkansas nonprofit corporation (which name when used herein refers to Conway Regional Medical Center or any affiliate thereof or successor thereto) proposes the financing and refinancing of capital improvements to a general, acute care hospital in the City (the "Project"); and

WHEREAS, the Project is plainly in the interest of the City and its inhabitants; and

WHEREAS, financing arrangements must be made to fund, on the best possible terms, the Project and to make provision for the financing and refinancing Subsequent Projects (hereinafter defined);

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS::

Section 1. Findings. The City Council of the City hereby finds and determines:

(a) The Project will make available advances and innovations for the health care of inhabitants of the City and the State of Arkansas, and the Project is plainly in the interest of the City and its inhabitants. Further, proper planning dictates that provision should be made for financing any additional facilities that may be required in the future in order that Conway Regional Medical Center satisfy the increasing health care needs of the inhabitants of the City and the State of Arkansas ("Subsequent Projects").

(b) Financing of the Project and Subsequent Projects under the Act, including refinancing of existing debt, is and will be necessary for accomplishing the Project and Subsequent Projects and will make available quality health care facilities and services to the public at lower costs, thereby benefiting the public in general and the inhabitants of the City in particular.

(c) The facilities and services afforded by Conway Regional Medical Center are now and hereafter will be made available to patients, staff privileges are afforded to medical and supporting personnel and persons are employed without discrimination on the basis of race, creed, religion or sex.

(d) The City is authorized by the Act to provide financing of health care facilities through the creation of a public facilities board and the issuance of revenue bonds by such a public facilities board.

(e) It is in the best interest of the City and its inhabitants that there be created a public facilities board under the Act and that the authority of the board be limited to accomplishing, financing, contracting concerning, and otherwise dealing with health care facilities (as defined in the Act) to be owned or operated by Conway Regional Medical Center, including the refinancing of all or part of existing debt.

Section 2. Creating of Board. Pursuant to the authority of the Act there is hereby created and established the "City of Conway, Arkansas Health Facilities Board (Conway Regional Medical Center)" (the "Board") with authority as hereinafter provided to accomplish, finance, contract concerning, and otherwise deal with health care facilities (as defined in the Act) to be owned or operated by Conway Regional Medical Center, including the refinancing of all or any part of existing debt. The initial members of the Board shall be appointed by the Mayor of the City as provided in the Act.

*with confirmation
of the Council*

Section 3. Powers. The Board is empowered, from time to time, to own, acquire, construct, reconstruct, extend, equip, improve, sell, lease, contract concerning or otherwise deal in or dispose of health care facilities, including mortgage loans with respect thereto (including specifically the Project and any Subsequent Project, as hereinbefore defined); provided, however, that the authority of the Board shall be limited to such health care facilities as are sold, leased or mortgaged to Conway Regional Medical Center or are otherwise owned by, dealt in, disposed of, or concerning which a loan is made to Conway Regional Medical Center, pursuant to a contract or contracts between the Board and Conway Regional Medical Center. The Board shall have all of the powers provided for in the Act, subject to the limitations of this Ordinance, and shall carry out its duties in accordance with the Act.

Section 4. Issuance of Bonds. The Board is authorized to issue revenue bonds, from time to time, and to use the proceeds, either alone or together with other available funds and revenues, to accomplish the purposes for which the Board is created. Provided, however, that before the issuance of any bonds by the

Board the approval of such issue shall be obtained from the Conway City Council by resolution passed by the Conway City Council.

Such revenue bonds shall be obligations only of the Board and shall not constitute an indebtedness for which the faith and credit of the City or any of its revenues are pledged, and the principal and interest on the bonds shall be payable from and secured by a pledge of revenues derived from the health facilities financed, in whole or in part, from bond proceeds or from any debt previously incurred and refinanced by bonds, and as authorized by and in accordance with the provisions of the Act, together with such other collateral as may properly be pledged. Each bond issue for a Subsequent Project must be approved by the City Council of the City prior to delivery of such bonds to the purchaser or purchasers thereof.

Section 5. Organization; Reports. As soon as practicable after the adoption of this Ordinance the Board shall meet and elect officers. The Board may adopt by-laws and such other rules and regulations, if any, as shall be necessary or desirable for the conduct of its business and consistent with the provisions of the Act. The Board shall cause to be filed with the City Clerk of the City the annual report described in Arkansas Code of 1987 Annotated §14-137-123.

Section 6. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of this Ordinance, which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 7. General Repeal. All Ordinances of the City, or parts thereof, in conflict with this Ordinance are hereby repealed to the extent of such conflict.

Section 8. Emergency. It is hereby found and determined that there is an immediate need for the Project and the financing, therefore in order to meet the needs of the City's inhabitants for health care facilities and services essential for their health and welfare, that the creation of the Board and the exercise of the duties and powers provided in this Ordinance are necessary for the accomplishment of these public purposes and to the preservation of the public peace, health and safety, and that the terms of the financing of the Project are subject to interest rates and economic conditions which cannot be predicted. Therefore, an emergency is declared to exist and this Ordinance shall be in full force and effect from and after its passage.

PASSED this 22 day of June, 1999.

APPROVED:

Tab Townsell
MAYOR TAB TOWNSELL

ATTEST:

Mike Garrett
MIKE GARRETT, CITY CLERK