

REQUEST FOR BOARD ACTION
HENDERSON COUNTY
BOARD OF COMMISSIONERS

MEETING DATE: June 15, 2022

SUBJECT: Resolution authorizing issuance of Hospital Corporation bonds

PRESENTER: Charles Russell Burrell

ATTACHMENT(S): Proposed resolution

SUMMARY OF REQUEST:

This is the final resolution on the \$14.2 million taxable bonds by the Henderson County Hospital Corporation.

County staff will be present and prepared if requested to give further information on this matter.

BOARD ACTION REQUESTED:

Approval of the resolution

If the Board is so inclined, the following motion is suggested:

I move that the Board adopt the proposed resolution.

A regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on June 15, 2022 at 9:00 a.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina.

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Thereupon the _____ of the Board introduced the following bond order, the title of which was read and copies of which had been previously distributed to the Board:

BOND ORDER AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF HENDERSON, NORTH CAROLINA OF NOT TO EXCEED \$14,200,000 TAXABLE HOSPITAL REVENUE BOND (MARGARET R. PARDEE MEMORIAL HOSPITAL PROJECT), SERIES 2022A OF THE COUNTY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

BE IT ORDERED by the Board of Commissioners (the "*Board*") of the County of Henderson, North Carolina (the "*County*"):

Section 1. The Board does hereby find and determine as follows:

(a) There has been filed an application with the North Carolina Local Government Commission (the "*Commission*") requesting approval of the issuance of its \$14,200,000 County of Henderson, North Carolina Taxable Hospital Revenue Bond (Margaret R. Pardee Memorial Hospital Project), Series 2022A (the "*2022A Bond*"), in one or more series, for the purpose of providing funds relating to the reimbursing Margaret R. Pardee Hospital and Henderson County Hospital Corporation certain prior capital improvements for the Margaret R. Pardee Memorial Hospital (the "*Hospital*"), particularly the (1) acquisition and/or updates to the O-Arm O2 Base System, (2) acquisition and/or capital expenditure for the following structures: three buildings on Fleming Street in Hendersonville, the Hawk Brown Building, a modular building in Brevard and the Brevard UC/PC/PT facilities, (3) relocations and updates to various specialist suites and buildings, (4) the purchase of various equipment, including, without limitation, nuclear med camera and a spine robot, and (5) various other capital expenditures (collectively, the "*Projects*"), all for use by the Hospital and certain other financing costs.

(b) The County, by resolution, also requested the Commission to sell the 2022A Bond at private sale without advertisement.

(c) The Commission has been requested to approve the application of the County for the issuance of the 2022A Bond in an aggregate principal amount not to exceed \$14,200,000 in accordance with N.C.G.S. 159-86.

(d) The County has determined to issue the 2022A Bond in an aggregate principal amount not to exceed \$14,200,000 for the purpose of providing funds, together with other available funds, to (1) reimburse for amounts previously paid for the cost of capital expenditures relating to the Projects and (2) pay the costs of issuing the 2022A Bond.

(e) The County proposes to sell the 2022A Bond to First-Citizens Bank & Trust Company (the “*Purchaser*”).

(f) There have been presented to the County at this meeting copies of the following documents relating to the issuance and sale of the 2022A Bond:

(1) Master Trust Indenture dated as of September 1, 2001 (the “*Master Indenture*”) between the County and First-Citizens Bank & Trust Company, the successor to which is U.S. Bank National Association, as trustee (the “*Trustee*”); and

(2) A draft of the Eighth Supplemental Trust Indenture to be dated as of July 1, 2022 between the County and the Trustee (the “*Eighth Supplemental Indenture*”).

(g) The County has determined that the issuance and sale of the 2022A Bond in the manner provided in this Bond Order is in the best interests of the County.

Section 2. Capitalized words and terms used in this Bond Order and not defined herein have the same meanings given such words and terms in the Master Indenture and the Eighth Supplemental Indenture.

Section 3. Pursuant to the provisions of The State and Local Government Revenue Bond Act, as amended (the “*Act*”), particularly N.C.G.S. 159-88, the County hereby authorizes the issuance of the 2022A Bond in an aggregate principal amount not to exceed \$14,200,000. The 2022A Bond will be issued as a fixed-rate, fully registered bond maturing in annual installments at such times and in such amounts as set forth in the Eighth Supplemental Indenture, subject to the provisions of this Bond Order and the Master Indenture.

Section 4. The 2022A Bond is subject to optional redemption at the times, on the terms and conditions, and at the prices as set forth in the Eighth Supplemental Indenture.

Section 5. The proceeds of the 2022A Bond will be applied as provided in the Eighth Supplemental Indenture.

Section 6. The 2022A Bond, together with any additional Bonds hereafter issued under the Master Indenture, are secured on a parity basis by a pledge, charge and lien on the Net Revenues of the Hospital System to the extent set forth in the Master Indenture. The 2022A Bond is additionally secured by a pledge, charge and lien on the funds in the Bond Fund to the extent set forth in the Eighth Supplemental Indenture.

Section 7. The form, terms and conditions of the Eighth Supplemental Indenture are hereby approved, and the Chairman and Vice Chairman of the Board are hereby authorized to execute and directed to deliver, or cause to be delivered, the Eighth Supplemental Indenture together with such changes, additions and deletions as the Chairman and Vice Chairman of the Board, with the advice of counsel, may deem necessary and appropriate, including, without limitation, changes, additions and

deletions necessary to incorporate the final terms of the 2022A Bond as set forth in the Eighth Supplemental Indenture, such execution and delivery to be conclusive evidence of the approval and authorization in all respects of the form and content thereof and the Clerk or the Deputy Clerk are hereby authorized to attest to the same.

Section 8. The Chairman and Vice Chairman of the Board and the County Manager and the Finance Director of the County, or any of them or their deputies, are authorized and directed without limitation except as may be expressly set forth in this Bond Order to take such action and to execute and deliver such certificates, agreements, instruments, opinions or other documents as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by this Bond Order, the Master Indenture and the Eighth Supplemental Indenture.

The officers of the County and the agents and employees of the County are hereby authorized and directed to do all acts and things required of them by the provisions of this Bond Order, the 2022A Bond, the Master Indenture and the Eighth Supplemental Indenture for the full, punctual and complete performance of the terms, covenants, provisions and agreements of the same.

Section 9. The issuance and private sale without advertisement of the 2022A Bond are hereby approved, subject to the terms and conditions set forth in this Bond Order.

Section 10. This Bond Order is effective immediately on its passage.

On motion of Commissioner _____, the foregoing Bond Order entitled “**BOND ORDER AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF HENDERSON, NORTH CAROLINA OF NOT TO EXCEED \$14,200,000 TAXABLE HOSPITAL REVENUE BOND (MARGARET R. PARDEE MEMORIAL HOSPITAL PROJECT), SERIES 2022A OF THE COUNTY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH**” was passed by the following vote:

AYES:

NAYS:

Adopted this the 15th day of June, 2022.

HENDERSON COUNTY BOARD OF COMMISSIONERS

[SEAL]

By: _____
Chairman

ATTESTED BY:

Clerk to the Board