

TULARE LOCAL HEALTHCARE DISTRICT

RESOLUTION 880 CONFIRMING THE INTENTION OF THE TULARE LOCAL HEALTHCARE DISTRICT TO CEASE OPERATIONAL INVOLVEMENT IN RUNNING AN ACUTE CARE HOSPITAL

WHEREAS, the Tulare Local Healthcare District (“**District**”) is a local health care district formed and governed in accordance with the Health Care District Law (Health & Safety Code sections 32000 et seq.); and

WHEREAS, on August 1, 2018 and August 6, 2018, the District’s Board of Directors (“**Board**”) adopted Resolutions 860 and 861, respectively, pursuant to which the Board submitted to District voters for approval its recommendation that the District enter into agreements with Adventist Health System/West, a California non-profit corporation (“**Adventist Health**”), for the lease of the District’s acute care hospital facilities (the “**Facilities**”), and sale of certain furniture, fixtures and equipment at fair market value; and

WHEREAS, on November 6, 2018, District voters approved the proposed lease transaction between the District and Adventist Health; and

WHEREAS, on or about February 12, 2019, the final form of said lease, with an option to purchase the Facilities, was signed by the District and Adventist Health’s subsidiary, Adventist Health Tulare, a California nonprofit religious corporation (“Adventist Health Tulare”); and

WHEREAS, on March 14, 2019, the Board voted to approve the execution of that certain Asset Purchase Agreement pursuant to which a majority of the District’s acute care hospital-related tangible property and equipment was subsequently sold to Adventist Health and Adventist Health Tulare; and

WHEREAS, on March 15, 2019, the California Department of Public Health issued to Adventist Health Tulare a general acute care hospital license to operate the Facilities, relieving the District from all operational involvement with the Facilities; and

WHEREAS, even if Adventist Health Tulare does not exercise its option to purchase the Facilities, in whole or in part, it remains the intention of this Board, as demonstrated by the actions set forth above, to transition away from the operation of an acute care hospital for the foreseeable future while continuing other services and activities consistent with the District’s mission to provide safe, efficient, technologically advanced healthcare with respect to the District’s service area.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT:

That, the forgoing actions accurately reflect the policy decision made by this Board to cease the District's direct operation of an acute care hospital facility, and the Board hereby reaffirms said policy decision, and will continue to pursue actions that are consistent therewith.

THE FOREGOING RESOLUTION WAS ADOPTED at a meeting held on November 20, 2019, by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

IN WITNESS WHEREOF I have set my name as Secretary of the District, this 20th day of November 2019.

Senovia Gutierrez