

NEW HANOVER COUNTY BOARD OF COMMISSIONERS

RESOLUTION OF INTENT TO SELL

WHEREAS, New Hanover County (the "County") owns certain hospital and other medical facilities, including a public general acute-care hospital located within the County of New Hanover, which is then leased to and operated by New Hanover Regional Medical Center, a North Carolina nonprofit corporation, as a healthcare system serving the County and surrounding communities ("NHRMC"); and

WHEREAS, the New Hanover County Board of Commissioners (the "Board of Commissioners") serves as the governing body of the County and provides oversight for NHRMC by appointing members to the NHRMC Board of Trustees. The Board of Commissioners is ultimately responsible for ensuring NHRMC fulfills its mission to serve area residents; and

WHEREAS, as part of their ongoing efforts to continually evaluate the best course for healthcare in meeting the needs of the community, NHRMC leadership, NHRMC trustees and the Board of Commissioners stay informed of healthcare industry trends as well as the challenges and opportunities facing NHRMC in its mission of caring for the community; and

WHEREAS, based upon healthcare industry information and input from healthcare leaders, the Board of Commissioners has determined that it is timely to consider a Resolution of Intent to Sell the hospital facilities and assets operated by NHRMC to ensure that the community has long-term continued local access to the high-quality healthcare services and providers they need and deserve in a rapidly changing and challenging health care environment; and

WHEREAS, the Board of Commissioners has considered the prospects for continuing to operate NHRMC as an independent health care provider in such environment, and the potential benefits of an affiliation with a larger healthcare system, and believes it is in the community's and NHRMC's best interest to further investigate the opportunities for affiliation, through a sale, at this time.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby declares its intent to sell NHRMC's facilities and assets, or to enter into any other affiliation arrangement consistent with NHRMC's lawful purpose, *if and only if* the Board of Commissioners deems such arrangement to be appropriate in its sole discretion after receipt and review of proposals from potential acquiring systems and consideration of community input at public hearings in this matter. Any such arrangement would only be approved if the Board of Commissioners deems it to be in the best interests of the community, compliant with the requirements of North Carolina law, and both supportive and promotive of NHRMC's mission; and

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby solicits and requests interested parties to submit proposals for an affiliation with NHRMC through the purchase of

facilities and assets associated with the operations of NHRMC and the continued presence of the hospital and other healthcare services in the community. The Board of Commissioners hereby authorizes the issuance of a Request for Proposal (“RFP”) for affiliation arrangements addressing the purchase of such facilities and assets and the ongoing hospital and other healthcare services in the community, which RFP shall be consistent with this Resolution and shall include a copy of N.C.G.S. §131E-13, to at least five (5) prospective purchasers, or other interested parties, as soon as possible; and

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby authorizes the County Manager, Chris Coudriet, to work with the NHRMC President and Chief Executive Officer, John Gizdic, to establish and to appoint a Partnership Advisory Group (“PAG”) which shall include community representation as determined by the County Manager and NHRMC President/CEO—and work directly with an outside expert healthcare consulting firm—to manage the RFP process, including distributing the RFP, collecting any responses, performing an initial evaluation of such responses, including, but not limited to, conducting interviews with the parties submitting such responses, and to provide a recommendation to the Board of Commissioners based on such proposals. The PAG shall provide the Board of Commissioners with regular updates and reports throughout the RFP process, or any time at the Board of Commissioners’ request, and shall act only in an advisory capacity to the Board of Commissioners, who shall have absolute and sole discretion as to whether or not to approve a future sale of the NHRMC facilities and assets after its review of proposals and input from the community in accordance with N.C.G.S. §131E-13 and all other applicable North Carolina laws.

ADOPTED this the 16th day of September, 2019.



NEW HANOVER COUNTY


Jonathan Barfield, Jr. Chairman

ATTEST:


Kymberleigh G. Crowell, Clerk to the Board