

## RESOLUTION # 2009-074

THIS RESOLUTION is entered by the Board of County Commissioners of Gadsden County, Florida ("Board"), as follows:

WHEREAS, an acute care hospital existed and was operated in Gadsden County, Florida for over fifty years. However, during a period in which Gadsden Memorial Hospital (f/k/a Gadsden Community Hospital) was operated by a company independent of the Board, the hospital was involuntarily closed by the Florida Agency for Health Care Administration ("AHCA") in November 2005 pursuant to an emergency order finding that its then-current condition and its operations presented a clear and present danger to public health and safety. The hospital has been closed since that date; and

WHEREAS, the hospital has continued to hold an "inactive" hospital license that allows it to exist but not to operate; and

WHEREAS, despite diligent efforts, the Board and Gadsden Hospital, Inc. ("GHI") have been unable to secure the necessary resources and expertise to reopen the hospital; and

WHEREAS, the hospital license would have permanently expired in June 2009 but for the passage of legislation that allowed the inactive hospital license to be extended for an additional year; and

WHEREAS, the hospital license will permanently expire on June 21, 2010 unless the license is reactivated prior to that date; and

WHEREAS, as part of the process of reopening the hospital, extensive physical plant renovations are required by AHCA; and

WHEREAS, at a duly noticed meeting on May 2, 2006, the Board has previously declared that an emergency situation exists in a unanimously passed motion that provided as follows:

UPON MOTION BY COMMISSIONER HOLT AND SECOND BY COMMISSIONER LAMB, THE BOARD VOTED UNANIMOUSLY (5 - 0), TO DETERMINE THAT AN EMERGENCY SITUATION EXISTS AS TO THE HEALTH, WELFARE AND SAFETY OF RESIDENTS IN THAT THE HOSPITAL AND EMERGENCY ROOM ARE CLOSED AND IT IS A PARAMONT CONCERN TO GET THE HOSPITAL REOPENED EXPEDITIOUSLY. THE MOTION INCLUDED WAIVING THE NORMAL PROCUREMENT POLICY BY GIVING THE COUNTY MANAGER OR HIS DESIGNEE THE AUTHORITY TO MOVE EXPEDITIOUSLY TO SECURE CONTRACTS, GOODS, EQUIPMENT, AND SERVICES THAT HE DEEMS NECESSARY TO IMPROVE THE HOSPITAL AND GET IT REOPENED AS QUICKLY AS POSSIBLE.

and;

WHEREAS, in 2008, the citizens of Gadsden County passed a half-penny surtax for the purpose of, among other things, funding the debt necessary to make required renovations to the hospital and help bring hospital services back to the county; and

WHEREAS, the Board incurred debt in the approximate amount of \$10,000,000 and, pursuant to the emergency declaration, procured contractors and made extensive renovations to the hospital building; and

WHEREAS, the Board and GHI have made diligent efforts to find an experienced operator of hospitals that would be willing to help reopen and then operate the hospital. This effort included the issuance of an Invitation to Negotiate in 2006, the selection of a contractor and the entry of extensive negotiations over a period of time that, in 2009, unfortunately, failed to produce a contract thereby requiring the Board and GHI to effectively start over but under an even more abbreviated timetable given the license expiration date; and

WHEREAS, the Board and GHI have entered into discussions with Tallahassee Medical Center, Inc. d/b/a Capital Regional Medical Center and its parent company, HCA (collectively referred to as "HCA") with a goal of reaching an agreement by which HCA will lease, open and operate the hospital and accomplish all of the necessary steps to reopen before the June 21, 2010 deadline; and

WHEREAS, those discussions have lead to the development of a nonbinding Letter of Intent that outlines the terms and conditions of agreements to be negotiated and developed; and

WHEREAS, pursuant to the Letter of Intent, the Board will still have to provide additional funding to furnish and equip the hospital; and

WHEREAS, given the serious financial resource limitations in Gadsden County, the only source for the significant level of funding necessary to furnish and equip the hospital is from the corpus of that certain Trust established in 1952 to provide support for hospital services in the county; and

WHEREAS, the Board has begun the legal process for securing funds from said Trust for such purposes; and

WHEREAS, the process of completing the negotiations, equipping the hospital and taking all of the necessary operational and regulatory tasks presents significant challenges given the amount of time remaining before the hospital license expires; and

WHEREAS, the absence of a hospital in Gadsden County for over four years has seriously injured and endangered the health, safety and welfare of the citizens of Gadsden County. For example, and without limitation, every ambulance transport by Gadsden EMS now results in a trip to a hospital outside of Gadsden County. This not only adds significant time, cost, wear and

tear on the equipment, it also means that these ambulances are less available and take far longer to respond to subsequent calls. There are routinely occasions in which a Gadsden EMS ambulance must respond from a location in Leon County to a call for emergency service, using lights and sirens, because there is no available unit in Gadsden County at that time. More significantly, the absence of hospital services in the county means that patients must travel further and emergency transport times are longer thereby increasing the cost and risk to the citizens of Gadsden County; and

WHEREAS, the Board hereby finds that the emergency situation that existed in May 2006 not only continues to exist; it is an even more acute emergency given the deadline for opening and the other circumstances both stated herein and that otherwise exist.

NOW, THEREFORE, it is hereby resolved by the Board of County Commissioners of Gadsden County, Florida as follows:

1. The emergency declared on May 2, 2006 continues to exist and the absence of hospital services in Gadsden County presents a threat to the health, safety and welfare of the citizens.
2. The emergency situation was exacerbated by the withdrawal of the organization selected to operate the hospital pursuant to the Invitation to Negotiate issued in 2006, thereby justifying the decision to negotiate with HCA without another competitive solicitation.
3. The Board further finds that the emergency situation, particularly the absence of other available funding, justifies the decision to seek Court approval to withdraw funds from the Trust in order to equip and open the hospital

ADOPTED this 8<sup>th</sup> day of December, 2009.

**GADSDEN COUNTY, FLORIDA**

BY: \_\_\_\_\_  
Eugene Lamb, Jr., Chairman  
Board of County Commissioners

*ATTEST:*

\_\_\_\_\_  
By: Nicholas Thomas  
Clerk of the Court  
Gadsden County, Florida