

A RESOLUTION ESTABLISHING THE)
HOSPITAL FACILITIES AUTHORITY OF) RESOLUTION No. 53
THE CITY OF LEBANON, OREGON,) For 1991
DECLARING A PUBLIC NEED, AND)
APPOINTING THE INITIAL DIRECTORS)
OF THE BOARD)

WHEREAS, on the 11th day of December, 1991, the Council of the City of Lebanon, Oregon held a public hearing on the question of the advisability of creating a public authority for the purpose of providing hospital facilities pursuant to ORS 441.535; and

WHEREAS, such public hearing was held during the regular meeting of the Council of the City of Lebanon on December 11, 1991. Notice of such meeting was given in conformance with the procedural rules of the Council and the requirements of ORS 192.610 to 192.690; and

WHEREAS, all persons desiring to be heard in connection with the proposed creation of such public authority did appear and were heard, now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LEBANON, OREGON:

Section 1. Declaration of Public Need. After due consideration and deeming it necessary, in the public interest and for the health and general welfare of the community, and for the purpose of increasing hospital bed capacity, adding adjacent facilities, categories of medical services and combining medical specialties, adding to inpatient care and outpatient care, administration, service and support, granting savings to the community as a result of centralization of service and to provide health care to the community in a manner which is economically practicable, to help maintain high quality standards which are appropriate to the timely and economic development of adequate and effective health services in the area, the Council determines it is wise and desirable to create a hospital facilities authority pursuant to ORS 441.525 to ORS 441.595 (the "Act").

Section 2. Creation of Hospital Authority. The City of Lebanon hereby creates, pursuant to the Act, a public authority to be known as "Hospital Facilities Authority of the City of Lebanon, Oregon."

Section 3. Board of Directors; Composition.

(a) The Authority shall be managed and controlled by a board of directors composed of five members, one of which

members shall at all times be a member of the Council. The initial directors are as follows:

- Directors:
1. Diane Branson - City Councilor - 6 year term
 2. Penny Franklin - 3 year term
 3. Jan Horner - 6 year term
 4. Gene Kanagy - 6 year term
 5. Ron Passmore - 3 year term

(b) The directors of the board of directors shall serve at the pleasure of the Council of the City of Lebanon and successors shall be appointed at the pleasure of the Council of the City of Lebanon. Directors may be removed for cause or at the vote of the City Council. The board of directors shall adopt and may amend their own rules in conducting the business of the Authority and for carrying out its business.

(c) The initial directors appointed in (a) above by the Council shall each serve in staggered terms as indicated above.

(d) Directors shall serve without compensation; however, the Authority may reimburse or cause to be reimbursed the directors for their expenses incurred in the performance of their duties.

(e) The member of the Council serving as a director shall serve as a director for only so long as such director is a member of the Council and in no event shall such member serve a term of more than six years.

Section 4. Powers and Duties of the Board. The board of directors shall have all those powers and duties set forth and provided for in the Act as amended from time to time.

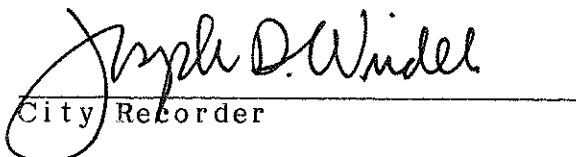
Section 5. City not Obligated. Revenue or bonds or other obligations which may be issued hereafter by the Authority shall not be a general obligation of the City of Lebanon nor a charge upon the tax revenues of the City of Lebanon. The creation of the Authority shall not cause the City of Lebanon to incur any expense or obligation of the Authority.

Passed by the Council of the City of Lebanon by a vote of 6 for and 0 against, and approved by the Mayor this 11th day of December, 1991.



MAYOR

ATTEST:



City Recorder

**Recommended List of Appointees
Lebanon Hospital Authority
Lebanon, Oregon**

December, 1991

Diane Branson - A member of the Lebanon City Council, recommended by Mayor Bob Smith to be the City Council representative to the board. Diane has worked at Community Hospital in Dallas, Oregon in the past.

Penny Franklin - Partner in Rick Franklin Company. Has been active in community issues, especially related to timber. Has management experience and knowledge of business operations.

Jan Horner - CPA with the firm of Sundberg, Rauch and Benneth. Resides in Sweet Home and is active in economic development endeavors in that community. Has expressed interest in additional community involvement.

Note: The hospital serves the entire east Linn County area. Therefore, it will be important to have Sweet Home representation of the Lebanon Hospital Authority Board. Ms. Horner is an active member of that community.

Gene Kanagy - Former administrator of Lebanon Community Hospital. Has 32 years experience in hospital administration with extensive knowledge in hospital financial matters.

Ron Passmore - Partner in Rhodes-Warden Insurance. Has extensive experience in city government, including service as the past mayor of Lebanon. Has knowledge of insurance and finance.