

## RESOLUTION NO. 91-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, COLORADO, APPROVING THE APPOINTMENT OF THE INITIAL THREE (3) MEMBERS OF THE BOARD TO THE UCH-MHS (NEW MEMORIAL) BOARD OF DIRECTORS, PURSUANT TO THE PROPOSED MEMORIAL HEALTH SYSTEM OPERATING LEASE AGREEMENT AND THE INTEGRATION AND AFFILIATION AGREEMENT WITH UNIVERSITY OF COLORADO HEALTH SYSTEM.**

**WHEREAS**, since 1949, the City of Colorado Springs has owned and operated Memorial Health System, dedicated to being a regional leader in providing high quality healthcare services to all citizens; and,

**WHEREAS**, City Council carefully considered the option of leasing the assets of Memorial Health System to an outside independent operator to ensure provision of the best possible healthcare for the entire community; and,

**WHEREAS**, City Council previously determined that it is in the best interests of the public health, safety and welfare of the City and its residents to consider proposals from potential independent strategic partners that contemplate independent operation and management of Memorial Health System through an arrangement in which the City would lease the Memorial Health System facilities and transfer its operating assets to a third-party; and,

**WHEREAS**, City Council authorized and created the Memorial Health System Task Force in August 2011 comprised of Council members and citizens, which in turn issued a Confidential Descriptive Memorandum and Request for Proposals dated October 17, 2011, and said Task Force carefully reviewed and considered all proposals received there from; and,

**WHEREAS**, City Council in January 2012 accepted the recommendation of the Memorial Health System Task Force, and selected the University of Colorado Health system as the exclusive bidder to be considered as an independent strategic partner with the Memorial Health System and to pursue negotiations of an operating lease agreement between the City, and the University of Colorado Health system for the independent operation and management of the Memorial Health System through an arrangement in which the City would lease the Memorial Health System facilities and transfer its operating assets to the University of Colorado Health system and related parties; and,

**WHEREAS**, City Council and the City Attorney have completed negotiations with the University of Colorado Health system for the independent operation and

management of the Memorial Health System through a lease of the Memorial Health System facilities and the transfer of its operating assets, and said negotiations have now produced a Health System Operating Lease Agreement and an Integration and Affiliation Agreement between the City, and the University of Colorado Health system and related parties.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

Section 1. Pursuant to Resolution 89-12, City Council hereby nominates and appoints to the UCH-MHS ("New Memorial") Interim Board of Directors, in the three (3) Board seats reserved for City representatives, the following persons: Councilmember Merv Bennett, Councilmember Brandy Williams, and City Attorney Chris Melcher.

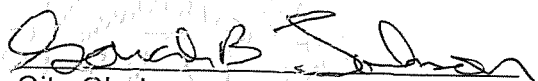
Section 2. The Interim Board of Director appointees shall only serve until the selection, confirmation, and appointment of the seven (7) El Paso County representatives to the permanent Board of Directors for New Memorial, which shall be done as soon as practicable in contemplation of the October 1, 2012, transfer of the operations of Memorial Health System, if such occurs. The terms of these Interim Board of Director appointees shall automatically expire upon the earlier of the selection and approval of the seven (7) El Paso County representatives described in the preceding sentence or the termination of the aforementioned agreements because they have not been approved by the voters.

Section 3. The duties, responsibilities, and authority of the Interim Board of Director appointees shall be limited to only those necessary under the aforementioned agreements approved by City Council on June 27, 2012, and to those actions required to implement those agreements.

DATED at Colorado Springs, Colorado, this 27th day of June, 2012.

  
Council President

ATTEST:

  
City Clerk