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Title: RESOLUTION - Approving, authorizing and directing the execution and delivery of the Agreement to terminate the Central California Joint Powers Health Financing Authority between the City of Fresno and the City of Clovis

Sponsors: Finance Department

Indexes:

Code sections:

Attachments: 1. Reso - Dissolution of JPA.PDF, 2. Termination Agreement.pdf, 3. Ex A Health JPA by City of Clovis and City Fresno.pdf, 4. Ex B First Amendment to Health JPA_Unexecuted.pdf

Date	Ver.	Action By	Action	Result
10/20/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

October 20, 2016

FROM: MICHAEL LIMA, Finance Director/City Controller
Finance Department

BY: PHILLIP HARDCASTLE, Principal Accountant - Debt Administration
Finance Department

SUBJECT

RESOLUTION - Approving, authorizing and directing the execution and delivery of the Agreement to terminate the Central California Joint Powers Health Financing Authority between the City of Fresno and the City of Clovis

RECOMMENDATION

Staff recommends that the Council approve the termination of the Central California Joint Powers Health Financing Authority.

EXECUTIVE SUMMARY

In 1993, the Cities of Fresno and Clovis established the Central California Joint Powers Health Financing Authority (the "Authority") for the purpose of facilitating and financing projects for

Community Hospital of Central California, Fresno Community Hospital and Medical Center, and Sierra Hospital Foundation. The Authority has since become obsolete due to the availability of funds from the California Municipal Finance Authority (the "CFMA") and the California Statewide Communities Development Authority (the "CSCDA"), which are now used by hospitals for financing projects. As a housekeeping matter, City staff would like to dissolve the Authority because there are no outstanding or anticipated projects where the Authority may be necessary.

BACKGROUND

The Authority was created in 1993 by a Joint Exercise of Powers Agreement entered into between the City of Fresno and the City of Clovis. The purpose of the Authority was to facilitate financing the acquisition, construction, improvement, renovation, expansion and/or equipping of health care facilities owned and operated by the member organizations of Community Hospitals of Central California, Fresno Community Hospital and Medical Centers, and Sierra Hospital Foundation ("Community Medical Centers"). Community Medical Centers no longer use the Authority for financing. Instead they utilize either the CMFA, established in 2004 or the CSCDA, established in 1988.

The Authority has fulfilled the purposes for which it was formed and is no longer necessary. There are no Certificates of Participation outstanding under the terms of any indenture, resolution, trust agreement or other instrument entered into or executed pursuant to the Authority Agreement, and the Authority has no assets. Therefore under Section 3 of the Authority Agreement, the Authority Agreement may be terminated. A copy of the Termination Agreement and the Council Resolution approving the Termination Agreement is included. Clovis' City Council approved a resolution authorizing the dissolution of the Authority at their 10/3/16 meeting.

ENVIRONMENTAL FINDINGS

This item is not a project of the City of Fresno and as such, for purposes of this hearing, the California Environmental Quality Act requirements are not applicable.

LOCAL PREFERENCE

Local preference was not considered because this resolution does not include a bid or award of a construction or service contract.

FISCAL IMPACT

None

Attachments:

Resolution
Termination Agreement
Original Agreement
First Amendment to the Agreement