

RESOLUTION REGARDING APPROVAL OF ABILENE HEALTH FACILITIES  
DEVELOPMENT CORPORATION HOSPITAL REVENUE REFUNDING AND  
IMPROVEMENT BONDS  
(HENDRICK MEDICAL CENTER PROJECT)  
SERIES 1995A, SERIES 1995B, SERIES 1995C,  
AND SERIES 1995D

WHEREAS, the City of Abilene, Texas (the "City") has created the Abilene Health Facilities Development Corporation (the "Issuer"), as a health facilities development corporation created and existing under the provisions of the Health Facilities Development Act, Chapter 221 of the Texas Health and Safety Code (the "Act"); and

WHEREAS, Section 2.01(c) of the Bylaws of the Issuer provide that it shall not issue any bonds, notes or other obligations for the purpose of paying all or any part of the cost of health facilities, as defined in the Act, unless the City Council (the "City Council") of the City has by written resolution approved the issuance of such bonds, notes or other obligations; and

WHEREAS, the Issuer requests approval to issue its Hospital Revenue Refunding and Improvement Bonds (Hendrick Medical Center Project) Series 1995A, Series 1995B, Series 1995C and Series 1995D (the "Bonds") in an aggregate principal amount not to exceed \$98,000,000; the proceeds of the Bonds will be loaned to the Hendrick Medical Center (the "Project"), a "501(c)(3) organization," within the meaning of Section 145 of the Internal Revenue Code of 1986, as amended (the "Code"), and used for one or more of the purposes set forth in the Section 221.062 Notice (defined below) attached hereto as Exhibit A; and

WHEREAS, Section 147(f) of the Code requires that the issuance of any qualified 501(c)(3) bonds be approved by either the governing body of the City or the chief elected executive officer of the City after a public hearing following reasonable public notice; and

WHEREAS, the Issuer published notice of a public hearing on the issuance of the Bonds (the "Public Notice") in a newspaper of general circulation in the jurisdiction of the Issuer as required by Section 147(f) of the Code, a copy of the affidavit of publication of the Public Notice is attached hereto as Exhibit B, and the comments received from the public at the public hearing are summarized in Exhibit C attached hereto; and

WHEREAS, on February 14, 1995, the Issuer caused to be filed with the City Council of the City a notice required by Section 221.062 of the Act ("the Section 221.062 Notice") which sets forth the full and complete description of health facilities, the cost of which are to be paid in whole or in part from the proceeds of the Bonds and an explanation of the projected costs and the necessity of such proposed health facilities and the name of the proposed user of the health facilities, a copy of the Section 221.062 Notice is attached hereto as Exhibit A.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS THAT:

Part 1. The City Council of the City of Abilene, Texas hereby approves, solely for purposes of satisfying of Section 2.01(c) of the Bylaws of the Abilene Health Facilities Development Corporation and

Section 147(f) of the Code, the issuance of the Abilene Health Facilities Development Corporation Hospital Revenue Refunding and Improvement Bonds (Hendrick Medical Center Project) Series 1995A, Series 1995B, Series 1995C and Series 1995D in an aggregate principal amount not to exceed \$98,000,000 and the project to be financed thereby, as described in the Public Notice.

Part 2. The Mayor and City Clerk of the City of Abilene, Texas and any other officers of the City of Abilene are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents or papers necessary and advisable to carry out the intent and purposes of this resolution.

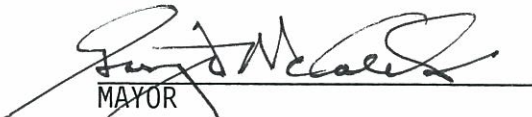
Part 3. The approval granted hereby is not to be construed as (i) a representation or warranty by the City of Abilene, Texas, the City Council of the City of Abilene, any of the officers of the City of Abilene, the State of Texas or any other agency, instrumentality or political subdivision of the State of Texas that the Bonds will be paid or that any obligations assumed by any of the parties under the instruments delivered in connection with the Bonds will in fact be performed, (ii) a pledge of faith and credit of or by the State of Texas or any agency, instrumentality or political subdivision of the State of Texas, or (iii) a representation or warranty concerning the validity of the corporate existence of the Issuer or the validity of the Bonds.

Part 4. This Resolution shall take effect immediately upon its approval.

APPROVED AND ADOPTED this 23 day of March, 1995.

ATTEST:

  
CITY SECRETARY

  
MAYOR  
APPROVED:

  
CITY ATTORNEY

EXHIBIT A

**ABILENE HEALTH FACILITIES DEVELOPMENT CORPORATION**

February 14, 1995

City Council  
City of Abilene  
555 Walnut  
Abilene, Texas 79601

Re: Abilene Health Facilities Development Corporation Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995A (the "Series 1995A Bonds"); and

Abilene Health Facilities Development Corporation Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995B (the "Series 1995B Bonds"); and

Abilene Health Facilities Development Corporation Hospital Revenue Improvement Bonds (Hendrick Medical Center Project) Series 1995C (the "Series 1995C Bonds"); and

Abilene Health Facilities Development Corporation Hospital Revenue Improvement Bonds (Hendrick Medical Center Project) Series 1995D (Taxable) (the "Series 1995D Bonds")

Dear City Council Members:

Pursuant to Section 221.062 of the Health Facilities Development Act, Chapter 221, Texas Health and Safety Code, as amended (the "Act"), the Act under which the City of Abilene, Texas created the Abilene Health Facilities Development Corporation (the "Issuer"), and the Bylaws of the Issuer, notice is hereby given that the Issuer intends to issue its above-captioned bonds (collectively, the "Series 1995 Bonds") for the purpose of providing financing, refinancing and/or reimbursement for all or part of the cost of health facilities (as such term is defined in the Act) (the "Projects") for Hendrick Medical Center, a non-profit corporation organized and existing under the laws of the State of Texas (the "Obligor") as more fully described herein. The anticipated size of the proposed bond issue is approximately \$98,000,000 plus any necessary original issue discount.

The Series 1995 Bonds and the Projects all or part of which will be financed, refinanced and/or reimbursed with the proceeds of such Series 1995 Bonds are described on Schedule A attached hereto. The necessity for the Projects is to assist the maintenance of public health and to provide health facilities for the promotion and development of health care, all for the public purpose of promoting the health and welfare of citizens of the City of Abilene, Texas and the


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citizens of the State of Texas and the Projects are needed for the purpose of improving the adequacy, cost and accessibility of health care, research and education within this State.

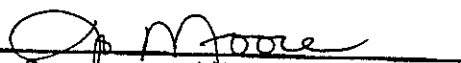
The proposed Series 1995 Bonds shall be issued not earlier than the thirtieth (30th) day following the date of filing of this letter.

Sincerely,

Abilene Health Facilities Development  
Corporation

By:   
Title: President

Filed, this 14 day of February, 1995.

By:   
City Secretary, Abilene, Texas

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## SCHEDULE A

The Projects and descriptions of their approximate estimated costs, to be financed or refinanced with the proceeds of the Series 1995 Bonds are anticipated as follows:

### Series 1995A Bonds

Series 1995A Bonds will be used to advance refund the Abilene Health Facilities Development Corporation Hospital Refunding and Revenue Bonds Series 1985 (Hendrick Medical Center Project) (the "Series 1985 Bonds"). The Series 1985 Bonds were used to finance certain improvements to Hendrick Medical Center and to advance refund the Abilene Hospital Authority Hospital Revenue Bonds (Hendrick Medical Center Project Series A and Series B).

Proceeds of the Series 1995A Bonds will be used as follows:

	<u>Estimated Cost</u>
1. Establish an escrow for defeasance of the Series 1985 Bonds	\$18,685,000
2. Debt Service Reserve Fund	\$200,000
3. Cost of issuance, including underwriter's discount and MBIA insurance premium	\$431,000

### The Series 1995B Bonds

The Series 1995B Bonds will be used to currently refund the Abilene Health Facilities Development Corporation Variable Rate Weekly Demand Health Facility Revenue Bonds Series 1986 (Mesa Springs Retirement Village Project) (the "Series 1986 Bonds"), the Abilene Health Facilities Development Corporation Hospital Revenue Bonds (Hendrick Medical Center Project) Series 1990 (the "Series 1990 Bonds") and the Abilene Health Facilities Development Corporation Hospital Revenue Bonds (Hendrick Medical Center Project) Series 1992 (the "Series 1992 Bonds"). The proceeds of the Series 1986 Bonds were loaned by the Abilene Health Facilities Development Corporation to Mesa Springs Retirement Village, Inc., an affiliate of Hendrick Medical Center, for the purpose of financing the acquisition and construction of a development for retired persons located at 4149 Forest Hill Road, Abilene, Texas, owned by Mesa Springs Retirement Village, Inc. The proceeds of the Series 1990 Bonds and the Series 1992 Bonds were used to finance, refinance and reimburse Hendrick Medical Center for the cost of certain capital projects to be used by Hendrick Medical Center.

Proceeds of the Series 1995B Bonds will be used as follows:

	<u>Estimated Cost</u>
1. Establish an escrow for the purpose of currently refunding the Series 1986 Bonds, the Series 1990 Bonds, and the Series 1992 Bonds	\$39,000,000
2. Debt Service Reserve Fund	\$2,750,000
3. Cost of issuance including underwriter's discount and MBIA insurance premium	\$1,165,000

Series 1995C Bonds

The Projects, and a description of their approximate estimated costs, the acquisition and/or construction of which are anticipated to be financed, refinanced and/or reimbursed in whole or in part with the Series 1995C Bonds are as follows:

	<u>Estimated Costs</u>
1. Collier Wing Renovation	\$4,500,000
2. Acquisition of Hendrick Wisteria Place	\$3,200,000
3. SE 6&7 - Complete Buildout and Equipment	\$2,856,000
4. Modular CATH Lab (including \$325,000 building)	\$2,100,000
5. Update current CATH Lab	\$1,850,000
6. Two CT Scanners	\$1,500,000
7. Acquisition of Real and Personal Property for Parking and Related Facilities	\$1,500,000
8. Linear Accelerator	\$1,750,000
9. Labor and Delivery Room/Obstetrical Remodeling	\$900,000
10. Family Health Clinic	\$900,000
11. Complete rehab shell space and ten additional beds	\$492,000
12. Liquid oxygen vessel and site construction	\$180,000
13. Trauma Center Chest Pain	\$150,000

14.	OR Instrument and Sterilization Program	\$500,000
15.	Nursing LAN-hardware & software	\$129,000
16.	Capitalized interest fund	\$2,000,000
17.	Radiology, cardiology and other major medical equipment	\$2,493,000
18.	Debt Service Reserve Fund	\$1,860,000
19.	Cost of Issuance including underwriter's discount and MBIA insurance premium	\$853,000

Series 1995D Bonds

The Projects, and a description of their approximate estimated costs, the acquisition and/or construction of which are anticipated to be financed, refinanced and/or reimbursed in whole or in part with proceeds of the Series 1995D Bonds are as follows:

	<u>Estimated Cost</u>
1. Cedar Mall – Medical Office Building	\$5,500,000
2. Hendrick Professional Center II Medical Office Building	\$2,500,000
3. Debt Service Reserve Fund	\$606,000
4. Cost of issuance including underwriter's discount and MBIA insurance premium	\$338,000

PUBLIC HEARING NOTICE

The Abilene Health Facilities Development Corporation (the "Issuer") will hold a public hearing at 4:00 a.m. on March 17, 1995 in the Administrative Conference Abilene City Hall located at 555 Walnut, Abilene, Texas. Among items to be discussed will be a proposal for issuance by the Issuer of its (i) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995A (the "Series 1995A Bonds"), (ii) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995B (the "Series 1995B Bonds"), (iii) Hospital Revenue Improvement Bonds (Hendrick Medical Center Project) Series 1995C (the "Series 1995C Bonds"), (iv) Hospital Revenue Improvement Bonds (Hendrick Medical Center Project) Series 1995D (Taxable) (the "Series 1995D Bonds"). Collectively the Series 1995A Bonds, the Series 1995B Bonds, the Series 1995C Bonds, and the Series 1995D Bonds will be referred to herein as the "Series 1995 Bonds". The Series 1995 Bonds will be issued in the aggregate principal amount not to exceed \$98,000,000 plus original issue discount, if any. The proceeds of the Series 1995 Bonds are proposed to be used for all or part of the cost of financing, refinancing and/or reimbursing Hendrick Medical Center for the cost of the construction, acquisition and equipping of health facilities for Hendrick Medical Center and including the refunding of bonds previously issued for such purposes, including real and personal property to be located at or around Hendrick Medical Center at 1242 N. 19th Street, real and personal property to be used at Hendrick Wisteria Place, located at 3917 Wisteria, Abilene, Texas, real and personal property to be used at the Family Health Clinic at 1857 Pine Street, Abilene, Texas, real and personal property used and owned by Mesa Springs Retirement Village, Inc., an affiliate of Hendrick Medical Center, 4149 Forest Hill Road, Abilene, Texas, real and personal property to be located at 1934 Hickory, 1742 Cypress, 1750 Cypress, 1726 Cypress, 1217 N. 18th, 1744 Pine, 1134 N. 17th, 910 N. 19th, 1834 Orange, 1758 Cypress, 1025 N. 18th, 1035 N. 18th, 1357 N. 19th, 1902 Walnut, 1142 N. 17th, 842 Pine, 2182 Hickory, 1702 Cypress, 1734 Cypress, 2141 Simmons, 2149 Simmons, 2133 Simmons, 2150 Orange, 2142 Orange, Abilene, Texas.

This public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended. Interested individuals are invited to express their views, both orally and in writing, on the proposed issuance of the Series 1995 Bonds. Comments at the public hearing are invited.

ABILENE HEALTH FACILITIES  
DEVELOPMENT CORPORATION

By: Rosemary Suttle  
Its: Secretary



EXHIBIT B

PUBLISHER'S AFFIDAVIT

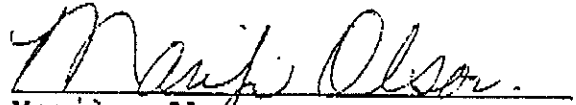
STATE OF TEXAS  
COUNTY OF TAYLOR

Before me, the undersigned authority, in and for said state and county, on this day personally appeared Marilyn Olson, to me known, who after being by me first duly sworn on oath says that she is the Advertising Operations Manager of the Reporter-News, which is a newspaper of general circulation, published in the City of Abilene, in Taylor County, Texas, and which has been continuously and regularly published therein for a period of more than one year next before the publication of the attached notice, and said publications were made to her own personal knowledge on:

Hendrick Medical Center

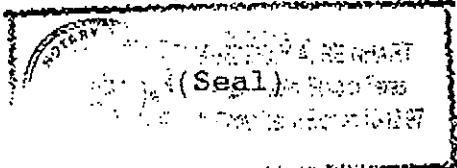
Legal Notice published on 2/28/95 and 3/1/95

and that a true and correct copy of said notice as published on the above publication dates is attached hereto, which she swears is a true and correct copy of said notice.



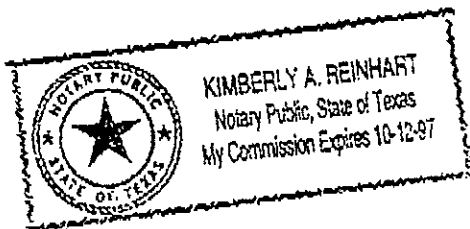
Marilyn Olson  
Advertising Operations Manager

Subscribed and sworn to before me by Marilyn Olson, on this 13th day of March, 19 95.



Kimberly Reinhart  
Notary Public  
Taylor County, Texas

My Commission Expires: 10/12/97



6D Abilene Reporter-News Wednesday, March 1, 1995

Legals 9970

PUBLIC HEARING NOTICE

The Abilene Health Facilities Development Corporation (the "issuer") will hold a public hearing at 4:00 p.m. on March 1, 1995 in the City Hall, 2nd Floor Administration Conference Room, Room 203,

Abilene, Texas. Among items to be discussed will be a proposal for issuance by the issuer of its (i) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995A (the "Series 1995A Bonds"), (ii) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995B (the "Series 1995B Bonds"), (iii) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995C (the "Series 1995C Bonds"), (iv) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995D (the "Series 1995D Bonds"), and (v) Hospital Revenue Refunding Bonds (Hendrick Medical Center Project) Series 1995E (the "Series 1995E Bonds"). The

Series 1995 Bonds will be issued in the aggregate principal amount not to exceed \$98,000,000 plus original issue discount, if any. The proceeds of the Series 1995 Bonds are proposed to be used for all or part of the cost of financing, refinancing and/or reimbursing Hendrick Medical Center for the cost of the construction, acquisition and equipping of health facilities for Hendrick Medical Center and including the

refunding of bonds previously issued for such purposes, including real and personal property to be located at or around Hendrick Medical Center at 1242 N. 18th Street; real and personal property located at 1934 Hickory, 1742 Cypress, 1750 Cypress, 1726 Cypress, 1217 N. 18th, 1744 Pine, 1134 N. 17th, 810 N. 18th, 1834 Orange, 1738 Cypress, 1025 N. 18th, 1035 N. 18th, 1957 N. 15th, 1902 Walnut, 1142 N. 17th, 842 Pine, 2182 Hickory, 1782

owned by Mesa Springs Retirement Village, Inc. affiliate of Hendrick Medical Center, 819 Forest Hill Road, Abilene, Texas; real and personal property to be located at 1934 Hickory, 1742 Cypress, 1750 Cypress, 1726 Cypress, 1217 N. 18th, 1744 Pine, 1134 N. 17th, 810 N. 18th, 1834 Orange, 1738 Cypress, 1025 N. 18th, 1035 N. 18th, 1957 N. 15th, 1902 Walnut, 1142 N. 17th, 842 Pine, 2182 Hickory, 1782

Cypress, 1734 Cypress, 2141 Simmons, 2142 Simmons, 2133 Simmons, 2160 Orange, 2142 Orange, Abilene, Texas. This public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended. Interested individuals are invited to express their views, both orally and in writing, on the proposed issuance of the Series 1995 Bonds. Comments at the public

hearing are invited. ABILENE HEALTH FACILITIES DEVELOPMENT CORPORATION By: Rosemary Suttie His: Secretary

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**EXHIBIT C**

The Public Hearing was held on March 17, 1995. There being no written comments received nor anyone present from the public to speak, the Public Hearing was closed.