

RESOLUTION NO. 110, SERIES 2019

A RESOLUTION OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY, AUTHORIZING THE EXECUTION AND DELIVERY OF (I) A THIRD SUPPLEMENTAL USER CONTRACT RELATED TO THE MEDICAL CENTER STEAM AND CHILLED WATER PLANT AND (II) A FIRST AMENDMENT TO AMENDED AND RESTATED CENTRAL LAUNDRY SERVICES CONTRACT RELATED TO THE MEDICAL CENTER LAUNDRY.

SPONSORED BY: COUNCILMEMBER SEXTON SMITH

WHEREAS, Louisville Medical Center, Inc. ("LMC") owns the Medical Center Steam and Chilled Water Plant located at 235 Abraham Flexner Way, Louisville, Kentucky 40202 (the "Plant") and the Medical Center Commission of Louisville/Jefferson County Metro Government, Kentucky (the "Commission") operates the Plant for the purpose of providing steam and chilled water to certain facilities owned by (i) Jewish Hospital & St. Mary's Healthcare, Inc. ("JHSMH"), (ii) Kentucky Community & Technical College System ("KCTCS"), (iii) Norton Healthcare, Inc. ("Norton"), (iv) the University of Louisville ("UofL"), and (v) University Medical Center, Inc. d/b/a University Hospital ("University Hospital" and, together with JHSMH, KCTCS, Norton, and UofL, the "Existing Plant Users") in the medical center area in downtown Louisville (the "Medical Center"); and

WHEREAS, on April 23, 2002, Metro Government, LMC, and the Existing Plant Users entered into a User Contract (the "Original Plant Contract") for the purpose of providing for the operation of the Plant and to require the Existing Plant Users to collectively pay the costs of operating the Plant, including any debt service related to tax-exempt bonds issued to finance improvements to or expansions of the Plant in exchange for the agreement of LMC and the Commission to provide the Existing Plant Users steam and chilled water from the Plant; and

WHEREAS, on October 1, 2011, Metro Government, LMC, and the Existing Plant Users entered into a First Supplemental User Contract (the "First Supplemental Plant Contract") for the purpose of amending and supplementing the Original Plant Contract to permit Metro Government to issue taxable bonds to finance improvements to the Plant; and

WHEREAS, on October 1, 2012, Metro Government, the Commission, LMC, and the Existing Plant Users entered into a Second Supplemental User Contract (the "Second Supplemental Plant Contract" and, together with the Original Plant Contract and the First Supplemental Plant Contract, the "Existing Plant Contract") for the purpose of clarifying and improving various provisions of the Original Plant Contract, as previously amended, regarding the operation of the Plant and the calculation and apportionment of its operating expenses among the Existing Plant Users; and

WHEREAS, the Commission owns and operates the Medical Center Laundry located at 1400 Story Avenue, Louisville, Kentucky 40202 (the "Laundry") for the purpose of providing medical laundry services to certain facilities owned by JHSMH, Norton, UofL, and University Hospital (collectively, the "Existing Laundry Users") in the Medical Center; and

WHEREAS, on October 1, 2012, Metro Government, the Commission, LMC, and the Existing Laundry Users entered into the Amended and Restated Central Laundry Services Contract dated as of October 1, 2012 (the "Existing Laundry Contract") for the purpose of

providing for the operation of the Laundry and to require the Existing Laundry Users to collectively pay the costs of operating the Laundry in exchange for the agreement of the Commission and LMC to provide the Existing Laundry Users medical laundry services from the Laundry; and

WHEREAS, JHSMH has requested to withdraw as a party to the Existing Plant Contract and the Existing Laundry Contract in connection with, and subject to, its sale and transfer (the "Transfer Transaction") of substantially all of the assets that are directly related to, necessary for, or used exclusively in connection with, the operation of the following facilities to UofL Health-Louisville, Inc. (collectively, the "Transferred Facilities"):

Facility	Address
Jewish Hospital Rudd Heart and Lung Center	201 Abraham Flexner Way, Louisville, Kentucky 40202
Frazier Rehab Institute	220 Abraham Flexner Way, Louisville, Kentucky 40202
Jewish Hospital	200 Abraham Flexner Way, Louisville, Kentucky 40202
Jewish Hospital Outpatient Care Center	225 Abraham Flexner Way, Louisville, Kentucky 40202
Jewish Hospital East	3920 Dutchman's Lane, Louisville, Kentucky 40207
Jewish Hospital South	1903 Hebron Lane, Shepherdsville, Kentucky 40165
Southern Indiana Rehab	3104 Blackiston Boulevard, New Albany, Indiana 47150

WHEREAS, subject to the closing of the Transfer Transaction, UofL Health-Louisville, Inc. ("UofL Health") has requested to become a party to the Existing Plant Contract and the Existing Laundry Contract as the new owner and operator of the Transferred Facilities; and

WHEREAS, the Board of Directors of LMC and the Commission have approved, and the Boards of Directors, Boards of Trustees, or other duly-authorized executive authorities of KCTCS, Norton, UofL, and UofL Hospital have approved or are expected to approve the above-described changes in the parties to the Existing Plant Contract and the Existing Laundry Contract; and

WHEREAS, LMC, the Commission, KCTCS, Norton, UofL, UofL Hospital, and UofL Health (collectively, the "Requesting Parties") have requested Metro Government to execute and deliver (i) a Third Supplemental User Contract by and among Metro Government and the Requesting Parties memorializing the above-described changes in the parties to the Existing Plant Contract and (ii) a First Amendment to Amended and Restated Central Laundry Services Contract memorializing the above-described changes in the parties to the Existing Laundry Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT:

Section 1. Incorporation of Preamble. The facts and recitations set out in the preamble of this Resolution are adopted and incorporated as a part hereof, and the terms defined in the preamble shall have the same meanings when used herein.

Section 2. Authorization of Execution and Delivery of Documents. At or prior to the closing of the Transfer Transaction, the Mayor and the Metro Council Clerk are hereby authorized and directed to execute and deliver on behalf of Metro Government the following documents, each of which shall be effective upon closing of the Transfer Transaction, substantially in the respective forms previously submitted, reference to which is hereby made, with such changes therein as the officer(s) executing such documents on behalf of Metro Government shall approve, such approval to be conclusively evidenced by their execution and delivery thereof:

(a) a Third Supplemental User Contract by and among Metro Government and the Requesting Parties amending and supplementing the Existing Plant Contract to provide for the withdrawal of JHSMH as a party thereof and adding UofL Health as a party thereto and accomplishing the other related purposes set forth therein; and

(b) a First Amendment to Amended and Restated Central Laundry Services Contract by and among Metro Government and the Requesting Parties amending and supplementing the Existing Laundry Contract to provide for the withdrawal of JHSMH as a party thereof and adding UofL Health as a party thereto and accomplishing the other related purposes set forth therein.

Section 3. Severability. The provisions of this Resolution are severable and, if any section, phrase, or provision hereof shall for any reason be declared invalid or unenforceable, such declaration shall not affect the validity of the remainder of this Resolution.

Section 4. Supplements. The provisions of this Resolution may be supplemented from time to time by resolution of the Metro Council.

Section 5. Prior Conflicting Actions Superseded. To the extent that any resolution, municipal order, or part thereof is in conflict with the provisions of this Resolution, the provisions of this Resolution shall prevail and be given effect.

Section 6. Effective Date. This Resolution shall be in full force and effect from and after its adoption and publication as provided by law.

[Signature page to follow]

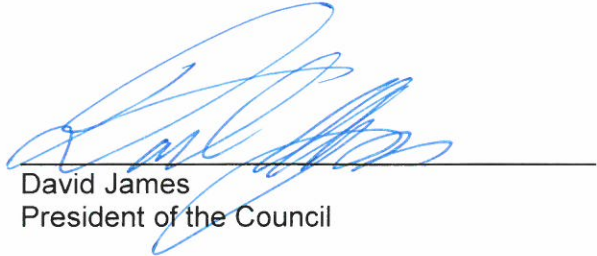
[Signature Page to Resolution]

INTRODUCED, SECONDED, AND READ at a duly convened regular meeting of the Metro Council of the Louisville/Jefferson County Metro Government, Kentucky, held on _____, 2019.

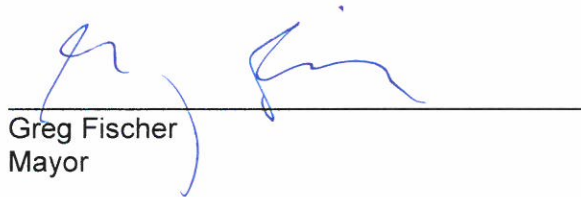
Attest:



Stephen Ott
Metro Council Clerk



David James
President of the Council

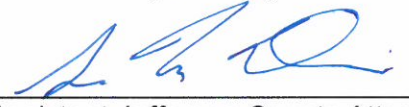


Greg Fischer
Mayor

10/31/19
Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: 
Assistant Jefferson County Attorney



**FIRST AMENDMENT TO AMENDED AND RESTATED
CENTRAL LAUNDRY SERVICES CONTRACT**

This **FIRST AMENDMENT TO AMENDED AND RESTATED CENTRAL LAUNDRY SERVICES CONTRACT** is made as of November 1, 2019, by and among:

- (i) **LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY**, a political subdivision of the Commonwealth of Kentucky;
- (ii) **MEDICAL CENTER COMMISSION OF LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY**, a public agency of Louisville/Jefferson County Metro Government, Kentucky;
- (iii) **LOUISVILLE MEDICAL CENTER, INC.**, a Kentucky nonprofit corporation;
- (iv) **NORTON HEALTHCARE, INC.**, a Kentucky nonprofit corporation;
- (v) **UNIVERSITY OF LOUISVILLE**, an institution of higher education organized and existing under the laws of the Commonwealth of Kentucky;
- (vi) **UNIVERSITY MEDICAL CENTER, INC.** d/b/a University of Louisville Hospital, a Kentucky nonprofit corporation; and
- (vii) **UOFL HEALTH-LOUISVILLE, INC.**, a Kentucky nonprofit corporation; and
- (viii) **JEWISH HOSPITAL & ST. MARY'S HEALTHCARE, INC.**, a Kentucky nonprofit corporation, solely for the ability to enforce the provisions of Section 4 hereof.

WITNESSETH:

WHEREAS, all capitalized terms used in these recitals shall have the meanings set forth in Section 1 hereof; and

WHEREAS, the Commission owns and operates the Medical Center Laundry located at 1400 Story Avenue, Louisville, Kentucky 40202 for the purpose of providing medical laundry services to certain facilities owned by the Existing User Institutions; and

WHEREAS, on October 1, 2012, Metro Government, the Commission, LMC, and the Existing User Institutions entered into the Existing User Contract for the purpose of providing for the operation of the Laundry and to require the Existing User Institutions to collectively pay the Operating Costs of the Laundry in exchange for the agreement of the Commission and LMC to provide the Existing User Institutions medical laundry services from the Laundry; and

WHEREAS, JHSMH has requested to withdraw as a party to the Existing User Contract in connection with, and subject to, its sale and transfer of substantially all of the assets that are directly related to, necessary for, or used exclusively in connection with, the operation of the Transferred Facilities to UofL Health; and

WHEREAS, UofL Health has requested to become a party to the Existing User Contract as the new owner and operator of the Transferred Facilities; and

WHEREAS, the Approving Parties are agreeable to permit the withdrawal of JHSMH as a party to the Existing User Contract and the admission of UofL Health as a party to the Existing User Contract, as amended by this First Amendment, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

Section 1. Definitions of Terms Used within this First Amendment. The following words and terms used herein shall have the following meanings for purposes of this First Amendment unless the context or use indicates a different meaning or intent:

“**Approving Parties**” means Metro Government, the Commission, LMC, Norton, UofL, and UofL Hospital.

“**Commission**” means the Medical Center Commission of Louisville/Jefferson County Metro Government, Kentucky, a public agency of Metro Government.

“**Downtown Medical Center**” means the portion of downtown Louisville, Kentucky generally bordered by Brook Street, Muhammad Ali Boulevard, Clay Street, and East Broadway.

“**Effective Date**” means November 1, 2019.

“**Existing User Contract**” means the Amended and Restated Central Laundry Services Contract dated as of October 1, 2012, by and among Metro Government, the Commission, LMC, and the Existing User Institutions.

“**Existing User Institutions**” means JHSMH, Norton, UofL, and UofL Hospital.

“**First Amendment**” means this First Amendment dated the Effective Date by and among the Reconstituted User Institutions.

“**JHSMH**” means Jewish Hospital & St. Mary’s Healthcare, Inc., a Kentucky nonprofit corporation.

“**Laundry**” means the Medical Center Laundry located at 1400 Story Avenue, Louisville, Kentucky 40202.

“**LMC**” means Louisville Medical Center, Inc., a Kentucky nonprofit corporation.

“**Metro Government**” means Louisville/Jefferson County Metro Government, Kentucky, a political subdivision of the Commonwealth of Kentucky.

“**Norton**” means Norton Healthcare, Inc., a Kentucky nonprofit corporation.

“**Reconstituted User Institutions**” means Norton, UofL, UofL Hospital, and UofL Health.

“**Transferred Facilities**” means (i) Jewish Hospital Rudd Heart and Lung Center located at 201 Abraham Flexner Way, Louisville, Kentucky 40202, (ii) Frazier Rehab Institute located at 220 Abraham Flexner Way, Louisville, Kentucky 40202, (iii) Jewish Hospital located at 200 Abraham Flexner Way, Louisville, Kentucky 40202, (iv) Jewish Hospital Outpatient Care Center located at 225 Abraham Flexner Way, Louisville, Kentucky 40202, (v) Jewish Hospital East located at 3920 Dutchman’s Lane, Louisville, Kentucky 40207, (vi) Jewish Hospital South located at 1903 Hebron Lane, Shepherdsville, Kentucky 40165, (vii) Saints Mary and Elizabeth Hospital

located at 1850 Bluegrass Avenue, Louisville, Kentucky 40215, (viii) Our Lady of Peace 2020 Newburg Road, Louisville, Kentucky 40205, (ix) North East Hospital located at 2401 Terra Crossing Boulevard, Louisville, Kentucky 40245, (x) Jewish Medical Center Southwest Hospital located at 9700 Stonestreet Road, Louisville, Kentucky 40272, and (xi) Jewish Hospital Shelbyville Hospital located at 727 Hospital Drive, Shelbyville, Kentucky 40065.

“**UofL**” means University of Louisville, an institution of higher education organized and existing under the laws of the Commonwealth of Kentucky.

“**UofL Health**” means UofL Health-Louisville, Inc., a Kentucky nonprofit corporation.

“**UofL Hospital**” means University Medical Center, Inc. d/b/a University of Louisville Hospital, a Kentucky nonprofit corporation.

“**User Contract**” means the Existing User Contract, as amended and supplemented by this First Amendment.

Any capitalized terms utilized but not defined herein shall have the meanings set forth in the Existing User Contract.

Section 2. Acceptance of Withdrawal of JHSMH. The Approving Parties hereby accept the Withdrawal of JHSMH as a party to the Existing User Contract effective as of the date hereof.

Section 3. Acceptance of Admission of UofL Health. The Approving Parties hereby accept UofL Health as a party to the User Contract effective as of the date hereof.

Section 4. Specific Terms Governing Change in Parties.

(a) Payment of Steam and Chilled Water Charges.

(i) JHSMH shall pay its proportionate share of all Operating Costs of the Laundry related to the Transferred Facilities that are due and payable for the period of time up to (but excluding) the Effective Date in accordance with the Existing User Contract (including any late fees associated with untimely payments of such obligations). JHSMH shall be obligated to pay for such Operating Costs of the Laundry even if LMC or the Commission provides JHSMH invoices for such Costs after the Effective Date.

(ii) UofL Health shall pay its proportionate share of all Operating Costs of the Laundry related to the Transferred Facilities that are due and payable for the period of time from and after (and including) the Effective Date in accordance with the User Contract.

(b) No Further Rights or Obligations of JHSMH. The Approving Parties hereby acknowledge and agree that from and after the Effective Date, none of JHSMH, its affiliates, or their respective predecessors, successors, assigns, and representatives (collectively, the “**JHSMH Parties**”) will be considered a User Institution under the User Contract, and, therefore, from and after the Effective Date, no JHSMH Party shall have any privileges, rights, duties, commitments, liabilities, or obligations (financial or otherwise) under or related to the User Contract.

Section 5. Amendment of Article I of the Existing User Contract.

(a) Amendment of Definition of “Existing Users”. The definition of “Existing Users” in Article I of the Existing User Contract is hereby replaced in its entirety to mean Norton, UofL, UofL Hospital, and UofL Health.

(b) Amendment of the definition of “Facilities”. The following portions of the definition of “Facilities” in Article I of the Existing User Contract related to JHSMH are hereby replaced in their entirety as follows:

User Institution	Facility	Address
UofL Health	Jewish Hospital Rudd Heart and Lung Center	201 Abraham Flexner Way, Louisville, Kentucky 40202
UofL Health	Frazier Rehab Institute	220 Abraham Flexner Way, Louisville, Kentucky 40202
UofL Health	Jewish Hospital	200 Abraham Flexner Way, Louisville, Kentucky 40202
UofL Health	Jewish Hospital Outpatient Care Center	225 Abraham Flexner Way, Louisville, Kentucky 40202
UofL Health	Jewish Hospital East	3920 Dutchman’s Lane, Louisville, Kentucky 40207
UofL Health	Jewish Hospital South	1903 Hebron Lane, Shepherdsville, Kentucky 40165
UofL Health	Saints Mary and Elizabeth Hospital	1850 Bluegrass Avenue, Louisville, Kentucky 40215
UofL Health	Our Lady of Peace	2020 Newburg Road, Louisville, Kentucky 40205
UofL Health	North East Hospital	2401 Terra Crossing Boulevard, Louisville, Kentucky 40245
UofL Health	Jewish Medical Center Southwest Hospital	9700 Stonestreet Road, Louisville, Kentucky 40272
UofL Health	Jewish Hospital Shelbyville Hospital	727 Hospital Drive, Shelbyville, Kentucky 40065

(c) **Amendment of the definition of “Minimum Requirement”.** The definition of “Minimum Requirement” in Article I of the Existing User Contract related to JHSMH is hereby replaced in its entirety as follows:

“**Minimum Requirement**” means the minimum number of pounds of laundry services required to be budgeted by the Users for each Fiscal Year as further described below:

User	Minimum Requirement
Norton	1,900,000 lbs.
UofL Hospital	1,200,000 lbs.
UofL	Not Applicable
UofL Health	1,600,000 lbs.

Section 6. Amendment of Section 6.01 of the Existing User Contract. Section 6.01(a)(i) of the Existing User Contract is hereby replaced in its entirety as follows:

“(i) the Board of Directors of LMC and the Board of Commissioners of the Commission both approve such improvements, repairs or expansions;”

Section 7. Counterparts. This First Amendment may be executed in multiple counterparts each of which shall be regarded for all purposes as an original and such counterparts shall constitute but one and the same instrument.

Section 8. Headings. Any headings preceding the texts of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this First Amendment, nor shall they affect its meaning, construction or effect.

Section 9. Governing Law. This First Amendment is adopted with the intent that the laws of the Commonwealth of Kentucky shall govern its construction.

[Signature page to follow]

**[SIGNATURE PAGE TO FIRST AMENDMENT TO AMENDED AND RESTATED
CENTRAL LAUNDRY SERVICES CONTRACT]**

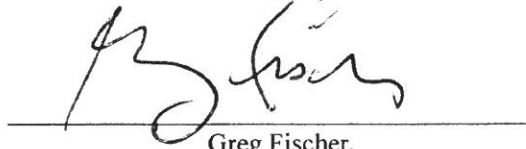
IN TESTIMONY WHEREOF, the parties have caused this instrument to be executed in their respective names by their respective duly authorized officers or officials effective as of the Effective Date, and each undersigned officer or official signifying by his or her execution of this First Amendment to Amended and Restated Central Laundry Services Contract that he or she is duly authorized to execute this First Amendment to Amended and Restated Central Laundry Services Contract upon behalf of such party.

**LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT, KENTUCKY**

Attest:



Stephen Ott,
Metro Council Clerk



Greg Fischer,
Mayor

APPROVED as to form and legality:

MICHAEL J. O'CONNELL, Jefferson County
Attorney



Assistant Jefferson County Attorney

**MEDICAL CENTER COMMISSION OF
LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT, KENTUCKY**

Attest:

Secretary

Chairman

LOUISVILLE MEDICAL CENTER, INC.

Attest:

Secretary

Chairman

**[SIGNATURE PAGE TO FIRST AMENDMENT TO AMENDED AND RESTATED
CENTRAL LAUNDRY SERVICES CONTRACT]**

NORTON HEALTHCARE, INC.

Attest:

Secretary

Senior Vice President and
Chief Financial Officer

UNIVERSITY OF LOUISVILLE

Attest:

Assistant Secretary

President

**UNIVERSITY MEDICAL CENTER, INC.
d/b/a University of Louisville Hospital**

Attest:

Secretary

Chief Financial Officer

UOFL HEALTH-LOUISVILLE, INC.

Attest:

Secretary

President

**JEWISH HOSPITAL & ST. MARY'S
HEALTHCARE, INC.**

Attest:

Secretary

Senior Vice President and Chief Financial Officer

**[SIGNATURE PAGE TO FIRST AMENDMENT TO AMENDED AND RESTATED
CENTRAL LAUNDRY SERVICES CONTRACT]**

U.S. Bank National Association, Nashville, Tennessee, as trustee in connection with Louisville/Jefferson County Metro Government, Kentucky, Refunding Revenue Bonds, Series 2012 (Louisville Medical Center, Inc. Laundry Facility Project), constituting all of the Revenue Bonds currently outstanding for the benefit of the Laundry, hereby certifies that in its opinion the foregoing First Amendment to Amended and Restated Central Laundry Services Contract does not make any changes in the Existing User Contract that adversely affect the rights of the holders of any outstanding Revenue Bonds and that in its opinion the changes in this First Amendment to Amended and Restated Central Laundry Services Contract do not affect adversely the rights of the holders of any Revenue Bonds and do not affect adversely the value of any Revenue Bonds. The foregoing certificate is made pursuant to and as permitted by Article VIII of the Existing User Contract.

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

Vice President

[SIGNATURE PAGE TO THIRD SUPPLEMENTAL USER CONTRACT]

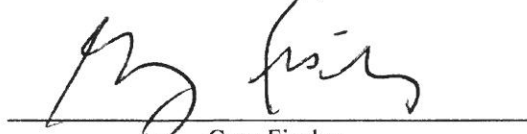
IN TESTIMONY WHEREOF, the parties have caused this instrument to be executed in their respective names by their respective duly authorized officers or officials effective as of the Effective Date, and each undersigned officer or official signifying by his or her execution of this Third Supplemental User Contract that he or she is duly authorized to execute this Third Supplemental User Contract upon behalf of such party.

**LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT, KENTUCKY**

Attest:



Stephen Ott,
Metro Council Clerk



Greg Fischer,
Mayor

APPROVED as to form and legality:

MICHAEL J. O'CONNELL, Jefferson County
Attorney



Assistant Jefferson County Attorney

**MEDICAL CENTER COMMISSION OF
LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT, KENTUCKY**

Attest:

Secretary

Chairman

LOUISVILLE MEDICAL CENTER, INC.

Attest:

Secretary

Chairman