

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
APRIL 13, 2016

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Special Called Emergency Session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Wednesday, April 13, 2016 at 2:00 pm with the following members present:

Chairman J. Leon Inman
Vice Chairman James D. Booth
Commissioner Jimmy Walker
Commissioner Ernest Lankford
Commissioner Ronda Jones

County Personnel in Attendance:
County Manager Richard D. Morris
Clerk to the Board Darlene Bullins
County Attorney Tyrone Browder

Chairman Inman called the meeting to order and welcomed those in attendance today.

INVOCATION

Chairman Inman invited those who wished to join in the invocation to please do so.

Commissioner Jones delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

Chairman Inman invited the citizens in attendance to join the Board in the Pledge of Allegiance.

CLOSED SESSION

Chairman Inman entertained a motion to enter Closed Session for the following:

- To consider and take action with respect to the position to be taken by the county in negotiating the amount of compensation or other material terms of an employment contract pursuant to GS 143-318.11(a)(5).
- To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to G.S. 143-318.11(a)(3)

Vice Chairman Booth moved to enter Closed Session for the following:

- To consider and take action with respect to the position to be taken by the county in negotiating the amount of compensation or other material terms of an employment contract pursuant to GS 143-318.11(a)(5).
- To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to G.S. 143-318.11(a)(3)

Commissioner Lankford seconded and the motion carried unanimously.

The Board re-entered the open session of the April 13th Emergency Meeting.

Chairman Inman entertained a motion.

Commissioner Jones moved to engage Parker Poe to represent Stokes County (the “County”) with respect to the potential assumption of operations of the local hospital (and possibly related operations) by the County from Pioneer Health Services (“PHS”), in light of the recent Chapter 11 bankruptcy filing by PHS in Mississippi. Commissioner Walker seconded and the motion carried unanimously.

Commissioner Walker moved to approve the following Memorandum of Understanding between Stokes County and Pioneer Community Hospital of Stokes which was presented at today’s meeting:

Memorandum of Understanding

Stokes County, (hereinafter the “County”) owns Stokes-Reynolds Memorial Hospital, Inc., which holds title to a rural critical access hospital and outpatient center located in Stokes County, North Carolina, which is currently being leased and operated by Pioneer Community Hospital of Stokes (hereinafter “Pioneer”).

Due to Pioneer filing Chapter 11 bankruptcy, and the possibility that the hospital could close, the parties have begun preliminary discussions regarding the possible transfer of all hospital and health care operations and all operating assets, as defined in the existing lease agreement, to the County.

Both County and Pioneer desire that all existing hospital and health care facilities located in Stokes County and currently being operated by Pioneer, remain open and fully operational in order to provide continuing uninterrupted access to healthcare services to the communities currently being served, and to avoid the potential risk of closure of the Hospital, which has a large underserved population. The continuing uninterrupted operation by Pioneer of the hospital and outpatient center with full medical services to the fullest extent possible, until any future transfer of the hospital and health care operations and operating assets to the County, is an essential element of this Memorandum of Understanding.

The parties desire to set forth their mutual understanding regarding the specific terms and conditions of the proposed transfer in a forthcoming non-binding Letter of Intent. Thereafter the parties shall use every effort in consummating a final and definitive Agreement transferring all hospital operations and all operating assets, including all supplies, equipment, drugs, and the like of the hospital to the County; provided however that both parties reserve the right to terminate negotiations at any time in the future.

This Memorandum of Understanding is not binding on either party, and shall not require either party to enter into any agreement in the future.

This Memorandum of Understanding, and any future agreements are subject to the approval and order of the Bankruptcy Court.

**PIONEER HEALTH SERVICES OF
STOKES COUNTY, INC.**

By: **Joseph S. McNulty, III**

Title: President

Date: _____

STOKES COUNTY

By: **J. Leon Inman**

Title: Chairman of the Stokes County

Date: _____

Vice Chairman Booth seconded and the motion carried unanimously.

Adjournment

There being no further business to come before the Board, Chairman Inman entertained a motion to adjourn the Emergency Meeting.

Commissioner Lankford moved to adjourn the Emergency Meeting. Vice Chairman Booth seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman