

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING HELD ON WEDNESDAY, SEPTEMBER 9, 2009 AT SEVEN (7:00) P.M.** IN ST BERNARD PARISH COUNCIL CHAMBERS, LOCATED AT 8201 WEST JUDGE PEREZ DRIVE, CHALMETTE, LOUISIANA

The Hospital Service District met on Wednesday, September 9, 2009 in the St. Bernard Parish Council Chambers pursuant to notice given to each member and posted in the manner required by law.

The Chairman, Mr. Landry, convened the meeting at 7:09 p.m. and continued with calling the roll.

There were present: Mr. Wayne J. Landry (Chairman), Mr. George Cavignac, Mr. Ron Chapman, and Mr. Daniel Dysart

There were absent: Mr. James DiFatta

Also present were: Dr. Brian Bertucci, Advisor to the HSD, Phil Wendling and Tom Noble from Hammes Co.

Dr. Brian Bertucci delivered the invocation

Mr. Dysart led the Pledge of Allegiance.

#1

On motion of Mr. Cavignac, seconded by Mr. Dysart, it was moved to approve the minutes of the 8/26/2009 HSD meeting.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavignac, Chapman, Dysart

NAYS: NONE

ABSENT: DiFatta

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#2

On motion of Mr. Cavignac, seconded by Mr. Chapman, it was moved to approve the GSP July invoice in the amount of \$406,059.35.

Mr. Dysart stated that the programming schematic portion is now 100% complete. Mr. Dysart asked if the Hammes Co. was comfortable that the schematic package was complete. Mr. Dysart also asked if the Hammes Co. was satisfied where we are with the schedule of the A&E.

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Mr. Wendling confirmed that the schematic portion is 100% complete. Further the design portion is approximately 15% complete. The next step gets more detailed than this schematic stage. The design development phase is where the elevation of the building will be decided upon concept options available for the exterior look of the building. Mr. Wendling answered that he is satisfied with the A&E being on schedule and looks like the middle of December for the construction documents to be complete.

The Chairman, Mr. Landry advised the board that this invoice includes credits for all of the previous invoices of GSP wherein a 10% overcharge occurred in the billing. He further stated that there will no longer be a 10% surcharge because he has amended the GSP contract to remove that clause an action that he will ask for ratification in the next agenda item. Further, Mr. Landry asked Hammes to stay in communication with the architects to try and get the plans complete at the end of November.

Mr. Chapman, asked Kendall Magee if the CDBG funds were going to pay for this invoice.

Mr. Magee stated that the CDBG funds would pay for this.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnignac, Chapman, Dysart

NAYS: NONE

ABSENT: DiFatta

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#3

On motion of Mr. Dysart, seconded by Mr. Cavnignac, it was moved to ratify the HSD Chairman's action on 9/3/2009 to sign the first amendment to the GSP contract removing the 10% overcharge on reimbursable expenses.

The Chairman, Mr. Landry advised the board that he had amended the A&E contract to take out the language calling for 10% charge above the reimbursable items.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnignac, Chapman, Dysart

NAYS: NONE

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ABSENT: DiFatta

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#4

On motion of Mr. Cavnac, seconded by Mr. Chapman, it was moved to convert the HSD committees to work groups.

The Chairman, Mr. Landry explained that the first committee meeting did not have a quorum, and that he didn't want to see these "workgroups" to be slowed down from having a quorum.

The Chairman, Mr. Landry announced that Mr. James DiFatta was now present.

Mr. Cavnac, agreed that the workgroups are very productive, but didn't want to see delays without a quorum and felt that the advertisement requirements of a formal committee.

Mr. Dysart asked if the committees were called workgroups instead of committees if the structure of the groups would remain the same, with the workgroups referring recommendations to the HSD board. He further stated that he did not want to see any delays in the forward progress of the workgroups either.

Mr. Wendling confirmed that the structure of the committees wouldn't change. He further indicated that the HSD board would always be welcome to all workgroup sessions.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnac, Chapman, DiFatta, Dysart

NAYS: NONE

ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#5

On motion of Mr. Dysart, seconded by Mr. Chapman, it was moved to discuss and make recommendations for the website for the HSD.

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The Chairman, Mr. Landry advised the board that stbhsd.com and stbhsd.net were both secured. He further said that he would like to see financial information displayed on the website, the minutes' archives, any RFP's, meetings, and workgroup schedules as well as drawings of the hospital should be on the website.

Mr. Chapman suggested that also a link to send questions to each board member be placed on the website.

The Chairman, Mr. Landry also asked if we would like the cable access IT person to do the web page. He further indicated that there would be a minimum charge for the development of same. Mr. Landry also advised that there would be a link from the parish website for residents to link directly to the HSD.

No action necessary.

#6

On motion of Mr. Cavnac, seconded by Mr. Chapman, it was moved to discuss the phone conference with the congressional delegation.

Mr. DiFatta summarized the teleconference that took place with the congressional delegation and that it was a positive conversation and the entire delegation was willing to support us and look for some finances for funding the medical office building.

The Chairman, Mr. Landry, advised the board that although that teleconference was assembled rather quickly, that we had asked for operational capital as well as brick and mortar dollars for the medical office building. Mr. Landry also said that in the future he would like to have all the board members participate in any future conference calls.

No action necessary.

#7

On motion of Mr. DiFatta, seconded by Mr. Cavnac, it was moved to pass a resolution asking the Council to apply for Capital Outlay Funds on behalf of the HSD.

The Chairman, Mr. Landry advised that there is a November 1st deadline for applying for state capital outlay funds. He suggested that we ask for 10 million dollar allocation for capital outlay funds for the medical office building.

Mr. Dysart expressed concern that he wanted the unanimity of our state delegation prior to passing this resolution. He wanted to know in advance if the legislative delegation thought it was a good idea.

Mr. Cavnac explained that this request was from a different fiscal year of the state, and the resolution actually goes to the state delegation. He spoke in favor of passing the resolution.

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Mr. Chapman asked about the status of the 17 million. He further stated we should keep the request vague.

Mr. Dysart pointed out that he wanted it to be a collaborative effort between the HSD the council and the state delegation. He voiced his concern that the state delegation might feel like we are putting too much on the plate of the state delegation.

Mr. DiFatta stated that Magee had encouraged the HSD last year to apply for these funds. Further he also agreed that the state delegation should be aware of what we would be doing.

Mr. Magee stated that he supports the resolution and encourages the HSD to move forward and make the capital outlay request to the state, because if the HSD delays, then it would be too difficult. He stressed the importance of submitting this request and felt it to be wise and said we should submit it in general and not too specific.

On motion of Mr. Dysart, seconded by Mr. DiFatta, it was moved to amend the resolution to include 2 statements: 1) That the resolution would be forwarded to the council only after the chairman makes phone calls to the state delegation and has their approval; and 2) that the request be made in the name of the St. Bernard Parish Hospital project.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnignac, Chapman, DiFatta, Dysart

NAYS: NONE

ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#8

On motion of Mr. DiFatta, seconded by Mr. Cavnignac, it was moved to discuss invitations for management RFP and RFP's in general.

The Chairman, Mr. Landry, advised the board that he had initially instructed Mr. Wendling to send out invitations to all the prior respondents to the management RFP's and that he then halted those instructions to Mr. Wendling because he didn't want those invitations going out before the advertisement of the RFP's.

Mr. Dysart wanted to make sure that all the firms got the invite.

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Mr. Wendling indicated that Pacer, Quorum, Brim and Costner would be getting the RFP invitation.

The Chairman, Mr. Landry said that in the future all RFP responses should go to Hammes, and the board agreed.

Mr. Dysart said that agreed but also wanted to make sure that the final sealed bid come directly to the chairman, and the board agreed.

No action necessary.

#9

On motion of Mr. DiFatta, seconded by Mr. Cavnac, it was moved to discuss and possibly authorize market study analysis for the medical office building.

The Chairman, Mr. Landry asked Mr. Wendling to advise the board on this matter and the necessity for having such a study performed.

Mr. Noble, said that the general steps were to start off with a market assessment for what the market rate would be, and that the construction type would dictate the market rate. The next step would be to determine physician interest. These steps would indicate what the building would cost. The space must be leased for market rate, and the only way to determine that is to perform such a study.

Mr. Chapman was concerned with having a debt free hospital and have the liability of building a medical office building. He further thought it would be ideal to have this information.

Mr. Dysart asked what would this study cost, and Mr. Noble answered approximately \$60,000.00 to \$70,000.00, but was not exactly sure. Mr. Dysart further explained his concern with the funding for the medical office building.

The Chairman, Mr. Landry stated that he wanted to see the funds in place first before we commit the funds to a feasibility study, and that the financing for the hospital would be kept separate and apart from the potential future financing for the medical office building.

Mr. DiFatta stated that he would like to see the HIRSA funds utilized for this study.

The Chairman, Mr. Landry asked for a motion to table this matter until the board could get a better idea on where the funding source would come from.

Mr. Cavnac also spoke in favor of trying to use the HIRSA funds for funding the medical office building.

On motion of Mr. Dysart, seconded by Mr. Chapman, it was moved to table this matter until such time as the funds could be more readily identified.

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The Chairman, Mr. Landry, assumed the motion to table the matter and with no objection the item was tabled.

#10

On motion of Mr. Dysart, seconded by Mr. Cavnac, it was moved to discuss the current status of the land donation.

The Chairman, Mr. Landry, without objection consolidated agenda item #10 and #11 together for discussion purposes. Item #11 was a motion to discuss the status of the land re-subdivision.

Mr. Dysart said that he met with the Meraux Foundation a week ago regarding the re-subdivision application, and that would be on the September 22, agenda with the planning commission. Further, Mr. Dysart said that the HSD attorney and he met with the Meraux Foundation regarding the land donation and that the Meraux Foundation was 100% supportive of the language of the donation and that everything was proceeding along very well and that he believes that we have 100% support of the Meraux Foundation regarding this matter.

Mr. Cavnac asked Mr. Dysart if there was a draft of what was presented to the Meraux Foundation. Mr. Dysart said no draft was at the meeting, and he believes that the attorneys were working on this matter when he left the meeting yesterday.

Mr. DiFatta asked which attorney was drafting the document, the HSD attorney, or the Meraux Foundation attorney. Mr. Dysart said he believed that it was the Frilot firm drafting the document.

Mr. Magee said that he would send samples of donation language that would be necessary to be included in the donation document and that he would send it to Mr. Landry.

Dr. Bertucci asked about the language for the expansion land.

Mr. Cavnac asked Mr. Dysart when the next meeting was set with the Meraux Foundation. Mr. Dysart said that there is no date set for the next meeting.

On motion of Mr. Cavnac, seconded by Mr. DiFatta, it was moved to resolve, that the Chairman, Mr. Landry, instruct the Frilot firm to forward the documentation of the agreement to the HSD members prior to presenting to the Meraux Foundation, so that the board may approve it.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnac, Chapman, DiFatta, Dysart

NAYS: NONE

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ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#11

Without objection this item was discussed simultaneously with item #10 per the Chairman, Mr. Landry.

#12

On motion of Mr. DiFatta, seconded by Mr. Chapman, it was moved to approve initiating (writing and language) RFP for grant manager.

Mr. DiFatta spoke in favor of securing the services of a grant writer. He further reiterated that the initial grant RFP did not receive any responses, and that could be because perhaps there was legislation that prevented Grant writers from responding.

The Chairman, Mr. Landry, confirmed that the Byrd amendment restricted us from contracting as a percentage of grants received.

Mr. DiFatta said he would do the writing of the RFP and that he anticipated some response if the RFP was written differently. He also said that he would bring the writing back for approval of the HSD to submit for advertising.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnac, Chapman, DiFatta, Dysart

NAYS: NONE

ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

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#13

On motion of Mr. Cavnac, seconded by Mr. DiFatta, it was moved to authorize Finance Chairman to secure bridge loan financing.

Mr. Cavnac wanted the finance chairman to get in touch with Gulf Coast bank officers to explore that information and bring back the information and terms.

On motion of Mr. Chapman, seconded by Mr. Dysart, it was moved amend the motion to replace secure with "bring back information for".... Without objection, the Chairman, Mr. Landry declared the amendment adopted.

Mr. DiFatta wants the finance committee to explore the concept of the bridge loan and get a better number for how much we would be looking for.

Mr. Dysart asked what a bridge loan would be for. Mr. DiFatta said for timing of cash flow.

The Chairman, Mr. Landry, explained the cash flow requirements of such a large construction project and the potential need to cash flow short falls of cash as grant monies which are requested may lag behind the need for paying invoices timely. Mr. Landry further stated that if the construction agreement with the contractor is worded properly, we can minimize the amount of bridge loan monies would be needed by scheduling out the draws and timing them in such a way that would fall in line with the cash flow curves of acquiring CDBG monies.

Mr. Wendling agreed that this could minimize the financial exposure of the bridge loan. He strongly supported the idea of obtaining bridge loan financing in order to make sure that the project moves forward.

Mr. Magee agreed that the bridge loan may be a necessary component of cash flowing the hospital construction project.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavnac, Chapman, DiFatta, Dysart

NAYS: NONE

ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#14

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On motion of Mr. Cavignac, seconded by Mr. Chapman, it was moved to authorize the Finance Chairman to apply for pre-disaster mitigation grant.

The Chairman, Mr. Landry stated that this was a motion to allow the Finance Chairman to complete the application for the pre-disaster mitigation grant. Further, he wanted to remind the board that this grant would require the HSD to put up a 25% match of any monies obtained, and could not be from a federal source of funds.

Mr. DiFatta stated that he hoped that we could be successful in obtaining a grant, and could be used for land fill as well as other mitigation ideas for the hospital.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Cavignac, Chapman, DiFatta, Dysart

NAYS: NONE

ABSENT: NONE

The Chairman, Mr. Landry, cast his vote as **YEA**

And the motion was declared **ADOPTED** on the 9th day of September, 2009.

#15

On motion of Mr. Cavignac seconded by Mr. Chapman, it was moved to receive an update from the Hammes Co. regarding the Traffic Study.

Mr. Wendling advised that he received the completed Traffic Study today and would copy all the board members for their review. He asked for the members to review it and advise him if they had any problems with what the traffic study stated, and to advise of any changes that the members might identify.

The Chairman, Mr. Landry asked Mr. Wendling if he read it yet, and Mr. Wendling said he did not. Further Mr. Landry asked what the next step was and how it impacted the DOTD decision on the ingress and egress access to the hospital.

Mr. Wendling said he would get with Mr. Brooks from the Regional Planning Commission and that Mr. Brooks would help him submit the study to the DOTD.

The Chairman, Mr. Landry, said that all the members should report to him if they have any problems and that if any one member indicates a problem, he will instruct Mr. Wendling to not submit the study. If there are no problems identified by any one member, then he will instruct Mr. Wendling to submit it, and the action can be ratified at the next meeting.

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No further action necessary at this time.

#16

On motion of Mr. DiFatta, seconded by Mr. Chapman, it was moved to discuss old business.

Mr. DiFatta spoke about the stimulus bill and stimulus money, and shared with the board about money flowing through the USDOTD would be sizeable. He also spoke of wanting to get grant managers on the trail of this money. Mr. DiFatta wants the HSD to compete with these monies, as these grants may be rationed in their allocation.

#17

On motion of Mr. DiFatta, seconded by Mr. Chapman, it was moved to discuss new business.

The Chairman, Mr. Landry, shared with the board that there were 3 responses to the advertisement for the HSD secretary position. He asked how the board wanted to handle the interview process, and suggested that the council clerk handle the interview process.

Mr. Dysart inquired about the possibility of having a shared employee between the parish government and the HSD. Mr. Landry advised that the 3 prior candidates had backed out of the offers and that is why the advertisement had to go out.

Mr. Chapman suggested and volunteered to sit on a review committee to interview the candidates for the HSD secretary.

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 9:02 p.m. on the 9th day of September, 2009.

Wayne J. Landry

Wayne J. Landry
Recording Secretary (Temporary)

Wayne J. Landry

Wayne J. Landry
Chairman