

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING HELD ON WEDNESDAY, OCTOBER 21, 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, October 21, 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 7:15 p.m. and continued with calling the roll.

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

There were absent: NONE

Also present were: Phil Wendling of Hammes Co.

Mr. Landry, Chairman, delivered the invocation and recommended a moment of silence was observed in prayer for Rocky Tomasseo, one of owners of Rocky and Carlos Restaurant, who recently passed away.

Mr. Dysart led the Pledge of Allegiance.

#1

Agenda Item #1

On motion of Mr. Landry, Chairman, and without objection it was moved to **TABLE** the approval of the minutes from the 10-7-09 HSD meeting.

#2

Agenda Item #2

On motion of Mr. Dysart, seconded by Mr. Cavignac, it was moved to go into Executive Session to deliberate on selections for the following RFP's: Construction Cost Estimating, Exterior Envelope, Building Commissioning, and Hospital Management

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 21st day of October, 2009.

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Before entering Executive Session, Mr. Landry wanted to recognize that Mr. Dysart received the Cy Pres Award for \$70,000.00.

Mr. Landry went further to say he wanted to thank Judge Vaughn for overseeing this award and recognize him for his commitment to the parish and the hospital being built.

On the motion of Mr. Dysart, seconded by Mr. Chapman and no further objection, the meeting continued on after Executive Session.

#3

Agenda Item #3

On the motion of Mr. Cavignac, seconded by Mr. DiFatta, there was a recommendation made by the Facilities and Construction Workgroup to accept Balis Co. as the RFP for Construction Cost Estimating.

Dr. Bertucci is now present.

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 21st day of October, 2009.

Mr. Landry went further to say that with regards to the Building Commissioning RFP respondents, the HSD is asking the 4 groups that submitted an RFP to come in 2 weeks from now and be interviewed and evaluated further so that final selection could be made.

Mr. Landry also stated that in regards to the Hospital Management respondents, HSD will have a special meeting next Wednesday, October 28, 2009 at 6:00 p.m. for the sole purpose of interviewing and evaluating for final selection.

Mr. Landry asked the board for a motion to **TABLE** agenda items 4, 5 & 6 until after the evaluation process.

On the motion of Mr. Dysart, and seconded by Mr. Chapman it was moved to **TABLE** the Building Commissioning, Exterior Envelope and Hospital Management RFP's until the interview and evaluation process was complete.

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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 **TABLED** on the 21st day of October, 2009.

#4

Agenda Item #4

On the motion of Mr. Dysart, and seconded by Mr. Chapman it was moved to **TABLE** the following item:

Motion to make final selection on Request for Proposal (RFP) for Exterior Envelope.

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 **TABLED** on the 21st day of October, 2009.

#5

Agenda Item #5

On the motion of Mr. Dysart, and seconded by Mr. Chapman it was moved to **TABLE** the following item:

Motion to make final selection on Request for Proposal (RFP) for Building Commissioning.

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

YEAS: Cavignac, Chapman, DiFatta, Dysart,

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NAYS: None

ABSENT: None

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

And the motion was declared **TABLED** on the 21st day of October, 2009.

#6

Agenda Item # 6

On the motion of Mr. Dysart, and seconded by Mr. Chapman it was moved to **TABLE** the following item:

Motion to make final selection on Request for Proposal (RFP) for Hospital Management.

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 **TABLED** on the 21st day of October, 2009.

#7

Agenda Item # 7

On the motion of Mr. DiFatta, seconded by Mr. Cavnac, it was recommended to accept the Request for Proposals (RFP's) for Legal Services.

The RFP's for Legal Services were both received on time and within guidelines.

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**

#8

Agenda Item #8

On the motion of Mr. Chapman, seconded by Mr. Cavnac, it was recommended to accept the Request for Proposal (RFP) for Grant Management.

Mr. Landry stated that there was only one respondent, The Mike Flint Group.

The RFP for Grant Management was received on time and within proper guidelines.

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**

#9

Agenda Item #9

On the motion of Mr. Cavnac, seconded by Mr. DiFatta, it was recommended to adopt **Resolution HSD#95-09** authorizing Jim DiFatta, Treasurer, and Wayne Landry, Chairman to sign on any and all checking accounts for the HSD.

Mr. Dysart wanted to clarify that authorization for payment would still have to be presented to the board.

Mr. Landry confirmed that was correct no payments or actions will be done without being presented to the board.

Mr. DiFatta responded that during the Finance Workgroup meeting it was recommended that 2 members should sign the actual checks disbursed from the HSD checking account.

Mr. Landry when further to reiterate that 2 signatures were needed on every check, not one or the other.

Mr. Landry then asked for the vote on adopting:

Resolution 95-09

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BE IT RESOLVED, that the St. Bernard Parish Hospital Service District hereby authorizes Philip James "Jim" DiFatta, Treasurer; and Wayne Landry, Chairman to be authorized to sign on any and all checking accounts for the HSD.

WHERE AS all checks no matter the amount will require both signatures of Mr. Wayne Landry and Mr. Phillip James "Jim" DiFatta.

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 21st day of October, 2009

#10

Agenda Item #10

Mr. Landry corrected the agenda item to read as the following:

Motion to do an addendum to Hammes Contract, and to secure Feasibility Study for Medical Office Building (MOB) that will be paid for out of ~~Cy pres award~~ the \$600,000.00 loan coming from St. Bernard Parish Government (SBPG).

Mr. Dysart stated that at the last meeting it was discussed to have the feasibility study put out for an RFP. Mr. Dysart wanted to know from the Hammes Co. what the cost would be and was this part of the protocol that had been followed over the last year.

Mr. Wendling responded that yes it was discussed at the last meeting.

Mr. DiFatta responded that on 9-16-09 HSD received a letter from Hammes that outlined the services that were contemplated under the Feasibility Study for the MOB, and an associated fee structure of \$55,000.00. If HSD goes out for procurement, HSD will lose valuable time getting Phase I of the project done. Mr. DiFatta also stated that HSD has also made changes to the Gresham Smith & Partners (GSP) contract

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adding services there; and HSD would like to do the same here by folding the Feasibility Study under Hammes Contract which has already been under procurement.

Mr. Cavnac responded that HSD is not utilizing any CDBG funding and it is not required to go out for an RFP on the Feasibility study for the MOB.

Mr. Chapman stated that he wanted Kendall Magee of GSP to approve that it was not necessary to do a Feasibility Study.

Mr. Chapman made a substitute motion, to change the language of the motion, but no one seconded the motion.

Mr. Dysart stated that 2 weeks ago it was discussed to do an RFP for the Feasibility Study. Mr. Dysart was concerned that Hammes would also bid to be Project Manager on the MOB and he was not in favor of Hammes being the project manager. Mr. Dysart brought up another company, Price Waterhouse Group, which one year ago was commissioned to do an updated Feasibility study for the hospital. Mr. Dysart recommended that HSD send out the RFP and use Price Waterhouse if possible since they already had other information in connection with the hospital.

Mr. DiFatta agreed that Mr. Dysart's point was valid, but at this stage there were 3 phases: Feasibility, Design and Construction-Completion. Mr. DiFatta also went on to say that there was also added value because of the Physician Recruitment. Mr. DiFatta stated that Hammes would be most suited for the job because most of the outcome of the feasibility study will be used by HSD's Project Manager, so it makes sense for them to handle it from the beginning from a financial point of view.

Mr. Cavnac stated that what has hindered the project from moving forward is not making decisions that can be made, in a timely manner. Mr. Cavnac went further to state that Kendall Magee does not have any advice that would be valid on this issue. Mr. Cavnac said that Hammes Co. is already intimate with the project, and it makes sense for HSD to use them being that an RFP is not necessary at this time and it would further delay progress.

Mr. Dysart said he understood that Kendall did not need to approve the study being that it was not being paid for with CDBG funds, but that HSD should still go out for an RFP and use SBPG engineering dept.

Mr. Dysart made a substitute motion, seconded by Mr. Chapman to go out for an RFP with SBPG Engineers Dept.

Mr. Landry responded that it's hypocritical as a body (HSD) that it was just voted on to add the survey, soil sampling, landscaping, and traffic study to the GSP contract and HSD did not go out for an RFP on those items, so where is the distinction? Mr. Landry agreed with Mr. Cavnac that HSD should not delay the project anymore.

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Mr. Chapman responded that the MOB is a separate project, and he was also uncomfortable with Hammes Co. doing the study and bidding to be project manager on the MOB, because he believed it would be a conflict of interest at some point.

Dr. Bertucci was in favor of moving forward and not putting out an RFP, but to allow Hammes Co. to do the Feasibility study. Dr. Bertucci understands the concerns, but if it's unnecessary to go out for an RFP, then HSD should move forward without it.

Mr. Landry addressed Phil Wendling of Hammes Co. to confirm that the MOB is 15,000 square feet, so size should not be a factor in deciding who does the study, because size has already been discussed. The 2 key points are the quality of construction and fair market rental rate for physicians, and will let HSD know what physicians are willing to relocate to St. Bernard.

Mr. Wendling responded that Mr. Landry was correct, and Hammes Co. would also work out the financing end since HSD has a specific budget to work within.

Mr. Dysart asked Mr. Wendling if he had stated earlier that he thought the cost estimator also being the contractor for the hospital was a conflict of interest.

Mr. Wendling confirmed that was correct

Mr. Dysart asked Mr. Wendling to draw a distinction in this instance.

Mr. Wendling stated that the feasibility study is simply to decide the size and need. Mr. Wendling stated Hammes Co. has done this before numerous times with several other clients. This is not uncommon.

Mr. Chapman stated that he is in favor of the Feasibility Study, but wants to be sure the process by which it is done is correct.

Mr. Cavnac reiterated that the MOB is part of the hospital, and Hammes Co. is the project manager. This is a professional service. The normal state procurement process should be followed in this case. Mr. Cavnac stated for the record that there are no conflicts of interest in this case.

Mr. Christenson of CBO spoke and stated that the displacement of physicians is key in the feasibility study.

Mr. Landry thanked Mr. Christenson for his input.

On a substitute motion made by Mr. Dysart, seconded by Mr. Chapman it was moved to go out for an RFP with SBPG Engineer's Dept to do the Feasibility Study for the MOB.

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

YEAS: Chapman, Dysart

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NAYS: Cavnignac, DiFatta, Landry

ABSENT: None

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

And the motion was declared **FAILED** on the 21st day of October, 2009

On the motion at hand, Mr. Landry called for a vote.

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

YEAS: Cavnignac, DiFatta, Landry

NAYS: Chapman, Dysart

ABSENT: None

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

And the motion was declared **ADOPTED** on the 21st day of October, 2009.

#11

Agenda Item #11

On a motion by Mr. DiFatta, seconded Mr. Cavnignac it was moved to get a project update from Hammes Co.

Mr. Wendling stated Round #3 will commence on Wednesday, October 28th. GSP will be giving a presentation on interior and exterior design. Round #4 on Nov. 4th, same presentation will be given to the community, and then to council.

Mr. Wendling stated that 10-30-09 is the deadline to complete final contract documentation for Phase I.

Mr. Wendling stated he still needed amendment document that the parish currently had and a site/donation documents before he put out the grubbing RFP.

Mr. Landry told Mr. Wendling that the amendment document is on Craig Taffaro's desk and to check on it in the morning.

Mr. Wendling stated he will send a response letter out to GSP's letter from 9-23-09 regarding the fee.

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Mr. Wendling stated that the FONSI is complete, was completed 10-8-09. Mr. Wendling said the final papers have been signed by Mr. Taffaro and no public meetings were required according to Kendall Magee.

Mr. Landry wanted a copy of the letter from Kendal Magee regarding FONSI-and no requirement for public meetings.

Mr. Wendling said the 404 application (wetlands mitigation) is moving along. Now that FONSI is complete, ENVIRON is putting everything in front of the Army Corps of Engineers on December 1st. Mr. Wendling is also awaiting letter from LaDOTD regarding Traffic Study.

Mr. DiFatta wanted Mr. Wendling to be sure he received correspondence regarding the environmental paperwork for release of funds concerning HIRSA.

Mr. Wendling assured Mr. DiFatta that the items he was speaking of were received.

Mr. Wendling then stated that Mr. Logan Martin does not have equipment to tell how deep the inverts are on the MF property.

Mr. Dysart stated he wanted Mr. Wendling to send MF the new sketch showing the new road that LaDOTD was proposing. Mr. Wendling said that he would.

Mr. Wendling said the soil report was being relayed to the engineer for building purposes.

Mr. Landry responded that Mr. Wendling should share his meeting notes with MF, so they can make preparations for changes that could take place, and to also be sure to keep Nita Hutter in the loop on correspondence regarding LaDOTD since she is the Chairman of that committee.

#12

Agenda Item #12

On the motion of Mr. Cavnac, seconded by Mr. Chapman, it was moved to discuss the bio-fuel option for the hospital.

Mr. Landry explained that that this option would mix natural gas with diesel to allow generators for emergency situations to run longer than to simply run on diesel alone. Mr. Landry stated that it is approximately a \$40-50,000.00 package. Mr. Landry stated that DHH requires the hospital to have a re-fuel able source.

Mr. Wendling stated that using this option could save us considerably since the storage tank size could be reduced.

Mr. Landry stated this option was a recommendation out of the Workgroup Meeting.

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On the motion at hand, Mr. Landry called for a vote.

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 21st day of October, 2009

Item #13

Agenda Item #13

On the motion of Mr. DiFatta, seconded by Mr. Chapman it was moved to discuss amending protocol for invoices submitted to the HSD.

Mr. DiFatta stated this was a recommendation that came out of the Finance Workgroup the week prior. Mr. DiFatta stated that he agreed with amending the process that would allow the Finance Workgroup to review the invoices, and then move them on to the appropriate channels that were stated in the previous protocol.

On a substitute motion of Mr. DiFatta, seconded by Mr. Cavnignac to have current protocol for submitting invoices amended.

On the motion at hand, Mr. Landry called for a vote.

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 21st day of October, 2009

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Item #14

Agenda Item #14

On the motion of Mr. DiFatta, and with no objection, it was moved to combine Items #14-19 together.

Mr. Landry read off each agenda item that was being combined. All items were invoices that requested approval for payment.

On the motion at hand, Mr. Landry called for a vote.

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 21st day of October, 2009

Item#15

Agenda Item #15

No Action Required.

Item #16

Agenda Item #16

No Action Required.

Item #17

Agenda Item #17

No Action Required.

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Item #18

Agenda Item #18

No Action Required.

Item #19

Agenda Item #19

No Action Required.

Item #20

Agenda Item #20

On the motion of Mr. Dysart, seconded by Mr. Chapman, it was moved to discuss the donation documents for Meraux Foundation.

Mr. DiFatta stated that HSD received a counter offer, and there is a concern with the easement documents with relation to the recent meeting with and decision of LaDOTD. Mr. DiFatta went further to say that both the donation and easement should be executed at once.

No Action Required.

Item #21

Agenda Item #21

On the motion of Mr. Dysart, seconded by Mr. Cavignac it was moved to discuss the Chairman signing acceptance of Donation of Meraux Airport Tract.

Mr. Cavignac stated that he agreed that both easement and donation documents should be signed at the same time. Mr. Cavignac also stated that the board wanted to send back a response to include changes to the counter offer.

On a substitute motion of Mr. Cavignac, seconded by Mr. DiFatta, it was moved to **table** the following item:

Motion to authorize Chairman to sign acceptance of Donation of Meraux Airport Tract.

Mr. Dysart attempted to speak after the motion was tabled.

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Mr. Landry asked him to speak his point of order.

On a substitute motion of Mr. Dysart, seconded by Mr. Chapman, it was moved to override the Chairman's, Mr. Landry, decision to vote on tabling the item.

On the motion at hand, Mr. Landry called for a vote.

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

YEAS: Chapman, Dysart

NAYS: Cavignac, DiFatta

ABSENT: None

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

And the motion was declared **FAILED** on the 21st day of October, 2009

Mr. Landry then called a vote to **table** item #21:

Motion to authorize Chairman to sign acceptance of Donation of Meraux Airport Tract

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

YEAS: Cavignac, DiFatta

NAYS: Chapman, Dysart

ABSENT: None

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

And the motion was declared **TABLED** on the 21st day of October, 2009.

Item #22

Agenda Item #22 – Old Business

Dr. DiFatta began stating that a decision on the NMTC (New Market Tax Credits) Consultant had been made, and the Finance Workgroup has recommended that Coats & Rose be selected.

On a motion by Mr. DiFatta, seconded by Mr. Cavignac is was moved to select Coats & Rose as the NMTC Consultant.

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Mr. Dysart made a point of order that this item should not be under old business.

Mr. Landry agreed.

Mr. Cavnac also agreed.

Mr. Landry stated that he did not want to act on this motion. Mr. Landry requested the item be put on the next meeting's agenda.

On a motion by Mr. Cavnac, seconded by Mr. Dysart it was moved to place selection of NMTC consultant on October 28, 2009 agenda.

Mr. Dysart also wanted the acceptance of the Meraux Airport Tract to also be placed on that agenda.

Mr. Landry stated that he has never denied a motion on the agenda.

Mr. DiFatta as a point of clarity stated that a decision had been made the night before regarding the NMTC and he was only informing the public that a decision had been made. Mr. DiFatta was fine with placing the item on the agenda.

Mr. DiFatta also noted that the independent CPA auditor was drafting the engagement letter for both 2008-2009 audits. The CPA firm had hoped there would not have to be a full blown audit for 2008 save money and provide documentation in supplementary form.

Item #23

Agenda Item #23

On a motion by Mr. Chapman, seconded by Mr. Cavnac it was moved to discuss new business.

Mr. Landry stated that earlier that morning he, Mr. Cavnac and President Taffaro went before the LRA Board and made a presentation to receive more CDBG Funds. The LRA Board gave a verbal commitment to send a minimum of \$5 Million, maximum of \$15 Million. Mr. Landry thanked Mr. Cavnac and Mr. Taffaro for assistance in the presentation. Mr. Landry also stated Pat Forbes and Paul Rainwater were present, and Mr. Landry wanted Capital Outlay Monies moved to Level 1 from Level 5. Mr. Forbes and Mr. Rainwater also told Mr. Landry they would be willing to work with Angele Davis to get that done. The Chairman of LRA Board also offered that he was willing to provide a \$5 Million Dollar bridge loan to HSD if needed.

Mr. Landry also gave a directive to Mr. Wendling to provide Pat Forbes with a Project Schedule/Time Line.

Mr. Landry also publically thanked Mr. Leger of LRA for his help with moving the hospital project forward.

Mr. Cavnac did not want to go without thanking Mr. Landry for his presentation to the LRA Board and he went further to say because of Mr. Landry's presentation, the board recognized the importance of the project.

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Mr. DiFatta also wanted to recognize the people who are taking the time to have the hospital funded properly. Mr. DiFatta wanted to publically thank Mr. Taffaro, Mr. Landry, Mr. Cavignac, Mr. Leger, and LRA.

Dr. Bertucci responded that initially medicine was not a priority, and now things are beginning to happen.

Dr. Bertucci thanked all those who are helping the hospital begin to come to fruition.

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 10:04 p.m. on the 21st day of October, 2009.

Gretchen H. Henry

Gretchen H. Henry
Recording Secretary

Wayne J. Landry

Wayne J. Landry
Chairman