

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING HELD ON WEDNESDAY, JULY 14th, 2010 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, July 14th, 2010 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 7:08 p.m. and continued with calling the roll.

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

There were absent: Mr. Danny Dysart

Also present were: Phil Wendling of Hammes Co.; Ron Bailey of FMOL; and Jason Akers of Foley Judell.

Mrs. Catherine Serpas delivered the invocation.

Mr. Chapman led the Pledge of Allegiance.

#1

Agenda Item #1

On motion of Mr. Chapman, seconded by Mr. Cavignac, it was moved to approve the minutes of the 6/30/10, HSD meeting.

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

YEAS: Cavignac, Chapman, DiFatta

NAYS: NONE

ABSENT: Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

#2

Agenda Item #2

On motion of Mr. Cavignac, seconded by Mr. DiFatta it was moved to adopt **RESOLUTION 10-10** to approve the holding of an election in Hospital Service District of the Parish of St. Bernard, State of Louisiana, on Tuesday, November 2, 2010, to authorize the levy of a special tax therein pending Parish Council approval.

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Mr. Landry introduced Mr. Jason Akers of Foley Judell to speak to the board and the public regarding the proposed millage and what HSD needs to do to make the hospital financially viable. Mr. Landry explained that the hospital was being built debt free, but would be in need of operational monies once the hospital was open.

Mr. Chapman stated that he and Mr. Landry spoke at length about the millage months ago, and that he has supported a sales tax as opposed to a millage due to the outside population from surrounding using the hospital. Mr. Chapman explained that he understood the time constraints and complexities involved, but still stands by the philosophy "pay as you go"-whoever uses it, should pay something towards it. Mr. Chapman is very concerned about the businesses in the parish, including the refineries. Mr. Chapman stated he has great misgivings concerning the millage and still believes there is a more fair way to accomplish what is needed.

Mr. Cavnac stated the regressive nature of the sales tax and as the economy "down turns", so will the sales tax and he went further to state that sales tax will not create the stable environment needed to sustain the hospital.

Mr. Landry then asked Jason Akers to bring everyone up to speed.

Mr. Akers explained the timing structure and what the millage would cover and also explained everything the Resolution entailed. Mr. Akers also gave the board and the public the basic formula as to how to formulate the total millage cost per household and made it clear that the millage would "sunset" in 10 years.

Mr. DiFatta stated that there is no more time left, this millage needs to be done now. Mr. DiFatta went further to state that the investors for the NMTC will not have the confidence or faith to invest in this hospital operation until they are convinced that the hospital can withstand the first 3 years of deficit cash flows. Mr. DiFatta stated he's against taxes but the dollars will not be wasted. This is a very necessary component to make the hospital work.

Discussion Ensued.

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

YEAS: Cavnac, DiFatta

NAYS: Chapman

ABSENT: Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

On Motion of Mr. Cavnac, seconded by Mr. DiFatta it was moved to have any statements spoken about the millage to any outside sources be synthesized through the Secretary of the Board and then to the Chairman.

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Mr. Chapman stated that any official positions taken by the body should be upheld by the body that spoke to it.

Mr. Landry stated that what goes to the press and public should be consistent.

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

YEAS: Cavignac, Chapman, DiFatta

NAYS: NONE

ABSENT: Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

#3

Agenda Item #3

On Motion of Mr. Cavignac, seconded by Mr. DiFatta it was moved to adopt **RESOLUTION 11-10** to authorize the Hospital Service District of the Parish of St. Bernard, State of Louisiana, to execute a Term Sheet in connection with the participation by the district in the Federal NMTC Program relating to construction of a hospital and related facilities; making application to the State Bond Commission; and providing for other matters in connection therewith pending Parish Council approval.

Mr. Akers explained that this resolution was strictly procedural. This resolution is a formality stating the HSD's intent to move forward.

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

YEAS: Cavignac, Chapman, DiFatta

NAYS: NONE

ABSENT: Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

#4

Agenda Item #4

On Motion of Mr. DiFatta, seconded by Mr. Cavignac it was moved to approve Hammes Invoice # 10907A-14 in the amount of \$43,123.17 as recommended by the Finance Workgroup.

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

YEAS: Cavnac, Chapman, DiFatta

NAYS: NONE

ABSENT: Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

#5

Agenda Item #5

Old Business

No Action Necessary

#6

Agenda Item #6

New Business

Mr. Chapman stated he was stepping down from the board on August 18, 2010 for personal reasons.

Mr. Landry stated he hoped Mr. Chapman was well, and board members go through "pains" especially with a project of this magnitude. Mr. Landry appreciated all the dedication and service that Mr. Chapman had given.

Mr. DiFatta stated the board appreciated his commitment to the service of the parish and many people will never know the personal sacrifices given by Mr. Chapman.

Mr. Cavnac expressed his gratitude to Mr. Chapman, and knows the hard work the board put in when it first formed, and that the Parish will always be in debt to the original board for all their dedication.

On Motion of Mr. Cavnac, and without objection it was moved to amend the agenda to include some pertinent business matters that required action.

Amended Agenda Item #1

On Motion of Mr. Cavnac, seconded by Mr. Chapman it was moved to take authorize Mr. Wendling through the Chairman to get the pipe in compliance and authorize putting together the change order together in regards to the high pressure gas line.

Mr. Wendling stated a survey was done to locate the high pressure gas line, the gas line is somewhere between 9" and 18" below the surface.

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Gulfcoast's encroachment permit requires 36" of coverage and with a driveway, 56" of coverage. More fill will be required, and now major revisions will be required to the civil engineering of the main road. Mr. Wendling was looking into the Parish requirements. Mr. Wendling explained that Gulfcoast will either have to lower the line, or have GSP re-vise civil engineering drawings and then have the contractor add fill to cover the line.

Mr. Chapman questioned if Gulfcoast was liable to put the pipe into compliance or get it to "code".

Mr. Wendling stated he was still awaiting confirmation from the Parish engineer.

Mr. Chapman asked if it was parish ordinance, state law, or federal law.

Mr. Landry stated he contacted Jerry Graves of Community Development for proper depth of the pipeline and the other avenues mentioned beforehand will be researched.

Mr. DiFatta was now absent from the meeting due to a personal matter

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

YEAS: Cavignac, Chapman

NAYS: NONE

ABSENT: DiFatta, Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010.

Ms. Catherine Serpas from the public spoke to express concern regarding the location of all the high pressure gas lines in St. Bernard Parish.

Amended Agenda Item #2

On Motion of Mr. Cavignac, seconded by Mr. Chapman it was moved to approve the Change Order to relocate the temporary road to the permanent location of the road which will cost approximately \$64,000.00.

Mr. Wendling stated the USACOE that they are prepared to sign the wetlands permit on the front of the site and allowed the HSD put the temporary road in the permanent location.

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

YEAS: Cavignac, Chapman

NAYS: NONE

ABSENT: DiFatta, Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010

Amended Agenda Item #3

On Motion of Mr. Cavnignac, seconded by Mr. Chapman it was moved to hire an assistant to help with the accounting and other clerical duties as necessary.

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

YEAS: Cavnignac, Chapman

NAYS: NONE

ABSENT: DiFatta, Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010

Amended Agenda Item #4

On the motion of Mr. Cavnignac, seconded by Mr. Chapman, it was moved to **adopt** the following resolution:

HSD RESOLUTION 12-10

A RESOLUTION REQUESTING AND STRONGLY ENCOURAGING ST. BERNARD REDEVELOPMENT, LLC TO BEGIN PURSUING AN EXTENSION OF THE DEADLINE FOR THE CLOSING OF THE NEW MARKETS TAX CREDITS.

WHEREAS, St. Bernard Redevelopment, LLC is the Community Development Entity (CDE) that has agreed to dedicate a portion of its allocation of New Market Tax Credits to the St. Bernard Hospital Project; and

WHEREAS, the development of the St. Bernard Hospital Project is proceeding expeditiously, and it is imperative to the continued progress and future success of the St. Bernard Hospital Project to firmly secure the New Market Tax Credits; and

WHEREAS, the aforementioned CDE has the immediate authority to pursue and apply for an extension of the deadline for the St. Bernard Hospital Project from the Community Development Financial Institutions Fund in order to secure the NMTC funds.

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NOW, THEREFORE, BE IT RESOLVED, that the Hospital Service District of the Parish of St. Bernard, State of Louisiana, hereby strongly requests and encourages St. Bernard Redevelopment LLC to begin pursuing an extension of the deadline for the closing of the New Market Tax Credits transaction.

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

YEAS: Cavignac, Chapman

NAYS: NONE

ABSENT: DiFatta, Dysart

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

And the motion was declared **ADOPTED** on the 14th day of July, 2010

Mr. Landry thanked Mr. Akers for being present and extended gratitude to Mr. Ron Chapman for his service to the HSD Board.

Mr. Ron Bailey on behalf of Frank Folino of FMOL wanted to speak to the board to have a benefits consultant RFP approved by the board.

Mr. Landry stated it would not be appropriate for the board to decide on that RFP at this meeting because it was not on the agenda and this item is not time sensitive and Mr. Landry will address this item with Mr. Folino.

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 8:35 p.m. on this 14th day of July, 2010.

Gretchen H. Henry

Gretchen H. Henry
Recording Secretary

Wayne J. Landry

Wayne J. Landry
Chairman