

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING** HELD ON **WEDNESDAY, JULY 28th, 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 28th, 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 7:18 p.m. and continued with calling the roll.

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

There were absent: NONE

Also present were: Phil Wendling of Hammes Co.; and Frank Folino of FMOL.

Mr. Dysart delivered the invocation.

Mr. DiFatta led the Pledge of Allegiance.

#1

Agenda Item #1

On motion of Mr. Cavnac, seconded by Mr. Chapman, it was moved to approve the minutes of the 7/14/10, HSD meeting.

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 28th day of July, 2010.

#2

Agenda Item #2

On motion of Mr. DiFatta, seconded by Mr. Cavnac it was moved to add surcharge monitoring to the Eustis Engineering contract.

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

YEAS: Cavnac, 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 **ADOPTED** on the 28th day of July, 2010.

#3

Agenda Item #3

On Motion of Mr. DiFatta, seconded by Mr. Cavnac it was moved to approve Change Orders to contract with Sizeler, Thompson Brown for the Medical Office Building.

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 28th day of July, 2010.

#4

Agenda Item #4

On Motion of Mr. Cavnac, seconded by Mr. Chapman it was moved to approve a letter to be sent to Gulf South Pipeline Company in regards to the high pressure gas line running through and across the construction site.

Mr. Landry explained that after the high pressure gas line was surveyed, the pipe was found to only be 9"-18" below the surface. The State Law says the pipe should be 36" deep. Mr. Landry went further to state he wanted the Gulf South Pipeline Company to put the pipe in compliance at the appropriate depth.

Mr. Chapman asked how long this process would take.

Mr. Landry responded that he was unsure and would wait until he heard from Gulf South directly to see what Gulf South was willing to do or not do.

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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 **ADOPTED** on the 28th day of July, 2010

#5

Agenda Item #5

On Motion of Mr. DiFatta, seconded by Mr. Cavignac it was moved to discuss the education of the public in regards to the proposed millage for the hospital and engage a person/s to educate the public on said millage.

Mr. Landry stated that the HSD could not spend public money to advertise a position towards the millage, but the HSD could spend money to educate the public with the facts and what the millage would be used for.

Mr. Chapman wanted to make sure it was only educational and balanced in the sense that the HSD was neither promoting it or against it.

Mr. Dysart stated that it was important to be very careful on what was advertised and how it was advertised and recommended the advice of bond counsel on how this should be approached.

Mr. Landry stated that he had spoken to Jason Akers (Bond Counsel) and wanted both Mr. Akers and Mr. Stolier to review whatever was to be publically distributed or advertised.

Mr. DiFatta stated he was very much in favor of an independent party explaining the facts, and it was extremely important for the community to understand what the funds would be used for.

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 28th day of July, 2010

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#6

Agenda Item #6

On Motion of Mr. Cavnac, seconded by Mr. DiFatta, it was moved to **amend** Item # 6 to have specific language included in the Resolution adopted by the HSD.

Mr. Cavnac requested that language be added in to state the HSD would like Council to expedite the appointments upon notifications of vacancies without delay to fill the vacant board member position.

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 **AMENDED** on the 28th day of July, 2010

Mr. Chapman stated that his resignation letter specified a date of August 18, 2010, but if the council moves expeditiously he would be willing to resign sooner.

On Motion of Mr. Cavnac, seconded by Mr. DiFatta it was moved to **adopt** the following resolution:

HSD RESOLUTION 13-10

A RESOLUTION TO RECOMMEND TO PARISH COUNCIL THAT THE INDIVIDUAL WHO IS APPOINTED TO REPLACE VACANT HSD BOARD MEMBER SEATS HAVE PRIOR EXPERIENCE IN PLANT MANAGEMENT AND/OR HOSPITAL MANAGEMENT .

WHEREAS, the HSD has received official notification of Mr. Ron Chapman, effective August 18th 2010, and

WHEREAS, the HSD is desirous that said vacancy be filled immediately to prevent any delay to the St. Bernard Parish Hospital Project.

NOW, THEREFORE, BE IT RESOLVED, the effective date of said appointment is to be August 18, 2010 and appointee will continue with the completion of the former member's term to expire December 3, 2011.

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 28th day of July, 2010.

#7

Agenda Item #7

On Motion of Mr. Cavnac, seconded by Mr. Chapman it was moved to discuss what direction the board would like to go in pertaining to the Brokers that previously responded to the RFP for Insurance and to authorize Chairman to obtain GL Insurance and D & O Insurance.

Mr. Wendling contacted the two respondents from the earlier RFP for Insurance Brokers.

Beecher Carlson wanted an agreement before they spoke about price. Mr. Wendling never did hear back from AWS.

Mr. Wendling spoke to local insurance companies but needed some clarity before he could make any recommendations.

Mr. Cavnac requested the GL insurance proposals be done before the next meeting.

Mr. Wendling did not seem to think that would be a problem.

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 28th day of July, 2010.

#8

Agenda Item #8

On Motion of Mr. DiFatta, seconded by Mr. Cavnac it was moved to approve execution of Change Order #2 (relocation of entrance road) to the ERP Contract with Lemoine Co. in the amount of \$93,069.00 as recommended by the Finance Workgroup.

Mr. Wendling stated that not building the temporary road would save the HSD money in the long run. Instead of building a temporary road and a permanent road later-the HSD is only building the permanent road.

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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 **ADOPTED** on the 28th day of July, 2010.

#9

Agenda Item #9

On Motion of Mr. DiFatta, seconded by Mr. Cavignac it was moved to approve Sullivan, Stolier & Resor Invoice # 53162 in the amount of \$27,914.48 as recommended by the Finance Workgroup.

Mr. Dysart did not question the bill, but stated it was a lot of money for a monthly bill, and he did request a status report from Sullivan Stolier and Resor and would appreciate having the status report he asked for previously.

Mr. Dysart did not want to table the item and delay the payment to SSR, but did want the status report as soon as possible.

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 28th day of July, 2010.

#10

Agenda Item #10

On Motion of Mr. DiFatta, seconded by Mr. Cavignac it was moved to approve Gresham Smith and Partners Invoice #0640613 in the amount of \$28,980.02 as recommended by the Finance Workgroup.

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

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

And the motion was declared **ADOPTED** on the 28th day of July, 2010.

#11

Agenda Item #11

On Motion of Mr. DiFatta, seconded by Mr. Cavnignac it was moved to approve BFM Invoice #019994 in the amount of \$805.00 as recommended by the Finance Workgroup.

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 28th day of July, 2010.

#12

Agenda Item #12

On Motion of Mr. DiFatta, seconded by Mr. Dysart it was moved to approve Hammes Co. (Pro-Forma) Invoice #3 in the amount of \$300.50 to be paid by HRSA as recommended by the Finance Workgroup.

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 28th day of July, 2010.

#13

Agenda Item #13

On Motion of Mr. DiFatta, seconded by Mr. Chapman it was moved to approve Sizeler, Thompson Brown Invoice #2438 in the amount of \$54,000.00 upon execution of the contract 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: 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 28th day of July, 2010.

#14

Agenda Item #14

On Motion of Mr. DiFatta, seconded by Mr. Chapman it was moved to approve Terracon Invoice #T138971 in the amount of \$219.75 as recommended by the Finance Workgroup.

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 28th day of July, 2010.

#15

Agenda Item #15

On Motion of Mr. DiFatta, seconded by Mr. Cavignac it was moved to ratify Check #1277 in the amount of \$4000.00 paid to The Flint Group for administrative fees associated with Draw#2 of HRSA monies.

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 28th day of July, 2010.

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#16

Agenda Item #16

On Motion of Mr. Cavnac, seconded by Mr. DiFatta it was moved to approve GSP Invoice for "Additional Service #2" - (Recommendation by Finance Workgroup to deny).

Mr. Landry stated that life safety code and other regulations are updated from time to time and one of those was updated in December. GSP wants the HSD to pay for an "Additional Service" to amend the blueprints to include the code. Mr. Landry stated that GSP knew the changes were coming, ignored the changes, and continued to draw unusable plans without adhering to the revision of codes which were enacted as a code requirement by the state of Louisiana on January 1, 2010.

Mr. Wendling agreed that GSP should have been knowledgeable as to the changes of codes in Louisiana, and when a code is changed, it is done 6-8 months in advance. This code was changed in June 2009 and was effective in January 2010.

Mr. Chapman stated this is a "good learning experience" for GSP.

Mr. Cavnac stated this is done by legislature prior to the HSD even engaging them so GSP was not blindsided by this change.

Mr. Landry stated that at no point has the HSD ever received a copy of usable plans.

Mr. Wendling did send a letter to GSP rejecting the changes.

Mr. Landry stated that he wanted a letter sent from HSD.

On a substitute Motion of Mr. DiFatta, seconded by Mr. Dysart it was moved to have a letter sent by the Chairman rejecting the "Additional Service #2" and that GSP should honor the terms of the contract which states all plans drawn would be provided to HSD within meeting code.

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 28th day of July, 2010.

#17

Agenda Item #17

On Motion of Mr. Cavnac, seconded by Mr. Chapman it was moved to refer a claim by the former HSD Secretary to legal.

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Mr. Landry stated he did not want to discuss this item at length, but knew all board members were forwarded a communication via email by the former HSD secretary, and because the claim could be "large" he thought it best to refer it to HSD Counsel.

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 28th day of July, 2010.

#18

Agenda Item #18

Old Business

Mr. DiFatta stated that St. Bernard Redevelopment LLC would be requesting an extension of time for the closing of the NMTC.

Mr. Landry asked if the St. Bernard Redevelopment LLC had any formal communications from HRQL.

Mr. DiFatta stated he was not aware of any communication, but that he could not speak for the entire LLC. Mr. DiFatta requested that the NMTC consultants prepare some correspondence and direct it to the St. Bernard Redevelopment LLC to explain why the request for the extension is needed and provide some "historical" experience as to how lenient the Federal Govt. is in providing those extensions.

Mr. Cavignac stated the Bond Commission met recently and passed through a similar project comparable to the HSD financing model where CDBG monies and NMTC were used. Mr. Cavignac went further to state that the HSD project will appear before the bond commission next month.

Mr. DiFatta wanted the public to know that Parish Council voted in favor of the Resolution pertaining to placing the millage on the November 2nd ballot.

#19

Agenda Item #19

New Business

Mr. Landry stated that on Monday, he, Mr. Cavignac, and Jack Stolier went to Baton Rouge and met with FMOL. Mr. Landry stated that FMOL had concerns regarding the agreement and operational communication issues. Mr. Landry stated it was a "good meeting". Mr. Finan of FMOL instructed their

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counsel to expedite the “word smithing” of their contract, and Mr. Landry instructed HSD counsel to do the same.

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 8:25 p.m. on this 28th day of July, 2010.

Gretchen H. Henry

Gretchen H. Henry
Recording Secretary

Wayne J. Landry

Wayne J. Landry
Chairman