

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING HELD ON WEDNESDAY, AUGUST 25th, 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, August 25th, 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 7:15 p.m. and continued with calling the roll.

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

There were absent: NONE

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

Mr. Dysart delivered the invocation.

Mr. Cavnac led the Pledge of Allegiance.

#1

Agenda Item #1

On motion of Mr. Cavnac, seconded by Mr. Gray, it was moved to approve the minutes of the 8/11/10, HSD meeting.

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

YEAS: Cavnac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010.

#2

Agenda Item #2

On motion of Mr. Cavnac, seconded by Mr. DiFatta it was moved to receive an update from the Chair.

Mr. Landry stated that given the time sensitivity of the NMTC closing, and the dependency of the millage to close the NMTCs-it was decided to split the project in two parts and bid out the project in two phases: hospital construction and MOB construction.

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Mr. Landry was waiting on approval from Mark Gates and Pat Forbes also agreed that separating the project was a good idea, but it will require an amendment (#2) to the CDBG application. Mr. Landry stated that next week we should receive approval to go out for bid on construction for the hospital, and in turn the district will receive the dollar amount of what the construction would cost.

Mr. Landry stated that this would speed up the project completion to 3-6 months. Pat Forbes stated that later on, there would be another CDBG amendment to put the project back together as one complete project as opposed to two separate projects.

Mr. Landry stated that this route will accelerate the entire project.

Mr. Landry stated the millage is necessary (as opposed to a sales tax) because it can be bonded out. The millage's revenue bonds will be sold. The millage will be the start-up capital for the hospital.

No Action Necessary.

#3

Agenda Item #3

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

HSD RESOLUTION 16-10

A RESOLUTION AUTHORIZING THE PREPARATION AND SUBMITTAL OF AMENDMENT #2 TO THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG) APPLICATION TO THE ST. BERNARD PARISH PRESIDENT, CRAIG P. TAFFARO, JR., FOR ULTIMATE SUBMISSION TO THE STATE OF LOUISIANA DIVISION OF ADMINISTRATION OFFICE OF COMMUNITY DEVELOPMENT DISASTER RECOVERY UNIT TO USE CDBG MONIES FOR THE CONSTRUCTION OF THE NEW HOSPITAL AND PROVISION OF PUBLIC SERVICES, THEREBY MAXIMIZING BENEFITS TO THE RESIDENTS OF ST. BERNARD PARISH.

WHEREAS, the State of Louisiana, Division of Administration, Office of Community Development, Disaster Recovery Unit has made available funding that will assist parishes heavily impacted by Hurricane Katrina in completing construction projects; and

WHEREAS, the St. Bernard Parish Hospital Service District is preparing to construct a 40 bed Hospital proposed to be financed through a \$41,000,000 grant from CDBG, a \$17,000,000 grant from the State Capital Outlay Program, a portion of the \$1,100,000 HRSA Grant, and \$10,000,000 in proceeds from the New Market Tax Credits program provided through the reservation of \$44,700,000 of New Market Tax Credits from the St. Bernard Parish Redevelopment LLC; and,

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WHEREAS, it is estimated that the cost of such construction will be \$54,922,273.00, comprised of approximately \$37,172,273.00 in funding from CDBG and \$17,000,000.00 in funding from State of Louisiana Capital Outlay, for the construction and equipping of a critically needed 40 bed Hospital directly correlated to the Parish's desire to provide Long Term Economic, Community and Social Recovery to the residents of St. Bernard Parish; and,

WHEREAS, as proposed in this Amendment #2, approximately \$3,827,727.00 in CDBG funding is proposed to be used for the provision of public services (including labor, supplies and materials) to assist in the payment of expenses of operational costs occurring prior to the completion of the construction of the hospital; and ,

WHEREAS, the projected \$10,000,000.00 of proceeds from New Market Credits is proposed in this Amendment #2 to be used as project delivery costs and working capital for long term sustainability of the hospital.

NOW, THEREFORE, BE IT RESOLVED, that the Hospital Service District of St. Bernard Parish, the governing authority, does hereby authorize its chairman to prepare and submit on its behalf Amendment #2 to the CDBG Application to the St. Bernard Parish President, Craig P. Taffaro, Jr., for ultimate submission to the State of Louisiana Division of Administration Office of Community Development Disaster Recovery Unit requesting approval to use CDBG monies for the construction of the new Hospital and for the Provision of Public Services, thereby maximizing benefits to the residents of St. Bernard Parish.

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

YEAS: Cavnignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared adopted on the 25th day of August, 2010.

#4

Agenda Item #4

On Motion of Mr. DiFatta, seconded by Mr. Cavnignac it was moved to approve Engineering Economics Inc. invoice #'s 29689 & 29692 in the amount of \$602.34 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, DiFatta, Dysart, Gray

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 25th day of August, 2010

#5

Agenda Item #5

On Motion of Mr. DiFatta, seconded by Mr. Gray it was moved to approve Hammes Co. Invoice #4 for the Financial Feasibility Study in the amount of \$60.24 to be paid by HRSA as recommended by the Finance Workgroup

Mr. Gray requested that Mr. DiFatta explain the process of how the invoices get approved to be presented to the board.

Mr. DiFatta explained the process.

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

YEAS: Cavnignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010.

#6

Agenda Item #6

On Motion of Mr. DiFatta, seconded by Mr. Cavnignac it was moved to approve Sullivan, Stolier & Resor Invoice #53336 in the amount of \$29,864.06 as recommended by the Finance Workgroup.

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

YEAS: Cavnignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010.

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#7

Agenda Item #7

On Motion of Mr. DiFatta, seconded by Mr. Cavnignac, it was moved to approve FED EX Invoice #'s 7-179-78915 & 7-172-32537 in the amount of \$51.89 as recommended by the Finance Workgroup.

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

YEAS: Cavnignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010

#8

Agenda Item #8

On Motion of Mr. Cavnignac, seconded by Mr. DiFatta it was moved to approve Change Order for Terracon to include settlement monitoring.

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

YEAS: Cavnignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010

#9

Agenda Item #9

On Motion of Mr. Cavnignac, seconded by Mr. Dysart it was moved to approve the creation and the Bylaws of the St. Bernard Parish Hospital Foundation, Inc. for the purposes of securing the NMTC.

Mr. Cavnignac stated that this corporation (holding corporation) was a necessity to filter through the NMTC transaction.

Mr. Dysart questioned if the HSD needed its own set of bylaws as the "parent" company.

Mr. Landry stated that the bylaws for the district were being worked on.

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Mr. DiFatta stated this is a non-profit corporation.

Mr. Landry stated that the corporation will also be used for making charitable donations to the hospital.

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

YEAS: Cavignac, DiFatta, Dysart, Gray

NAYS: NONE

ABSENT: NONE

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

And the motion was declared **ADOPTED** on the 25th day of August, 2010.

#10

Agenda Item #10

Old Business

No Action Necessary

#11

Agenda Item #11

New Business

Mr. Landry wanted all board members to look at the letter of recommendation written for Kendall Magee so that Mr. Magee could remain involved in the project, and to authorize Mr. Landry to sign the letter.

Mr. Dysart stated his was in favor of signing the letter because there was no point in a changing of the guard mid stream into the project.

Mr. DiFatta stated that he is in favor of this letter today, but a year ago he would not be in favor. He said he was pleased with the progress, cooperation and that responsiveness had improved over the past year.

On motion of the Chair and without objection it was moved to authorize the Chair to sign Mr. Magee's letter of recommendation to be forwarded the Disaster Recovery Unit.

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

YEAS: Cavignac, DiFatta, Dysart, Gray

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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 25th day of August, 2010.

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 8:08 p.m. on this 25th day of August, 2010.

Gretchen H. Henry

Gretchen H. Henry
Recording Secretary

Wayne J. Landry

Wayne J. Landry
Chairman