

MINUTES OF THE **ST. BERNARD PARISH HOSPITAL SERVICE DISTRICT MEETING HELD ON WEDNESDAY, OCTOBER 6th, 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, October 6th, 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, and Mr. John Gray.

There were absent: Mr. Danny Dysart

Also present were: Phil Wendling of Hammes Co.; and Frank Folino of FMOL, Mr. Billy Sizeler and Allen Ohlmeyer of Sizeler Thompson Brown Architects.

Mr. Landry delivered the invocation.

Mr. DiFatta 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 9/20/10 & 9/22/2010, HSD meetings.

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

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#2

Agenda Item #2

On motion the Chair and without objection it was moved to receive an update.

Mr. Landry stated he had a very productive meeting with Paul Rainwater, Commissioner of Administration for the State of Louisiana. Mr. Rainwater told Mr. Landry that on November 9<sup>th</sup>, when Mr. Landry signs the General Contractor contract, the \$17M will immediately be obligated.

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 2 ~

Mr. Rainwater stated that in House Bill 2 next year there is language being researched to place in that bill to allow the \$17M to be leveraged with NMTC.

Mr. Landry asked Mr. Rainwater to have a meeting with the Secretary of DHH to speed up the permitting and licensure processes. Mr. Rainwater agreed and stated he would let the HSD know when that happens.

Mr. Blanchard of DHH stated that the plan review should be done before November 9<sup>th</sup>.

Mr. Wendling stated that the Fire Marshall was reviewing the plans and he would contact them to be updated on the status of review.

Mr. Cavnac gave an update on the NMTC status. Mr. Cavnac stated that the St. Bernard Redevelopment LLC would hold a board meeting to decide to give the allocation to 2 other potential projects requesting it. Mr. Cavnac stated that he felt confident that the CDE could close the transaction before the end of the year, and the allocation of funds to another project was unlikely. Mr. Cavnac went further to state that the Parish President who is also the Chairman of St. Bernard Redevelopment LLC wanted the agenda item to formally request the extension which will be addressed in the next item.

Mr. DiFatta wanted clarification on whether administration had indeed said that there were 2 other projects looking to have the HSD's \$44.7M moved to fund their project.

Mr. Cavnac stated that was correct. There were 2 other potential projects that would like to benefit from the allocation should HSD not be able to use them.

Mr. Landry stated his position was that if investors are willing to buy the tax credits on another project, don't move HSD's allocation to another project, and bring those investors to the HSD's Hospital project.

Mr. DiFatta's concern was that the same investors looking at other projects seemed like a conflict.

Mr. Cavnac stated that the Parish President understood and wanted the Resolution requesting the formal extension sent to him.

Mr. Landry's final comment was the investors are looking for the millage to pass on November 2<sup>nd</sup>. It's a critical component, because it could jeopardize the \$10M of funding needed to build part of the hospital. The cash flow for the project is something that the investors need confidence in prior to investing.

Mr. Landry also wanted the public to know that Paul Rainwater also stated that he's extremely optimistic about getting an additional \$5M to allocate towards the project which would increase the size of the MOB to the size it should be (60,000 square feet as opposed to 40,000 square feet).

Mr. Wendling gave a status on the ERP.

Mr. Landry reminded the public that the Town Hall Meeting for the Hospital was on October 26<sup>th</sup>, 2010 at 7:00pm in Council Chambers and if the crowd was too large, the meeting would be moved to the Civic Auditorium ballroom.

No Action Necessary.

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 3 ~

#3

Agenda Item #3

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

## **HSD RESOLUTION 18-10**

A RESOLUTION AUTHORIZING DUDLEY VENTURES ADVISORY SERVICES, L.L.C., COATS ROSE YALE RYMAN AND LEE, P.C., SULLIVAN STOLIER RESOR KOVATA LC, AND/OR FOLEY JUDELL, L.L.P. ON BEHALF OF THE HOSPITAL SERVICE DISTRICT OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, TO ENTER INTO GOOD FAITH NEGOTIATIONS WITH ST. BERNARD PARISH REDEVELOPMENT, L.L.C. AND, TO THE EXTENT NECESSARY, THE UNITED STATES DEPARTMENT OF TREASURY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND, FOR AN EXTENSION OF THE RESERVATION PERIOD FOR THE UTILIZATION OF FORTY-FOUR MILLION SEVEN HUNDRED THOUSAND AND 00/100s (\$44,700,000.00) IN NEW MARKET TAX CREDITS TO PROVIDE FINANCING FOR THE CONSTRUCTION AND DEVELOPMENT OF A NEW HOSPITAL AND MEDICAL OFFICE BUILDING IN ST. BERNARD PARISH, TO PAY FOR ESSENTIAL PRE-OPENING COSTS AND TO PROVIDE FOR WORKING CAPITAL FOR HOSPITAL OPERATIONS PRIOR TO THE HOSPITAL'S STABILIZATION IN FURTHERANCE OF, AND ESSENTIAL TO, THE LONG TERM ECONOMIC, COMMUNITY AND SOCIAL RECOVERY, DEVELOPMENT AND STABILITY OF ST. BERNARD PARISH AND ITS RESIDENTS.

WHEREAS, St. Bernard Parish Redevelopment, L.L.C. (the "CDE") and the Hospital Service District of the Parish of St. Bernard, State of Louisiana (the "HSD") previously entered into an agreement whereby the CDE reserved Forty-four Million Seven Hundred Thousand and 00/100s (\$44,700,000.00) Dollars (the "NMTCs") for the HSD to provide for the construction of a new hospital and medical office building in St. Bernard Parish, to pay for essential pre-opening costs and provide for working capital for Hospital operations prior to the Hospital's stabilization (the "Project"); and

WHEREAS, the HSD now seeks to extend the period of time to utilize the NMTCs.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the HSD, does hereby authorize Dudley Ventures Advisory Services, L.L.C., Coats Rose Yale Ryman and Lee, P.C., Sullivan Stolier Resor Kovata LC, and/or Foley Judell, (each individually a "Hospital Consultant" and collectively the "Hospital Consultants") to individually and/or collectively, on behalf of the HSD, enter into good faith negotiations to obtain a written extension of time from the CDE through December 31, 2010, with an option to extend said period of time through March 31, 2011, such option shall be contingent upon the CDE's receipt of ninety (90) additional days from the United States Department of Treasury Community Development Financial Institutions Fund ("CDFI"), to utilize the NMTCs in furtherance, and for the benefit of the Project.

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 4 ~

BE IT FURTHER RESOLVED, that the HSD does hereby authorize the Hospital Consultants, individually or collectively, on behalf of the HSD and to the extent necessary, to collaborate with the CDE to negotiate and obtain any and all written extensions of time from the CDFI in order for the HSD to utilize the NMTCs in furtherance, and for the benefit, of the Project

BE IT FURTHER RESOLVED, that the HSD ratifies any and all actions previously taken by the Hospital Consultants to obtain an extension of time to utilize the NMTCs in furtherance, and for the benefit, of the Project.

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

**YEAS:** Cavignac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#4

Agenda Item #4

On Motion of Mr. Cavignac, seconded by Mr. Gray it was moved to discuss dissemination of information regarding the millage proposal.

Mr. Landry touched on the millage in the update, but wanted to discuss the advertisement with the board although the board cannot promote a position, and cannot use the district's money. Only the individual can take a position with their own resources.

Mr. Landry stated that he would do an educational ad, and get it out to the public in The St. Bernard News since it is distributed free of charge to the community.

On motion of Mr. Cavignac, and joint motion of Mr. DiFatta, and Mr. Gray it was moved to advertise the upcoming Town Hall Meeting on the 26<sup>th</sup> of October and run other educational ad pieces.

Mrs. Serpas from the public stated that she would like to see the rest of Parish Council support this millage with ad, along with the Parish President and Sheriff.

Mrs. Legarde requested the verbal facts and educational information about the millage should be run on Channel 76.

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

**YEAS:** Cavignac, DiFatta, Gray

**NAYS:** NONE

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 5 ~

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#5

Agenda Item #5

On Motion of Mr. Cavignac, seconded by Mr. Gray it was moved to discuss time appropriateness for advertisement of RFP's created by FMOL for Employee's Benefit Package and MIS (Computer Mainframe).

Mr. Wendling spoke for Mr. Folino at the meeting and explained that the critical path of facility readiness is in jeopardy without publication of these RFPs.

Mr. Landry suggested the board digest the project timelines and come back with a decision.

Discussion Ensued.

No Action Necessary

#6

Agenda Item #6

On Motion of Mr. Cavignac, seconded by Mr. Gray it was moved to allow Phil Wendling of Hammes Co. to make a presentation of the FMOL Materials Management/Procurement Package which will be pending approval of legal counsel on source of funds appropriateness.

Mr. Wendling gave a presentation on procurement of equipment for the hospital and went through FMOL's proposal.

Mr. Wendling stated that he felt the proposal was reasonable.

Mr. Landry requested to re-visit this topic later being that FMOL did not want to be paid by CDBG.

On motion of Mr. DiFatta, seconded by Mr. Gray it was moved to authorize the Chairman to move forward on Materials Management Procurement only if an agreement was made with FMOL to be paid through CDBG reimbursement.

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

**YEAS:** DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 6 ~

#7

## Agenda Item #7

On Motion of Mr. DiFatta, seconded by Mr. Gray, it was moved to approve Lemoine Pay Application #1 in the amount of \$513,955.98 as recommended by the Finance Workgroup.

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

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#8

## Agenda Item #8

On Motion of Mr. DiFatta, seconded by Mr. Cavnac it was moved to approve FedEx Invoice #7-218-30728 in the amount of \$29.83 as recommended by the Finance Workgroup.

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

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#9

## Agenda Item #9

On Motion of Mr. DiFatta, seconded by Mr. Cavnac it was moved to approve Breazeale Sachse Wilson Invoice # 227469 in the amount of \$299.15 as recommended by the Finance Workgroup

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

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 7 ~

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#10

Agenda Item #10

On Motion of Mr. DiFatta, seconded by Mr. Gray it was moved to approve State of Louisiana DEQ Invoice # 317542 in the amount of \$264.00 as recommended by the Finance Workgroup

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

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#11

Agenda Item #11

On Motion of Mr. DiFatta, seconded by Mr. Gray it was moved to approve SBPG Invoice #s 6, 7, 8, 9 & 10 in the amount of \$19,060.37 as recommended by the Finance Workgroup.

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

**YEAS:** Cavnac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#12

Agenda Item #12

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 8 ~

On Motion of Mr. DiFatta, seconded by Mr. Gray it was moved approve Terracon Invoice #T154863 in the amount of \$5379.36 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, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#13

Agenda Item #13

On Motion of Mr. DiFatta, seconded by Mr. Cavnignac it was moved to approve Laporte Sehrt Romig Hand Invoice #122274 in the amount of \$1000.00 as recommended by the Finance Workgroup.

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

**YEAS:** Cavnignac, DiFatta, Gray

**NAYS:** NONE

**ABSENT:** Dysart

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

And the motion was declared **ADOPTED** on the 6th day of October, 2010.

#14

Agenda Item #14

Old Business

Mr. Gray requested an update on the claim for Joanna Ragas.

The Recording Secretary responded that Brian Grubb (legal counsel) would be handling all correspondence going back and forth to Ms. Ragas and anyone else who has stated they had information on the case.

No Action Necessary

#15

Agenda Item #15

New Business

# Minutes of Hospital Service District Meeting of October 6th, 2010

~ 9 ~

Mr. Wendling stated 12 contractors (list in board members packets) had picked up plans.

Mr. Allen Ohlmeyer of Sizeler Thompson Brown explained a rendering that was presented of the MOB and how it the seamless attachment to the hospital.

No Action Necessary

There being no further business for discussion, the Chairman, Mr. Landry declared the meeting adjourned at 8:35 p.m. on this 6th day of October, 2010.

*Gretchen H. Henry*

Gretchen H. Henry  
Recording Secretary

*Wayne J. Landry*

Wayne J. Landry  
Chairman