

Marion County Hospital District

Board of Trustees Meeting Minutes

February 24, 2020 @ 5:00 p.m.
Rich Bianculli, Chairman

Call to Order

Rich Bianculli called the February 24, 2020 regular meeting of the Marion County Hospital District Board of Trustees to order at 5:03 p.m.

Board Members Present

Rich Bianculli, Randy Klein, Sam McConnell (left 6:50 PM), Sheryll Goedert, Ram Vasudevan, Ken Marino, David Cope

Board Members Absent

None

District Counsel Present

Joe Hanratty

Others Present:

Curt Bromund, Debra Velez, Dolly Dockham, Debbie Cooper, Heather Wyman, Brianna Liles, Kathy Bryant (left 5:44 pm), Carlos Medina, Rebecca Tull, Jeremy Rhoden, Jim Henningsen, Larry Cretul

Public Comment (3 minutes)

Gabe Bullaro introduced himself as the CEO at West Marion Hospital.

Guest Speaker – Jim Henningsen – CF – Dr. Henningsen presented an update on the Health Sciences Technology building project. The total project cost is \$38.4M and the college has received \$6M in state funding with an additional \$1.5M in matching funds from the hospital district board. The total request to the state to finish the project is \$23.7M. The college has a board approved architect and construction management firm and has already begun site improvement work in preparation for building construction. Currently the college is one of just a few colleges to have any building money (\$1M) in the Senate recommended budget and is hopeful that more will be appropriated before the end of the session. He explained that there are challenges with getting state funding for public higher education building projects. If the limited state funding continues, it will have a significant negative impact on the college being able to serve the workforce needs in the rapidly growing health care market.

Legal/Other – Joe Hanratty

Legal Claims -No Change

City of Ocala Ordinance - The City of Ocala unanimously approved Ordinance 2020-20 allowing a new use (Transitional Treatment Facility) as a permitted use with criteria in the B-2 (Community Business), B-2A (Community Business) and B-4 (General Business) zoning districts.

Approval of Previous Minutes - January 27, 2020 and February 24, 2020 – A Motion was made by Sam McConnell to accept the minutes of January 27, 2020 & February 24, 2020. The Motion was seconded by Sheryll Goedert. The Motion passed unanimously.

New Business

Grant Committee Update

Beacon Point Update

Service Transition

Behavioral Health & Substance Abuse Transition – Contract with LifeStream was executed on February 7th, 2020. They have begun interviewing for positions and should be fully staffed between March 9-15, 2020. Curt presented an updated Gantt chart for the Beacon Point Services with Action and completion dates.

Projects Updates – AMP/FANS – quarterly reports were presented – FANS - Jeremy Rhoden, who works for the Marion County Public Schools and is a Horticulture Program Specialist was present with Heather and gave a brief update on the progress of FANS at the schools.

AMP – Brianna presented a chart that showed impact numbers in regard to downloads, Steps, Workplaces impacted, number of employees, opportunities, engagement and pop-up fitness.

Old Business

None

A Motion was made by Sam McConnell to accept and close the Grant Report as presented. The Motion was seconded by Ram Vasudevan. The Motion passed unanimously.

Finance Committee Update

MCHD January 2020 Financial Reports - Sheryll Goedert presented the January 2020 financials.

A Motion was made by Sam McConnell to accept the January 2020 Financials as presented. The Motion was seconded by David Cope. The Motion passed unanimously.

Investment Committee Update

Renasant Investment Summary and Investment Report – After some discussion about the performance of Simon Quick and Berman, it was decided to have more discussions about it after reviewing the July quarterly reports. David Cope suggested investing passively in each of the benchmarks as an alternative to one of the investment firms. Rich stated that we are up ~4.5M today so far.

A Motion was made by Sam McConnell to accept and close the Investment Report as presented. The Motion was seconded by Sheryll Goedert. The Motion passed unanimously.

Operations Committee Update

New Business

MCHD New Office – Debra received a quote from Tallen Builders for construction at \$126/sq. ft. After some discussion it was decided that this is high and should be more in the \$90-\$95/sq. ft. area. Committee suggests negotiating with Tallen to reduce the quote and/or maybe get 3 hard bids from the top 3 highest rated contractors. Check with legal to see if we can proceed with getting 3 bids. Debra checked with legal about retaining 3 bids and legal stated according to the Florida statute that it cannot be done. We have to fail to negotiate with the first bidder then move on to the second bidder etc. Tallen will submit a revised bid.

Hospital Inspection Update – Debra has spoken with two reputable commercial inspectors and Ivan Puig of National Property Inspections is the one she is recommending for approval for a total of \$10,465.

A Motion was made by Randy Klein to approve National Property Inspections for the Hospital Property Inspection at \$10,465. The Motion was seconded by Sheryll Goedert. The Motion passed unanimously.

Advent CAPEX Extension – The Revised Sixth Amendment of the lease the requirement to spend \$75,000,000 over five years for the defined Capex items has been met and we are now into the 4% Annual Net Revenue spend for the Capex items. Under 7(b) of the lease, \$25,775,813 has been spent out of \$150,000,000 required leaving \$124,224,187 to be spent on Facility Plan Improvements. It then calls for a minimum expenditure of \$80,000,000 at the main campus with the balance to be spent off campus or at TimberRidge. Advent Health did not want to specify the off-campus amount in case they need to spend more than \$80,000,000 on the main campus. The time for completing Main Campus expenditures is 12/31/2020. The time for completing the off campus spend is 1/1/2023.

Advent is now requesting to extend the \$80M spend to 12/31/21 with no change to the total spend of \$124M by 12/31/22. Projection indicate ~ \$53M will be spent by end of 2020 and shifting ~\$27M from 12/31/20 to 12/31/21. A Motion was made by Randy Klein and seconded by Sheryll Goedert to open the subject for discussion. After some discussion, Randy Klein made a Motion to pass the CAPEX extension as presented. With no further discussion and no objections the Motion passed unanimously.

Sam McConnell directed the board to accept and close the Operations Report as presented by general consent. There were no objections.

Other Business

Closed Meeting Sessions – The question is can the District avail itself of the provisions of Section 395 to hold a closed meeting to discuss with AdventHealth, the current tenant under the aforementioned Lease and Asset Purchase Agreement, it's strategic plans that otherwise relate the District's oversight of the lease agreement. Trustees have instructed Joe Hanratty to send a letter to the Attorney General with the specific request whether or not in their opinion the Marion County Hospital District may have a Closed Meeting pursuant to FS 395 for a presentation by the District's tenant, AdventHealth, concerning AdventHealth's "strategic plan" of expansion projects required under the lease with the District.

A Motion was made by Randy Klein to approve Joe Hanratty sending a letter of inquiry to the Attorney General as stated above. The Motion was seconded by Sheryll Goedert. The Motion passed unanimously.

Old Business

None

Adjournment

Rich Bianculli adjourned the meeting at 7:02 p.m.


Rich Bianculli, Chairman