

**MINUTES
BOARD OF DIRECTORS
MEDINA COUNTY HOSPITAL DISTRICT**

February 24, 2020

TIME AND PLACE: The Medina County Hospital District Board of Directors met in regular session on Monday, February 24, 2020 at 6:30 p.m. at the Medina Regional Hospital Boardroom, 3100 Ave. E, Hondo, Texas.

PRESENT: Tim Hardt, President
Dr. Carlton "Corky" E. Young, Vice President
Tony Johnson, Secretary
William "Bill" Bain, Director
Zachary Windrow, MD, Director
Judy Winkler, Director

Janice Simons, Chief Executive Officer
Kevin Frosch, Chief Financial Officer
Billie Bell, Chief Nursing Officer
Stacie Hall, Recording Secretary

ABSENT: Geoff Crabtree, Methodist Healthcare System

GUESTS: Clay Binford, Attorney
Phyllis Santleben, Castroville Mayor
Leroy Vidales, Interim City Administrator for Castroville

1. **CALL TO ORDER
AND RECORD OF
ATTENDANCE** Mr. Hardt called the meeting of the Medina County Hospital District Board of Directors to order at 6:35 p.m. He stated for the record that the Board of Directors has six members with six members being present at that time and representing a quorum.

2. **PUBLIC COMMENT** There were no members of the public present.

3. **BOARD EDUCATION
DISCUSS AND TAKE
POSSIBLE ACTION
ON A RESOLUTION
EVIDENCING AN
INTENTION TO
PARTICIPATE IN A
TAX INCREMENT
REINVESTMENT
ZONE TO BE
ESTABLISHED BY THE
CITY OF
CASTROVILLE, TEXAS
IN SUPPORT OF
ALSATIAN OAKS
AND SURROUNDING
DEVELOPMENT. –
CLAY BINDFORD,
ATTORNEY AND**

Mr. Hardt introduced; Mr. Clay Binford, Attorney for City of Castroville; Ms. Phyllis Santleben, Castroville Mayor; and Leroy Vidales, Interim City Administrator for Castroville. Mr. Hardt stated that these individuals would like to speak with the Board of Directors in regards to a Tax Increment Reinvestment Zone in Castroville.

Mr. Binford explained that the Alsatian Oaks will be a subdivision located in Castroville. Mr. Binford stated that this revenue source puts the city in a stronger position to drive higher quality of development, better deals, and better development for all the surrounding areas. Mr. Binford stated that a higher tax revenue potential exists for all who participates in the tax base. Mr. Binford said that there is an incentive provided to the developer for public infrastructure, but a quality of life piece in return to the city such as a comprehensive sports complex. Mr. Binford stated that the developer would be paid \$35M. Mr. Binford stated that from the City of Castroville's prospective this TIRZ is attractive because it is only money generated by this footprint. Mr. Binford explained that in exchange there is approximately \$435M in taxable assessed value.

Mr. Binford stated that City of Castroville is assuming liability of the obligation and they are shouldering the burden at this time. Mr. Binford stated that the City hopes by approaching the other taxing districts there will be a cost sharing on the \$35M. Mr. Binford said that the City of Castroville will pay \$17.5M, Medina County is participating by paying \$12.5M. Mr. Binford said

**LEROY VIDALES, CITY
ADMINISTRATOR
FOR CASTROVILLE**

that the City of Castroville hopes that the other two taxing districts that will benefit, Emergency Services and Hospital District would participate for \$2.5M each. Mr. Binford stated that the City of Castroville is looking to these other taxing entities to ask for consideration in participation. Mr. Binford explained that the City of Castroville has created a resolution for a Tax Increment Reinvestment Zone and at this time asking the Hospital District to adopt a resolution evidencing intent to participate in the TIRZ, at some level. Mr. Binford stated this would not be the last time he would need to address the Board of Directors in regards to this TIRZ. Mr. Binford said that he would need to take the Hospital Districts intent and pair it with the County and hopefully ESD. Mr. Binford said that once the property annexes into the city then the TIRZ will be created. Mr. Binford said that he will then come back to the Board of Directors to memorialize the Hospital Districts intent. Mr. Binford stated that the City of Castroville is proposing a split of the revenue, sixty-fourty or seventy-thirty so that the Hospital District will also benefit from the increase in tax revenue. Mr. Binford said that City of Castroville does not anticipate creating a TIRZ for any of the neighboring properties.

Dr. Young asked if the school districts would be able to participate in the TIRZ? Mr. Clay Binford stated that the School District would not be able to participate in the TIRZ because it would affect their state funding.

Mr. Binford explained that Alsatian Oaks is contributing money to escrow for the project and there will be no money given up front by taxing units for this project.

Ms. Bain asked, "What if the cost of this project goes up?" Mr. Binford stated that the Alsatian Oaks will be responsible.

Ms. Simons clarified that this resolution was a non-binding resolution. Mr. Binford responded that this was a non-binding resolution. Ms. Simons asked, "What if Emergency Services does not participate?" Mr. Binford responded that the City of Castroville would be responsible for that \$2.5M.

Mr. Hardt asked, "Is this a twenty year plan?" Mr. Binford said, "Yes."

Dr. Young stated that we would like for the residents of Castroville and Medina County to know the Hospital District supports the City of Castroville.

MOTION

Mr. Bain made a motion to approve the Resolution Evidencing an Intention to Participate in a Tax Increment Reinvestment Zone to be established by the City of Castroville, Texas in Support of Alsatian Oaks and Surrounding Development. Ms. Winkler seconded.

VOTE

The motion passed unanimously.

4. **CONSENT AGENDA**
Consider Approval of Minutes
 - A. **Regular session of January 27, 2020**

The Minutes from the Regular Session of January 27, 2020 were approved as presented in the packet.

5. **Consider Approval of CNO Report**

Ms. Bell stated that she would like to highlight the annual mammography survey that took place on January 5, 2020 by the Texas Department of State Health Services. Ms. Bell stated that there were no violations identified and the surveyor commended the Imaging team for their time and attention during the inspection process. There were no changes to the CNO report presented in the board packet.

6. **Consider Approval of Rural Health Clinics Report** Mr. Frosch stated that the month of January was a good revenue month for Rural Health Clinics. There were no other changes to the Rural Health Clinics report presented in the board packet.

7. **Consider Medical Staff Report** None.

MOTION

Ms. Winkler made a motion to approve the Consent Agenda. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

8. **CONSIDER PUBLIC CORRESPONDENCE REPORT**

Mr. Johnson provided a report in the Board packet on the public correspondence. Mr. Johnson stated that there were 41 questionnaires returned and 4 contained negative comments. Mr. Johnson said that a negative comment was received due to a patient who needed a diabetic diet. Mr. Johnson stated that the patient requested more vegetables choices, and complained that there were several items seasoned excessively. Mr. Johnson stated that the dietician meets with all diabetic patients to discuss dietary choices. Mr. Johnson said that Medina Healthcare System is a certified diabetic site and the Dietician is responsible for following written guidelines for food served to diabetic patients. Mr. Johnson said that the Dietary Department attempts to include the patient's preferences when preparing their food.

MOTION

Mr. Bain made a motion to approve the Public Correspondence Report as presented. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

9. **CONSIDER CHIEF EXECUTIVE OFFICER'S REPORT**

Ms. Simons announced that the Medina Specialty Care Open House and ribbon cutting will be held from 12-1 PM on Tuesday, February 25th.

Ms. Simons stated that the Grand Opening for the Medical Clinic of Hondo will be held from 4-6 PM on Friday, February 28th.

Ms. Simons said that an article 'Closed Meetings Under the Texas Open Meetings Act: What Every Board should know', was included in the Board packets for review.

Ms. Simons said that the CFO for the Baptist Health Foundation has tentatively approved the release of the second year grant for the chronic care management project.

Ms. Simons stated that an article about the Central Hospital of Bowie closing their doors was included in the Board packets. Ms. Simons said the hospital gave up their license to restructure business.

There were no changes to the CEO report presented in the board packet.

MOTION

Mr. Johnson made a motion to approve the CEO report as presented. Dr. Young seconded.

VOTE

The motion passed unanimously.

**10. CONSIDER
FINANCIAL REPORT**

Dr. Young stated that he has reviewed the summary sheets that Kevin provided in the packet and the numbers for January were solid. Mr. Frosch stated that the January summary sheets provided in the packet were straightforward. Mr. Frosch stated that the Certificates of Deposits were included in the summary sheets under cash for the month of January. Dr. Young said, "Kudos to Kevin and Janice for a great Audit and Cost Report". There were no changes to the report presented in the board packet.

MOTION

Mr. Bain made a motion to approve the Finance Committee Minutes of January 27, 2020 as presented in the packet. Ms. Winkler seconded.

VOTE

The motion passed unanimously.

MOTION

Dr. Young made a motion to approve the Financial Report for January 2020, as presented in the board packet. Ms. Winkler seconded.

VOTE

The motion passed unanimously.

**11. REVIEW, CONSIDER
AND APPROVE
MEDICAL STAFF
COMMITTEE CHART**

Ms. Bell stated that the medical staff met and agreed to leave the committee chart as is.

There were no changes to the Medical Staff Committee chart presented in the board packet.

MOTION

Ms. Winkler made a motion to approve the Medical Staff Committee Chart as presented. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

**12. CONSIDER
FINANCIAL REPORT
CONSIDER
APPROVAL OF
AUDIT AND COST
REPORT FOR FY
10/1/2018-9/30/2019
AS PRESENTED BY
BKD**

There were no changes to the Audit and Cost Report for FY 10/1/2018-9/30/2019 as presented by BKD.

MOTION

Dr. Young made a motion to approve the Audit and Cost Report for FY 10/1/2018-9/30/2019 as presented by BKD. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

**13. REVIEW, CONSIDER
AND APPROVE
COMPLIANCE
ADVISORY
COMMITTEE'S
QUARTERLY REPORT
(Q4)**

There were no changes to the Compliance Advisory Committee's Quarterly Report (Q4) as presented in the board packet.

MOTION

Dr. Young made a motion to approve the Compliance Advisory Committee's Quarterly Report (Q4). Dr. Windrow seconded.

VOTE

The motion passed unanimously.

14. REVIEW, CONSIDER AND APPROVE ANNUAL INFECTION CONTROL EVALUATION

Dr. Young inquired about the number of flu cases the hospital has seen. Ms. Bell stated that there have been a number of flu cases, but the hospital has a strong infection control program. Ms. Bell stated that there is a call each week with the CDC and there is a strategic plan on items that have shortages. Ms. Bell stated that staff is confident there is a good plan in place to respond. Mr. Johnson asked if the hospital needs to look into cloth gowns. Ms. Bell responded that the hospital will be conducting a trial run this week for cloth gowns.

MOTION

Ms. Winkler made a motion to approve the Annual Infection Control Evaluation. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

15. REVIEW, CONSIDER AND APPROVE PARKING LOT UPGARDE/REPAIR FOR BUSINESS OFFICE, CASTROVILLE CLINIC, AND SPECIALTY 2 CLINIC IN THE AMOUNT OF \$72,886.00

Ms. Simons stated that this bid for parking lot repairs includes three locations; Business Office, Specialty 2 Clinic and the Castroville Clinic. Ms. Simons explained that Wayne Rogers will be performing the work.

MOTION

Mr. Bain made a motion to approve the Parking Lot Upgrade/Repair for Business Office, Castroville Clinic, and Specialty 2 Clinic in the amount of \$72,886.00. Dr. Young seconded.

VOTE

The motion passed unanimously.

16. REVIEW, CONSIDER AND APPROVE RESOLUTION TO PURCHASE THE PROPERTY LOCATED AT 3103 AVENUE G, HONDO, TX, MEDINA COUNTY

Mr. Hardt stated that County would like to sell the WIC building located at 3103 Ave G, Hondo, TX 78861, so staff could be moved to downtown Hondo. Mr. Hardt explained that due to the deed restrictions on the building stating it can only be used for public health this limits potential buyers. Mr. Hardt stated that Norman Terrill, Plant Operations Director has provided the inspection report. Mr. Hardt stated that upgrades and repairs will be needed before the hospital would be able to use the building. Mr. Hardt said that there is a gas generator that was purchased by the County with grant funds that will be returned to the County after the sale of the building. Ms. Simons said that the repairs would include removing the brick from the building and discarded which would cost approximately \$160,000.

MOTION

Mr. Bain made a motion to approve the Resolution to Purchase the Property located at 3103 Avenue G, Hondo, TX, Medina County for \$300,000. Dr. Young seconded.

VOTE

The motion passed unanimously.

17. REVIEW, CONSIDER AND APPROVE FACILITIES COMMITTEE REPORT

MOTION

Mr. Bain made a motion to approve the Facilities Committee Report. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

18. REVIEW, CONSIDER AND APPROVE INFORMATION TECHNOLOGY (IT) UPGRADES

Mr. Frosch stated the list of items that need to be upgraded is located in the Board packet. Mr. Frosch explained that the Information Technology Department is working with a telecommunications consultant who would represent the hospital to assist in purchasing the items that will be most beneficial to the hospital and in the most cost effective way. Mr. Frosch explained that this consultant was referred to the hospital by STRG. Mr. Frosch stated the phone system that is currently installed in the hospital is old and reached end of life. Mr. Frosch stated that hospital computers will need to be upgraded to Windows 10 because the system that is currently installed the vendor has stopped sustaining it and has ended the support for the product.

MOTION

Ms. Winker made a motion to approve the Information Technology (IT) Upgrades in the amount of \$922,500. Mr. Bain seconded.

VOTE

The motion passed unanimously.

19. REVIEW, CONSIDER AND APPROVE RESOLUTION FOR DEBT REDUCTION OF USDA LOAN (SERIES #2)

Mr. Hardt stated that he asked for the debt reduction resolution to be put on the agenda for Board discussion. Ms. Winkler stated that she suggests that the Board of Directors wait on paying off the USDA loan due to the information that was given by BKD during the Finance Committee meeting. Dr. Young stated that many government programs may not be available any longer and this legislation could affect rural hospitals financially. Dr. Young recommended that the debt reduction agenda item be put on hold for a year.

MOTION

No Motion.

20. PROCLAMATION BY TIM HARDT

Mr. Hardt stated a copy of the Proclamation is in the Board packet for review and if there are any suggestions for edits. Mr. Hardt stated that he intended to give the Proclamation to Mrs. Hackebell during the Hondo Clinic Grand Opening on Friday, February 28, 2020. Mr. Bain stated that the fourth Whereas should read, "WHEREAS, in 1997, Steve joined the Medina Healthcare System Board of Directors to be a part of an organization that would significantly impact Medina County;" instead of significantly impact a community. Mr. Hardt stated he would have the Proclamation changed prior to Friday's presentation.

MOTION

Ms. Winker made a motion to approve the Proclamation by Tim Hardt. Dr. Windrow seconded.

VOTE

The motion passed unanimously.

21. EXECUTIVE SESSION

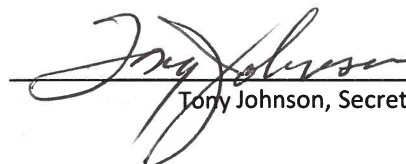
The Board of Directors of Medina Regional Hospital District did not go into Closed Session, this date of February 24, 2020.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:50 p.m.



Tim Hardt, President



Tony Johnson, Secretary