

# Highlands County Hospital District Board of Commissioners Special Meeting – March 26, 2024

The Highlands County Hospital District Board of Commissioners met at 1:30pm on Tuesday, March 26, 2024, at the Highlands County Commissioner's Board Room. Notice of the Special Meeting was published in the Highlands News-Sun on March 13, 2024. The notice is filed in the Board's meeting file.

**COMMISSIONERS PRESENT:** Victor Divietro, Dean Gerber, Dusty Johnson, Jeff Roth, Katie Wilson

**COMMISSIONERS ABSENT:** N/A

**OTHERS PRESENT:** Bert Harris – Swaine, Harris & Wohl, PA; Gail Escobar- Clerk; Ingra Gardner – Community Programs Director; Leah Sauls – Development Services; Nick Sawyer – Deputy County Administrator; Commissioner Kevin Roberts; Susie Bishop – HCA Florida Highlands Board of Trustees; Bill Stephenson – Samaritan's Touch Care Center; Jennifer Roth – Florida Department of Health; Tessa Hickey - Florida Department of Health

**I. MEETING CALLED TO ORDER** at 1:34 pm by Chairman Gerber.

**II. INVOCATON AND PLEDGE OF ALLEGIANCE**

Mr. Roth led the pledge and gave the invocation.

**III. COMMENTS FROM THE PUBLIC**

Joe Gleason, CEO of HCA Florida Highlands provided comments about the facility and some encouragement as the Board works through the decision of selling the hospital. HCA took over the hospital lease in November of 2017 and annually treats over 23,000 patients a year, employs over 500 colleagues with payroll and benefits over 42 million dollars; pay federal, state, and local taxes of more than 4 million dollars, and provide uncompensated and charitable care in excess of 3.9 million dollars. Has invested over 11 million dollars in the uptake of the facility; improved operations and added services such as robotics, spine care and CCTA. Not knowing what liberties, the Board would have and if the decision is made to sell, he encouraged the Board to think about the process and of the consideration if there would be a facility with a right to purchase. Competition is good for the community since it breeds and fosters growth and consider the tax implications as well.

**IV. APPROVAL OF PAYMENT OF INVOICES**

**MOTION:** Mr. Johnson made a motion seconded by Ms. Wilson to approve payment of invoices for Highlands News-Sun – 114.76 as presented by the Clerk. Upon roll call, all Members voted aye. The motion carried.

**V. APPROVAL OF CONTRACT WITH AUDITOR**

Contract with Clifton Larson Allen, LLC was presented for approval.

**MOTION:** Mr. Divietro made a motion seconded by Mr. Johnson to recommend the contract as presented and authorize the chairman to complete negotiations with Julie Fowler, Signing Director for Clifton Larson Allen, and enter the annual statement of work for the audit year ending September 30, 2023 which may include modifications of the

contract to include substantive provisions from the statement of work . Upon roll call, all Members voted aye. The motion carried.

**V. CONSIDERATION AND ACTIONS REGARDNG THE SALE OF THE HOSPITAL**

Issue is controlled by Section 155.40, Florida Statutes.

The three parcels that are part of this discussion are the hospital, a medical building, and the helicopter pad. 155 speaks of the sale of the hospital and does not say out buildings. The question evolves which parcels would be sold in compliance with Section 155.04 which becomes important as to how the money can be used. Half would go to the BOCC to be used for health services with the approval of the Agency for Healthcare Administration (AHCA). The other half stays with the District to be used for Medicaid payments to the hospital, which is a board description of the use of the funds. There will be future discussion as to the scope of the use of the funds such as can the District delegate the use of their allotment to the BOCC and the District be dissolved; It will be important how the funds are allocated with the use of the funds strictly regulated.

The basis of assumption is selling and transferring assets as Section 155.04 requires or possibly a direct transfer to the BOCC under the District's enabling act which allows the District to transfer as a gift or loan for health services such as the 4 million reserves or the outbuilding. The sale of the hospital will be through the process outlined in Section 155.04 with the medical building, and if the District so chooses, the helipad will not be regulated by the Section 155.04 process. This does not mean that any three would be sold separately, but only that the allocation of funds from the sale for the medical building and helipad would be to the BOCC.

Bert Harris, District Legal Counsel, and Sherry Sutphen, BOCC Legal Counsel, have agreed on the form of the *Resolution Regarding Sale of the Highlands County Hospital* which reflects the separation of the medical building from the hospital. They have also agreed it would be better to separate the helipad if the District Board agrees to that at a future date. Currently, a corner of the helipad parcel encroaches on the corner of the hospital, so there would need to be a separation of parcels if the decision is made to not include the helipad in the Section 155.04 process along with the hospital facility.

To begin the process of considering the selling of the hospital, the District Board needs to approve to seek proposals from a qualified expert for the valuation of the property and have a comparative analysis expert to perform an Objective Operating Comparison. The RFP process is then utilized to obtain bids on the sale.

Ms. Sutphen stated that these steps are required according to Section 155.04 5.c and d. An appraisal, valuation of the appraisal, and the comparative analysis must be completed in order to determine to sell the hospital before bids are even received. A determination can also be made if the amount of the appraisal can be kept from public record during the process. There must be an RFP process for accepting bids for the sale/lease of the hospital with time needed to develop the RFP since there will be many factors to consider.

**MOTION:** Mr. Johnson made a motion seconded by Mr. Divietro to adopt the proposed resolution regarding the sale of the hospital with the change of carving out the helipad portion as a separate parcel along with the medical building. Upon roll call, all Members voted aye. The motion carried.

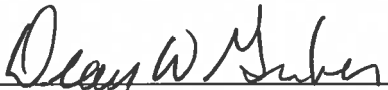
**Next Steps**

Bert Harris, District legal counsel, will work with Sherry Sutphen, the County attorney, Leah Sauls, Director of Development Services, and the purchasing department in preparing one RFP for the independent valuation to determine fair market value to include obtaining an objective operating comparison to be presented to the District Board for review at the May 30, 2024 regular meeting of the District. Per Statue 155.40, the service can be done by a certified public accountant or other firm that has substantial expertise in the valuation of hospitals to render an independent valuation of the fair market value. Also, will try to have ready a new legal description for the helipad.

**MOTION:** Mr. Divietro made a motion seconded by Mr. Johnson to give authority to the District Chair to approve the RFP that will be issued according to Section 155.40 of Florida Statues for an entity to provide the valuation and objective operating comparison. Upon roll call, all Members voted aye. The motion carried.

**XI. ADJOURNMENT**

Chairman Gerber adjourned the meeting at 2:10pm.

  
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Dean W. Gerber, Chairman

  
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Gail Escobar, Clerk