

# Highlands County Hospital District Board of Commissioners Regular Meeting – February 27, 2025

The Highlands County Hospital District Board of Commissioners met at 1:30pm on Thursday, February 27, 2025, at the Highlands County Commissioner's Board Room. Notice of the Regular Meeting was published in the Highlands News Sun on February 9, 2025. The notice is filed in the Board's meeting file.

**COMMISSIONERS PRESENT:** Dean Gerber, Jeff Roth, Katie Wilson

**COMMISSIONERS ABSENT:** Victor Divietro, Dusty Johnson

**OTHERS PRESENT:** Bert Harris – Swaine, Harris & Wohl, PA; Mark Cox – Wicks, Brown, Williams & Co; Julie Fowler – CliftonLarsonAllen, LLP; Gail Escobar- Clerk; Leah Sauls – Development Services Director; Joe Gleason – HCA Florida Highlands CEO; Bill Stephenson – Samaritan's Touch Care Center; via telephone - Jennifer Ungru – Jones Walker LLP and Myla Reizen – Jones Walker, LLP; Jennifer Hood – Florida Dept. of Health; members of the public

**I. MEETING CALLED TO ORDER** at 1:32 pm by Chairman Gerber.

**II. INVOCATON AND PLEDGE OF ALLEGIANCE**

Mr. Roth led the pledge and gave the invocation.

**III. CALL COMMENTS FROM THE PUBLIC**

There were no comments.

**IV. APPROVAL OF MINUTES**

**MOTION:** Ms. Wilson made a motion seconded by Mr. Roth to approve the minutes of the regular meeting of November 21, 2024 and special meeting of December 12, 2024 as presented. Upon roll call, all Members voted aye. The motion carried.

**V. ACCOUNTANT'S REPORT**

Mark Cox of Wicks, Brown, Williams & Co., presented the accountant's report which reflected investments updated through January, 2025, cashflow through December 31, 2024, financial statements for the first quarter, and check register through first quarter, financial statements for first quarter October 1, 2024 through December 31, 2024, and summary of brokerage statements through January 31, 2025.

**VI. APPROVAL OF PAYMENT OF INVOICES**

**MOTION:** Mr. Roth made a motion seconded by Ms. Wilson to approve payment of invoices as presented by the Clerk for Highlands News Sun – 50.05; Swaine, Harris, & Wohl – 1,560.00; Wicks, Brown, Williams & Co. – 1,350.00; CliftonLarsonAllen LLP – 9,269.84; Jones Walker LLP – 3,277.50, for a total of \$15,507.39. Upon roll call, all Members voted aye. The motion carried.

**VII. APPROVAL OF AUDIT ENDING SEPTEMBER 30, 2024**

Julie Fowler, Signing Director with Clifton Larson Allen, LLP, presented the review of the audit ending September 30, 2024. She reviewed the auditor's report, There were no findings or recommendations. There was an additional matter of Budgetary Compliance where expenses exceeded the final appropriated budget by \$1,238 for the year ended September 30, 2024.

**MOTION:** Mr. Roth made a motion and Ms. Wilson seconded the motion to accept the auditor's report and to authorize the chair to sign the management representation letter. Upon roll call, all Members voted aye. The motion carried.

Mr. Mark Cox, accountant with Wicks, Brown, Williams & Co., stated that he takes responsibility for the \$1,238 of exceeded expense, and spoke to what happened to cause the difference and that they failed to properly prepare an amended budget.

**VIII. HRMC REPORT**

Joe Gleason, CEO, a new ceiling with a color change is also completed. Launched EBUS endobronchial ultrasound used to diagnose different types of lung disorders, inflammation, infections, or cancer enabling a quicker diagnosis. Performed first TCAR trans carotid artery revascularization which improves blood flow in the artery to reduce risk of stroke. This procedure uses a much smaller access to place stents. Continuing YMCA lecture series with an average of 25 people attending. Supporting the United Way Bayou Bash, YMCA Senior Games, and conducts a food drive for Heartland Food Bank. Mr. Gleason also spoke to the Advance Premium Tax Credits (APTC) originally enacted in 2021 that makes healthcare more affordable will expire at the end of 2025 unless extended by Congress. These tax credits enable working class residents to afford health insurance purchased through the marketplace. HCA is actively participating in campaigns to encourage Congress to extend these credits. Currently there are 12,374 Highlands County residents that receive these tax credits.

**IX. ELECTION OF 2025 BOARD OFFICERS**

**MOTION:** Ms. Wilson made a motion seconded by Mr. Roth to retain the current board positions. Upon roll call, all Members voted aye. The motion carried.

Positions are: Chairman – Dean Gerber, Vice-Chairperson – Katie Wilson, Clerk/Treasurer – Gail Escobar

**X. APPROVAL OF HEALTH SERVICES GRANT TIMELINE 2025-2026**

The Board reviewed the grant timeline dates presented by the Clerk. The May meeting is scheduled for May 22, 2024.

**MOTION:** Ms. Wilson made a motion seconded by Mr. Johnson to approve the dates as presented. Upon roll call, all Members voted aye. The motion carried.

- March 7, 2025            Electronic distribution of grant application
- April 7, 2025            Submission of Applications with District Clerk
- Schedule if needed      Grant Application Review
- May 5, 2025              Submission of supplemental information (if needed)
- May 22, 2025            Regular meeting at 1:30pm – determine surplus funds and  
make grant recommendations

#### **XI. CONSIDERATION OF ADDITIONAL SUBMITALS FOR HOSPITAL VALUATION**

Consideration of additional submittals not addressed at this time due to the decision of the Board related to the information provided by Jones Walker representatives and the subsequent vote by the Board.

#### **XII. LEGAL COUNSEL**

No additional legal business.

#### **XIII. OTHER BUSINESS**

##### **SALE OF HOSPITAL**

##### **JONES WALKER LLP**

Myla Reizen and Jennifer Ungru joined the meeting at 2:50pm via telephone conference call.

Bert Harris, Board Legal Counsel, introduced the special counsel of Myla Reizen and Jennifer Ungru with Jones Walker LLP, who have been hired by the District Board to assist with the process of the sale of the Hospital and are present today to provide the next steps in this process.

Ms. Reizen began by stating that she and Jennifer have had the opportunity to review the original documents of the lease and enabling act along with other related documents. Considering similar situations with other Districts in the state and the consideration of historical facts, they do recommend going with a special act that will provide for the required public notice, the fair market value, and any other items that would be required or necessary elements for sale. Having a special act approved by the legislature is something that has taken place before, but this special act would be very detailed and specific to this hospital sale and its process.

Mr. Ungru spoke to the timeline of working with our legislative delegation in getting a proposed enabling act approved by them and ready for the 2026 session. The 2025 session is about to begin next week with the 2026 session to begin as soon as the 2025 session is over in May. The committees will meet in the fall with early sessions to begin

in January 2026, so can work to have valuers and assessors in mind as going through the special acts process so in tune as to what is trying to be accomplished.

Mr. Harris added that the use of FL State Statute 155.40 has led to significant litigation in other counties doing the same over time. This statute does not fit our facts and the law of our special district which has created the problem. Our act was amended to delete our taxing power, so we do not really have the ability to operate a hospital. Letting the lease expire would also require going through Statute 155.40 analysis as it would to sale the hospital. The approach suggested by Myla and Jennifer is to hopefully shorten and eliminate litigation.

Due to the poor audio quality, Mr. Harris re-capped what Myla and Jennifer stated.

Mr. Harris said that the Board needs to authorize Myla and Jennifer to proceed today with drafting two resolutions, one from the District Board and one from BOCC Board, to request of our legislative delegation to consider sponsoring and amending the enabling act to include the process for sale, similar to FL State Statute 155.40, but it will not be under the Agency for Health Care Administration (AHCA) nor subject to their review. The process will still require appraisals, evaluation, fair market value, publication, and public comment. The two resolutions would include the attachment of a proposed amendment to the enabling act.

The current legislative session 2025 is about to begin with next year's session expected to begin early January 2026. This means the legislative delegation hearings, that requires attendance to present these resolutions, will be held late summer early fall of 2025. This provides a few months to prepare the law, and have it reviewed and negotiated with the delegation in preparation for presentation.

Mr. Harris continued, that in an abundance of caution, as a recommendation from himself, the District's legal counsel, and special counsel of Jones Walker LLP, to consider an extension of the lease, not knowing if it will be necessary, but to keep it on a parallel track with the hospital sale process. It would be a brief extension, possibly 3 to 5 years with terms that would provide for early termination as soon as the sale process is complete. Negotiations with the current tenant would be needed so that the tenant and the District can plan to have sufficient time to bring matters to an early end as to when the sale would be completed.

Mr. Harris said that he requests the Board to authorize Jennifer Ungru and Myla Reizen to proceed with the two proposed resolutions, a proposed enabling act, a proposed lease extension, and an amended engagement letter that will outline these new directives, to be presented at the next proposed meeting. A vote today by the Board would allow them to proceed today.

There is precedent of this type of situation in Lee County where a special act was amended and a precise methodology was set out by the legislature for the sale of a county hospital.

Ms. Ungru stated that they would not have the proposed language for the draft proposed enabling act by the next meeting on May 22, 2025 but the other documents would be possible.

Mr. Roth spoke to there not being a Plan B, which means the process of selling the hospital would be on hold until an amended enabling act is approved by the state legislature which would be during the 2026 at the earliest. Mr. Harris responded that there was a discussion with Special Counsel of having a parallel track or a Plan B, but this would be expensive and could also initiate political discussions that they would like to avoid.

Ms. Ungru said that Plan B would be to follow FL State Statute 155.40, which could start now, but it would rely on the vote of the people or AHCA approval. Special Counsel does not recommend following a Plan B but does recommend getting the approval of a special enabling act by the State Legislature that is tailored to the District's needs and process.

Mr. Roth asked if following the path of a special enabling act will add more to the budget that was approved for the sale. Mr. Harris stated that he did not recall a specific budget that was approved for the sale of the hospital, but the hope is that this proposed process will eliminate litigation in and after the process and make the process cost less over a period of time. If the legislature adopts the amendment in the 2026 session, in ten months from now, the process can then begin to sale the hospital. The District's legal counsel and special counsel are not recommending following the plan under FL State Statute 155.40, due to the complexity, lack of data, lack of comparative analysis, and the District having not operated the hospital in the past 40 years.

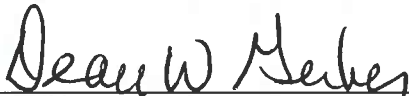
Mr. Gerber asked if it is known how long it took to get Lee County's special act approved by the State Legislature. Special Counsel was not sure but knows that it only took one year and they had to work closely with their legislative delegation during that time.


**MOTION:** Mr. Roth made a motion seconded by Ms. Wilson to authorize Jones Walker LLP to proceed with drafting a resolution for the Hospital District Board, a resolution for the Board of County Commissioners, and a proposed enabling act for the sale of the hospital. Upon roll call, all Members voted aye. The motion carried.

**MOTION:** Mr. Roth made a motion seconded by Ms. Wilson to authorize Jones Walker LLP and the District's legal counsel to negotiate a lease extension with an early termination clause when the hospital sale is completed. proceed with drafting a resolution for the Hospital District Board, a resolution for the Board of County Commissioners, and a proposed enabling act for the sale of the hospital. Upon roll call, all Members voted aye. The motion carried.

#### XIV. ADJOURNMENT

Chairman Gerber adjourned the meeting at 2:16 pm.

  
\_\_\_\_\_  
Dean W. Gerber, Chairman

  
\_\_\_\_\_  
Gail Escobar, Clerk