

**LAKE SHORE HOSPITAL AUTHORITY  
BOARD OF TRUSTEES**

**Minutes  
Special Meeting**

**June 3, 2010  
5:15 p.m.**

<b>Present:</b>	Marc Vann Bruce Naylor	Waseem Khan, M.D. Koby Adams
<b>Also Present:</b>	Marlin Feagle Jack Berry, LSHA Staff Cynthia Watson, LSHA Staff	Richard Powell Sue Frazee, LSHA Staff
<b>Shands HealthCare:</b>	Tim Goldfarb, CEO Wanda English, Director of Marketing and Public Relations	Chip Koval, Deputy, General Counsel Steve Bloomberg, Vice-President of Planning
<b>Shands at Lake Shore:</b>	Rhonda Sherrod Lynn Witt	Jeff Hudson Debbie Dukes
<b>Health Management Associates:</b>	Pete Lawson, Executive Vice-President	
<b>Lake City Medical Center:</b>	John Deardorf, CEO Steve Escenia, Chief Counsel	Jill Adams, CFO and COO Steve Nelson
<b>Press:</b>	Karl Burkhardt, Lake City Journal Jason Walker, Lake City Reporter	Tony Britt, Lake City Reporter
<b>Public:</b>	Jody DuPree Stewart Lilker	Jeff Simmons

**CALL TO ORDER**

The Special Meeting of the Lake Shore Hospital Authority Board of Trustees was called to order at 5:15pm by Chairman Marc Vann in the Conference Room at the Lake Shore Hospital Authority Administrative Complex. Chairman welcomed all those present and made introductions.

He informed all that the purpose of the meeting was for presentations by Shands and HMA about a request to the Lake Shore Hospital Authority Board of Trustees to change the terms of the lease that would allow Shands to take on a partner that would change the hospital to a for profit from a not for profit.

At this point, Chairman asked Board Members if they had any questions.

**PUBLIC COMMENTS**

Mr. John Deardorf, Lake City Medical Center, turned comments over to Mr. Steve Escenia, who addressed the Board. He encouraged the Authority to explore their options; other partners and how the indigent care funds are distributed. Chairman informed Board Members that if they would like to hear more from Lake City Medical Center it could be added to the agenda at the next meeting.

**PRESENTATION**

Mrs. Rhonda Sherrod thanked the Hospital Authority for calling the Special Meeting, and introduced Mr. Tim Goldfarb. He gave some history to the relationship between Shands and Authority, explained why Shands feels the need to take on HMA as a partner, as well as why HMA was selected for the partnership. He also spoke of the goals in mind during this merger and what would actually take place during the transition. Mr. Goldfarb introduced Mr. Pete Lawson, HMA, to continue the presentation. Mr. Lawson gave some of the history of his company and stressed the importance of adopting the charity care policy in the partnership. He informed the Authority and those present that their focus was Emergency Room growth and strength as well as physician recruitment. Mr. Lawson turned the presentation over to Mr. Chip Koval who explained the enhancements to the Lease Agreement. Chairman asked Mrs. Sherrod to clarify the Charity Care policy and the rates, to which Mr. Koval assured the Board that the rates had been frozen as they are.

**DISCUSSION OF PROPOSED CONTRACT**

Chairman inquired and informed the Board that a lease in print should be available by Monday for their review for the June 14, 2010 meeting. Questions should be directed to Mr. Jack Berry, Authority Manager, who will contact Mr. Chip Koval or Mrs. Rhonda Sherrod. There were questions concerning the fee schedule in relation to Medicaid/Medicare rates and verification of the capital spending over the five years.

There was discussion regarding the June 14, 2010 Regular Meeting and whether or not action could be taken. Mr. Marlin Feagle, General Counsel for the Authority, requested that the Board retain Special Counsel for this transaction. He named James Kennedy, Tampa, Florida, who had been referred to him and had handled matters similar to this.

Chairman asked Mr. Richard Powell, Auditor for the Authority, to express his comments as to why he felt this transaction was good for Columbia County. He responded with numerous reasons.

Mr. Steve Escenia, Lake City Medical Center, expressed concern over several issues involving this transaction.

Motion: Dr. Waseem Khan made a motion to approve hiring special counsel to handle this transaction. Koby Adams seconded the motion. All were in favor. Motion carried.

There being no further business, the meeting adjourned at 6:16 p.m.

Respectfully submitted,