

DRAFT

**LAKE SHORE HOSPITAL AUTHORITY
BOARD OF TRUSTEES**

Regular Meeting – November 13, 2023, 5:15 p.m.

This meeting was conducted as a public meeting and a Virtual meeting.

Present: Stephen Douglas, Chair
Brandon Beil, Vice-Chair

Lory Chancy – Secretary/Treasurer
Don Kennedy, Trustee

Also

Present: Dale Williams, Executive Director
Cynthia Watson, LSHA Staff
Karl Plenge, NOC
Morgan McMullen, Lake City Reporter
Josey Corbett
Jeannie Carr
Mary Deer
Lee Pinchouck
Stew Lilker, Col. Cty. Observer

Sonja Markham, LSHA Staff
Todd Kennon, Attorney
Richard Powell, Accountant
Tim Atkinson
Carolyn Schulze
Joy Stevens
Roger Spencer
Barbara Lemley

5 participants participated in the LSHA Virtual Regular Board Meeting.

CALL TO ORDER

Chairman Douglas called the in person/virtual November 13, 2023, Regular Meeting to order at 5:15 P.M. Chairman Douglas called for additions/deletions to the Agenda. There were none.

Motion by Mrs. Lory Chancy to approve adoption of the Agenda. **Second** by Mr. Brandon Beil. All in favor. **Motion carried.**

INDIVIDUAL APPEARANCES

Tim Atkinson, Jeannie Carr, Josey Corbett (memo attached to meeting minutes), Joy Stevens, Mary Deer and Stew Lilker.

CONSENT AGENDA

Chairman Douglas called for a Motion to approve the Consent Agenda. **Motion** by Mr. Brandon Beil to approve adoption of the Consent Agenda. **Second** by Mr. Don Kennedy. All in favor. **Motion carried.**

NEW BUSINESS

Discussion and possible action – Approval of Comcast Business Service Order Agreement

Mr. Dale Williams explained the Comcast agreement to the Trustees, the agreement is the same, but the fees for phone and internet are being reduced. Staff recommends approval of the Agreement. **Motion** by Mr. Brandon Beil to approve the Comcast Service Order Agreement. **Second** by Mrs. Lory Chancy. All in favor. **Motion carried.**

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Discussion and possible action - Update Sick Leave Policy - Lake Shore Hospital Authority Personnel Policy Manual

Staff is requesting a new section to be added to the sick leave policy. This new section will set forth the procedure for requesting sick leave. **Motion** by Mr. Brandon Beil to approve the sick leave policy, **Second** by Mr. Don Kennedy. All in favor. **Motion Carried.**

Acceptance of Cynthia Watson's upcoming retirement (effective December 29, 2023)

Mr. Williams informed the Board Ms. Cynthia Watson has requested to retire from the LSHA after 14 years of service. **Motion** by Mr. Brandon Beil to accept Ms. Watson's retirement notice effective December 29, 2023. **Second** by Mr. Don Kennedy. All in favor. **Motion carried.**

Discussion and possible action – Lawn Service – Contract Assignment Agreement

Mr. Williams explained the contract assignment agreement transferring lawn maintenance from Total Grounds Management, LLC to Garrett Finnell Enterprises. **Motion** by Mr. Brandon Beil to approve the contract assignment to Garrett Finnell Enterprises. **Second** by Mrs. Lory Chancy. All in favor. **Motion carried.**

Discussion and possible action – Request from Florida Department of Education to Donate Medical Equipment

A letter has been received from the Florida Department of Education requesting the Lake Shore Hospital Authority Trustees to consider donating medical equipment to the Israeli Hospital System was included. Discussion. **Motion** by Mrs. Lory Chancy to donate whatever equipment the Florida Dept of Education can utilize before the December meeting, and that items donated be declared surplus. **Second** by Mr. Brandon Beil. All in favor. **Motion carried.**

Discussion and possible action - Mr. Todd Kennon - Contract with EM PALS (Emergency Medical Physicians at Lake Shore) – Request to terminate negotiations.

Mr. Todd Kennon updated the Trustees on the status with EM PALS. Correspondence was received from Dr. White stating disappointment, but they could not proceed without financial subsidies and guarantees from the Lake Shore Hospital Authority. **Motion** by Mr. Brandon Beil to officially terminate negotiations with EM PALS. **Second** by Mrs. Lory Chancy. All in favor. **Motion carried.**

Discussion and possible action - Contract with Meridian Behavioral Healthcare.

Mr. Todd Kennon updated the Trustees regarding the proposed Contract. Two issues remain:

#1) Pertains to the reverter clause, addressing what happens if Meridian does not use the hospital building as they have stated. Meridian is requesting a 30-year maximum term on the reverter. The Lake Shore Hospital Authority needs to determine if they are willing to approve a 30-year reverter clause or prefer to retain a reverter clause that remains in perpetuity. Mr. Williams and Mr. Kennon suggested a 30-year reverter clause.

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#2) Meridian would like the Masonic reverter clause be resolved regarding Block 111. Mr. Kennon would like approval from the Board to schedule a meeting between Mr. Williams, Mr. Kennon and the Masonic Lodge.

Motion by Mr. Brandon Beil to approve Staff to meet with the Masonic Lodge to discuss the reverter clauses. **Second** by Mr. Don Kennedy. All in favor. **Motion carried.**

Mr. Don Savoie, Meridian Behavioral Healthcare, called in on zoom. Mr. Savoie updated the Trustees on Meridians November board meeting.

Motion by Mr. Brandon Beil to authorize capping the reverter clause at 30 years. **Second** by Mr. Don Kennedy. Mr. Beil – yes, Mr. Kennedy – yes, Mrs. Chancy – no. **Motion failed.**

Comments by Mrs. Chancy and Brandon Beil regarding Meridian.

Meeting recessed to change the recording tape. Meeting called back to order by Chairman Douglas.

Brandon Beil clarified that Mrs. Chancy wants a perpetual reverter clause. Discussion.

Comment by Ms. Barbara Lemley.

Discussion. Chairman Douglas clarified Mrs. Chancy's wishes on the reverter clause.

UNFINISHED BUSINESS

None.

STAFF REPORT

The staff report is in the Trustee packets.

BOARD MEMBER COMMENTS

Comments by Mr. Kennedy, Chairman Douglas and Mr. Beil.

Chairman Douglas adjourned meeting. Meeting adjourned.

Respectfully submitted,

Lory Chancy, Secretary/Treasurer

Date of Approval

RESOLUTION NO. 2023-003

**A RESOLUTION OF THE LAKE SHORE HOSPITAL AUTHORITY HONORING
CYNTHIA WATSON
FOR HER MANY YEARS OF DEDICATED SERVICE TO THE CITIZENS OF
COLUMBIA COUNTY, FLORIDA AND THE LAKE SHORE HOSPITAL AUTHORITY**

WHEREAS, Cynthia Watson was employed by the Lake Shore Hospital Authority on November 16, 2009, as a Financial Assistance Counselor; and

WHEREAS, Cynthia has a long and appreciated relationship with the Lake Shore Hospital Authority Trustees, staff, and clients who one and all are appreciative of the contributions made by Cynthia in promoting the needs and benefits of the Lake Shore Hospital Authority to Columbia County's qualified citizens, and

WHEREAS, Cynthia has served the Lake Shore Hospital Authority for 14 years and has made the decision to retire on December 29, 2023,

NOW, THEREFORE BE IT RESOLVED that the Lake Shore Hospital Authority on behalf of past, present, and future clients of the Authority and the citizens of Columbia County do hereby recognize Cynthia Watson for her many accomplishments and tireless efforts to promote good health for all.

UNANIMOUSLY PASSED AND ADOPTED at a meeting of the Board of Trustees of the Lake Shore Hospital Authority of Columbia County, Florida this 11th day of December, 2023.

ATTEST:

LAKE SHORE HOSPITAL AUTHORITY

By: _____
Loretta Chancy
Secretary/Treasurer

By: _____
Stephen Douglas, Chairman

APPROVED AS TO FORM & LEGALITY:

By: _____
Brandon Beil, Vice Chairman

By: _____
Thomas J. Kennon III
Authority Attorney

By: _____
Donald Kennedy, Trustee

**AGREEMENT FOR THE PURCHASE
AND SALE OF REAL PROPERTY**

LAKE SHORE HOSPITAL AUTHORITY OF COLUMBIA COUNTY, FLORIDA, a corporate body politic of the State of Florida (“Seller”), hereby sells and agrees to convey to **MERIDIAN BEHAVIORAL HEALTHCARE, INC.**, a Florida not-for-profit corporation, (“Purchaser”), and Purchaser hereby buys and agrees to acquire that certain tract or parcel of real property located in Columbia County, Florida being generally described as follows:

Those certain tracts or parcels of land as shown on Exhibit A attached hereto and incorporated by reference herein, together with (i) all tenements, hereditaments, and appurtenances relating thereto or associated therewith, (ii) all improvements, buildings, and fixtures, if any, situated thereon, (iii) all permits, approvals, authorizations, and licenses relating to or affecting any such property which Purchaser approves, but only to the extent applicable to the Property, (iv) all right, title, and interest of Seller in any street, road, alley, or avenue adjoining such property to the center line thereof, (v) all of Seller’s right, title, and interest in any strip, hiatus, gore, gap, or boundary adjustment area adjoining or affecting such property, and (vi) all riparian and other water rights relating to such property and all right, title, or interest of Seller in any body of water situated on, under, or adjacent to such property (hereinafter sometimes collectively referred to as the “Property”).

This Agreement for the Purchase and Sale of Real Property (the “Agreement”) is executed upon the following terms and conditions:

1. Consideration.

(a) The Parties understand and acknowledge that there are buildings and improvements on the Property that were previously utilized for hospital facilities, but which have been vacant for several years and will require certain rehabilitation and improvements to be utilized by Purchaser for the purposes set forth herein. The consideration to Seller for conveyance of the Property by Seller to Purchaser shall be the agreement of Purchaser to rehabilitate and improve the buildings and improvements on the Property (the “Buildings”) and to utilize the Buildings and Property to operate behavioral health programs (the “Programs”) acquire, improve, and operate behavioral health facilities on the Property as set forth in attached Exhibit B.

(b) As further consideration to Seller for the conveyance of the Property to Purchaser, Purchaser agrees to accept title to the Property subject to the deed restrictions, use requirements, and reverter clause set forth in attached Exhibit C.

2. Boundary Survey. Purchaser shall, at its expense, cause a boundary survey (the “Survey”) of the Property to be prepared within thirty (30) days after the date of this Agreement. The Survey shall be currently dated; shall show, among other things, the location on the Property

of all improvements, fences, evidences of abandoned fences, easements, roads, and rights-of-way; shall identify all roads, easements, and rights-of-way, and in the case of those created by recorded instruments, shall give the recording information for such instruments; shall show thereon a legal description of the boundaries of the Property by metes and bounds or other appropriate legal description; and shall include the number of gross acres and/or square feet within the Property. The surveyor who prepares the Survey shall certify it to Seller, Purchaser, the Title Company, and Mateer & Harbert, P.A. Any matters revealed by the survey shall be considered title objections and treated pursuant to the provisions of Section 4 below.

3. Title Report. Within twenty (20) days after the date of this Agreement, ~~Purchaser~~Seller, at ~~Purchaser~~Seller's sole cost and expense, shall cause a title company ~~reasonably acceptable to selected by~~ reasonably acceptable to selected by Purchaser (the "Title Company") to issue a title insurance commitment ("Title Commitment") covering the Property and any easements (such as access, off site drainage, or retention easements) required for the development of the Property in the reasonable opinion of Purchaser. The Title Commitment shall set forth the state of title to the Property together with all exceptions or conditions to such title, including, but not limited to, all easements, restrictions, rights-of-way, covenants, reservations, and all other encumbrances affecting the Property which would appear in an owner's policy of title insurance if issued.

4. Review of Survey and Title Report. Purchaser shall have a period of thirty (30) days after receipt of the last of the Survey and the Title Commitment and the documents referred to therein as conditions, exceptions, or reservations to title to the Property (but in no event longer than the Feasibility Period described in Section 7 below), to review such items, and to deliver in writing such objections as Purchaser may have to anything contained or set forth in the documents or in the Title Commitment. If no written objections are delivered by Purchaser to Seller within said period, the Title Commitment shall be deemed to be approved by Purchaser. Any such items to which Purchaser does not object in its written notice to Seller within such period may appear as exceptions in the owner's policy of title insurance and in the special warranty deed described in Section 9(a)(i). If, in the opinion of Purchaser, there are defects in the title or survey which render title unmarketable or uninsurable, ~~Seller~~Purchaser shall use its good faith efforts to cure such defects and ~~Seller shall provide reasonable cooperation to Purchaser in Purchaser's efforts to cure such title defects.~~ Seller shall provide reasonable cooperation to Purchaser in Purchaser's efforts to cure such title defects. ~~Seller shall have thirty (30) days after being notified to correct said defects, and~~ Seller shall satisfy any liens on the Property which can be cleared by the payment of money, other than liens created by Purchaser. ~~If Purchaser, with the cooperation of Seller, is unable to cure any other defects after exercising commercially reasonable efforts, then either (i) Purchaser may accept title as it appears with such defects, or (ii) Purchaser may terminate this Agreement by giving written notice to Seller within ten (10) days of Seller's election not to cure said defects. If, by giving written notice as provided in this paragraph, Purchaser elects to terminate this Agreement, Purchaser shall have as its sole remedy the termination of this Agreement and all rights and obligations of the parties hereunder shall terminate and be null and void.~~

It shall be a condition to Purchaser's obligation to proceed with Closing that between the expiration of the Feasibility Period and the date of Closing, no new survey or title matter not approved or deemed approved by Purchaser pursuant to this Section 4 shall have arisen and which materially adversely affects the title to the Property or the use thereof, unless the same is either (i) caused by or through the acts or omissions of Purchaser or its agents, invitees, or contractors, (ii) discharged or endorsed over to Purchaser's reasonable satisfaction in Purchaser's title policy at

Closing; or (iii) consented to or agreed to by Purchaser in writing pursuant to the terms of this Agreement. Purchaser shall notify Seller within ten (10) days after Purchaser becomes aware of any such new title or survey matter to which Purchaser objects, and if Purchaser does not notify Seller of any objection within such ten (10) day period, Purchaser shall be deemed to have waived any such objection and shall proceed to Closing. If Purchaser properly and timely notifies Seller of any new title or survey matter to which Purchaser objects, then ~~Purchaser~~ Seller shall use its commercially reasonable efforts to cure such defects. If ~~Purchaser~~ Seller is unable or elects not to cure such objection, then Purchaser's sole rights shall be to either terminate this Agreement prior to Closing or waive the objection and proceed to Closing without reduction in the Purchase Price.

5. Seller's Warranties and Representations. Seller warrants and represents to Purchaser, to the best of its actual knowledge, the following:

~~(a)~~ Seller has good, marketable, and indefeasible fee simple title to the Property, free and clear of all conditions, exceptions, or reservations, except for those matters specifically approved (or deemed approved) by Purchaser pursuant to this Agreement;

~~(b)~~ (a) The parties executing this Agreement and the documents described herein on behalf of Seller have, and at the time of execution of such documents, shall have, the authority to bind Seller in accordance with the terms hereof and of such documents;

~~(c)~~ (b) The execution, delivery, and performance by Seller of the terms of this Agreement has been duly authorized by all necessary action and does not conflict with any agreement to which Seller is bound or is a party, or require the consent of any party, or constitute a breach of any law, regulation, order, judgment, writ, injunction, or decree of any court or governmental instrumentality;

~~(d)~~ (c) With respect to Seller's entry into this Agreement, performance of this Agreement, and conveyance of the Property to Purchaser as provided for herein, Seller has fully complied with all obligations and requirements of all applicable statutes, laws, rules, and regulations, including, without limitation Chapter 2005-315, Laws of Florida, and Florida Statutes Section 155.40, to the extent applicable.

~~(e)~~ (d) There are no judgments outstanding against Seller or petitions, suits, claims, causes of actions, or moratoria or any other proceedings pending or to Seller's knowledge threatened against Seller before any court or other governmental, administrative, regulatory, adjudicatory, or arbitrational body of any kind, which if decided adversely to the Seller would adversely affect Seller's ability to perform the obligations of this Agreement;

~~(f)~~ (e) There are no adverse or other parties in possession of the Property, or of any part thereof, other than Seller; and no party has been granted any license, lease, or other right relating to the use or possession of the Property, or any part thereon;

~~(g)~~ (f) To the best knowledge and belief of Seller, no facts or conditions currently exist which could result in the termination of the current access from the Property to any

presently existing highway and roads adjoining or situated on the Property, or to any existing sewer or other utility facilities servicing, adjoining, or situated on the Property;

~~(h)~~(g) The Property is currently zoned to permit the uses of the Property described on attached Exhibit B pursuant to the zoning regulations of Columbia County, Florida. Seller has no knowledge of any pending or contemplated change in the status of the zoning of the Property, nor of any pending or contemplated special assessments relating to or binding on the Property;

~~(i)~~(h) There is no pending, or to the best knowledge and belief of Seller, threatened litigation or governmental action which could adversely affect the right of Seller to sell the Property or have a materially adverse effect on the title to the Property;

~~(j)~~(i) Seller has received no notice from any governmental authority of the existence of any violation or potential violation of any environmental statute, rule, or regulation with respect to the Property, and to the best of Seller's information, knowledge and belief, no grounds exist therefore;

~~(k)~~(j) The parties executing this Agreement and the documents described herein on behalf of Seller have, and at the time of execution of such documents, shall have, the authority to bind Seller in accordance with the terms hereof and of such documents. Seller is a non-foreign entity and will sign an affidavit to that effect at closing; as well as such other closing documents (including without limitation an owner's affidavit) in form and substance as Purchaser shall reasonably require to consummate the closing contemplated herein;

~~(l)~~(k) Seller has made no commitments to any governmental authority, utility company, school board, church, or other religious body or any property or homeowner's association, or to any other organization, group, or individual, relating to the Property which would impose an obligation upon Purchaser or its successors or assigns to make any contribution or dedications of money or land or to construct, install, or maintain any improvements of a public or private nature on or off the Property, except as specifically set forth herein; and

~~(m)~~(l) Seller has no knowledge of any archeological, anthropological, or historical finds, or sites or any endangered or threatened species in, on or about the Property.

6. Purchaser's Representations and Warranties. Purchaser warrants and represents to Seller the following:

(a) The parties executing this Agreement and the documents described herein on behalf of Purchaser have, and at the time of execution of such documents, shall have, the authority to bind Purchaser in accordance with the terms hereof and of such documents;

(b) The execution, delivery, and performance by Purchaser of the terms of this Agreement has been duly authorized by all necessary action and does not conflict with any agreement to which Purchaser is bound or is a party, or require the consent of any party, or

constitute a breach of any law, regulation, order, judgment, writ, injunction, or decree of any court or governmental instrumentality; and

(c) There are no judgments outstanding against Purchaser or petitions, suits, claims, causes of actions, or moratoria or any other proceedings pending or threatened against Purchaser before any court or other governmental, administrative, regulatory, adjudicatory, or arbitrational body of any kind, which if decided adversely to the Purchaser would adversely affect Purchaser's ability to perform the obligations of the Agreement.

7. Purchaser's Investigation. It is understood that as of the date of this Agreement Purchaser has not made a sufficient examination of the conditions and requirements involved in the proposed ownership and potential development of the Property to determine whether such development is economically feasible. Seller and Purchaser agree that Purchaser will proceed with an evaluation of the Property and an evaluation of the economic feasibility of proceeding with its use and development. From and after the date hereof during the term of this Agreement, Purchaser and its agents and representatives shall be entitled to enter upon the Property for inspection, soil tests, examination, land use planning, and such other matters and investigations as Purchaser deems necessary and appropriate in Purchaser's sole judgment, all at Purchaser's sole cost and expense. Purchaser will coordinate its activities with the designated representative of Seller. Purchaser agrees that it will be covered by not less than \$1,000,000 commercial general liability insurance, insuring all activity and conduct of such person while exercising such right of access, issued by a licensed insurance company qualified to do business in the State in which the Property is located and otherwise reasonably acceptable to Seller. Purchaser will seek to add Seller as an additional insured on its liability insurance policy. Purchaser hereby covenants and agrees to indemnify and hold harmless the Seller from any and all loss, liability, costs, claims, demands, damages, actions, causes of action, and suits arising out of or in any manner related to the exercise by Purchaser of Purchaser's right of entry under this Section 7, except to the extent that any such loss, liability, costs, claims, demands, damages, actions, causes of action, or suits relate solely to the discovery of a pre-existing condition on the Property or are caused by the Seller's gross negligence or willful misconduct. The foregoing indemnity shall survive the closing of this transaction or any termination of this Agreement.

Notwithstanding any other provision of this Agreement, Purchaser shall have sixty (60) days from the Effective Date of this Agreement (as defined below) to review and examine the Property and the cost of development (the "Feasibility Period"). At any time prior to the expiration of the Feasibility Period, Purchaser may terminate this Agreement if, in its sole discretion, Purchaser determines that the Property or its development is not acceptable to Purchaser. Purchaser may terminate this Agreement by delivering written notice thereof to Seller within the time period provided, whereupon neither party shall have any further obligation or liability to the other under this Agreement except for those provisions which specifically survive the termination of this Agreement.

Within five (5) days from the Effective Date of this Agreement, Seller shall provide Purchaser with copies of any surveys, environmental audits, engineering studies, plats, site plans, development plans, and other similar documents, if any, in Seller's possession, custody, or control which will aid Purchaser in its investigation of the Property.

~~8. Facility Maintenance and Support by Seller Pending Purchaser's Operation of Behavioral Healthcare Services on the Property. From the Closing Date through the first to occur of: (a) the date on which Purchaser first provides behavioral health services on the Property following the receipt of a certificate of occupancy and the requisite Florida Agency for Healthcare Administration licenses to provide behavioral health services on the Property; or (b) December 31, 2025, Seller shall reimburse Purchaser, at the rate of \$_____ per month (prorated for any portion of a month), each month in advance, for the cost of building maintenance, utility services, security, and insurance coverage for the Property. This provision shall survive closing.~~

9.8. Conditions Precedent.

(a) The obligation of Purchaser under this Agreement to purchase the Property is subject to the fulfillment or waiver by Purchaser of the following:

(i) delivery by Seller of a special warranty deed duly executed and acknowledged conveying title to the Property to Purchaser and a bill of sale conveying the personal property to Purchaser all in a form reasonably acceptable to Purchaser;

(ii) Purchaser shall have approved the status of title to the Property in accordance with Section 4 and the Title Company shall be in a position to issue the Owner's Title Insurance Policy;

(iii) the representations and warranties of Seller set forth in Section 5 shall be true and correct as of the Closing Date and Seller shall sign a certificate to that effect at Closing;

(iv) Purchaser shall have approved the Property based upon its inspection and investigation pursuant to Section 7 hereof, provided that the matters set forth in Section 7 will be waived unless objected to within the Feasibility Period set forth in Section 7; and

(vi) execution by Seller of such documents as are reasonably required by Purchaser or its counsel to properly consummate this closing.

(b) The obligation of Seller under this Agreement to sell the Property is subject to the fulfillment or waiver by Seller of the following:

(i) the representations and warranties of Purchaser set forth in Section 6 shall be true and correct as of the Closing Date and Purchaser shall sign a certificate to that effect at Closing; and

(ii) execution by Purchaser of such documents as are reasonably required by Seller or its counsel to properly consummate this Closing.

10.9. Time, Place, and Expenses of Closing.

(a) The closing hereunder shall take place within fifteen (15) days after the expiration of the Feasibility Period as described in Section 7 above, as the same may be extended, in the offices of Seller at 259 NE Franklin Street, Suite 102, Lake City, Florida 32055, or at such other place as may be designated by the parties in writing, provided that the Seller may extend the Closing Date for a reasonable period as necessary to comply with the Seller's meeting requirements. The date of closing is referred to herein as the "Closing Date".

(b) ~~Purchaser~~Seller shall pay for the cost to record curative instruments, the cost of issuing the owner's title policy including the premium therefor, and the documentary stamps on the deed. Purchaser shall pay to record the deed and for all expenses related to any mortgage or other financing obtained by Purchaser. Except as otherwise specifically provided in this Agreement, all other costs, fees, and expenses in connection with the transaction contemplated by this Agreement, other than the legal fees of each party's counsel in negotiating, preparing, and closing this Agreement which shall be paid by each respective party, shall be prorated in accordance with the accepted custom in Columbia County, Florida.

(c) Both parties agree to execute and deliver at closing such other documents and certificates as may be reasonably required by the parties' counsel to properly consummate this transaction.

10.10. Termination; Default; Remedies.

(a) In the event this Agreement is terminated pursuant to the terms hereof, the parties shall have no further obligations one to the other.

(b) If Seller shall fail to consummate this Agreement for any reason except Purchaser's default or the termination of this Agreement pursuant to this Agreement, Purchaser may enforce specific performance of this Agreement; ~~provided however, that if specific performance is unavailable as a remedy as a result of an affirmative act or acts of Seller, Purchaser may also seek to recover its actual damages incurred as a result of Seller's default.~~

(c) If Purchaser fails to consummate the purchase of the Property pursuant to this Agreement, unless Purchaser has terminated this Agreement pursuant to the provisions of this Agreement, Seller shall be entitled to terminate this Agreement and the parties hereto will have no further rights duties or obligations to the other as a result of this Agreement. Seller hereby waives all other remedies, including specific performance.

(d) In the event of a default hereunder, except for a failure to close on the Closing Date for which there is no notice and cure period, the non-defaulting party shall give the defaulting party notice of such default, specifying in reasonable detail the nature of the default. Thereafter, the defaulting party shall use its best efforts to have thirty (30) days from the date notice of default is given to cure the default. ~~If the defaulting party cures the default within the thirty (30) day period, it shall not incur any liability to the other party as~~

~~a result of the default.~~ Each party agrees to reasonably cooperate with the other to cure any default within the aforesaid cure period.

~~12.11.~~ **Risk of Loss.** All risk of casualty loss or of condemnation of the Property or any improvements thereon, and the loss therefrom, prior to the Closing is assumed by Seller. In the event of any material casualty loss or condemnation that adversely affects Purchaser's proposed use of the Property, Purchaser may, at its option, to be exercised within thirty (30) days after receipt of notice of such casualty loss or condemnation, elect to either (i) terminate this Agreement by written notice to Seller and this Agreement shall thereafter be null and void, except for any obligations of Purchaser that expressly survive such termination, or (ii) close the transaction in which case Purchaser shall be entitled to all insurance or condemnation proceeds, other than those proceeds available to Seller for business and relocation damages which do not diminish the award for the value of the Property. In the event that Purchaser fails to give timely written notice of its election in the immediately preceding sentence, Purchaser shall be deemed to have elected option (i).

~~13.12.~~ **Notices.** All notices, demands, and requests and other communications required or permitted hereunder shall be in writing, and shall be deemed to be delivered, when received, if delivered in person or by electronic mail, or whether actually received or not one (1) business day after the deposit thereof with a nationally recognized overnight carrier addressed to the parties at the following addresses:

Seller:

Lake Shore Hospital Authority
259 NE Franklin Street, Suite 102
Lake City, FL 32055
Attn: Dale Williams, Executive Director
Email: dale@lakeshoreha.org

With a copy to:

Todd Kennon, Esq.
Robinson, Kennon & Kendron
582 West Duval Street
Lake City, FL 32055
Email: tjk@rkkattorneys.com

Purchaser:

Meridian Behavioral Healthcare, Inc.
4300 SW 13th Street
Gainesville, Florida 32608-4006
Attn: Donald Savoie, CEO
Email: don_savoie@MBHCI.org

With a copy to:

Thomas R. Harbert, Esq.
Mateer & Harbert, P.A.
225 E. Robinson Street, Suite 600

Orlando, Florida 32801
Email: tharbert@mateerharbert.com

~~14.13.~~ Complete Agreement. This Agreement embodies the complete agreement between the parties hereto and cannot be varied or terminated except by the written agreement of the parties.

~~15.14.~~ Expiration. This Agreement shall be of no force or effect unless it is executed by duly authorized representatives of both Purchaser and Seller on or before 5:00 p.m. on _____, 2023.

~~16.15.~~ Parties Bound. This Agreement shall be binding upon and inure to the benefit of Seller and Purchaser, and their respective heirs, personal representatives, successors, and assigns. Purchaser may not assign its rights under this Agreement without the prior written consent of Seller, which consent will not be unreasonably withheld; provided however, Purchaser may, prior to the closing, assign its rights and obligations under this Agreement to an affiliate of Purchaser, and may convey the Property to an affiliate provided that the assignment of this Agreement by Purchaser to an affiliate of Purchaser shall not release Purchaser from any of its rights or obligations under this Agreement nor shall it release or modify any of the provisions of Exhibits B and C to this Agreement, including without limitation the reverter clause referenced in Exhibit C. In that event, Purchaser shall provide Seller with prior written notice of such assignment to Seller and, as set forth above, Purchaser shall remain liable for all of the obligations of Purchaser under this Agreement. Seller shall have the right to assign its rights and obligations hereunder to any successor governmental entity that is the successor to Seller in the ownership of the Property and may assign its rights to enforce the provisions of Exhibits B and C to any successor entity, including without limitation, the Board of County Commissioners of Columbia County, Florida.

~~17.16.~~ Survival of Representations and Warranties. The representations and warranties of the parties set forth in this Agreement shall survive the Closing.

~~18.17.~~ Commissions. Purchaser and Seller each represent, warrant, and covenant to the other that they have not entered into any agreement, incurred any obligation, or know of any facts which might result in an obligation for any party to pay a sales or brokerage commission or finder's fee for this transaction. Each party hereby indemnifies and agrees to hold the other harmless for any loss, cost, liability, or expense (including, without limitation, reasonable attorneys' fees) incurred by such party as a result of a breach of this section. For the avoidance of doubt, if any party owes a sales or brokerage commission, the party owing any such commission shall be solely responsible for payment of such commission.

~~19.18.~~ Attorneys' Fees. In the event of any litigation between the parties to enforce any provision or right under this Agreement, each party shall bear its ownthe unsuccessful party covenants and agrees to pay to the successful party all costs and expenses of such litigation, expressly including, but not limited to, reasonable attorneys' fees incurred by such party in connection with the litigation, including without limitation attorneys' fees in bankruptcy court or any appellate court.

~~20.19.~~ Time. Time is of the essence of this Agreement.

21.20. Dates. If the final day of a period or date of performance under this Agreement falls on a Saturday, Sunday, or legal holiday, then the final day of the period or the date of performance shall be deemed to fall on the next day which is not a Saturday, Sunday, or legal holiday.

22.21. Counterparts/Facsimile or Electronic Signatures. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Facsimile or electronic signatures may be accepted as originals.

22. Governing Law. This Agreement is to be governed by and construed in accordance with the laws of the State of Florida. Venue of any action to enforce this Agreement shall be in the appropriate State court of competent jurisdiction in Columbia County, Florida.

23. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN CONNECTION WITH ANY ACTION OR PROCEEDING INSTITUTED UNDER OR RELATING TO THIS AGREEMENT, OR ANY OTHER DOCUMENT EXECUTED PURSUANT HERETO, OR IN CONNECTION WITH ANY COUNTERCLAIM RESULTING FROM ANY SUCH ACTION OR PROCEEDING.

24. Effective Date of Agreement. The Effective Date of this Agreement for all purposes shall be the date when the last one of Seller and Purchaser has executed same.

25. Purchaser's Parties' Approval and Disapprovals. ~~Purchaser's Each Party's~~ right to approve or disapprove matters pursuant to the terms and provisions of this Agreement shall be in the sole discretion of such Party Purchaser.

26. Radon Gas Notification. In accordance with the requirements of Florida Statutes §404.056(5) the following notice is hereby given:

“RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.”

27. Severability; No Waiver; Interpretation; Further Assurances. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and neuter and vice versa. Neither the failure of either party to exercise any power given such party hereunder or to insist upon strict compliance by the other party with its obligations hereunder, nor any custom or practice of the parties at variance with the terms hereof shall constitute a waiver of

either party's right to demand exact compliance with the terms hereof. This Agreement and any related instruments shall not be construed more strictly against one party than against the other by virtue of the fact that initial drafts were made and prepared by counsel for one of the parties, it being recognized that this Agreement and any related instruments are the product of extensive negotiations between the parties hereto and that both parties hereto have contributed substantially and materially to the final preparation of this Agreement and all related instruments. In addition to the obligations required to be performed hereunder by Seller and Purchaser at Closing, Seller and Purchaser shall perform such other acts, and execute, acknowledge, and deliver subsequent to Closing such other instruments, documents, and other materials as the other may reasonably request in order to effectuate the consummation of the transactions contemplated herein.

28. As-Is. Purchaser is buying the Property "As-Is".

29. Transfer of Entitlements and Development Rights. To the extent transferrable by Seller, and approved by the applicable agency to the extent such approval is required. Seller agrees to transfer, assign, and convey to Purchaser at closing, at no additional cost or expense, all of Seller's right, title, and interest, if any, in any permits, authorizations, zoning approvals, vested rights agreements, concurrency reservation agreements, impact fee agreements, impact fee credits, entitlements, concurrency reservations, zoning densities, governmental or third-party approvals, or any other similar development rights relating to the Property but only to the extent applicable to the Property (the "Development Rights").

30. Personal Property. Seller shall convey the personal property owned by Seller located on the Property to Purchaser at Closing for no additional consideration. The Personal Property shall be conveyed, assigned, and transferred to Purchaser "As-Is", free and clear of any and all liens claims and encumbrances, by a bill of sale in form and substance reasonably satisfactory to Purchaser. In addition, all assignable warranties relating to the Personal Property, if any, shall also be assigned to Purchaser at Closing.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESSES WHEREOF, the parties have executed this document on the dates written below,

SELLER:

**LAKE SHORE HOSPITAL
AUTHORITY OF COLUMBIA
COUNTY, FLORIDA**

By: _____
Print Name: _____
Title: _____

Date Executed: _____, 2023

PURCHASER:

**MERIDIAN BEHAVIORAL
HEALTHCARE, INC.**

By: _____
Print Name: _____
Title: _____

Date Executed: _____, 2023

EXHIBIT A

(Property)

[Property description to be inserted]

EXHIBIT B

I. Purchaser shall initiate and complete the following rehabilitation and improvements to the Buildings:

a. Conduct such work on the envelopes (roofs and walls) of the Buildings necessary for the Purchaser to obtain a Columbia County Building Department Certificate of Occupancy ("CO") and Florida Agency for Healthcare Administration ("AHCA") and Florida Department of Children and Families ("DCF") licenses (the "Licenses") necessary to operate the Programs on the Property.

b. Conduct such work on the Buildings' systems (including without limitation HVAC, Electrical and Generators, Network and Phones, Water/Sewage, Elevators, Kitchen—Patient Food Services) necessary for the Purchaser to obtain a CO and Licenses.

c. Purchaser shall use its best efforts to complete the foregoing rehabilitation and improvements to the Buildings within three (3) years after the Closing Date, subject to Item IV below.

II. As soon as practical after receipt of the CO and required Licenses, and in accordance with the provisions of Item III below and subject to Item V below, Purchaser shall commence operation of the following Programs on the Property:

a. Primary Care or Federally Qualified Health Center ("FOHC") Program (either directly by Purchaser or under contract with another provider).

b. Inpatient Crisis/Emergency Program.

c. Crisis Stabilization Unit for Children and Adults.

d. Inpatient Psychiatric Beds (30+ beds).

III. Purchaser anticipates commencing Primary Care/FOHC operations during the period between two (2) and four (4) years after the Closing Date, and commencing the Inpatient Crisis/Emergency Program, operation of the Crisis Stabilization Unit for Children and Adults, and operation of Inpatient Psychiatric Beds during the period between two (2) and five (5) years after the Closing Date. The opening and operation of each of these Programs is contingent on available funding, including applicable Program grants.

IV. The anticipated completion date of the rehabilitation and improvement of the Buildings as described above, and the commencement date of each of the foregoing Programs, is subject to modification by Purchaser in its reasonable discretion in the event that there are significant unexpected deficiencies in the Buildings that delay the completion of the rehabilitation and improvements of the Buildings. In addition, the anticipated completion date

of the rehabilitation and improvement of the Buildings as described above, and the commencement date of each of the foregoing Programs, is subject to modification by Purchaser in its reasonable discretion in the event that there are circumstances beyond Purchaser's reasonable control, including, but not limited to, labor disputes; acts of God; inability to obtain labor or materials; accidents; future law, regulation, ordinance, or requirements of any governmental or regulatory agency; epidemics; pandemics; or any other event which is beyond Purchaser's reasonable control.

EXHIBIT C

DEED RESTRICTIONS AND REVERTER CLAUSE

I. Deed Restrictions. The Deed from the Seller to the Purchaser conveying the Property will contain provisions restricting the use of the Property to behavioral health and other health care purposes, along with related and ancillary uses in support of the delivery of behavioral health and other health care, including, without limitation, administrative offices, engineering and support services, insurance services, business offices, gift shops, patient transportation facilities, dining facilities, and other similar facilities and uses typically found on health care facility campuses.

II. Use Requirements. The Deed conveying the Property from Seller to Purchaser will contain provisions requiring the Programs described in Exhibit B to be operated on the Property within the time lines established in Exhibit B, as those time lines may be extended as provided in Exhibit B.

III. Reverter Clause. The Deed conveying the Property from Seller to Purchaser will contain a reverter clause with the following provisions. In the event that the Property is used in violation of the Deed Restrictions set forth in Item I above, or in the event that the Property is not used for the Programs set forth in Exhibit B above at any time after the deadlines set forth in Exhibit B above (as such deadlines may be extended as provided in Exhibit B above), Seller shall provide written notice to Purchaser of the violation by Purchaser of the Deed Restrictions or Use Requirements. Upon receipt of such written notice, Purchaser shall have one (1) year to correct the violation of the Deed Restrictions or Use Requirements. If Purchaser fails to correct the specified violation within such one (1) year period, title to the Property shall revert to Seller and Seller shall have the right of re-entry to the Property.

IV. Duration. The duration of the Deed Restrictions, Use Requirements, and Reverter Clause set forth above shall be as provided in Section 689.18, Florida Statutes, ~~twenty one (21) years from the Closing Date and such Deed Restrictions, Use Requirements, and Reverter Clause shall expire and shall have no further force or effect after the twenty first (21st) anniversary of the Closing Date.~~

V. Lender Rights. In the event that the Property shall be subject to a mortgage or other security interest, the written notice to be provided by Seller to Purchaser as set forth in Item III above shall also be provided to the lender holding a mortgage or security interest in the Property, and such Lender shall have the right, but not the obligation, to cure any violation of the Deed Restrictions and Use Requirements. In the event of foreclosure of any mortgage or security interest on the Property, the lender or party acquiring the Property in such foreclosure shall have a period of one (1) year after acquiring title to the Property within which to correct the specified violation of the Deed Restrictions or Use Requirements.

VI. Assignment of Seller's Rights. Seller shall have the right to assign its rights to enforce the Deed Restrictions and Use Requirements, and its reverter rights hereunder, to any successor governmental entity, including, without limitation, the Columbia County Board of County Commissioners or any success or district or authority.

4871-8795-3269, v. 1

December 1, 2023

TO: LSHA Trustees

FR: Dale Williams

RE: FY 2023-2024 Budget – Lake Shore Hospital Campus

The LSHA Trustees approved a total budget of \$278,000 for all buildings located on the Lake Shore Hospital Campus. **The approved budget funded expenses for Lake Shore Hospital Building Administration Fund for a 2-month period (Oct.-Nov. 2023) with a Trustee review required before additional funding authorization.** The information supplied herein is to assist you with your review.

- 1.) The expenses (Oct. – Nov. 2023) for all buildings located on the Lake Shore Hospital Campus are listed on the attached ledger. The expenses for the 2-month period are \$165,000. These expenses include the annual insurance payment for all insurance coverages (\$74,000). Eliminating the expense for insurance, operating costs for the 3 buildings on campus for the 2-month period have been \$91,000 or \$45,500 monthly.
- 2.) As of December 1, 2023, \$143,000 remains in the Building Administration Fund. ***NOTE*** While not addressed in the FY 23-24 budget, should the Trustees decide to discontinue any level of funding for Lake Shore Hospital but wished to continue maintenance on the PT Building and the 2-Story Women's Center, a budget for these 2 buildings only would need to be approved.

1:52 PM

11/30/23

Accrual Basis

LSHA-Lake Shore Hospital Building

Profit & Loss

October through November 2023

278,000

	Oct - Nov 23
Ordinary Income/Expense	
Expense	
Automobile Expense	750.00
Computer and Internet Expenses	316.70
Insurance	
Property	70,227.00
Workers' Compensation	3,029.00
Insurance - Other	656.98
Total Insurance	73,912.98
Lawn Maintenance	5,820.00
Payroll Expenses	
FRS - Employer Cont (Reg)	1,903.60
Payroll Access Fees	7.00
Payroll Taxes	1,073.15
Wages	13,607.16
Total Payroll Expenses	16,590.91
Pest Control Services	1,346.32
Professional Fees	1,030.00
Repair & Maintenance	
Building	26.99
Equipment	530.45
Repair & Maintenance - Other	1,190.00
Total Repair & Maintenance	1,747.44
Security	24,927.00
Telephone Expense	1,390.61
Utilities	
Electric	25,334.86
Water, Sewer, Gas	11,779.83
Total Utilities	37,114.69
Total Expense	164,946.65
Net Ordinary Income	-164,946.65
Net Income	-164,946.65

Staff Report
December 11, 2023 Regular Meeting

NEW	0
RENEW	2
INELIGIBLE (INCOME OR OTHER)	0
TOTAL CLIENTS SEEN IN OFFICE IN NOVEMBER	2
ACTIVE MEMBERS	25
PUBLIC VISITS	9
PRIMARY CARE VISITS – 2 LOCATIONS	
October, 2023	12
YTD (Fiscal year October – Sept)	12
PHARMACY USAGE	
October 2023	
PATIENTS SERVED	2
RX'S FILLED	4