

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
SWEENEY HOSPITAL DISTRICT**

May 31, 2022

Time 18:00

Members Present: Mason Nichols, President; Scott Swift, Vice President
Patti Foster, Secretary; Violet Weeks, Lisa Leal,
Charlie Genella, Leeda Wood

Others Present: Judge Robert Foster
Enrique Leal, III, M.D.
Tom Ronayne

Employees Present: Kelly Park, Cindy Burge, Stuart Butler, Dana Quintanilla, Travis Alford,
Stephanie Crowder, Sarah Hebert, Kari Schroeter, Jimmy Mashaw, Tommie
Reddoch, Doug Smith (by Teams Meeting)

1. **Call to Order** Mr. Nichols called the meeting to order at 1801.
2. The invocation was given by Ms. Wood.
3. **Administer Oath of Office for Directors:**
The Statement of Elected/Appointed Officer forms were completed by the four incumbents.

Judge Foster administered the Statement of Office and the Oath of Office for board of directors Mason Nichols, Scott Swift, Patti Foster, and Charlie Genella. The Oath of Office forms were completed by the directors and notarized.

4. **Record Members Present and Establish A Quorum**
There being 7 members present, a quorum was established.

5. **Public Comments**
 - A. Mr. Ronayne congratulated the incumbents on their re-election. He said one year ago when we met with the architects, the architects promised there would be no value engineering at end of the projects, about what things cost or the construction contractors to get involved. He commented the world changed. He said it was a red flag to him that the construction contractors would not be a part of the team to figure out what things would cost. A pretty significant round of value engineering happened this Spring to sort out the hospital and to downsize things. He said a lot of things were left in that came out last week. He said it was painful to listen what came out last week. A lot of it was cosmetic and he had no issues with that. He said but some things like the cheaper roof is not as good as what was originally proposed. The scuffers are there to allow the rain water to go off the edge of the roof to the ground to open down spouts. Also, the concrete ring around the base of the building was eliminated which causes water around the base now. The additional wall protection was a functional thing and he said he did not know enough about what was cut or not. The rubber flooring that was removed was a comfort thing. That protected knees and lower backs of the staff and he felt that it was important. Going away from a chiller based air conditioner system to a cheaper one, he said he probably would not know the impact it would have on the utilities.

September of last year when he proposed a different budget than what was adopted, a tax rate adopted, he said he believed the hospital could build a 50 million dollar project and cut the rate by 1/3 and still put one million dollars in savings. He said he is probably wrong, he said we could probably put more in savings. He said he sees where we are in the financial report, and he said it was 35 million in the last report. He said Doug said that summer will slow down but we assume it is 32 million dollars, and if you look at 180 days cash operating expenses on hand, that is 12 million dollars. He commented that Kelly has 2 million in soft cost and we don't know what The Foundation is going to end up with. There are funds available to go back and look at the functional things not the cosmetic that will protect this 45 to 50 million dollar investment that we will be making. He said he did not hear last week that Tellepsen signed on the dotted line, that they guaranteed that they will do this new design for this price. It felt that it got approved with the motion, maybe that is what happened. He said he still strongly encourages the board to listen to Charlie, listen to Jimmy and look at the functional things that you cut out that are good for the new building that you are going to build and good for the people that are going to be in it and consider using some of your cash on hand which is quite a bit more than you need, use some of that for the purpose that it was put there. Use it to build a better hospital with the funds you have available.

6. Appointment of Board Officers

Mr. Swift nominated Mason Nichols as President. Ms. Foster seconded the nomination, unanimous decision, Mr. Nichols will remain President.

Ms. Weeks nominated Scott Swift as Vice President. Mr. Genella seconded the nomination, unanimous decision, Mr. Swift will remain as Vice President.

Mr. Nichols nominated Patti Foster as Board Secretary. Mr. Swift seconded the nomination, unanimous decision, Ms. Foster will remain Secretary.

7. Appointment of Board Committees

The Executive Committee will remain the same as last year since that committee consists of the board officers. Joint Conference Committee has the same members as the Executive Committee members according to the bylaws.

Finance Committee:

Scott Swift nominated Leeda Wood for Finance Committee. Mr. Nichols seconded. Unanimous decision, motion passed.

Ms. Foster nominated Mason Nichols for Finance Committee, seconded by Mr. Genella, Unanimous decision, motion passed.

Mr. Nichols nominated Charlie Genella for Finance Committee, seconded by Ms. Weeks. Unanimous decision, motion passed.

Strategic Planning Committee:

Ms. Weeks nominated Leeda Wood for Strategic Planning Committee. Mr. Nichols seconded. Unanimous decision, motion passed.

Ms. Foster nominated Violet Weeks for Strategic Planning Committee. Mr. Nichols seconded. Unanimous decision, motion passed.

Mr. Swift nominated Lisa Leal for Strategic Planning Committee. Mr. Genella seconded. Unanimous decision, motion passed.

Mr. Nichols noted that the only change in board committees was on Finance Committee. Leeda Wood replaced Scott Swift. The board committees for 2022/2023 will be the following:

- Executive Committee: Mason Nichols, Scott Swift, Patti Foster
- Joint Conference Committee: Mason Nichols, Scott Swift, Patti Foster
- Finance Committee: Mason Nichols, Charlie Genella, Leeda Wood
- Strategic Planning: Violet Weeks, Lisa Leal, Leeda Wood

8. Annual Conflict of Interest Disclosure

Mr. Nichols said the conflict of interest disclosure is done annually. The annual acknowledgement form is signed in May that the board acknowledges the policy and will follow it. The actual affidavit occurs any time there is an actual conflict of interest. The Conflict-of-Interest statements were completed by the board members. Three members completed the affidavit, (Mason Nichols, Lisa Leal and Scott Swift) and were notarized.

9. Review/Approve Board of Directors' Meeting Minutes:

A. April 26, 2022 Regular Meeting

Mr. Swift made a motion to approve the minutes from April 26, 2022. Ms. Foster seconded the motion. Unanimous decision, motion carried.

B. May 16, 2022 Special Called for Canvass of Votes

Mr. Genella made a motion to approve the minutes from May 16, 2022. Ms. Weeks seconded the motion. Ms. Foster abstained, motion carried.

C. May 24, 2022 Special Called Meeting for approval of GMP

Ms. Weeks made a motion to approve the minutes from May 24, 2022. Ms. Wood seconded the motion. Unanimous decision, motion carried.

10. Finance Committee Report

Doug Smith gave overview of April 2022 financials.

After discussion, Ms. Leal motioned to approve the April 2022 financials. Ms. Wood seconded the motion. Unanimous decision, motion carried.

11. Old Business

A. Replacement hospital update:

Ms. Park gave updates on the following:

- Tellepsen will be onsite Thursday to do interviews with local companies.
- Kari Schroeter contacted TDCEU for capital campaign. Meeting was held with TDECU to discuss possibility of partnering with them for the new hospital. Ms. Weeks motioned for Ms. Park to pursue underwriting with TDECU for the loan. Ms. Foster seconded the motion, unanimous decision, motion passed.

- Overview was given on the re-organization done on the first and second floor of the new hospital regarding the Admin C suite, Human Resources, Marketing, Billing, Medical Records, Payroll, Accounts Payable, Finance Department and re-location of pharmacy.
- Update given regarding the re-vamp of the hospital website.

12. **New Business**

A. Discuss Board positions and term limits for elections

Mr. Nichols said they discussed moving from at large to numbered positions for elections and changing from 2 year to 3 year terms about 4 to 6 years ago. The attorneys confirmed that we only need a majority vote to propose this change. Ms. Park said Cody Vasut will be our sponsor if we choose to change this in the district's enabling legislation. The next open session is January 2023. After discussion Mr. Swift motioned to pursue modeling like Sweeny ISD and moving from at large to numbered positions for 3-year terms. Ms. Weeks seconded the motion. Unanimous decision, motion carried.

B. Discuss training with Kristin R. Bulanek, Brazoria County Tax Assessor-Collector

They briefly discussed having a training session with Kristin Bulanek regarding the taxes. Ms. Wood requested for the members to give her a list of specific items that the board wants to ask. Ms. Wood will reach out to Ms. Bulanek to coordinate a date that will work for the training.

C. Miscellaneous Capital Requests

(1) Consider and take action, if needed to approve capital requests presented

None requested.

13. **Committee Reports:**

A. Sweeny Community Hospital Foundation Board Update:

Kari Schroeter gave an update on the following:

- Account balance
- Golf tournament
- Three grants submitted, six pending
- Capital Campaign contract ending 6/15/2022

B. Joint Conference Committee Update

Sarah Hebert gave the quarterly Quality Improvement Program Metric Dashboard covering January – March 2022.

14. **Administrative Information Report – Kelly Park**

A. CEO Report

Update given on the following:

- GMP approved
- Recruitment of a dialysis nurse
- Adding house supervisors
- Pandemic timeline increased to the end of August 2022
- Productivity meetings going well
- Ni2 meetings with departments
- Ni2 to negotiate the managed care contracts
- EMS billing company change

B. Human Resources Report – Dana Quintanilla

- Currently have 187 employees, 4 % turnover rate
- 16 interviews scheduled

C. Emergency Medical Services Report: Stuart Butler

- Ambulances having maintenance issues
- Fuel prices continue to increase
- Crews doing good, also having a lot of students
- ESD 6 has not appointed a new commissioner yet

15. CLOSED EXECUTIVE SESSION:

Mr. Nichols announced the Board would go into closed, Executive Session at 2002 to review the following:

- A. Medical Staff Credentials
- B. Discuss Personnel Matters

End of Executive Session

Went out of Executive Session at 2036.

16. Action regarding Executive Session:

Ms. Wood made a motion to approve privileges for Anwar & Suwan and the relinquishment of privileges for Raymond Jess, M.D.; Michael Peggs, M.D., & Shelly Waters, FNP presented in Executive Session. Mr. Genella seconded the motion, unanimous decision, motion passed.

Scott Swift made a motion to approve the privileges for O. Lerey Johnson, M.D.. Ms. Wood seconded the motion. Ms. Weeks opposed, all others were in favor, motion passed.

17. Adjournment

Ms. Wood moved for adjournment, seconded by Ms. Weeks. Meeting adjourned at 2055.



Mason Nichols, President
Recorder: Cindy Burge