

DRAFT

**MINUTES
BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
SPECIAL MEETING
AUGUST 16, 2023**

The Nueces County Hospital District Board of Managers met at 12:00 p.m. Wednesday, August 16, 2023, in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Assistant Administrator, Administrative Services
Donna Littlefield	Director, Accounting & Finance
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

John Michael	Hanson
Jerry Kramer	CLK
Connie Scott	Nueces County Judge
Adam Roberson	Attorney
Joe A. Gonzalez	Nueces County Commissioner
Becky Rios	Corpus Christi Spohn Hospital – via Zoom
Craig Desmond	Corpus Christi Spohn Hospital – via Zoom
Dr. Shah Islam, MD	CSHS Board of Trustees Pl 3 – via Zoom
Hilda Dalfonso	Corpus Christi Medical Center – via Zoom
Emily Clower	Asst to Commissioner Chesney – via Zoom
Ronica Hutchinson	Gjerset & Lorenz – via Zoom
Lisa Davis	Nueces County Auditor - via Zoom

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1. WELCOME

2. ROLL CALL OF BOARD OF MANAGERS

- John E. Valls, MBA, Chairman
- Vishnu V. Reddy, M.D., Vice Chairman
- Sylvia Tryon Oliver
- Belinda Flores, R.N.
- Judge Mariana Garza
- Efrain Guerrero, Jr.
- Arthur Granado

3. CALL TO ORDER, ESTABLISHMENT OF QUORUM, MEETING POSTING CONFIRMATION, AND CLOSED MEETING NOTICE

- A. Call to order – Mr. John E. Valls, Chairman
The meeting was called to order by Mr. Valls at 12:17 p.m.
- B. Establish quorum – Mr. Valls.
A quorum was present with all members in attendance.

John E. Valls, MBA, Chairman – PRESENT
Vishnu V. Reddy, M.D., Vice Chairman – PRESENT @1:26 p.m.
Sylvia Tryon Oliver, Member – PRESENT
Belinda Flores, R.N., Member – PRESENT – via Zoom
Judge Mariana Garza, Member – PRESENT
Efrain Guerrero, Jr., Member – PRESENT
Arthur Granado, Member – PRESENT

- C. Confirm posting of Meeting's public notice in accordance with Texas Open Meetings Act, Texas Government Code, Chapter 551.
- D. Public notice is hereby given that the Board of Managers may elect to go into Closed Meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551.

4. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to

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refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.

5. WORKSHOP SESSION - Workshop Session is an open meeting for the purposes of information gathering and discussion between the Board of Managers and staff on the Workshop's listed agenda item(s) without taking action on the listed item(s) during the Workshop. Public comment will not be accepted during the Workshop Session.

A. Fiscal Year 2024 Budget (October 1, 2023 - September 30, 2024) and related matters.

B. Proposed Interlocal Cooperation Agreements with Nueces County relating to Hospital District's provision of funding during Fiscal Year 2024 and related matters.

6. REGULAR SESSION - Following the Workshop Session, the Board of Managers will move into the Regular Session prior to taking any action(s) on items listed on the remainder of the agenda.

A. **PUBLIC COMMENT** - Persons attending in-person and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must sign-in on the "Agenda Item Request to Speak" form provided at the entrance of the Board meeting room at least five (5) minutes prior to commencement of the meeting. Persons attending via audio or video conference and wishing to comment on any item(s) on the agenda or any subject within the Board's responsibilities must verbally notify the presiding officer of their desire to comment when the officer calls for public comment from those attending via audio and video conference. Commenters shall limit their comments to three (3) minutes, except that Commenters addressing the Board through a translator shall limit their comments to six (6) minutes.

No one to speak in Public Comment.

B. **REGULAR AGENDA** - The Regular Agenda consists of those agenda items which are non-routine, not administrative in nature, or are otherwise in need of separate attention. Each Regular Agenda item will be voted upon separately if action is required:

1. Memorial Medical Center Demolition:

a. Receive, view, and discuss information on Memorial Medical Center demolition project being conducted by CHRISTUS Spohn Health System Corporation; demolition project located at 2606 Hospital Boulevard, Corpus Christi, Texas:

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1. Report from CHRISTUS Spohn's Architect;
2. Report from Hospital District's Owner's Representative; and
3. View CHRISTUS Health OxBlue Construction Time-Lapse Camera video feed. *(INFORMATION)*

b. Receive notice from CHRISTUS Spohn Health System Corporation of completion or near completion of the demolition of the Memorial Buildings and Infrastructure pursuant to Section 3.5.4 of Amended and Restated Schedule 1 of the Amended and Restated Membership Agreement between the parties. *(INFORMATION)*

c. Receive inspection report of Hanson Professional Services, Hospital District's Owner's Representative relating to the completion or near completion of the demolition of the Memorial Buildings and Infrastructure in accordance with the Demolition Plans, pursuant to Section 3.5.4 of Amended and Restated Schedule 1 of the Amended and Restated Membership Agreement between the CHRISTUS Spohn Health System Corporation and the Hospital District. *(INFORMATION)*

**John Michael from Hanson and
Jerry Kramer from CLK updated information.**

2. Escrow Disbursement:

a. Discuss and consider adoption of findings-of-fact relating to completion or near completion of demolition of the Memorial Buildings and Infrastructure in accordance with the Demolition Plans as described in the Amended and Restated Membership Agreement; discuss and consider: (1) written notice from CHRISTUS Spohn Health System Corporation; and (2) inspection report of Hanson Professional Services, Hospital District's Owner's Representative; and accept the preceding as facts and adopt them as findings-of-fact relating to CHRISTUS Spohn's completion or near completion of the demolition of the Memorial Buildings and Infrastructure in accordance with the Demolition Plans, pursuant to Section 3.5.4 of Amended and Restated Schedule 1 of the Amended and Restated Membership Agreement between the parties. *(ACTION)*

**Motion by Mr. Granado and seconded by Mr. Guerrero.
MOTION CARRIED.**

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b. Discuss and consider escrow disbursement request from CHRISTUS Spohn Health System Corporation relating to achievement of the fifth (5th) milestone relating to the demolition of the Memorial Buildings and Infrastructure; 5th milestone achievements and escrow amount disbursements pursuant to the Escrow Agreement among Nueces County Hospital District, CHRISTUS Spohn Health System Corporation, and TMI Trust Company and Amended and Restated Schedule 1, Section 3.9.7(e) of Amended and Restated Membership Agreement between Nueces County Hospital District and CHRISTUS Spohn Health System Corporation, as amended; and authorize Administrator to execute related documents. **(ACTION)**

**Motion by Ms. Oliver and seconded by Ms. Garza.
MOTION CARRIED.**

7. **CLOSED MEETING** - Public Notice is hereby given that the Board of Managers may go into closed meeting session(s) at any time during the meeting to discuss any matter(s) listed on the agenda, when so authorized by the provisions of the Open Meetings Act, Texas Government Code, Chapter 551. *To the extent there has been a past practice of distinguishing items for public deliberation and those for executive session, the public is advised that the Board is departing from that practice, and reserves the right to discuss any listed agenda items in a closed meeting when authorized by law to do so.* When the Board goes into closed session(s) regarding an agenda item(s), the section(s) of the Open Meetings Act authorizing the closed session will be publicly announced by the presiding officer. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in closed session(s), then the final action, final decision, or final vote shall be either: (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or (b) at a subsequent public meeting of the Board upon notice thereof, as the Board shall determine pursuant to applicable laws. The Board specifically expects to go into a closed session(s) on the matters listed below pursuant to the Act, §551.071.

A. Consult with attorneys on matters relating to Nueces County and Hospital District's property valuations, tax assessments, and related matters.

B. Consult with attorneys on matters relating to Fiscal Year 2024 Budget and related matters.

C. Consult with attorneys on matters relating to Proposed Interlocal Cooperation Agreements with Nueces County during Fiscal Year 2024 and related matters.

D. Consult with attorneys on matters relating to CHRISTUS Spohn Health System Corporation Membership Agreement-related annual Member Revenue Allocation

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Percentage and related matters.

E. Consult with attorneys on matters relating to completion or near completion of demolition of the Memorial Buildings and Infrastructure.

F. Consult with attorneys on matters relating to escrow disbursement request from CHRISTUS Spohn Health System Corporation pursuant to the Escrow Agreement among Nueces County Hospital District, CHRISTUS Spohn Health System Corporation, and TMI Trust Company and Amended and Restated Membership Agreement between Nueces County Hospital District and CHRISTUS Spohn Health System Corporation, as amended.

G. Consult with attorneys on matters relating to the Hospital District's arbitration request before the United States Civilian Board of Contract Appeals ("CBCA") in the matter CBCA 7792-FEMA, *In the Matter of Nueces County Hospital District* and related matters.

8. **OPEN MEETING** - Following the Closed Meeting, the Board of Managers will reconvene the Open Meeting prior to taking any action(s) on matters considered in the Closed Meeting or adjourning the meeting.

9. Consider final action, decision, or vote on matters considered in the Closed Meeting:

A. Ratify Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):

1. Execution of Arbitration Agreement between the Federal Emergency Management Agency ("FEMA"), Texas Division of Emergency Management, and Nueces County Hospital District relating to Hospital District's arbitration request before the United States Civilian Board of Contract Appeals ("CBCA") in the matter identified as CBCA 7792-FEMA, *In the Matter of Nueces County Hospital District*. (**ACTION**)

**Motion by Mr. Granado and seconded by Ms. Oliver.
MOTION CARRIED.**

B. Discuss and consider final action, decision, or vote on other matters considered in Closed Meeting. (**ACTION AS NEEDED**)

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10. **ADJOURN** (In Memory of William DeWitt Alsup)

Motion adjourned by Mr. Valls, Chairman at 1:47 p.m.

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PRESIDING OFFICERS:

John E. Valls, MBA, Chairman

ATTEST:

Jonny F. Hipp, Secretary
Board of Managers
Nueces County Hospital District