

Commissioner Crawford made motion to open in Special Session at 11:30 AM to discuss appointment of county representatives to the negotiating team for the hospital. Motion seconded by Commissioner Branan and voted unanimously.

Mrs. Joni Branan, Hospital Board of Trustees member, appeared before the Board and stated that there has only been one meeting set with Baptist Hospital but stated that this meeting could not be held due to a conflict of interest occurring due to two members being present at the meeting. Mrs. Branan stated that the Hospital Administrator has been terminated and stated that Mr. Mike Burling is acting in his capacity until a replacement can be obtained. Mrs. Branan stated that the members of the negotiating team are: Tony Leggio, Hospital counsel; Joni Branan; Mike Burling; Dr. Donald Twiggs; and Dr. Jim McCully. The Board stated that they would like county representatives on this negotiating team to address matters such as the .6 mills that the county budget for the hospital and what effect this will have if Baptist Hospital takes over Nassau General; county Station 1 located on hospital property; and the indigent care responsibility. After some discussion, Commissioner Higginbotham, District 5, made motion appointing himself and T. J. "Jerry" Greeson, Ex-Officio Clerk, to serve on the hospital negotiating team as the county's representatives and requesting that the Hospital Board of Trustees call a special meeting immediately to act on this request prior to any further negotiations and if approved, request that Mike Burling and Tony Leggio meet with Commissioner Higginbotham, District 5, and the Clerk to bring them up to date on any negotiating actions thus far. Motion seconded by Commissioner Crawford and voted unanimously.

The Chief Assistant to the Clerk presented to the Board a letter from Dr. Siedel at the Nassau County Health Department notifying the Board that the Hospital Board of Trustees had previously offered to donate three acres to construct a new county public health unit clinic and administrative building.

Now, due to the lapse of time, the lack of state funding for the design and construction, and current negotiations with Baptist Medical Center, the Board of Trustees has rescinded their offer.

Commissioner Higginbotham, District 5, stated that there is approximately eighteen acres at the hospital that is undeveloped and stated that he would like to see the Board ask the Legislative Delegation to request nine acres of the property free from encumbrances to be used for a health department and a fire/rescue station. Commissioner Higginbotham, District 1, stated that he would like to see the county also ask about the provision that paid staff cannot serve on the Board of Trustees. After some discussion, Commissioner Crawford inquired if the Board of Trustees continue as they have if the Legislative Delegation could turn the hospital over to the Board and stated that assets belong to the taxpayers of Nassau County. The County Attorney stated that the Board could ask the delegation to do that if that were the Board's desire and this could be done by Special Act and stated that the Board could ask for the sale

Commissioner Branan stated that the two issues that the county is interested in is indigent care and the dedication of nine acres for a health department building and a fire/rescue station. Commissioner Branan stated that he understands that the immediate plans of Baptist Hospital are to facade the building and to take care of the roof.

Commissioner Higginbotham, District 5, stated that he would hate to see a proposal from Baptist accepted without input from the county regarding indigent care. Commissioner Higginbotham, District 1, stated that he felt it would benefit the county to sit in on the meetings to listen. The Clerk stated that there is a meeting Wednesday night. Commissioner Higginbotham, District 5, stated that the Board needs to let the hospital know that the county would like to be comfortable with the indigent care before a decision is made. Commissioner Crawford stated that at the legislative delegation meeting, there was discussion about the county drafting a resolution regarding the conveyance of the property for the fire station/health department, and the indigent care. Commissioner Crawford stated that the Representative Crady and Senator Williams indicated that they could not introduce a special act enabling them to make the sale unless these things were accomplished that were described to them by the county. Commissioner Crawford stated that he understands that the exclusive negotiating right with Baptist expires January 7, 1994 and stated that this date needed to be extended. Commissioner Higginbotham, District 5, stated that he had no objection to that and stated that the county needs to ensure that negotiations are in good faith. After some discussion, the Board instructed Commissioner Higginbotham, District 5, the County Attorney and the Clerk to attend the hospital board meeting on December 22, 1993.

The Nassau County Board of County Commissioners met in Special Session this 3rd day of January, 1994 at 1:00 PM to discuss hospital negotiations and to discuss the Notice of Intent to Issue Permit by the DEP to Jefferson Smurfitt to construct and operate a solid waste management facility located south of Crawford Kent Road in Callahan, Florida. Present were: John A. Crawford, Chairman; Commissioners Jim B. Higginbotham, James E. Testone, and Jimmy L. Higginbotham. Commissioner Tom Branan was not present due to illness. Also present were: Michael S. Mullin, County Attorney; T. J. "Jerry" Greeson, Ex-Officio Clerk; Joanna R. Cason, Chief Assistant to the Clerk; and Joyce Bradley, Deputy Clerk.

The Chairman called the meeting to order.

Mr. Ron Wolff, Administrator, Nassau General Hospital, appeared before the Board and stated that he was here to clarify some of the issues surrounding the sale of the hospital and stated that negotiations have been ongoing since July of 1993 and stated that there were three main issues of concern to the county and those were the placement of a rescue station, indigent care and ad valorem tax support. Mr. Wolff also stated that there is an issue regarding the Nassau County Public Health Unit and stated that this is the donation of three acres for a health unit and stated that the commitment was by letter from the former hospital administrator and stated that the hospital board had reconsidered the matter and stated that it was determined that Baptist had been counting on all the acreage being deeded to them and stated that at this time the Hospital Board has rescinded the commitment but has agreed to reconsider the matter after the negotiation process with Baptist. Mr. Wolff stated that due to some confusion regarding negotiations as to complex legal matters the firm of Steele, Heckter and Davis have been retained as the firm to handle the negotiations with Baptist and stated that Mr. Ed Hopkins is their representative and stated that Mr. Hopkins has given the Hospital Board some parameters of the sale as well as the board's responsibilities and its organizational structure and how it will be affected after the sale and stated that the hospital cannot be sold until there is enabling legislation and in order to obtain this amendment it has to be submitted during this legislative session. Mr. Wolff stated that the best alternative at this time is that the hospital be sold and stated that Baptist Hospital is the most qualified buyer and stated that they will bring new capital into the process as well as bring a great deal into the health care field, the least of which is having a parent institution that can help in many of the programs as well as centralized services. Mr. Wolff stated that the county's involvement in the negotiations is vital as there are county issues to be resolved and stated that the hospital board has their own responsibilities and stated that negotiations are about ninety five percent complete and stated that the first major proposal from Baptist was reviewed last week and stated that it was favorably received and stated there is about five and a half million dollars in capital investments in the program that will be put in the facility over a three year period and stated that there will be about four million dollars of which will be put into expansion, growth and construction of the property for hospital services and stated that there is a long range plan of Baptist to put in other health related services. Mr. Wolff stated that nothing can occur unless the enabling legislation occurs and stated that in order for the sale to occur it must be ratified by the state legislature and stated that the hospital board is trying to get the legislation to enable the hospital to be sold to any buyer. Mr. Wolff stated that the sale of the hospital is impossible by March 1 and stated that to close the sale it would probably be around May 1 or June 1, due to the fact that there are so many elements and contingencies involved in the sale. Mr. Wolff stated that Baptist will not close a sale until they have reached an arrangement with the county on their issues of concern and stated that the Hospital Board has granted the county the

right to negotiate independently on the issues and stated that the hospital desires to know the final outcome of these negotiations so that they can be incorporated into the sale. Mr. Wolff stated that another issue that has arisen is that the hospital was originally constructed and purchased with revenue bonds for about three and a half million dollars and stated that there were two loans at that time - one was for a half a million dollars, which has been paid off, and the other is a three and half million dollar note and stated that the revenue bonds are still in tact and stated that there are still some covenants in tact. Mr. Wolff stated that there are some features in the bonds that will affect the process which are: 1. the county is separated from the bond issue; 2. there is a covenant that the hospital board cannot convey or deed any land without the approval of the lender. The original lender was the Farmer's Home Administration and stated that now it is the General Electric Credit Corporation.

Mr. Wolff stated that he has found out that it will take about thirty to sixty days to get approval from the General Electric Credit Corporation to review the matter and make a final decision and stated that until that time the Hospital Board is prohibited from deeding over any land. Mr. Wolff stated that one option to consider is in order to accommodate the public health unit the issue is funding and stated that the funding was not granted by the state and stated that since 1990 they are still on hold and stated that the current facility is inadequate and stated that Dr. Seidel would like to get a 12,000 square foot facility and stated that this was the basis for the request for three acres and stated that the reasoning of the public health unit in locating the facility near the hospital is in order to be able to have access to x-ray and laboratory facilities. Mr. Wolff stated that from experience when a public health facility is located near a hospital the patients of the health department tend to use the emergency room after hours or to go over to the hospital due to the health department being busy. Mr. Wolff stated that the hospital has no alternative but to treat those patients who go to the emergency room and stated that one alternative to consider regarding the location of the health unit near the hospital is a parcel of property located on South 14th Street, formerly the office of Dr. Solomon, which is .91 acres and stated that the hospital owns this property free and clear and stated that according to Baptist they have no future plans for that building.

Mr. Wolff stated that it is his understanding that Baptist will be negotiating with the county independently regarding a rescue station close to the hospital and stated that the hospital board supports this and stated that the major concern of Baptist regarding the current rescue facility is its appearance and stated that it is the intent of Baptist to dress up the appearance of the facility and change it tremendously and stated that he feels Baptist is willing to work with the county on this issue.

Mr. Wolff stated in closing that the ultimate sale of the hospital will benefit the county and will reduce the tax support and in the future will limit it and may also bring in more HMO's and managed care programs and stated that through the sale of the hospital at least half of the ad valorem millage could be eliminated at the time of closing. Mr. Wolff stated that in order for the sale there must be an amendment to the legislation.

Commissioner Higginbotham, District 5, stated that he would like the county to negotiate with Baptist on the points mentioned and stated that he would also like the county to negotiate for a zero millage and stated that a meeting is scheduled with Baptist representatives tomorrow. Chairman Crawford inquired about the indigent care. Commissioner Higginbotham, District 5, stated that he would like to see the county negotiate that Baptist would absorb the cost of indigent care. Commissioner Higginbotham, District 5, made motion to allow the county representatives to negotiate with Baptist Hospital regarding the sale of the Nassau General Hospital for zero millage and to negotiate for some land. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously. Mr. Wolff stated that a letter was written recently and stated that the actual indigent care recorded was \$342,000 last year. Mr. Wolff stated that the hospital wants the authority to sell and stated that there are other interested

entities if the negotiations with Baptist fail and stated that there will be no decision with Baptist until January 12 in order to honor the request of the County Attorney.

Mrs. Joni Branan, Hospital Board of Trustees member, appeared before the Board and stated at the Hospital board meeting it was decided that the sale is between the Board of County Commissioners, the Board of Trustees and Baptist Hospital and stated that all the parties need to work together in order for the sale of the hospital to come to fruition. The County Attorney inquired if there would be any problem with the legislative delegation authorizing the sale of the hospital with the consent of both boards. Mr. Wolff stated that there would be no objection to that proposed language. The Chairman thanked Mr. Wolff for his presentation.

The County Attorney stated that he has been advised of the Department of Environmental Protection's intent to issue a permit to the Jefferson Smurfitt Corporation to construct and operate a solid waste management facility, located south of Crawford Kent Road, approximately seven miles southwest of Callahan. The County Attorney stated that the county has fourteen days to file any opposition to this and stated that the county will need the specifics to oppose and stated that in order to do this the county will need to obtain a copy of the permit application and statement of fact to address the specifics in the petition. The County Attorney also stated that it will require the assistance of representatives of Weston or the Solid Waste Director to assist in writing the specifics to oppose the petition. The Clerk stated that the new Solid Waste Director does not come on board until January 30, 1994. Upon the request of the County Attorney, Commissioner Higginbotham, District 5, made motion authorizing and instructing the County Attorney, with the assistance of representatives from Weston, to file an objection to the Intent to Issue Permit to the Jefferson Smurfitt Corporation for a solid waste management facility. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously.

Commissioner Higginbotham, District 5, made motion to expand the agenda for one additional item. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously.

Commissioner Higginbotham, District 5, made motion authorizing the advertisement for bids for the ballfield lighting at the West Nassau High School, with funding for said project to be expended from District 5 recreation funds. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously.

Mr. Ed Gandy appeared before the Board regarding the negotiations with Jefferson Smurfitt for a landfill.

There being no further business, the Board adjourned at 1:50

PM

CHAIRMAN

ATTEST:

EX-OFFICIO CLERK

Dr. Jenny Seidel appeared before the Board to give the Board a status report on indigent care referrals to University Medical Center. Dr. Seidel stated that first she would like to thank the Board for their efforts in negotiations with the Nassau General Board of Trustees and Baptist Hospital on behalf of the Public Health Unit for clinic needs and office space. Dr. Seidel stated that county medically indigent patients are referred for specialty care not available in Nassau County to University Medical Center under HCRA funding and stated that in addition Medicaid patients are also referred and/or sponsored. Dr. Seidel stated that because of a delay in processing, no invoices were paid for four months and stated that University Medical Center would not see any new patients referred until the delinquent invoices were paid. Dr. Seidel stated that there were several reasons for the delay in payment and stated that corrective actions have been taken to monitor and process these accounts to prevent this from recurring. Dr. Seidel stated that the invoices total approximately \$46,000 and stated that this amount must be expended from this year's budget and stated that this will have drawdown on this year's budget. Dr. Seidel stated that University Medical Center may opt for further action because the county did not meet their 92-93 obligation and had approximately \$22,000 unencumbered in the fund for that year. Dr. Seidel stated that there are outstanding invoices for that period including \$11,000 worth of invoices that were submitted in February of 1993 that were overlooked and unpaid. The Clerk stated that he has spoken with Dr. Seidel regarding the billing and stated that same is in line and is within budget. Commissioner Higginbotham, District 5, made motion approving the payment of invoices in the amount of \$46,192 to University Medical Center for

indigent care to be expended from the Hospital HCRA account in the General Fund. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously.

The Board at this time discussed the agreement with Baptist Health System. Commissioner Higginbotham, District 5, stated that the Board had appointed to serve on the negotiating team on behalf of the Board and stated that recently negotiations were held and stated that the concerns of the county were: indigent care, rescue facility, and land for the public health unit. Commissioner Higginbotham, District 5, stated that he feels that the proposal before the Board from Baptist is adequate and stated that they have offered a .91 acre parcel on South 14th Street, four acres on the back side of the hospital with a 60 foot easement, and regarding indigent care, Baptist has agreed to cut the millage of what has been paid to the Hospital Board in half in year one, and in year

two through five Baptist would guarantee that the payment under the contract with the county will not exceed 105% of the earned payment from the preceding fiscal year and that Baptist Hospital would agree to relieve the county of its obligation to fund indigent care for any fiscal year in which the hospital produced an operating profit margin in the immediate preceding fiscal year of four percent or greater. Commissioner Higginbotham, District 5, stated that after five years the county would not have to pay for indigent care. After some discussion, Commissioner Higginbotham, District 5, made motion to accept the proposal with Baptist Medical Center as outlined in letter form and instructed the Chairman to sign same on behalf of the Board of County Commissioners. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously.

Commissioner Higginbotham, District 5, stated that the Board needed to let the legislative delegation know of the Board's desire regarding language for legislation. The County Attorney presented a draft of language for proposed legislation to amend the bill relating to the Nassau General Hospital and reviewed same with the Board. After some discussion, Commissioner Higginbotham, District 1, made motion approving the amendment to the Laws of Florida, Special Act of 1941 regarding the Nassau General Hospital to read as follows: "The board is authorized to establish, construct, operate and maintain such hospitals and facilities for limited medical care as in its opinion shall be necessary for use of the people of the county and for the public good. Notwithstanding anything in this Act to the contrary, the board is authorized to sell or lease all or substantially all of its assets, including, but not limited to, that real and personal property comprising and utilized in the operation of Nassau General Hospital to a public or private organization or a not-for-profit or for-profit corporation, upon such terms and conditions as may be determined by the board and the Board of County Commissioners of Nassau County to be in the best interests of the people of the county and for the public good. Maintenance, sale or lease of such hospitals, facilities and assets is hereby declared to be a public purpose and necessary for the preservation of the public welfare. The location of such hospitals and facilities for limited care shall be determined by the board." Motion seconded by Commissioner Higginbotham, District 5, and voted unanimously.

Mr. Ron Wolff, Nassau General Hospital Administrator, appeared before the Board and stated that the hospital board meets Wednesday

night and stated that the hospital board had drafted an agreement for the Board's consideration that deals with the county issues and allows exclusive negotiations and stated that the legislative amendment on the part of the hospital board did not include a condition on the part of the county to approve the sale, stating that the hospital board is independent but stated that the hospital board desired that the county's issues be addressed. The Board took no action on Mr. Wolff's request.

JUNE 27, 1994

The Nassau County Board of County Commissioners met in Special Session this 27th day of June, 1994 at 5:00 PM for the consideration of a resolution approving the closing between Baptist Hospital and Nassau General Hospital. Present were: John A. Crawford, Chairman; Commissioners Jim B. Higginbotham, Thomas D. Branan, Jr., James E. Testone, and Jimmy L. Higginbotham. Also present were: Michael S. Mullin, County Attorney; T. J. "Jerry" Greeson, Ex-Officio Clerk; and Joyce Bradley, Deputy Clerk. The

Chairman called the meeting. The County Attorney read aloud the resolution as proposed, which would ratify and confirm the sale of Nassau General Hospital to Baptist Medical Center of Nassau, Inc. Commissioner Higginbotham, District 5, inquired about the easement to the property. Mr. Mayo stated that there is an easement granted under the sale agreement to the county for the rescue squad for the four acres on the south end of the property and stated that the exact placement of the easement has not been determined and stated that the easement would be sixty foot wide. Chairman Crawford inquired if it would hook up to a paved county road. Mr. Mayo stated that this would be a question as to what the rescue squad would want for their operations. Mr. Mayo stated that the Board may want to consider the connection in front of the hospital, which would be 18th Street, which runs in front of the hospital. The Board stated that they had no problem with that. Commissioner Higginbotham, District 5, inquired about the language regarding the move of the rescue unit. Mr. Mayo stated that agreement specifies 18 to 24 months to move the rescue unit, which if this is what is necessary is fine with him, but stated that if there were any possibility to move that before construction begins, which is slated for September, then it would make the construction process easier. After some discussion, Commissioner Higginbotham, District 5, stated that if the hospital desired the Board to move it sooner then he felt it would be their obligation to move what is already there. Mr. Mayo stated that this could be done. Commissioner Higginbotham, District 5, inquired about the indigent care. The Clerk stated that this has been reviewed and the program has been reviewed with Baptist and stated that there will be a need for a person to be hired and employed at the health department, and the job function of that individual will be to review the billings and help check for other funding. The Clerk stated that this person would benefit the county as well as the hospital. After some discussion, Commissioner Higginbotham, District 5, made motion adopting Resolution No. 94-141 - A Resolution Ratifying and Confirming the Sale of Nassau General Hospital to Baptist Medical Center of Nassau, Inc., and instructed the Chairman to sign same. Motion seconded by Commissioner Testone and voted unanimously.

There being no further business, the Board adjourned their Special Session at 5:10 PM

The Chairman informed the Board that he, upon Board instruction, had met with representatives from Baptist Hospital regarding the possible location of the fire/rescue quarters on their property either on a temporary or permanent basis. The Chairman stated that talks need to resume to work out a few items and stated that the thought is that the rescue quarters would be located in the old Doctors' Building on the north end of the hospital.

The County Attorney stated that during the time that Baptist was acquiring the Nassau General Hospital, they had asked what would be required in order to start construction and stated that he advised that they needed to start construction on or before July 1 or produce evidence that they had commenced with architectural design and expenses and services to start that. The County Attorney stated that Baptist is in the process of producing the required evidence and stated that when they get that evidence produced he will render an opinion to the Board and Baptist so that they can start construction simultaneously with the comp plan change from governmental use.

The County Attorney presented to the Board application No. SP-95-010, a site plan for proposed additions and renovations of the Baptist Medical Center-Nassau, with said expansion including approximately 71,482 square feet for the first floor in various areas of the building, and 13,787 square feet of the second floor above the western entrance to the medical center, said property being located on the south side of Lime Street in Fernandina Beach. The Nassau County Planning Commission has considered the need and justification for the additions and renovations proposed on the site plan, and found that the proposed changes would not be detrimental to the health, safety and welfare of the citizens in the area and further recommends approval of said site plan. Commissioner Branan made motion to open the public hearing. Motion seconded by Commissioner Crawford and voted unanimously. The County Attorney stated that the applicant wishes to stand on the recommendation of the Nassau County Planning Commission. No one was present in opposition to the proposed site plan. Commissioner Crawford made motion to close the public hearing. Motion seconded by Commissioner Higginbotham, District 1, and voted unanimously. Commissioner Crawford made motion to approve the recommendation of the Nassau County Planning Commission for approval of Application SP-95-010, for proposed renovations and additions to the Baptist Medical Center-Nassau, with discussion. Motion seconded by Commissioner Higginbotham, District 1. Commissioner Crawford inquired about the four acres proposed for the county's rescue station. Mr. Jim Mayo, Hospital Administrator, stated that the discussions regarding the matter were not completed but stated that Baptist Medical Center-Nassau stands ready to work with the county regarding this matter. The vote on the motion was unanimous.

The Board considered application Rezoning Application R-96-010, filed by Baptist Medical Center of Nassau, Owners, and Kelly R. Elmore, Agent for the Owners, to rezone approximately 30+ acres located on the south side of Lime Street, between 14th Street and Citrona (Amelia Island) from Governmental Use (GU) to Commercial, Intensive (CI) and the applicant has indicated he will stand on the recommendation of the Planning and Zoning Board. The Planning and Zoning Board, having heard testimony from those present at the public hearing and after considering the need and justification for the change and the relationship to the County's Comprehensive Plan, the Board found that the proposed change from GU to CI could be

detrimental to the citizens living in that area. During discussion among the Board members, the agent, and the Public Works Director, it was pointed out to the applicant that a Commercial, Professional & Office (CPO) classification would lend itself well to their intended use in the future and would be less intrusive to the surrounding residential area. Also, during the discussion the Public Works Director indicated staff would work with the applicant if and when they decided to construct an addition to the hospital that may be over three stories in height, that staff would entertain an approval of such request. It was moved by Commissioner Crawford, seconded by Commissioner Kirkland, and unanimously carried to open the Public Hearing. There being no one wishing to speak in favor of or in opposition to the rezoning request, it was moved by Commissioner Branan, seconded by Commissioner Kirkland, and unanimously carried to close the Public Hearing. It was then moved by Commissioner Crawford, seconded by Commissioner Higginbotham, District 5, and unanimously carried to approve the Rezoning Application R-96-010, filed by Baptist Medical Center of Nassau, d/b/a/ Baptist Medical Center, Owners and Kelly R. Elmore, Agent for the Owners, to rezone approximately 30+ acres located on the south side of Lime Street between 14th Street and Citrona Street on Amelia Island from Governmental Use (GU) to Commercial, Professional & Office (CPO) and to adopt Ordinance No. 96-17 rezoning the property from GU to CPO.