

North Pine Area Hospital District

Board of Directors Meeting

February 27, 2018

CALL TO ORDER

Ron Osladil, Chair, called the regular meeting of the North Pine Area Hospital District (NPAHD) to order at 6:30 p.m. on Tuesday, February 27, 2018 in the EH Sandstone Classroom.

PLEDGE OF ALLEGIANCE

Osladil led the board and other attendees in reciting the pledge of allegiance.

ROLL CALL

Board members present: Jane Brown (District at Large), Andrew Hanley (City of Askov), Scott Hendricks (Danforth Township), Gary Klein (Hinckley Township), Linda Kvasnicka (Park Township), Fran Levings (New Dosey Township), Edith "Dode" Molgaard (City of Bruno), Curt Nelson, (Clover Township), Myrna Nelson (Partridge Township), Wayne Oak (City of Sandstone), Bill Olson (Pine Lake Township), Keith Osgood (City of Hinckley), Ron Osladil (Finlayson Township), Chuck Sprado (Dell Grove Township) and Ray Thieling (Ogema Township)

Board members absent: Brent Henry, Dr. Chris Ketchmark, Steve Nelson

Others attending: Chris Olson (NPAHD Admin. Asst.), Ty Erickson (Essentia), Michael Hedrix (Essentia), Scott Nigon (Essentia), Steve Schmidt (NPAHD Accountant), Tim Franklin (Pine County Courier), Kathy George (City of Sandstone), Kris Sundberg (The Links Group)

APPROVE AGENDA

Osladil then called for a motion to approve the agenda. Motion Hendricks. Second Sprado. Motion carried.

KATHY GEORGE, CITY OF SANDSTONE

Kathy George, Administrator of the City of Sandstone came to address the board regarding the signage for the city office park which includes the Pine Healthcare Campus. She stated no one is satisfied with the sign as it currently exists. It has very poor lighting and the lettering is too small. She stated the city spent \$40,000 so there may be discussion for possible replacement but it would be in the future. She reported they went back to the sign company to inquire about a change in the dimensions of the lettering and they did not provide any viable options. The city has also tried to work with the sign company regarding base lighting and they have been very difficult to work with so the city is in discussion with a local electrical contractor to install additional lighting. In addition to trying to correct the poor visibility of the sign, the city has erected two additional MnDot hospital signs on Lundorff and added bridge markers to assist in locating the hospital.

In addition to reporting about the sign, Kathy updated the board regarding other items of interest regarding the City of Sandstone.

- The NLX line from Mpls. To Duluth is alive and well. Sandstone is still a consideration for where they may locate the maintenance building. She stated our competition is Superior, WI and welcomed letters of support to have it built in Sandstone.

- There are two purchase agreements pending on two parcels of the business park development. One is 2.2 acres south of the Members Credit Union and the other is 5 acres across the road. At this time she did not have information regarding what the businesses were.
- The southern end of the business park offers a rail option which could be attractive for some businesses so the economic development committee are reviewing a rail layout plan.
- Sandstone is hosting an EDA Business Breakfast on April 5th. They are still planning a ribbon cutting for the Lundorff Drive project so they are discussing possibly having it the same day as the breakfast.
- Sandstone is working on a 1.2 million dollar project involving putting in a water main loop. The current water main is a dead end.
- The city has some building issues with the city hall and the fire hall. Those are both being evaluated.
- Sandstone has just launched a housing study. The city currently has 50% rental.
- The city is looking at possibly doing something with “The Rock” (old school building in town). Some suggestions have included having it house the library, history center and OSAC.
- The city, along with Pine County as a whole, continues to have a drug problem. They are looking at what can be done.
- Lastly, they are working on “Arts in the Park”.

APPROVE JANUARY 23, 2018 MINUTES

Osladil called for a motion for approval of the minutes from January 23, 2018. Motion Hendricks. Second Oak. Motion carried.

FINANCE REPORT

Financial Statements for the month ending January 31, 2018 were distributed to all directors. Steve Schmidt reported on the January financial statements and made note of the current profit and loss budget, balance sheet and checkbook register. Olson motioned to accept the financial report. Second Thieling. Motion carried.

CHAIRPERSON’S REPORT

Osladil began his report by reminding directors of townships that their annual meetings are coming up on Tuesday, March 13, 2018.

He also gave us an update from the most recent PMC (Pine Medical Campus) Board Meeting. He stated they continue to focus on emergency preparedness and the development of additional programs. The hospital just got a new ambulance bringing their total to 5 rigs in 3 locations. Last year the ambulances went out to answer 35,000 calls. He stated Essentia reports their quality of care surveys continue to improve. Also noted is they continue to look for additional specialties to come in the area, but that does not happen overnight. It is a process.

Osladil took a moment to recognize the members of the strategic plan committee: Chuck Sprado, Chair, Scott Hendricks, Jane Brown, Brent Henry, Gary Klein, Bill Olson, Andrew Hanley, Myrna Nelson and Wayne Oak. He stated they put in many hours compiling the goals for the next 18 months-2 years. He thanked them for their time and dismissed the committee; stating their work has been completed.

Next he called for a 10 minute break out session to allow the three committees of the strategic plan to come together, decide a leader, prioritize their top two goals and possibly set a future meeting date.

Upon reconvening Group 1.0 had chosen Gary Klein to be their chair; Group 2.0 selected Jane Brown to chair; and Group 3.0 selected Fran Levings to be their chair. Going forward each group will update the board on their progress.

FINANCE COMMITTEE REPORT

Bill Olson reported back to the board that our current bank, Northview Bank, is not able to establish a second account for us to diversify our account balance. Therefore, he will continue to follow through with the plans to open an account at Members Credit Union. He will open the new account in the next week.

Olson further reported that the requested records for the auditing firm are being gathered and provided to them, so the audit is proceeding.

EMT BUILDING

Osladil opened up the opportunity for discussion to the board to express their opinions, questions or concerns regarding the NPAHD becoming financially involved with the EMT Building. He stated the executive board is continuing to pursue the answer to some financial questions but he wanted to hear input from the board. The board was informed the location would remain the same as was originally set on the plans. The new building would flow out of the current lease in which Essentia builds it and finances it and the building would revert back to the hospital district. The legal pathway for this is already set. Michael Hedrix explained it would be a private project of Essentia's. The contractor, timeline, and price points have already been established. They are looking at a construction start date of May and finalize construction in Sept. The building would consist of four call rooms, two bays for the rigs, and a maintenance/storage area. The current budget is \$400,000. Essentia is now extending an "Invitation to Contribute" to the hospital district. Hedrix stated Essentia is looking for a motion from the March board meeting to clarify the initiative of the board. This will be a triple net lease without a bond agreement.

LEGAL REPRESENTATION

Osladil asked Chuck Sprado to speak to this topic. Sprado informed the board that the board members who have worked closely with our attorneys over the past few years are of the opinion we may want to be represented by a new law firm. The goal is to enter agreement with a legal firm more suited to our legal needs going forward. Jane Brown was asked by the executive committee to search for a firm with no conflict of interest, knowledge in real estate, facilities management, public entities, governance, litigations, and health care industry experience. She came back with the recommendation of the firm McGrann Shea Carnival Straughn & Lamb, Chartered. The hospital district board was provided with copies of their proposal and their engagement letter. Brown took the board through the parts of the proposal which showed their prior experiences demonstrating their fulfilment of the qualifications the executive committee had set forth. Upon completion of her presentation Hendricks made a motion for the board to enlist this law firm to represent the NPAHD. Second Brown. Osladil asked for discussion or questions and Gary Klein asked for an amendment to the motion to add a 60 day termination clause on the engagement letter. Osladil called for a vote to the motion with the amendment. Motion carried.

COMMUNICATIONS REPORT

Kris Sundberg reported to the board the next newsletter is ready to go to press. She handed out a copy for review to the directors. She stated how enthusiastic Gateway and Thrifty White have been to the newsletter and articles. An article on Opioid Overdose Prevention and Treatment has gone out to the papers.

Kris stated the newsletters will be available for representatives of townships to take to the statewide annual township meetings on Tuesday, March 13, 2017. Contact Chris Olson to arrange how to obtain your copies. The newsletters will also be going out in the Evergreen Shopper.

Fran Levings reports the OSAC is producing a coloring book and currently selling advertisement ads. They cost \$35 and she would love to see the NPAHD sponsor a page in the book. Hendricks motioned for the hospital district to participate in sponsoring the coloring book. Second Brown. Motion carried.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Levings also stated she and Olson would like to co-ordinate an appreciation night for the NPAHD board members and their guest. Fran made a motion for the hospital district to pay for meals for an appreciation night not to exceed \$1500.00. Second Sprado. Motion carried.

PINE MEDICAL CENTER REPORT

Their report was given during the EMT Garage discussion.

NEXT MEETING

The next NPAHD general board meeting is scheduled for March 27, 2018.

ADJOURN

Motion Sprado, second Olson, to adjourn the meeting at 8:47 p.m. Motion carried.

Submitted by Fran Levings, Board Secretary _____