

**SOUTH BROWARD HOSPITAL DISTRICT
A COMBINED REGULAR MEETING/LIAISON CONFERENCE ADVISORY COMMITTEE/AND
WORKSHOP SESSION OF THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT**

June 27, 2007

A Combined Regular Meeting/Liaison Conference Advisory Committee/and Workshop Session of the Board of Commissioners of the South Broward Hospital District (S.B.H.D.) was held at Memorial Regional Hospital, in Perry Auditorium, on June 27, 2007, at 5:35 p.m.

The following members were present:

Mr. Shane Strum	Chairman (<i>telephonically</i>)
Mr. Kevin C. Tynan	Vice Chairman
Mrs. Kathleen Durham	Secretary-Treasurer
Ms. Laura Raybin Miller	
Mr. Carlos J. Reyes	
Mrs. Sara E. Wolfer	

The following member was absent:

Mr. Albert C. Jones

A registration sheet listing all attendees is attached to the Minutes on file in the Executive Office.

1. CALL TO ORDER

There being a quorum present, the meeting was called to order by Mr. Kevin Tynan, Vice Chairman. As is customary, the Vice Chair invited public participation in the meeting and announced that anyone wishing to address the Board would be recognized.

2. APPROVAL OF MINUTES

a. Regular Meeting Held May 23, 2007

There being no additions or corrections to the Minutes,

Mr. Reyes *moved, seconded* by Mrs. Wolfer, that

**THE BOARD APPROVE THE MINUTES OF THE
MEETING HELD MAY 23, 2007**

The motion *carried* unanimously.

3. **REPORTS TO THE BOARD; REPORTS FROM BOARD OFFICERS AND STANDING COMMITTEES**

a. **Planning Committee, Mrs. S. Wolfer, Chairman**
Minutes of Meeting Held 6/15/07

Mrs. Wolfer reviewed the Minutes of the Planning Committee meeting held June 15, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) ***Request Board Approval of Upgrade of the Central Energy Plant at Memorial Hospital West and Authorize Staff to Proceed and Obtain Guaranteed Maximum Price (GMP) for the Project***

At the request of Mrs. Wolfer, Mr. Hetlage came forward to provide an overview of the project. Since the opening of Memorial Hospital West in 1992, the number of licensed beds has increased from 100 to 299. However, the characteristics of the central energy plant have not grown, with the existing plant utilizing much of the same original equipment. An upgrade is necessary to expand both clinical services and provide redundancy for current technology.

The total construction time for the project is two years. \$6.5 million of the total cost of \$14 million has been budgeted for this year, with the balance budgeted for next year.

Mrs. Durham ***moved, seconded*** by Mr. Reyes, that

THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD HOSPITAL DISTRICT APPROVE THIS PROJECT IN CONCEPT AND AUTHORIZE STAFF TO PROCEED AND OBTAIN A GUARANTEED MAXIMUM PRICE (GMP) FOR THE UPGRADE OF THE CENTRAL ENERGY PLANT AT MEMORIAL HOSPITAL WEST

The motion ***carried*** unanimously.

Mr. Reyes ***moved, seconded*** by Mrs. Durham, that

THE BOARD APPROVE THE MINUTES OF THE PLANNING COMMITTEE MEETING HELD JUNE 15, 2007

The motion ***carried*** unanimously.

b. **Finance Committee, Mrs. K. Durham, Chairman**
Minutes of Meeting Held 6/15/07

Mrs. Durham reviewed the Minutes of the Finance Committee meeting held June 15, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Acceptance of the Pension Fund Investment Report for the Period Ending April 30, 2007

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

THE BOARD OF COMMISSIONERS ACCEPT THE PENSION FUND INVESTMENT REPORT FOR THE PERIOD ENDING APRIL 30, 2007

Mr. Muhart noted that Management is very comfortable with the current managers. On a monthly basis, Jeffrey Slocum & Associates performs a monthly review of each asset class and provides advisor's recommendations. The underperformance of Independence Investments, the US small cap manager, is due to a more conservative approach to risk compared to their benchmark. Independence is due to update the Finance Committee in the near future.

The motion *carried* unanimously.

(2) Request Board Acceptance of the Operating and Bond Fund Investment Performance Report for the Period Ending April 30, 2007

Mrs. Wolfer *moved, seconded* by Mrs. Miller, that

THE BOARD OF COMMISSIONERS ACCEPT THE OPERATING AND BOND FUND INVESTMENT PERFORMANCE REPORT FOR THE PERIOD ENDING APRIL 30, 2007

The motion *carried* unanimously.

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

THE BOARD APPROVE THE MINUTES OF THE FINANCE COMMITTEE MEETING HELD JUNE 15, 2007

In relation to the employee 403(b) and 457(b) plan reviews, Mr. Sacco noted that the Board would have a greater fiduciary responsibility should the IRS promulgate industry-anticipated IRS changes. At that time, more specific recommendations regarding oversight would be brought to the Board. Jeffrey Slocum & Associates has been engaged to monitor the IRS regulations.

The motion *carried* unanimously.

**c. Community Relations Committee, Mrs. K. Durham, Vice Chairman
Minutes of Meeting Held 6/15/07**

Mrs. Durham reviewed the Minutes of the Community Relations Committee meeting held June 15, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

***THE BOARD APPROVE THE MINUTES OF THE COMMUNITY
RELATIONS COMMITTEE MEETING HELD JUNE 15, 2007***

Mrs. Wolfer commended the achievements of Dr. Ayala relative to Primary Care performance results, specifically noting the Hospital/ER Discharge Program.

Mr. Reyes commended the leadership of Mr. Steve Sampier and conveyed his recent encounter with a community member who enthusiastically praised the community outreach efforts of the Memorial Healthcare System.

The motion *carried* unanimously.

d. Contracts Committee, Mr. K. Tynan, Chairman
Minutes of Meeting Held 6/18/07

Mr. Tynan reviewed the Minutes of the Contracts Committee meeting held June 18, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

***(1) Request Board Approval of First Amendment to Agreement Between S.B.H.D.
and Broward County for Psychiatric Inpatient Services***

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

***THE BOARD OF COMMISSIONERS APPROVE THE FIRST
AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND
SOUTH BROWARD HOSPITAL DISTRICT FOR PSYCHIATRIC
INPATIENT SERVICES FOR UNIT OF SERVICE***

The motion *carried* unanimously.

***(2) Request Board Approval of Fourth Modification and Extension of Employment
Agreement – Frank V. Sacco, Chief Executive Officer of the South Broward
Hospital District***

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

***THE BOARD OF COMMISSIONERS APPROVE THE FOURTH
MODIFICATION AND EXTENSION OF EMPLOYMENT AGREEMENT
WITH FRANK V. SACCO, CHIEF EXECUTIVE OFFICER OF THE SOUTH
BROWARD HOSPITAL DISTRICT***

Mr. Strum commended Mr. Sacco's leadership skills and the team he has developed, growing a community hospital into one of the larger healthcare systems in the country. He also noted the Foster G. McGaw Prize award, the tremendous success of the Joe DiMaggio Children's Hospital / Memorial Hospital Foundations, and extensive community outreach accomplished under Mr. Sacco's leadership. Mr. Strum voiced enthusiastic support of Mr. Sacco's contract extension.

Commissioners Reyes and Miller echoed the sentiments of Mr. Strum, commending Mr. Sacco for his professionalism and vision for the Healthcare System, voicing support of his contract extension.

The motion *carried* unanimously.

Mr. Sacco commented on his 33-year tenure with the Memorial Healthcare System and expressed his appreciation to the current Board, as well as previous Boards, for their support.

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

***THE BOARD APPROVE THE MINUTES OF THE CONTRACTS
COMMITTEE MEETING HELD JUNE 18, 2007***

The motion *carried* unanimously.

Mr. Reyes formally acknowledged the presence of Mr. Harry Duncanson, former Board Chairman, at the meeting. At the request of the Vice Chair, Mr. Duncanson came forward, stating that he had the pleasure of serving on the Board for 16 years. He commended Mr. Sacco and extended his congratulations.

e. Building Committee, Mr. C. Reyes, Vice Chairman
Minutes of Meeting Held June 20, 2007

Mr. Reyes reviewed the Minutes of the Building Committee meeting held June 20, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Acceptance of the Lowest Bidder, ANF Group, Inc., in the amount of \$1,441,654 for the Generator and Electrical Room Expansion Project at Memorial Hospital Pembroke

Mr. Reyes noted his abstention from the Building Committee recommendation.

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

***THE BOARD OF COMMISSIONERS ACCEPT THE LOWEST BIDDER,
ANF GROUP, INC., IN THE AMOUNT OF \$1,441,654 FOR THE
GENERATOR AND ELECTRICAL ROOM EXPANSION PROJECT AT
MEMORIAL HOSPITAL PEMBROKE***

The motion *carried* unanimously, with Mr. Reyes abstaining.

(2) Request Board Acceptance of the Lowest Bidder, ANF Group, Inc., in the amount of \$1,529,219 for the Breast Center Project at Memorial Hospital West

Mr. Reyes noted his abstention from the Building Committee recommendation.

Mrs. Durham *moved, seconded* by Mrs. Wolfer, that

THE BOARD OF COMMISSIONERS ACCEPT THE LOWEST BIDDER, ANF GROUP, INC., IN THE AMOUNT OF \$1,529,219 FOR THE BREAST CENTER PROJECT AT MEMORIAL HOSPITAL WEST

It is anticipated that the Breast Center at Memorial Hospital West will open in January 2008.

The motion *carried* unanimously, with Mr. Reyes abstaining.

The Vice Chair recognized Mr. Al Fernandez, ANF Group, Inc., who congratulated Mr. Sacco on his contract extension and thanked the Board for the two bid awards.

(3) Request Board Approval for Staff to Issue a Request for Qualifications (RFQ) in order to select Construction Managers for the Master Plans at Memorial Hospital West and Memorial Regional Hospital South, along with the Data Center Project

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

THE BOARD OF COMMISSIONERS APPROVE FOR STAFF TO ISSUE A REQUEST FOR QUALIFICATIONS (RFQ) IN ORDER TO SELECT CONSTRUCTION MANAGERS FOR THE MASTER PLANS AT MEMORIAL HOSPITAL WEST AND MEMORIAL REGIONAL HOSPITAL SOUTH, ALONG WITH THE DATA CENTER PROJECT

The motion *carried* unanimously.

(4) Request Board Acceptance of the Guaranteed Maximum Price from Balfour Beatty Construction in the amount of \$19,799,456 for the NICU and C-Section Projects at Memorial Regional Hospital

Mr. Reyes noted that Balfour Beatty Construction is an approved firm, as they were formerly Centex and bought out by the English firm of Balfour Beatty Construction.

Mrs. Miller *moved, seconded* by Mrs. Durham, that

THE BOARD OF COMMISSIONERS ACCEPT THE GUARANTEED MAXIMUM PRICE FROM BALFOUR BEATTY CONSTRUCTION IN THE AMOUNT OF \$19,799,456 FOR THE NICU AND C-SECTION PROJECTS AT MEMORIAL REGIONAL HOSPITAL

It was noted that this project is part of the Capital Plan budgeted over two fiscal years, with \$9 million budgeted for this year. This project will add 23 Level III NICU beds to MRH, bringing the total to 64. The current MRH NICU occupancy rate at times exceeds 100%. Level II NICU beds at Miramar and West will be at 10 and 20 respectively. The number of system-wide deliveries projected for the current fiscal year is approximately 13,000.

The Vice Chair recognized Mr. Tom Maddry, Vice President of Balfour Beatty Construction, who thanked the Board for entrusting them with the project.

The motion *carried* unanimously.

Mrs. Durham *moved, seconded* by Mrs. Wolfer, that

THE BOARD APPROVE THE MINUTES OF THE BUILDING COMMITTEE MEETING HELD JUNE 20, 2007

The motion *carried* unanimously.

f. Governance Committee, Mr. C. Reyes, Chairman
Minutes of Meeting Held 6/20/07

Mr. Reyes reviewed the Minutes of the Governance Committee meeting held June 20, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Approval of Recommendation to Continue the Remainder of the Board Policy Manual, with Changes, as Presented

Mrs. Durham *moved, seconded* by Mrs. Miller, that

THE BOARD CONTINUE THE REMAINDER OF THE BOARD POLICY MANUAL, WITH ONLY THE CHANGES AS PRESENTED

Revision of the Chief Executive Officer's authority level for expenditures was recommended to achieve consistency, based on a 300% increase in net revenue since the previous revision in 1992.

The motion *carried* unanimously.

(2) Request Board Approval of Recommendation to Continue the Remainder of the Board Bylaws, with Minor Changes, as Presented

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

THE BOARD CONTINUE THE REMAINDER OF THE BOARD BYLAWS, WITH ONLY THE MINOR CHANGES AS PRESENTED

The motion *carried* unanimously.

Mrs. Durham ***moved, seconded*** by Mrs. Wolfer, that

***THE BOARD APPROVE THE MINUTES OF THE GOVERNANCE
COMMITTEE MEETING HELD JUNE 20, 2007***

The motion ***carried*** unanimously.

4. REPORT OF SPECIAL COMMITTEES

None

5. ANNOUNCEMENTS

None

CORRESPONDENCE

None

6. UNFINISHED BUSINESS

None

7. BOARD REGULAR BUSINESS

a. Report from Chief of Staff, Memorial Regional Hospital; T. Macaluso, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Macaluso presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated June 19, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes ***moved, seconded*** by Mrs. Wolfer, that

***THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL REGIONAL HOSPITAL AS PRESENTED***

The one-month physician reappointment reflected on page two of the report was due to an incomplete file and will be reevaluated next month.

The motion ***carried*** unanimously.

(2) Request Board Approval of 2007 Utilization Review Plan

Mr. Reyes *moved, seconded* by Mrs. Wolfer, that

THE BOARD APPROVE THE 2007 UTILIZATION REVIEW PLAN

The motion *carried* unanimously.

b. Report from Chief of Staff, Joe DiMaggio Children's Hospital; R. Auerbach, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Auerbach presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated June 15, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes *moved, seconded* by Mrs. Durham, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT JOE DIMAGGIO CHILDREN'S HOSPITAL AS PRESENTED**

The motion *carried* unanimously.

(2) Request Board Approval of 2007 Utilization Review Plan

Mr. Reyes *moved, seconded* by Mrs. Wolfer, that

THE BOARD APPROVE THE 2007 UTILIZATION REVIEW PLAN

The motion *carried* unanimously.

c. Report from Chief of Staff, Memorial Hospital West; D. Ancona, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Ancona presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated June 17, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes *moved, seconded* by Mrs. Durham, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL WEST AS PRESENTED**

The motion *carried* unanimously.

(2) Request Board Approval of 2007 Utilization Review Plan

Mr. Reyes *moved, seconded* by Mrs. Durham, that

THE BOARD APPROVE THE 2007 UTILIZATION REVIEW PLAN

The motion *carried* unanimously.

d. Report from Chief of Staff, Memorial Hospital Miramar; B. Shatkin, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Shatkin presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated June 17, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes *moved, seconded* by Mrs. Durham, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL MIRAMAR AS PRESENTED**

Dr. Shatkin noted that the resignation of Dr. Daniel Kairys, General Surgeon, reflected on page seven of the report has been rescinded at the request of the physician, allowing him to follow through on the care of a patient.

Factors attributed to physician resignations were noted as OB/GYN physicians' limitation of practices, physician over extension, and physician desire to limit travel between hospitals.

The motion *carried* unanimously.

(2) Request Board Approval of 2007 Utilization Review Plan

Mr. Reyes *moved, seconded* by Mrs. Durham, that

THE BOARD APPROVE THE 2007 UTILIZATION REVIEW PLAN

The motion *carried* unanimously.

e. Report from Chief of Staff, Memorial Hospital Pembroke; J. Snow, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

On behalf of Dr. Snow, Dr. Marks presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated June 17, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL PEMBROKE AS PRESENTED**

The motion *carried* unanimously.

(2) Request Board Approval of 2007 Utilization Review Plan

Mr. Reyes *moved, seconded* by Mrs. Durham, that

THE BOARD APPROVE THE 2007 UTILIZATION REVIEW PLAN

The motion *carried* unanimously.

f. Administrative Staff

No report

g. Financial Reports; Mr. M. Muhart, Senior Vice President and Chief Financial Officer

(1) Annual Financial Report for the Fiscal Year Ended April 30, 2007

Mr. Muhart reported that the District's external auditors were still reviewing the statistics; therefore, the report will be presented to the Board next month.

(2) Financial Report for the Month of May 2007

Mr. Muhart reviewed the Financial Report for the Month of May 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

**THE BOARD APPROVE THE FINANCIAL REPORT FOR THE MONTH
OF MAY 2007**

The motion *carried* unanimously.

h. Legal Counsel; Mr. G. Barber, Senior Vice President and General Counsel

Mr. Barber reminded Board members that their Statement of Financial Interests is due July 2, 2007.

8. NEW BUSINESS

a. Memorial Foundation and Joe DiMaggio Children's Hospital Foundation Report for Fiscal Year Ending 2007; Ms. L. Miller

Mrs. Miller presented the Memorial Foundation and Joe DiMaggio Children's Hospital Foundation Report for Fiscal Year Ending 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Miller announced that a \$3 million lead gift commitment to match the \$3 Million Capital Campaign Challenge Grant has been pledged over a ten-year period. She also noted the 15-year anniversary of the Joe DiMaggio Children's Hospital on September 15, 2007. A formal kickoff event will be held on that date to formally roll out the Capital Campaign to the community.

Mr. Janser announced that the Foundation is off to a great start having already received two seven-figure Capital Campaign commitments in fiscal year 2008. He commended the Foundation Board and team for their support and expressed confidence in attaining the \$13.8 million FY '08 fundraising goal.

9. COMMISSIONERS' COMMENTS

Mr. Reyes commended the Foster G. McGaw Prize award achievement, and Mrs. Wolfer applauded the Miramar neonatal project.

Mr. Sacco commended Mr. J. Piriz, Ms. N. Beauchesne, Mr. S. Sampier, Mr. R. Jordan, and all of the individuals that made the presentation before the City of Hollywood Commission relative to the re-zoning petition. The District won on a 5-2 vote, with strong support from Mayor Giuliani, Vice Mayor Russo, and Commissioners Anderson, Blattner and Furr. Mr. Sacco noted that he was touched by the number of patients and family members that came forward on behalf of the Healthcare System. The Hollywood City Commission will take another vote on July 3, 2007.

ADJOURNMENT

There being no further business to come before the Board, Mr. Tynan declared the meeting adjourned at 6:50 p.m.

WORKSHOP SESSION

No business.

**THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT**

BY: _____
Kevin Tynan, Vice Chairman

ATTEST: _____
Kathleen Durham, Secretary-Treasurer