

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

February 22, 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: Enrique Leal, III, M.D., Deborah Whitley, BKD, Brian Brooks  
Tom Ronayne, Agatha Sanchez, Raymond H. Britton, DDS  
Felipe Sanchez, Jr.

Employees Present: Kelly Park, Cindy Burge, Stuart Butler, Dana Quintanilla, Travis Alford,  
Stephanie Crowder, Sarah Hebert, Doug Smith, April Nichols, Debra Bundick

1. **Call to Order** Mr. Nichols called the meeting to order at 1800.
2. The invocation was given by Charlie Genella.
3. **Record Members Present and Establish A Quorum**  
There being 6 members present, a quorum was established. Patti Foster is on her way. She arrived at 1835.
4. **Public Comments**
  - A. Tom Ronayne commented he and his wife appreciated the compassionate care from the hospital and The Fountains for Angie's mom. Truly your best asset at this hospital and next door is your employees. He said they took really good care of his mother-in-law. Mr. Nichols thanked him for his kind words.  
  
Agatha Sanchez gave an introduction for Dr. Raymond Britton. She said he is the last surviving man of the five men who helped create the hospital district. She proceeded to give a little background information.  
  
Dr. Britton said he thought the board might want some history about how this came about. Back in the sixties all the medical treatment needed, you had to go to Wharton. The EMS was the volunteer fire department, and if they needed to go to an emergency room they had to go to Wharton. The local physicians had to travel back and forth to work. It was proposed to find a better method. Chick Anderson appointed a committee of 5 members, himself, Dr. Britton, Roy Walby, Otis Hitchcock, and Bobby Brown. The first proposal was to include Sweeny School District and West Columbia School District for a hospital. They proceed with the idea with West Columbia but they insisted that the hospital be located in West Columbia. Several compromises were offered to them but the only way West Columbia was interested was to have it in West Columbia. Roy Walby, Chairman of the committee, called a meeting and asked if we thought we were going to make a deal. The response was no so he suggested to abandon the committee and give up on the idea. They then suggested that we just leave West Columbia out and just do Sweeny School District. Shortly after that there was a function at Columbia Lakes and our state representative, Neal Caldwell, was there. Dr. Britton spoke with him about forming a hospital district and he said if that is what we wanted, he would help us. An appointment



was arranged to go to Austin to meet with him. The whole committee went and met with him and he was able to get it on the next ballot in the election to be voted on by Sweeny School District. It did pass. The Sweeny Hospital District was formed. We thought we were set but to be able to tax and raise funds, it had to be a part of the state constitution. To be able to get it changed it would have to be voted on by the whole state. To be able to get it on the ballot, we had to have a certain number of signatures from the people in the school district. We figured this was too big of a job for the 5 individuals so we reached out to the Junior Chamber of Commerce and asked if they would like to take up the project. They did and did a super job. They got the signatures and it was put on the ballot to be voted on and it passed.

Violet Weeks commented that Dr. Britton was the first dentist that opened here in our facility that paid rent. Mr. Nichols thanked Dr. Britton for being such a pioneer in those days and to have what we have today. Dr. Britton said he is the only one left from that group.

Agatha Sanchez said these five men worked extremely hard to have what we have now. She said this hospital has so much more to give. She commented there is nowhere else in the United States that has a CEO that can come down here, scrub up and immediately go into surgery and know every field there is. There are not too many registered nurses that can do that. She said she is very proud of her. She said we have the best in Sweeny right now. This board has come up with a fantastic ideal. This board has had some big hiccups but that is the past, and we now have to move forward. She said this is not about the board but about the community, the people. She commented to Ms. Park not to give up, you have it all. She commented you can't move by one person, and she said you know that Mason. You are the President, you have to move forward together as a full board and that is what you have done leading this board. She thanked Mason for doing that. She said she hadn't read minutes in many years, but it was pretty crazy getting to a portion of it, escalating and where it went. She said we are not there anymore, that is the past, let's move forward. She commented we have a good group, fantastic people here. We just have an old building here and need to move forward.

Felipe Sanchez said he has seen this hospital with the worst and best CEO's. He said he was on the board at one time, and he did not stay long. He said this hospital has been beaten all over the place. He said he saw someone put out figures, and commented if you have figures why weren't you here when 1.5 million was spent to draw plans for a hospital and it turned out that the person was not qualified. No one came over here and said anything. The CEO at that time did not say anything. They kept their mouth shut.

Now that the hospital is starting to move forward, somebody is coming up with all this bull. People are starting to find out about Sweeny and how good it is now. He said he came here when it wasn't so good. But he has been here 2 to 3 times recently and has found out the changes that have come around. He said the people on the board are the ones that control this. He said this board is the one that can keep the hospital the way it is going. If you have a good CEO, keep them. Don't listen to all these people that are coming up with all this bull. He read a couple of board meetings back. He said the minutes were sent to him. He wanted to know what was going on now. He said the board needs to continue as it is now and keep moving forward. He commented the hospital has improved a lot, and to keep



what we have. He also commented that he spoke with the hospital about veterans. He said veterans can come here now. An information sheet has been provided to the hospital.

Mr. Brooks said he wanted to thank the board. He said this is a thankless job most of the time when you are a board member. He said you are elected there for a reason, and the board is doing a good job. He appreciates Ms. Park. He said she is always available. He appreciates somebody that gets back to you when you call her with an issue or concern. She is always so friendly, and takes care of it. You all are doing a good job. He appreciates Stuart Butler and everybody associated with this hospital, he appreciates the work done. He said just keep it up and God watch over you and God bless you. Mr. Nichols thanked Mr. Brooks for his comment.

**5. Receive Annual Audit and Cost Report from BKD, CPS's and Advisors**

Ms. Whitley said it was just announced last Thursday that BKD is merging with DHG effective June 1, 2022. It will put them back in the top ten auditing firms, and they will mainly be covering healthcare. We will hear a name change but the hospital will continue to have the same team as now performing the audits. She gave an overview for the annual audit covering fiscal year 2021:

- What's going on in industry in healthcare
  - 1115 waiver, Medicaid
  - Pricing transparency, QIPP program, Uncompensated Care
  - Covid 19 and provider relief funds
- Quick overview of financials, overall profit of 7 million for the Hospital District
  - Review of peer data
  - Employee Benefits, Self-funded health plan
  - Report of internal control

She commented she did not want to leave here tonight with us thinking that it was a bad year. She commented she wanted us to feel good about 2021 for all the reasons whether it was the government funds or our own success, the hospital survived it, it was a very hard time.

Briefly discussed was the Covid funds received, how it was spent and proper documentation for any future audits of the funds. She said their firm is required to come in and do a single audit that gives the assurances that everybody used the money according to the terms and conditions. They will in turn assure the government that we used the funds according to the terms and conditions, then five years from now the government will want to review the documentation provided.

- Moving Forward
  - New Building Project
  - Management of Cash
  - Collections and Billing
  - CAH Methodology
  - COVID 19 Challenges
  - RHC Cost per Limit Caps

Ms. Whitley departed.

6. **Review/Approve Board of Directors' Meeting Minutes:**

**A. January 25, 2022 General Meeting**

Scott Swift made a motion to approve the minutes from January 25, 2022.

Charlie Genella seconded the motion. Unanimous decision, motion carried.

7. **Finance Committee Report**

Doug Smith gave overview of January 2022 financials.

After discussion, Leeda Wood motioned to approve the January 2022 financials. Violet Weeks seconded the motion. Unanimous decision, motion carried.

9. **New Business**

**C. Miscellaneous Capital Requests**

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

Stuart Butler gave an overview of the nurse call system totaling \$7779.30. This system could be used at The Fountains once we move to the new hospital.

After discussion, Patti Foster motioned to approve the capital request in the amount of \$7779.30 as presented. Scott Swift seconded the motion. Unanimous decision, motion carried.

8. **Old Business**

**A. Replacement hospital update:**

Ms. Park gave an update on the following:

- 2<sup>nd</sup> round of Design Development meetings so staff can sign off on changes
- Tellepsen out getting bids for construction for total cost

9. **New Business**

**A. Abatement Agreement compliance and information letters from Chevron Phillips, Phillips 66 and Linde, Inc.**

Mr. Nichols said we have awarded abatements in the past to some of our industrial partners and they will be falling off the rolls in several years and we have them staggered where they come off. In the abatement program there is a PILOT program associated with a couple of them and the others say they guarantee that they will hire local folks that live in the hospital district. What they do annually, they send the certification letters for the hospital district to look at it and prove that they hired local folks from the district which benefits everybody here. As tax abatements come off, the hospital district tax rate for the citizens will automatically go down.

The letters from Chevron 66, Phillips 66 and Linde, Inc (Praxair) were reviewed and discussed. Pilot payment has been received from Linde, Inc. in the amount of \$100,000 but still waiting on the payment from Phillips 66 for Pilot in the amount of \$300,000. The invoice has been submitted to Phillips 66.

The board needs to accept or decline the names submitted by the companies as individuals that currently live in the hospital district and work in those areas.



Mr. Nichols and Mr. Swift abstained from participating since they are currently employed by one of the companies.

Patti Foster, Secretary of the Board, asked the remaining members of the board if they agreed to accept the information submitted from Chevron Phillips, Phillips 66 and Linde, Inc. All were in favor accepting the letters and agreed they are compliant with the terms of the abatement agreement as submitted.

**B. Discuss Board Strategic Committee Strategy**

Mr. Nichols said Leeda Wood, Lisa Leal and Violet Weeks are all the members of the Board Strategic Committee. Leeda Wood wants to present some ideas for a strategy for the strategic team. She said she has had strategic planning experience with the government. It was a lot of work but did not go anywhere. She shared a couple of books that might be helpful in the process. The main thing that needs to be dealt with is taxes. She said she will need information from a lot of people to go forward regarding this information. Mr. Nichols said back in 2012 to 2013 there would have been some increases in the taxes. He said when he came on the board in 2014, the current board then said increases in the taxes were to build up a bank so when we go to build the new facility we would not have to borrow so much. Since 2014, there has not been a tax increase.

Out of the funds saved since then, we have to keep at least 6 to 9 months days cash on hand as a requirement of a loan and the remaining can be a down payment on the new facility.

Scott Swift said the county records go back as far as 2006 for the tax records. When the abatements fall off in 2024, the tax rate will drop down to around .30 for the hospital district. The same amount of funds will come into the district because of the value of the property is going up due to the plants. Everybody in the district will pay less taxes for their homes.

Mr. Brooks commented on city council, one of the issues we had when talking about the taxes is bring in the same amount of revenue that we brought in last year. To do that we would have to lower the tax rate when the property value increased. He commented he has never been for that. When you keep the tax rate the same the problem is prices keep going up, asphalt goes up, and water leaks happen. He is in favor of keeping the tax rate the same. You are not raising taxes just the value of the property went up. It made such a big difference for the city, and not one person complained. He appreciates what the hospital is doing.

Leeda Wood inquired about homestead exemptions. Mr. Nichols said the county is the one that determines the homestead exemptions.

Ms. Leal said she loves visuals and plans to put together information to share with the whole board. Mr. Nichols applauded Leeda, Violet and Lisa for taking the lead in putting this together, and it should be part of our long-range plan for the hospital. Ms. Wood said we have 2025 that we can look at. By then we should have a new hospital, and the old one will be depreciated out and it will be a completely different ballgame.

10. **Board Committee Reports:**

**A. Sweeny Community Hospital Foundation Board Update:**

Ms. Park shared the following:

- Veronica Scott has stepped down as the Marketing Director and Kari Schroeter will be the new Marketing Director effective March 7<sup>th</sup>. Kari will still be involved with the Foundation Board and active with the capital campaign. We will have to look for a new President for the Foundation Board.
- Kari already has everything ready for the golf tournament and the sponsors.
- One million for the capital campaign, have prospects for more donors, and plan to have a physician wall and tree of life

**B. Quarterly Quality Committee Report and Patient Engagement Update – Sarah Hebert**

In quality committee there is not a whole lot right now. There are currently no PIP plans for departments to improve their standards. Briefly discussed were the following:

- Press Ganey key indicator drivers from the surveys
- Discharge follow-up phone calls
- Quarterly metrics to be shared in the April meeting

11. **Administrative Information Report**

**C. Emergency Medical Services Report: Stuart Butler**

- Call volume has increased
- Grant from Brazoria County – equipment to be purchased
- Staff back and no one out due to FMLA and sickness

**B. Human Resources Report – Dana Quintanilla**

- January FT/PT/PRN Employee Headcount: 191
- Hired 2 PRN, Volunteer term, 3.1 turnover rate
- Open Positions being evaluated
- ED Director – Jessica Rees starts on Monday, 2/28

**A. CEO Report – Kelly Park**

Update was given on the following:

- Frost Bank waiting on final bid
- Monoclonal antibodies – trying to get access to injection instead of infusions
- Department director meetings with budgets and productivity going great
- Dr. Kobylar to start surgeries
- Swing bed referrals from CHI St. Luke's Brazosport and UTMB
- Outpatient numbers increasing
- Visitor Policy being updated to allow visitors for COVID patients
- Two robots – UV cleaning machines

12. **CLOSED EXECUTIVE SESSION:**

Mr. Nichols announced the Board would go into closed, Executive Session at 2126 to review the following:



**A. Discuss Deliberations Concerning Real Property**

**End of Executive Session**

Went out of Executive Session at 2155.

- 13. Action regarding Executive Session:**  
None

**14. Adjournment**

Mr. Swift moved for adjournment, seconded by Ms. Foster. Meeting adjourned at 2156.



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Mason Nichols, President  
Recorder: Cindy Burge