SAUK CENTRE CITY COUNCIL/HOSPITAL BOARD
SPECIAL MEETING
WEDNESDAY, MAY 25, 2011 – 6:00 P.M.

1. CALL TO ORDER/ ROLL CALL/ PLEDGE OF ALLEGIANCE

The Sauk Centre City Council and Hospital Board met in a Special Meeting on Wednesday, May 25, 2011 at 6:00 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Council Members Mike Olson, Al Coenen, Warren Stone, Keith Johnson and Mayor Kirckof. Present for the Hospital Board were Joe Uphus, Dr. Sayovitz and Dan Borgmann. Also present were Committee members Brett Freese and Dr. Haeg, City Administrator Vicki Willer and Hospital Administrator Del Christianson. Mayor Kirckof presided thereat. .

2. INTRODUCTIONS

Mayor Kirckof introduced Jim Platt, Legal Counsel for the City/Hospital, Dr. Terry Pladson, President/CEO of CentraCare, Jim Davis, VP Operations of CentraCare and Paul Harris, VP and General Counsel for CentraCare.

3. REVIEW

Mayor Kirckof provided a brief review of the steps taken over the last year beginning with a Review Committee formed in May of 2010 whose charge was to review five options for the future of the Hospital.

- No Change
- Non Profit with current players
- Non Profit with large player
- Sale of Business – Retain Real Estate
- Outright Sale

The Committee recommended to the Council and the Council to the Hospital Board that a potential partnership with CentraCare Health System was a viable option to provide for stronger health care within the community for years to come. The Hospital Board was directed to evaluate this option.

After months of multiple work groups and meetings, St. Michael's Hospital and Nursing Home Board has approved and is recommending to the City Council a proposed affiliation agreement with CentraCare. The Affiliation Agreement includes eight components all attached as exhibits to the Affiliation Agreement presented. Mayor Kirckof stated that tonight's meeting is to obtain information and understanding of the document. Action may be taken at the June 1 meeting. If the Council is not comfortable making a decision at the June 1 meeting, it can be tabled for action at the June 15 meeting.

Terry Pladson then presented a brief Power Point presentation outlining CentraCare and which communities they partner with. (Attached to Minutes)

Jim Platt, Legal Counsel for the City/Hospital then reviewed the document using a Power Point presentation which highlighted each component. (Attached to Minutes)

- Overview of Affiliation Agreement
- Overview of Organizational Documents
- Overview of Lease
- Guaranty
- Agreement Relating to Transfer of Operating Assets and Liabilities
- Example of Balance Sheet Transfer

The Council was given the opportunity to ask questions of Legal Counsel and CentraCare representatives.

ADJOURNMENT

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 7:50 p.m.

Respectfully Submitted,

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Mayor Brad A. Kirckof City Administrator Vicki M. Willer