Highlands County
Hospital District Board of Commissioners
August 14, 2026, Special Meeting
MINUTES

The Highlands County Hospital District Board of Commissioners met at 1:30pm on Friday, August 17, 2026, at the Highlands County Commissioner's Board Room. Notice of the Special Meeting was published in the Highlands News-Sun on July 26, 2026. The notice is filed in the Board's meeting file.

COMMISSIONERS PRESENT: Dean Gerber, Dusty Johnson, Jeff Roth, Katie Wilson

COMMISSIONERS ABSENT: Victor Divietro

OTHERS PRESENT: Bert Harris – Swaine, Harris & Wohl, PA; Gail Escobar- Clerk; Henry Capote, CEO HCA Florida Highlands Hospital – HCA Florida Highlands Hospital; Myla Reizen and Jennifer Ungru with Jones Walker, LLP; Don Steigman, Sunset Healthcare Consultants, LLC, Ingra Gardner, Community Programs Director; Leah Sauls, Develop Services Director; Dana Dinwell, Community Programs; Jordan Hernandez, Assistant PIO; members of the public

This meeting was video recorded by Get Fish Slapped marketing agency.

I. MEETING CALLED TO ORDER at 1:30 pm by Chairman Gerber.

II. INVOCATON AND PLEDGE OF ALLEGIANCE

Mr. Roth led the pledge and gave the invocation.

III. APPROVAL OF PAYMENT OF INVOICES

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve payment of the invoice for Highlands News-Sun – 94.00, as presented by the Clerk. Upon roll call, all Members voted aye. The motion carried.

IV. BOARD'S WEBSITE AND CONTRACT

a. Maintaining the District's webpage, which is housed on the Highlands County BOCC website, has become a challenging process due to the significant amount of information that must be uploaded as required by law. As a result, a contract for Mid Florida IT, Inc. to create and oversee a website for the District has been submitted for review and approval. As a result, a contract with Mid Florida IT, Inc. to create and oversee a website for the District has been submitted for review and approval. The proposal includes an annual web hosting and domain charge in addition to a one-time setup, construction, and training fee. The cost of setting up and maintaining ten email accounts is covered in part two. Mr. Harris suggested approving the website and granting the Board Clerk one general email account; other email accounts would be approved at a later meeting. The Board decided to address email accounts at a future meeting.

MOTION: Mr. Johnson made a motion seconded by Mr. Roth to approve a contract with Mid Florida It, Inc. for the onetime website setup, build, and training and annual website

hosting and domain, and table the email accounts at the next board meeting. Upon roll call, all Members voted aye. The motion carried.

BOARD'S VIDEOGRAPHER CONTRACT

b. Mr. Harris recommended that the Board meetings be videotaped because of the current situation, which involves determining the criteria for selling or leasing the hospital, as well as the services that must be provided. There will be a lot of testimony in the future regarding the review procedure, the request for proposals (RFP), and the hospital's criteria, and it is now required that those meetings be documented with recording being today's standard. Meetings are currently audio recorded. Mr. Harris said he made the decision to hire Get Fish Slapped, LLC, to record today's meeting since there was difficulty obtaining permission using the County's recording technology. The proposal is a $950 one-time initiation cost and a $1,495 recoding fee for each meeting. Mr. Johnson questioned whether the Board could decide which meetings to record. Although he doesn't know which next meeting the Board would not want to record, Mr. Harris said that an hourly price may be sought. Mr. Roth inquired as to what was the difficulty of utilizing the county's system and whether an RFP was necessary for this expense. Mr. Harris said the District does not have purchasing restrictions, and he suggested that Mr. Roth speak to County employees about the use of the system. Mr. Gerber acknowledged that it was his understanding that the tape could not be retrieved to be posted on the District's website because it is embedded into the Clerk IT system. Mr. Harris stated he paid for the recording of today's meeting because he thought it was crucial that it be recorded and it also provided for a trial run with the intended vendor. Ms. Wilson inquired as to whether it would be feasible to discuss the issue of using their system with the County prior to the next meeting. To guarantee that the meetings are recorded, Mr. Harris recommended that the Board approve this contract on a meeting-by-meeting basis and, in the interim, have a conversation with the County employees.

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve a contract with Get Fish Slapped, LLC on a meeting-by-meeting basis and have county staff at the next meeting who can speak to the use of their system even if there is a cost. Upon roll call, all Members voted aye. The motion carried.

Mr. Johnson stated that going forward, these meetings should have a County representative in attendance who can answer any queries that may arise.

V. OVERVIEW OF AMENDED ENABLING ACT

Jennifer Ungru, with Jones Walker, provided an overview of the amended enabling act, Chapter 2026-220, Laws of Florida, effective June 10, 2026. The amendment is separated into three sections being, the new process for a lease, the process for a sale, and the exemptions thereof. There are no changes to the distributions of surplus funds from the proceeds of the process.

The process for a lease begins with a vote by the Board to lease the hospital, an evaluation by an independent outside firm, and the posting of public meetings and notices with all related documents to be placed on the website for 30 days with a means for written comment. Board members must disclose any conflicts of interest.

Additional requirements for the sale process include a more thorough assessment, a stronger commitment to the community, filing an agreement with the state, dissolving the District within 30 days of receiving notice, and using any remaining proceeds as surplus funds in accordance with Section 36. Any excess assets or cash from any source may be transferred by gift or loan to the Highlands County Commission by the Highlands County Hospital District, but they must only be utilized for Highlands County health services. Further, such assets or funds constitute surplus funds as determined by the Board of Commissioners of the Highlands County Hospital District). If there is a sale and the District is dissolved, all funds will revert to the County. If there is no sale, the District goes back to a lease.

The exemption process provides the District Board the option of extending or renewing the lease with the current lessee. The fair market value would still be required. Another option is for the Board to lease with another lessee for a period of 10 years to provide the Board with time to work through that process of the sale or lease so that the District does not remain with the current lease in perpetuity.

The Amendment also allows for the evaluations to be back dated for two years since the District began this process before the law went into effect. Also, if the Board decides to lease or to go through the process with the current lessee, all the information has been obtained for all three options. If in a situation where the Board decides today to extend the lease or lease with somebody else, and 45 years in the future the Board decides to only lease, all the preparation and processes would not have to be repeated since it would be the continuation of the current normal act. The more intense process is if in the future there is a change from what is currently being done to a new status, which would be a sale and eventual dissolution of the District.

VI. SUMMARY OF PUBLIC HOSPITAL ENTITIES IN FLORIDA

Myla Reizen, Jones Walker, LLP and Don Steigman, Sunset Healthcare Consultants, LLC, presented the information. There are 27 hospital districts in all, 12 of which have agreements with other groups to help with operations, and 15 of which have internal hospital operations. The two types of agreements include one with a management and administrative services agreement that provides the hospital's operations, and the other is a long-term lease, which is the most prevalent of the 12. A sale offers an instant cash infusion; a lease offers control over the long-term use of the facility where restrictions can be placed in how you would like the facility to be managed or have reporting requirements, as is currently the case with financial reporting requirements. A lease offers ease of transaction because it is straightforward as opposed to a sale that can be relatively complex and include many other studies, such as an environmental study. Typically, once you sell, the owner has control though it may be possible to put restrictions in a sale, but generally, there is more control with a lease. A lease provides for ongoing cash flow to the hospital district. On a sale there is less of a potential interest in what happens in the facility because the owner-operator would manage the facility. Last consideration is that a sale to a for-profit healthcare center results in the payment of property taxes, whereas a non-profit healthcare facility would not pay property taxes. Property taxes are paid by the present operator.

Mr. Gerber asked if there was a balance between the hospitals being rural and non-rural. Mr. Steigman stated that it is a mix and the larger sized facilities do not have an

arrangement with a management company or a lease. Mr. Gerber asked if restrictions placed on the sale to a hospital system have a negative impact on the sale price to which Mr. Steigman stated he was not aware of such a situation. Given that the County Commissioners had instructed the District to sell the hospital, Mr. Roth questioned whether the Board was shifting from selling to leasing. Mr. Gerber said there have been two paths in the process from the start. The enabling act had to be changed for a sale, and since the County has not yet passed a resolution, the dual path is worth considering. The Board will be able to determine where the greatest funds are for the county by looking at the information provided for a sale and/or lease and considering the evaluations that will be offered. The County will need to provide guidance once this Board has received all the evidence and decides the direction to take.

VII. WEAVER CONTRACT ADMENDMENT

Maya Reizen, Jones Walker, LLP, presented. The matter was prepared by herself and Mr. Harris. Weaver & Tidwell, LLP, were initially retained to assist with the fair market value and provide an evaluation for the hospital. When the initial contract was signed with Weaver, there was the question of whether the personal property would also be evaluated. This amendment is related to including an evaluation for the personal property and to be included in a cost cap. Mr. Johnson asked why it was not included in the original contract, what the hourly rate will be, and time expected to complete. Ms. Reizen stated that it was included at an hourly rate but was not part of the cost cap since it was thought it would not be needed. Some items are difficult to determine if leasehold versus personal property. The process will be completed by one person at the rate of $450 per hour (hourly rate is contained in original contract) and expect it to take about one week to complete. It will not delay the completion of the evaluation.

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve the amended contract with Weaver & Tidwell, LLP, to include the personal property evaluation. Upon roll call, all Members voted aye. The motion carried

VIII. THE WEAVER REPORT UPDATE

Included with agenda item VII.

IX. THE SUNSET REPORT UPDATE

Don Steigman, Sunset Healthcare Consultants, LLC, stated that part of his engagement with has been incorporated into several presentations today. He has recently received additional information that will assist him in finalizing parts of the engagement that should be forthcoming within the next couple weeks. Mr. Gerber asked if it would be ready for the next meeting, and Mr. Steigman confirmed it would be ready. Mr. Harris stated that the agenda for the August 27, 2026 meeting will be ready a week prior so would need to have reports ready a week from today.

X. CORE ISSUES, INCLUDING HOSPITAL SERVICES, FOR FUTURE LEASE OR SALE OF THE HOPITAL

Myla Reizen, Jones Walker, LLP, and Don Steigman, Sunset Healthcare Consultants, LLC, presented information that should be considered by the Board in evaluating all candidates for either sale or lease of the hospital. Topics discussed were:

A. Minimum qualifications of the applicant
B. Background to be completed by the applicant
C. Core criteria to evaluate potential lease or sale

The detailed presentation is included as a supplement to these minutes.

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve the information presented as a concept at this time. Upon roll call, all Members voted aye. The motion carried

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve the development of supporting documentation for minimum qualifications for the lease, sale and exemptions of the hospital, moving forward. Upon roll call, all Members voted aye. The motion carried.

XI. OPTIONS AND NEXT STEPS

The amendment to the Enabling Act allows the Board to have a conversation with the current tenant regarding the extension of the lease. Mr. Harris presented a resolution authorizing negotiations to extend and/or modify the current lease with references to the Weaver & Tidwell report that will provide a fair market value lease price and the Sunset Healthcare report while requesting a proposal from the current tenant 30 days after the Weaver & Tidwell report is released. The current tenant will be receiving all reports and analysis that are being completed. After a proposal is received from the current tenant, the Board can then decide to choose to proceed with discussions with them or to proceed with the requests for proposals (RFP) to lease or to purchase.

MOTION: Mr. Johnson made a motion seconded by Ms. Wilson to approve the resolution as presented with the modification of paragraph five to *read proposal should be submitted to the Board Chair 30 days after the posting of the Weaver report and will be considered at the next regular board meeting*. Upon roll call, all Members voted aye. The motion carried.

XII. CHAPTER 287, F.S. PROCESS (Presentation and Staff Analysis)

Jennifer Ungru, Jones Walker, LLP, explained that the agenda document is an overview, of the Chapter 287 process that will be presented by Dan Russell, a board-certified administrative lawyer, at the next regular meeting. He will explain what the statues require with amended pieces and how it interacts with corporations as well as the enabling act.

XIII. DETERMINIATION OF FUTURE MEETINGS AND TOPICS

There was a discussion of monthly meeting dates through February 2027.

MOTION: Mr. Johnson made a motion seconded by Mr. Roth to approve the revised regular meeting schedule to include the dates of Thursday, October 29, 2026; Thursday, December 10, 2026; Thursday, January 28, 2027. Upon roll call, all Members voted aye. The motion carried.

IV. ADJOURNMENT

Chairman Gerber adjourned the meeting at 2:50 pm.

Next regular meeting set for Thursday, August 27, 2026.

Dean W. Gerber, Chairman

Gail Escobar, Clerk