

**HOBOKEN MUNICIPAL HOSPITAL AUTHORITY  
BOARD OF DIRECTORS  
SPECIAL MEETING MINUTES**

**LOCATION:** Hoboken University Medical Center, Hoboken, NJ (Assumption Hall)

**DATE/TIME:** Thursday, April 22, 2010 – 6:00 p.m.

**PRESENT:** Annette Tomarazzo, Chair  
E. Norman Wilson, Vice Chair  
Tejal Desai  
Joseph M. Kozel, MD  
Kevin Kramer  
Eric Kurta  
Jonathan Metsch, *as Proxy for Mayor Zimmer*  
Steven Rofsky

**EXCUSED:** Alfred O. Fayemi, MD  
Spiros Hatiras  
Susan Torry  
Mayor Dawn Zimmer

**ALSO PRESENT:** Andrew Aronson, Esq., Gluck Walrath, LLP (*via teleconference*)  
George Crimmins, Executive Director  
Stephen Fillebrown, NJHCFFA (*via teleconference*)

<u>ITEM</u>	<u>DISCUSSION</u>	<u>ACTION/FOLLOW-UP</u>
<b>CALL TO ORDER</b>	Chair Tomarazzo called the meeting to order at 6:00 p.m.	
<b>OPEN PUBLIC MEETINGS ACT</b>	All notice requirements under the Open Public Meetings Act have been satisfied by having a copy of the special meeting agenda published in the Star Ledger and the Jersey Journal, and by having a copy of the Agenda posted on the bulletin board in the Hoboken City Clerk's Office and on the HMHA website.	N/A
<b>FLAG SALUTE</b>	Members and guests rose to salute the American Flag.	
<b>ROLL CALL</b>	Roll call was taken. Commissioners Fayemi, Hatiras, and Torry are excused. Quorum of Commissioners is present. In Commissioner Torry's absence, Stephen Fillebrown, Director of NJHCFFA, participated in the meeting via telephone.	
<b>CLOSED EXECUTIVE SESSION</b>	Commissioner Kramer requested to move into Executive Session. Resolution to move into Closed Executive Session at 6:02p.m. to discuss contractual matters that fall under NJSA-10:4-12-B8 was presented. Motion was made by Commissioner Kramer, seconded by Commissioner Metsch. Vote was taken (8-0-0).	<i>Approved.</i>

<u>ITEM</u>	<u>DISCUSSION</u>	<u>ACTION/FOLLOW-UP</u>
(cont.)	Motion to come out of Executive Session and back into Open Session at 6:33p.m. was made by Chair Tomarazzo; seconded by Commissioner Metsch. Vote was taken (8-0-0)	<i>Approved.</i>
2 <sup>ND</sup> ROLL CALL	All Commissioners were present.	
SPECIAL COUNSEL	<p>During Closed Session, the Authority discussed the negotiated terms of the contract with Lowenstein Sandler, PC. Those terms will now be discussed during Open Session.</p> <p>Resolution appointing the firm of Lowenstein Sandler, PC as Special Counsel was presented for approval with the following amendments: Page 1 - Heading: correct spelling <i>LOWENSTEIN</i>; 3<sup>rd</sup> page – CERTIFICATION OF AVAILABLE FUNDS: the language is stricken and replaced with ... <i>The Authority represents that it has and will have sufficient funds available in its budget to pay the consideration to the firm for the services to be rendered by the firm to this Authority.</i> Motion to approve the Resolution as amended was made by Commissioner Rotisky, seconded by Commissioner Kurta. Public Comments followed.</p> <p>Alicia Caper, JNESO representative. Expressed that the JNESO members agree that outside help is necessary to identify opportunities concerning the financial crisis. However concerning the cost of \$350K, it is hard for people to hear that money is being spent when they gave up 10%.</p> <p>Troy Griffith, hospital employee and 1199J representative, said the 1199J contract expires 6/30/10 and they will be undergoing negotiations. At this point the members can use the \$350K to survive as they have already given up 10%. He noted that without the staff, there would be no hospital and no Authority. Many of the members live on a check by check basis and giving up 10% was hard but it was done to keep the hospital open, and now the Authority is spending \$350K. He asked what the Authority is giving back to the staff.</p> <p>Chair Tomarazzo said she would welcome an opportunity to meet with JNESO and 1199J representatives because it is important that they hear what the Authority's objectives are; she will make herself flexible for a meeting as permitted by her regular work schedule. She added that this hospital is in a time crisis from a fiscal perspective. It has a long stellar history of providing absolute outstanding service to this community and she is 100% committed to the town, the Authority and the hospital employees. Hospital Administration and the Authority will be meeting with Navigant Consulting tomorrow to discuss why of all the other hospital that received Stabilization funds, this hospital should come out on top. There is a tremendous fiscal problem right know and the fear is that the State will be so extreme and a detrimental action would happen that would be more than 10%. We are on the road to redemption and we need to help the hospital; \$350K is the budget for this but not one penny will be spent. The Resolution allows the Authority to spend that money as they see fit through Oct. 31, 2010 in order to retain all the professionals necessary to reach a common goal which is to identify what are the best strategic opportunities for HobokenUMC. Payments will be made on a monthly basis through an authorization for claims and it is a completely open and transparent process of what we are paying for and what the results are going to be. The Authority went through a vetted process with much time spent before selecting this special counsel who will help to determine the best way to get the right strategy to keep this place open.</p>	

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(cont.)	<p>Commissioner Metsch said the commissioners are all volunteers who did not volunteer to be on a hospital board that is going to fail. The City took over and the plan was to privatize the hospital and not keep it for the long term. The hospital budget and number of employees is bigger than the parent. Charity care and stabilization and health care all get reallocated after 7/1/10. Navigant Consulting report comes out 6/1/10. The biggest challenge is that we have three months to have a credible plan to privatize the hospital in the public by 7/1/10 so that we are properly supported by the state budget, and that we can make it on our own. We are not squandering the funds and every appropriation along the way needs to come before the Authority for approval. Commissioner Desai said the 10% the employees gave up was distributed across the \$140M expense budget. The reason this agreement gets so much attention is because the Authority is contracting with themselves. The Authority meetings are public and the public is aware of everything that is approved.</p> <p>Commissioner Kozel said the Chair made a statement of for profit and the idea is that we can have future negotiations with unions in the next couple of years. Chair Tomarazzo responded that both for profit and not for profit will be considered and Commissioner Metsch added that we want a firm that will get a fair number of interested parties so that there is competition and we have some leverage.</p> <p>Troy Griffith, hospital employee and 1199J representative said we have not seen this in the previous Authority and all hospital employees will be affected by it.</p> <p>Commissioner Kurta said when the Commissioners listened to the five firms proposals, they agreed on Lowenstein Sandler not because of what they said in terms of their approach, but also because of their sensitivity about the hospital's financial situation and their declaration that they will do whatever possible to control costs. He thinks we will be doing the best in terms of not spending as much money.</p> <p>Vote on the Resolution was taken (8-0-0)</p>	<p><i>Approved.</i></p> <p><i>Approved. Meeting ended</i></p>
<b>APPROJOURNMENT</b>	<p>There being no further business motion was made and seconded to adjourn at 6:54p.m. Vote was taken (8-0-0).</p>	

Respectfully submitted

  
Soanet Kelly  
Hoboken Municipal Hospital Authority  
Board of Directors