

**MEETING OF THE RUSK COUNTY
BOARD OF SUPERVISORS
FEBRUARY 6, 2018
7:00 P.M.**

Meeting called to order by Chair Pete Boss at 7:00 p.m.

Roll Call. Present – 12. Excused – 7. Present: Rathsack, Knops, Stout, Lieffring, Swoverland, Pedersen, Schneider, Gierke, Fisher, Mai, Willingham, Boss. Corporation Counsel, Richard Summerfield. Excused: Biller, Hauser, Tatur, Schmitt, Hanson, Hraban, Platteter.

Invocation by David Willingham of Island Lake Church of Christ.

Pledge of Allegiance led by Peter Boss.

PUBLIC COMMENT

Patrick Board, Regional VP of Operations Marshfield Clinic Health System, commented on the shared history of RCMH and Marshfield Clinic, the shared vision for the future and encouraged supervisors to vote yes tonight to move forward in this partnership.

Jeff Euclide, CEO, Rusk County Memorial Hospital, thanked all who have put in the work to get to this point and the dedication to keeping local, high quality care well into the future as a critical access hospital.

Dr. Richard Rapp, Prevea, expressed support for the sale of RCMH, desire for this to succeed to provide the needed care to the community, support of open practice included in the agreements that were put forth.

Gordy Dukerschein, President RCMH Board of Trustees, gave brief history of journey to this point and the need for the hospital as it is a key part of the future of the residents of Rusk County, asked for support of supervisors.

RESOLUTION #18-3 APPROVE ASSET PURCHASE AGREEMENT, OPERATING AGREEMENT AND LEASES BETWEEN COUNTY AND MCHS HOSPITALS, LLC

WHEREAS, Rusk County owns and operates a critical access acute care hospital in Ladysmith, Wisconsin known as "Rusk County Memorial Hospital" (the "Hospital"), and in connection with the Hospital operates medical clinics known as the "Clinics at Rusk" and the "Rusk County Memorial Hospital Clinic" (collectively the "Clinics and together with the Hospital, the "RCMH Business");

WHEREAS Rusk County determined that it is in the best interest of the public to sell the RCMH Business, provided that a purchaser would construct a new hospital facility, enter into an appropriate lease with the County, and meet other financial, operational and community needs of the public;

WHEREAS Rusk County through Stroudwater Associates published a Request for Proposals seeking interest in purchasing the RCMH Business and advertising same for bids;

WHEREAS MCHS Hospital, Inc., a/k/a Marshfield Clinic Health Systems ("MCHS") expressed interest in purchasing the RCMH Business;

WHEREAS Rusk County and MCHS entered into a nonbinding Letter of Intent, dated August 8, 2017, which was approved by the County Board on August 15, 2017;

WHEREAS, since that time Rusk County, through County Board Chair Peter Boss, authorized by the County Board and advised by counsel, and MCHS have been negotiating the terms of various agreements necessary to accomplish the sale of the RCMH Business to MCHS;

WHEREAS, Rusk County through County Board Chair Boss has determined the terms and conditions upon which it may sell the RCMS Business to MCHS;

WHEREAS, those terms and conditions include (1) an Asset Purchase Agreement, wherein MCHS purchases assets (but not land) from Rusk County ("Asset Purchase Agreement"); (2) an Operating Agreement which sets out certain understandings and agreement relating to MCHS' operation of the RCMH Business, including the creation of a Local Advisory Board, and the construction of a Replacement Facility within five years ("Operating Agreement"), and (3) a Lease between Rusk County and MCHS for a period of five years ("Lease");

WHEREAS, all those terms and condition have been made public;

WHEREAS, the County Board has had the opportunity to deliberate in public regarding the terms and conditions set forth in the (1) Asset Purchase Agreement, (2) Operating Agreement, and (3) Lease;

SO, NOW, THEREFORE, BE IT RESOLVED

That the Rusk County Board of Supervisors hereby approves the Asset Purchase Agreement, a copy of which is attached to this resolution, and authorizes and directs the Rusk County Board Chair to sign such document and the Clerk shall also sign and seal those documents as called for by Wis. Stats. §59.06(2), all after receipt of confirmation of approval to the terms from MCHS;

BE IT FURTHER RESOLVED

That the Rusk County Board of Supervisors hereby approves the Operating Agreement, a copy of which is attached to this resolution, and authorizes and directs the Rusk County Board Chair to sign such document and the Clerk shall also sign and seal those documents as called for by Wis. Stats. §59.06(2), all after receipt of confirmation of approval to the terms from MCHS;

BE IT FURTHER RESOLVED

That the Rusk County Board of Supervisors hereby approves the Lease, a copy of which is attached to this resolution, and authorizes and directs the Rusk County Board Chair to sign such document and the Clerk shall also sign and seal those documents as called for by Wis. Stats. §59.06(2), all after receipt of confirmation of approval to the terms from MCHS;

AND BE IT FINALLY RESOLVED

That the Rusk County Board Chair is authorized and directed to execute such other ancillary documents as our required to accomplish the transactions set forth in the Asset Purchase Agreement, Operating Agreement and Lease, on terms substantially set forth herein, and the Clerk shall also sign and seal those documents as called for by Wis. Stats. §59.06(2).

All of which is respectfully submitted this ___ day of February, 2018

Submitted by Chair Boss:

Motion by Fisher, second by Lieffring to adopt. Discussion regarding critical access language in operating agreement, clarification of critical access hospital designation by Jeff Euclide. Discussion on closing date listed of February 2019, Summerfield explained that date is not concrete and it should be finalized well before then. Discussion regarding the monetary amount that would be lost if critical access designation was lost. David Kuehn, CFO, Rusk County Memorial Hospital, provided clarification of the reimbursement rate the critical access designation allows. Willingham call for roll call vote. Roll call. Voting yes-8. Voting no-3. Voting yes: Mai, Stout, Lieffring, Swoverland, Pedersen, Schneider, Gierke, Fisher. Voting no: Willingham, Rathsack, Knops. Resolution adopted by roll call vote.

Boss made comments regarding the process and the decisions that have been made up to this point, thanked Ted East for his work, special thank you to Corporation Counsel, Richard Summerfield for the hours spent representing the best interests of Rusk County.

Willingham made comments regarding difficulty of process and thanked colleagues on board for the manner in which everyone has presented their ideas in this process and shared the hope that all will do all they can for the success of this endeavor.

ADJOURNMENT

Lieffring to adjourn. Meeting adjourned at 7:30 p.m.

Next meeting February 27, 2017 at 7:00 p.m.