

NACOGDOCHES COUNTY HOSPITAL DISTRICT  
SPECIAL BOARD MEETING  
ON MONDAY, AUGUST 7, 2023 @ 5:15 P.M.  
EARL ELLIOTT MEDICAL COMPLEX  
1018 NORTH MOUND STREET, SUITE 105  
EXECUTIVE CONFERENCE ROOM

MINUTES

**BOARD IN ATTENDANCE:**

Lisa King, President  
Sean Hightower, Vice-President  
Fred Groover, M.D., Secretary  
John McLaren  
Wesley R. McKnight  
Justin Sowell  
David Schaffer

**ALSO IN ATTENDANCE:**

Lynn Lindsey, NCHD Administrator  
Rhonda McCabe, CAO  
Debra Williamson, Legal Counsel via web  
Wade Blake, EMT-P, EMS Manager  
Ella Nobles, NCHD Operations Manager

- I. **Call to Order:** Lisa King President called the meeting to order @ 5:18 p.m.
- II. **Citizens Communications:**
  - Brandy Boyd and Amelia Commander signed into speak on behalf of the Lion Star Nacogdoches Hospital, LLC. Ms. Boyd shared updates on the audit opinion, refusal by the District Administrator to continue bi-weekly calls, Due to Due from account, noted the district hired employees from Lion Star Memorial, LLC and capital commitment.
  - Amelia Commander signed into speak, but declined her opportunity.
  - Lisa King acknowledged Jerry Baker, Legal Counsel, for his dedicated services and commitment to the Nacogdoches County Hospital District 2016-2023.
  - Lisa King read a personal statement: "Be it known that this statement is mine and mine alone and is not the result of any coercion or subterfuge on the part of any person.

As a member of the executive committee of the Board of Directors, I along with two other members of the committee spent countless hours with legal counsel developing the Asset Purchase Agreement (APA) and the Hospital Facility Lease Agreement. We had multiple board meetings to come to an agreement prior to its adoption with Lion Star. Concessions were made by each party and the spirit of the contract were for Lion Star to be successful in their operation of Memorial Hospital. This required a cooperative arrangement from both parties for future success. Unfortunately, that spirit of cooperation has not been reciprocated by Lion Star over the last several months. Lynn Lindsey, the Administrator of the Hospital District, has made repeated requests for four major items listed in the APA, Lease and Sublease Agreements with no response from Lion Star.

The Hospital District Board of Directors has the responsibility of overseeing any and all monies relating to the indigent-charity care of individuals living in Nacogdoches County. This includes the rent for Lion Star leasing Memorial Hospital.

I am personally disappointed that we have gotten to this point in our agreement. This situation must be resolved so the District can assure that Lion Star is completing their obligations.

We owe it to the patients, employees, physicians and tax payors of Nacogdoches to resolve this!" (Copy attached)

**III. Action and Purchase Request:**


- A. Discuss and authorize issuance of Notice of Default to Lion Star Nacogdoches Hospital, LLC of the Hospital Asset Purchase Agreement, Hospital Facility Lease Agreement, and Sublease Agreements - Lisa King: Motion made by Sean Hightower to take item III. A. to Executive Session. Motion seconded by Fred Groover. Motion carried.**

**IV. CONVENE TO EXECUTIVE SESSION FOR THE FOLLOWING: Special Board meeting retired to Executive Session at 5:28 p.m. with the following:**

- Consultation with Legal Counsel Regarding Pending or Contemplated Litigation under Tex. Govt. Code §551.071
- Deliberate the Appointment, Employment and Duties of an Employee under Tex. Govt. Code §551.074
- Deliberation of the provision of healthcare services under Tex. Govt. §Code 551.085

**Returned to Open Session @ 6:08 p.m. with Item III. A. Motion made by Sean Hightower to issue default notice to the Lion Star Nacogdoches Hospital, LLC of the Hospital Asset Purchase Agreement, Hospital Facility Lease Agreement, and Sublease Agreements. Motion seconded by Fred Groover. Motion carried.**

**V. Adjourned @ 6:09 p.m.**

  
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Lisa King, President

  
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Fred Groover, Secretary