

**MINUTES OF THE SPECIAL MEETING  
MASSILLON CITY COUNCIL  
HELD MONDAY, FEBRUARY 1, 2018  
7:30 p.m.**

**COUNCIL PRESIDENT ISTNICK** – This meeting will come to order. This Special Meeting was called by the Administration for the purpose to discuss and possibly pass Ord. No. 11 – 2018. Madam Clerk, roll call.

**1. ROLL CALL**

Roll call for the evening found the following Council Members present: Milan Chovan, Jill Creamer, Sarita Cunningham, Michael Gregg, Dave Irwin, Ed Lewis, Linda Litman, Paul Manson and Megan Starrett

Roll call of 9 present

**COUNCIL PRESIDENT ISTNICK** – Thank you, Madam Clerk. We will move into the Ordinances.

**ORDINANCE NO. 11 – 2018**

**BY: COMMITTEE OF WHOLE**

**AN ORDINANCE** authorizing the Mayor to accept a proposed settlement agreement from DHSC, LLC dba Affinity Medical Center, and declaring an emergency.

**COUNCIL PRESIDENT ISTNICK** – Councilman Manson.

**COUNCILMAN MANSON** – Yes, Madam President. I would like to move that we go into Executive Session and discuss some of the legal details of this agreement.

**COUNCIL PRESIDENT ISTNICK** – Seconded by Councilman Chovan. Roll call.

9 yes to enter into Executive Session – 7:35 p.m.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Madam Clerk.

**COUNCIL PRESIDENT ISTNICK** – Could I please have a motion to exit Executive Session.

**COUNCILMAN MANSON** – I so move.

**COUNCIL PRESIDENT ISTNICK** – Seconded by Milan Chovan. Roll call.

9 yes to exit Executive Session.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Madam Clerk. We are now back into our Special Meeting. Councilman Manson.

**COUNCILMAN MANSON** – Yes. I would like to make a motion that we amend Ord. No. 11 – 2018 that we were presented initially and I'd like ask that you call the Law Director up to explain the changes she would like to make to this ordinance.

**COUNCIL PRESIDENT ISTNICK** – Ms. Scassa.

**ANDREA SCASSA** – Thank you, Councilman Manson. The ordinance that you received last night under Section 1 stated "The City of Massillon hereby accepts the proposed settlement agreement from DHSC, LLC dba Affinity Medical Center, and authorizes the Mayor to execute the necessary documents with regard to the proposed settlement agreement...". Due to the fact that the actual terms of the settlement agreement were not finalized until this morning at the court hearing in Common Pleas Court, I did not add the specific terms to this ordinance. If the amendment passes, Section 1 will also include the to the end of the sentence "...with regard to the Stark County Court of Common Pleas Case Number 2018CV00096. Section 2, and I will get copies to all of you so you don't have to write all of this down, but Section 2 will include language from the terms of the settlement agreement that reflects that the real estate transfer from DHSC, LLC for all of the real estate to the City of Massillon for \$1.00 and then Section 3 contains the provision of all of the real property lease obligations of DHSC, LLC and its affiliates will be assumed by the City of Massillon as well as equipment lease obligations will be assumed from the City of Massillon. Mr. Manson, I know, generally, the amendments are read verbatim into the record. I don't know if you want to do that or if you'd like to do that?

**COUNCILMAN MANSON** – Go ahead.

**ANDREA SCASSA** – Okay. Section 2 will be amended to read " DHSC, LLC dba Affinity Medical Center will transfer to the City of Massillon, and the City will accept from DHSC, LLC dba Affinity Medical Center, (i) the "real property" owned in connection with DHSC, LLC's operation of Affinity Medical Center in Massillon, Ohio, by quit claim deed, and (ii) all of the furniture, fixtures and attached medical equipment at the Hospital's main building in Massillon (including, but not limited to, all patient beds, patient and waiting room furniture, x-ray, CT, MRI, cath lab, operating room tables, nurse call system and phone system) and all other items of equipment other than certain portable medical equipment with may include mobile x-rays, C-arms, ultrasound machines and patient monitoring equipment, a complete list of which will be provided to the City by the close of business on February 5, 2018, on an "AS IS, WHERE IS" basis and with no representations or warranties, except that the conveyance of the real estate is free of all liens and encumbrances, in exchange for the payment of \$1.00 from the City of Massillon to DHSC, LLC" and that will conclude Section 2. Amended Section 3 will read "That the City of Massillon assumes (I) all real property lease obligations of DHSC, LLC and its affiliates in Massillon and surrounding areas that remain following the transition of physician clinic operations and (II) equipment lease obligations for equipment which remains at the Hospital following the decommissioning process and the transition of physician clinics". Section 4 will then become the paragraph that is normally included regarding typographical errors and Section 5 contains the emergency language. I have give a copy of this to Diane so she doesn't have to write it down.

**COUNCIL PRESIDENT ISTNICK** – Are there any questions for Ms. Scassa? Mr. Manson made a motion to amend, seconded by Councilwoman Starrett. Roll call for the amendment.

9 yes to amend Ord. No. 11 – 2018 as stated by Law Director Andrea Scassa

**COUNCIL PRESIDENT ISTNICK** – Thank you, Madam Clerk. The amendment has been approved. I know there's a lot of people in the audience and usually at Special Meetings, the public does not have any opportunity to speak. What I'd like to do right now just for quick show so that Council can see, if you're in favor of this would you please stand. (Entire audience stood). Councilman Manson, would you want to do the vote on the ordinance now and then if anybody wants to speak, would you like Mr. Plakas to come up?

**COUNCILMAN MANSON** – I think we'd better have Mr. Plakas come up.

**COUNCIL PRESIDENT ISTNICK** – Mr. Plakas, if you could come up. Thank you.

**LEE PLAKAS** – Thank you. Good evening ladies and gentlemen. It's been our honor to represent Massillon and Western Stark County. The purpose and the backdrop of our engagement is that we recognize the proud history and tradition of Massillon, it's citizens and all of Western Stark County. Part of that proud history and tradition is having a local hospital and local healthcare which helps to promote health and safety and welfare of this community. We have reached a tentative proposal after weeks of hard bargaining and litigation practices as of this morning and the proposal we believe enables this community, it's community leaders and it's foundations to have the opportunity to control your own destiny rather than your destiny being controlled in terms of local healthcare by out-of-state entities. We believe that the proposal that we will outline for you, gives this community a substantial base to continue the proud tradition of a hospital and local healthcare services. The centerpiece of this proposed resolution is that the City of Massillon will receive unencumbered real estate assets of more than \$25,000,000.00 based upon the most recent 2017 appraisal by the Stark County Auditor's office. Specifically, the number is \$25,875,800.00 in terms of the market value on the tax rolls of the real estate assets that this community will be receiving. In addition to those real estate assets, this proposal includes an additional amount for the equipment that is presently in the hospital which includes such major pieces of equipment such as MRI's, CAT scan, x-ray facilities, etc. We believe that this proposal gives your leadership, gives City Council and the City Administration, the ability to work for the best interest of this community. Not only city residents, but everyone in Western Stark County. We believe that the options it creates by you having unencumbered over \$25,000,000.00 and closer to \$30,000,000.00 of assets. We believe that it provides several opportunities including, but not limited, the ability to own and operate a city or community owned hospital including, but not limited, the ability to have the employees gather and create an employed owned hospital. You've heard of ESOP's. That's an Employee Stock Ownership Plan. Including, but not limited to, the ability to attract other healthcare systems to have a joint venture for the operation of the hospital. Further including the ability to attract a healthcare system or professional managers to actually operate this hospital and finally, increasing the opportunity to, if the deal is right, to be able to sell the hospital, outright, to an appropriate purchaser. The odds being increased because no longer does the purchaser have to climb over the hurdle of having to pay for \$25,000,000.00 or

\$30,000,000.00 worth of assets because if you've received those assets for \$1.00, you're much more flexible on the purchase price. The transaction has happened quickly. It happened the face of litigation and a TRO (temporary restraining order) which is set to expire tomorrow morning. That's the reason why we're working at warp speed and that's the reason why this community, especially the City Council, has to be able to exercise their best judgement, their best projections, to determine what the upside potential for this proposed deal is as opposed to the downside risks. We know that if we do nothing, we know that as of February 11, 2018, the hospital will be closed and will be emptied. We know that if we do nothing as March 6, 2018, the doctors offices and clinics will be decommissioned. So, even though we're working at warp speed, the City Council's evaluating that upside potential versus the downside risk. That's your decision; City Council's decision. If they make that decision, they're going to have to have the energy, the support, the talent, of this entire community to be able to move forward and reinvigorate local healthcare in Massillon and Western Stark County. There's a lot of details and subject to the desire of Council, David Dingwell who along with myself and Atty. Collin Wise, from our office, for the last several weeks have been working on this. Is it the Council's desire that Mr. Dingwell give more detail than that general opening summary? Okay, thank you.

**COUNCIL PRESIDENT ISTNICK** – I would like to say that we were in Executive Session for a lengthy period of time and the majority of that is because your council people that serve you here in Massillon were asking very, very detailed questions. Sadly, some of them couldn't be answered because of time restraints. They just don't have all the information yet. As we vote on this, Council is voting their conscience of what they think is the best move for Massillon, not having all the details. Having said that, Councilman Manson.

**COUNCILMAN MANSON** – I'd like to make a motion that we waive the rule requiring three separate readings and bring amended Ord. No. 11 – 2018 forward for passage.

**COUNCIL PRESIDENT ISTNICK** – Seconded by Councilwoman Litman. Roll call for suspension.

9 yes for suspension

**COUNCIL PRESIDENT ISTNICK** – And for passage.

9 yes for passage

**COUNCIL PRESIDENT ISTNICK** – Thank you, Madam Clerk. Ord. No. 11 – 2018 has passed. At this time, I would like to invite anybody that would like to come up and speak. I know there's a lot of people. I would please ask that you limit your remarks to three minutes and that you do not repeat something that someone has said. That way more people can have an opportunity to speak. If you wish to do so, please come forward and sign your name and address on the sign-in sheet. I don't think you need to tell us what you wish to talk about. So, if anybody would like to come forward at this time, please feel free.

**STEPHANIE STILL** – Mayor and City Council. I'm a nurse at Affinity Medical Center. A member of National Nurses United and a resident of Massillon. Today's announcement of a potential settlement between Quorum Hospital Corp. and the City of Massillon presents an important opportunity for this community to determine what the future of healthcare in Massillon and Stark County will look like. As nurses, we have a vision for what the future of healthcare can be. We know that when citizens have control and oversight that there is health security. We know that when anchor institutions such hospitals are democratically run, the benefits of the community can reach far beyond the walls of a hospital. Now we have an opportunity to take back our health and make healthcare work to benefit all of us. In order for our community to be successful, we need total transparency and inclusion of all stakeholders. The community, employees, patients, doctors, our nurses and our union representatives. We need to plan together and develop solutions for our next steps. What will happen on February 11<sup>th</sup> if the hospital closes? What is the plan for reopening it? How will we guarantee that the future of our healthcare includes a full-serviced hospital? How will we guarantee citizen control of our hospital? How will we work together to determine which potential operators or an operating plan as aligned with our community's values and goals? These are just some of the questions that we need to discuss together. Additionally, while we respect all of the efforts and hard work that has gone into getting us this far, we need to engage in a democratic process before a vote can be made by Council. The proposed settlement needs to be made public immediately. The community must have a voice in future decisions that will affect all of our lives tremendously. We all know that this hospital only has value as a hospital. That is why we ask you to join us at a community forum hosted by nurses this Saturday at 1:00 p.m. at the I.B.W. Local #540 Union Hall here in Massillon to allow for community discussion and input. We are really pleased at this victory, but there's still a lot of work that we need to do together. Thank you.

**COUNCIL PRESIDENT ISTNICK** – Stephanie, did you sign the paper?

**STEPANIE STILL** – I did not.

**COUNCIL PRESIDENT ISTNICK** – Thank you. Is there anyone else that would like to come forward?

**HOWARD KEMP** – I'm a life resident of Massillon. I'm a retired 45 yr. member from Affinity from Massillon City, from all through the ages and now a proud volunteer of 11 yrs. and hope to be there as a volunteer 11 more years. I would like to thank the Mayor and the Council for taking the time to review all of the information and will respect the decision that Massillon definitely needs a full-service hospital that can be here for the community. We have many aging in our community, including myself. I have had many procedures done at the hospital. I've used the emergency room as all my family. So, I thank you for making a very intelligent decision. Thank you.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Howard.

**JEFF THORNBERRY** – I'm a lifetime resident of Massillon. Mayor Catazaro-Perry, Council President, Council Members, I too want to thank you for all of your hard work and all the other

elected officials that have assisted us. Mr. West is here tonight and I know there were a number of others. I was born in Massillon City Hospital; my children were born at Massillon City Hospital. They have done many things to keep all of us alive ever since. My parents unfortunately passed away there, but they were kept alive there many times too. The Pocock family knew what there were doing a 100 and something years ago when they established a hospital here in Massillon and they established it to be a non-profit hospital. When in a difficult situation, we had to change our deed and were bought out by a for-profit entity. I was worried ever since because nobody cares about Massillonians unless you're a Massillonian. You care about money; I understand it's a business, but I cannot fathom the thought of Massillon, Ohio, being without their own hospital. I'm an old guy. If I go down, by the time you drag me to Canton, I'm a dead man. It's so vital to 800 and some of our wonderful doctors and nurses and aides and so forth and so on. It's vital to our economy. But it's vital to be a complete city to have our own hospital. My mother and father were raised in Barnesville, Ohio, a little dinky town; they have their own hospital and it finds a way to make enough money to keep the doors open. I would think there's enough intelligent individuals in this room that can find some intelligent individuals to run a hospital for us. We need our own hospital and I thank you very much for your consideration in allowing me to speak this evening.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Jeff.

**DAVE WAIKEM** – Born and raised in Massillon, seems to be a common thing and I really do appreciate the way this has come together. I'm kind of looking at it a little bit differently. More of a business side and that's the business of taking care of people. We've got communities west of us and southwest of us that we also have to consider and that's as far as North Lawrence, down to Sugarcreek, all of Navarre, all of those areas that would not possibly be able to be served by the two other hospitals that are located in Canton. Being a business man, I'm not a big fan of government intervention. I like the free enterprise, I like the free market, but there are definitely times when government has to step in and say "This just ain't right" and I'm just going to tell you that now is the time when the government steps in and says "This just ain't right", so, that's all I'm going to say.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Dave. Anyone else?

**ED GRIER** – 227 Dwight Ave. S. E., Massillon. I was born and raised here, lived here all of my life outside of the time in the Air Force and Kent State, I've been here. Been a Massillonian true and true through the years. Volunteered on a lot of different committees and still do that because I love Massillon. We can't do without this hospital. People are dying everyday from the flu epidemic. The drugs, it's taking over people; they're dying everyday from drugs. We have to have this hospital. So, I just want to thank the Mayor and want to thank the action that Council did here this evening to get the rolling because we need this hospital. If you have to go to Canton, not minutes but seconds count, if you got a heart attack. It'll take you eight to ten minutes to get to Aultman Hospital, you know, people dying in the process. So, whatever we can do as a community, we need to do it to keep this hospital going.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Ed. Is there anyone else that would like to come forward? I'd like to thank you all for coming out tonight. We really appreciate it. We appreciate you staying until after our session. Come on up.

**DAVID BESSET** – I graduated from Massillon and I had Mrs. Istnick as a teacher, actually, in school. Left here, my wife and kids followed me for ten years when I was in the Marine Corps. and when I got out, I had two bachelor degrees and go anywhere in the world and I decided to come back here. I was a little despaired when we came back. Seeing how the roads have deteriorated. Two of my sons went to Whittier for a certain time and now they're up at the junior high school. However, our schools are deteriorating, the elementary and what not. We can't fix the schools. We can't fix the roads. How are we going to run a hospital? How are we going to come up with the money, as a community to run a hospital? I work for a competitive hospital over in Canton. I'm not here because of that. I am an assistant administrator. I work in the IT Dept. I know for a fact, Quorum has their data center with all their servers and millions of dollars in gear in Tennessee. That's not located in that hospital. When you do charting on patients, is it on the computer? When you do registration, billing, admitting, diagnosis; it's all on computers. That all runs on a server form. There is no server form in that hospital. It's going to take anywhere from probably eight months to a year to build the IT capacity to meet standards between PHI, DSS, the payment card industry standards. It's going to take time. It's going to take about, my estimate, probably six to eight million dollars to build the IT structure, alone in order to run that hospital. So, if we're going to go through this as a community, we need to pull together. Like two years ago when they said, Ohio said "Hey, we'll give you \$35 million dollars if you raise \$30 million dollars to build new schools". Kids are getting called off school because it's too hot in the summer time for them to be in school. There's not enough electrical outlets to run fans in my six-year old's classroom. But yet, we're going to run a hospital. So, if we're going to go into this as a community, we need to come together as a community and go into this wholeheartedly. Especially since we do need this hospital here. That's all I have to say.

**COUNCIL PRESIDENT ISTNICK** – Thank you, Dave. Is there anyone else that would like to come forward? Meeting adjourned.