

STARKE COUNTY JOINT BOARD OF COMMISSIONERS AND COUNTY COUNCIL MEETING MINUTES

Date: March 27, 2026 Location: Starke County Government Building Time:

The Starke County Board of Commissioners and the Starke County Council convened in a joint session on March 27, 2026. This session was called to deliberate and take official action regarding the second amendment to the lease agreement for Starke County Memorial Hospital. The proceedings were held to address the county's healthcare infrastructure and ensure the continuity of hospital operations.

Call to Order and Attendance

The meeting was called to order, followed by the recitation of the Pledge of Allegiance.

Attendance

- **Present (Commissioners):** Mike VanDeMark (President), Charlie Chesak (Vice-President), Don Binkley (Member), Michaelene J Houston (Auditor and Secretary).
- **Present (Council):** Dave Pearman via Zoom (Vice-President), Kay Gudeman, Howard Bailey, Todd Leinbach, Bruce Bennett.
- **Also Present:** Mr. DeMartino (Attorney, via zoom), Kathy Norem (Hospital Board Representative).
- **Absent:** Bill Crase (President) and Cassandra Hine.

The County Council transitioned to the appointment of a presiding officer for the Council's part in the joint session.

I. APPOINTMENT OF PRESIDENT PRO TEMPORE

To ensure the procedural legality of the joint session in the absence of a designated permanent chair for the County Council, they moved to appoint a President Pro Tempore. This action formalizes the leadership required to validate the meeting's legislative output.

- **MOTION:** Kay Gudeman moved to appoint Todd Leinbach as President Pro Tempore to preside on behalf of the County Council over the session, seconded by Bruce Bennett.
- **RESULT:** Passed unanimously.

With leadership established for the County Council, the Mike VanDeMark, Commissioner President, brought forward the primary business concerning the hospital lease.

II. SECOND AMENDMENT TO LEASE AGREEMENT – STARKE COUNTY MEMORIAL HOSPITAL

The Boards reviewed the Second Amendment to the lease agreement for Starke County Memorial Hospital. The discussion focused on a strategic transition from a 10-year lease term to a 5-year term, including updated financial obligations and service provisions to align with current county budgetary requirements.

Summary of Lease Provisions:

- **Term Length:** The lease term is reduced from a 10-year term to a 5-year term.
- **Financials:** A 25% rent increase was established, totaling approximately \$699,675 per year.
- **Payment Schedule:** The agreement specifies four quarterly payments of \$24,918.74 (sic), due on the first day of each calendar quarter.
- **Negotiation Rights:** The County maintains the right to negotiate with third parties or the current lessee between 12 and 18 months prior to the expiration of the lease term.
- **Service Exclusions:** Removal of Obstetrics (OB/Labor and Delivery) and Level 2 Emergency/Trauma services from the list of requirements subject to super-majority rights.

Official Action:

- **COMMISSIONER MOTION:** Don Binkley moved to approve the new lease program, seconded by Charles Chesak.
- **RESULT:** Passed (3-0).
- **COUNCIL MOTION:** Bruce Bennett moved to approve the lease as presented, seconded by Kay Gudeman.
- **RESULT:** Passed unanimously.

The Boards noted the significance of the "18-month calendar" requirement, which provides a defined window for future healthcare provider negotiations.

III. APPROVAL OF SIDE LETTER REGARDING HOSPITAL SERVICES

The Boards considered a side letter to the lease agreement. This document serves as a legal clarification acknowledging the reduction of specific services, namely Obstetrics and Level 2 Trauma care, ensuring the lease remains an accurate reflection of current hospital operations.

- **COMMISSIONER MOTION:** Charlie Chesak moved to approve the side letter, seconded by Don Binkley.
- **RESULT:** Passed.

- **COUNCIL MOTION:** Kay Gudeman moved to approve the side letter, seconded by Bruce Bennett.
- **RESULT:** Passed unanimously.

The approval of this letter aligns the legal record with the actual service capabilities of the facility.

IV. 2025 COMMUNITY BENEFIT REPORT – NORTHWEST HEALTH STARKE

The 2025 Community Benefit Report for Northwest Health Starke was presented by Kathy Norem. The report detailed the facility’s economic impact and service metrics within the county.

Data Summary (2025):

- **Patient Volume:** 3,700 patient encounters.
- **Uncompensated Care:** \$2.4 million in care provided without reimbursement.
- **Capital Investment:** \$1.5 million in facility and equipment improvements.
- **Economic Impact:** \$8 million in annual payroll expenses.

The Boards reviewed these figures as part of the ongoing assessment of the hospital's role as a health and economic anchor for the community.

V. PUBLIC COMMENT AND ADJOURNMENT

The floor was opened for public comment to ensure transparency in the legislative process. No significant items were brought forth for the record following the conclusion of the lease deliberations.

- **MOTION:** Kay Gudeman moved to adjourn the meeting for the Council, seconded by Howard Bailey. Don Binkley moved to adjourn the meeting for the Commissioners seconded by Mike VanDeMark
- **RESULT:** Passed unanimously.

The session was adjourned upon completion of the scheduled business.

SIGNATURE BLOCK BOARD OF COMMISSIONERS

Mike VanDeMark, President

Charlie Chesak, Vice-President

Don Binkley, Member

STARKE COUNTY COUNCIL

Todd Leinbach (President Pro Tempore)

Kay Gudeman

Howard Bailey

Bruce Bennett

Dave Pearman (Via Zoom)

ATTEST:

Michaelene J Houston, Starke County Auditor and Secretary for both boards.