

- CALL TO ORDER The meeting was called to order at 12:00 noon. by Peter Watercott, President.
- PRESENT Peter Watercott, President
John Ungersma, M.D., Vice President
M.C. Hubbard, Secretary
Michael Phillips, Treasurer
D. Scott Clark, M.D., Director
- ALSO PRESENT John Halfen, Administrator
Douglas Buchanan, District Legal Counsel
Sandy Blumberg, Administration Secretary
- ABSENT Charlotte Helvie, M.D., Chief of Staff
- OPPORTUNITY FOR
PUBLIC COMMENT Mr. Watercott asked if any members of the public wished to comment on any items of interest and/or on any items listed on the agenda for this meeting. No comments were heard.
- POSSIBLE CHANGE OF
ARCHITECTS AND
HIRING OF A
CONSTRUCTION
ADMINISTRATOR
ARCHITECT Mr. Halfen opened discussion on management's dissatisfaction with the job performance of NTD Stichler Architects since the beginning of Phase I of the hospital rebuild project. Phase I involved the construction of two relatively simple buildings, yet the project experienced many costly delays due to design errors and modifications needed to Stichler's original design plans. Considering the difficulty of Phase II it is clear that Stichler is unlikely to provide services adequate for the successful completion of the next portion of the job. Mr. Halfen sited multiple design problems encountered during Phase I and noted the associated costs have been significant. He also noted that NTD has consumed most of its project budget prior to the start of Phase II. At this time hospital management and construction management both feel it is necessary to replace the existing architects with a design team better suited to complete the project in an efficient and cost-effective way. Continuing to engage NTD Stichler is likely to create significant liability and continued financial exposure for the Hospital. Turner Construction project manager Kathy Sherry spoke to the potential risks of staying with NTD Stichler, and confirmed that Turner management recommends termination of the Hospital's agreement with Stichler and the engagement of new architects to complete the remainder of the project.
- Mr. Halfen reported Turner has recommended hiring one of the following three architects for completion of the building project:
- RBB Architects, Inc.,
 - Stafford King Wiese Architects
 - Lionakis Corporation.

After meeting with representatives from each of these companies, Mr. Halfen considers RBB and Stafford King Weise to be the most appropriate architects for the project. He called attention to proposals submitted by both companies and distributed a spreadsheet detailing the costs associated with hiring each company. Following discussion and consideration of all factors involved, Mr. Halfen stated he favors the hiring of RBB Architects and sees them as being proactive, hard working, and possibly having the best ability to effectively deal with the Office of Statewide Healthcare Planning and Development (OSHDP). John Hawes with Turner Construction Company also reinforced Mr. Halfen's opinion that RBB Architects are likely to be the company best suited to successfully complete Phase II of the building project.

Discussion followed on the details of NTD Stichler's current contract with Northern Inyo Hospital (NIH) and the pros and cons of firing the existing architects 'for cause' versus 'without cause'. Following further discussion, Mr. Halfen requested Board approval to authorize termination of the Hospital's agreement with NTD Stichler Architects without cause, and to authorize hiring RBB Architects as Construction Administrator Architects for Phase II of the Hospital rebuild project. It was moved by D. Scott Clark, M.D., seconded by John Ungersma, M.D., and passed to approve termination of the Hospital's contract with NTD Stichler Architects, and the hiring of RBB Architects Inc. to be Construction Administrator Architects for Phase II of the hospital rebuild project.

CONSTRUCTION
PROJECT SUB-
CONTRACT RE-
BIDDING

Mr. Halfen informed the Board he has asked Turner Construction to go back to the subcontractors selected for Phase II of the building project and determine whether or not it is in the Hospital's best interest to re-bid some portions of the project. Ms. Sherry distributed a breakdown of the possible cost benefits associated with re-bidding, and noted Turner Construction has reduced their charges by \$700,000 in order to help cut the overall cost of the project. Following review of the potential cost savings of re-bidding it was moved by Michael Phillips, M.D., seconded by M.C. Hubbard, and passed to approve the recommended re-bidding of subcontractors for Phase II of the building project.

RATIFICATION OF
OFFER TO PURCHASE
PROPERTY AT
BARLOW LANE AND
HIGHWAY 395

Mr. Halfen asked for ratification of an offer to purchase a real property located at Barlow Lane and Highway 395, in Bishop, California, for an amount under the appraised value of 1.4 million dollars. The proposal for purchase allows for an initial payment of \$500,000 followed by annual payments of \$100,000 for six years; and includes incentives in the form of rental income and payment of 10% of any increased appraisal value of the property until December 31 2015. Following brief discussion it was moved by Doctor Phillips, seconded by Doctor Clark, and passed to ratify the offer to purchase the property located at Barlow Lane and Highway 395 as requested.

LAUNDRY SERVICES
FOR MAMMOTH
HOSPITAL

Mr. Halfen also asked for ratification of an offer to provide laundry services for Mammoth Hospital at a rate of \$1.49 per pound for dry, finished, folded and boxed (or crated/palletted) product. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to ratify the offer to process laundry for Mammoth Hospital as requested.

PURCHASE OF BIRCH
STREET PROPERTY

Mr. Halfen also asked for ratification of an offer to purchase a real property located at 2957 Birch Street, Bishop, California, at a cost of \$880,000. It was moved by Ms. Hubbard, seconded by Doctor Phillips, and passed to ratify the offer to purchase a real property located at 2957 Birch Street, Bishop, California as requested.

HIS PROFESSIONALS
PROPOSAL FOR
CONSULTING
SERVICES

Information Technology Director Adam Taylor referred to a proposal from HIS Professionals to provide consulting services to assist in the selection of a new Hospital Information System (HIS) for NIH. Mr. Taylor discussed the benefits of hiring a consulting firm to help choose the system best suited to meet the Hospital's needs now and into the future.

PLANNET PROPOSAL
FOR CONSULTING
SERVICES

Mr. Taylor also referred to a technology consulting services proposal for Voice/Data Communications with PlanNet Consulting. PlanNet's proposal would provide leadership in evaluating current network readiness for implementing a new voice system platform at NIH, and in the selection of the most appropriate equipment to purchase. It was moved by Doctor Phillips, seconded by Ms. Hubbard and passed to approve both agreements for consulting with HIS Professionals, Inc., and PlanNet Consulting as requested.

OPPORTUNITY FOR
PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if any member of the public wished to address the Board on any items of interest, and/or on any items listed on the agenda. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 1:03 p.m..

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary