



Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday April 21, 2010; 5:30pm

*Board Room
Northern Inyo Hospital*

DRAFT AGENDA
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING
April 21, 2010 at 5:30 P.M.
In the Board Room at Northern Inyo Hospital

1. Call to Order (at 5:30 P.M.).
2. Opportunity for members of the public to comment on any items on this Agenda.
3. Approval of minutes of the March 17 2010 regular meeting.
4. Financial and Statistical Reports for the month of February 2010; John Halfen.

5. Administrator's Report; John Halfen.
 - A. Building Update
 - B. Security Report
 - C. Bonds Update
 - D. Joint Commission response
 - E. Interpreter Kudos, Jose Garcia
 - F. Kitchen Inspection
 - G. Other
6. Chief of Staff Report – Charlotte Helvie M.D., Chief of Staff.
 - A. Medical Staff appointments and privileging (*action items*).
 - B. Policy and Procedure approvals (*action items*).
 - C. Other
7. Old Business
 - A. Inyo County Conflict of Interest Code, requirement to review, amend, or report (*action item*).
 - B. Updated District Bylaws (*action item*).
 - C. Pioneer Medical Associates building, data wiring project (*action item*).
 - D. Birch Street property cleanup and improvements (*action item*).
8. New Business
 - A. Agreement with VSM and Lara Jeanine Arndal, M.D. (*action item*).
 - B. Lease of Pioneer Medical Associates (PMA) office space (*action item*).
 - C. Birch Street building clean-up (*action item*).
 - D. Information Technology, wiring of Surgery and Pediatric clinics (*action item*).
 - E. Construction PCO #22 (*action item*).
9. Reports from Board members on items of interest.
10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.

11. Adjournment to closed session to:
 - A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
 - B. Confer with legal counsel regarding action filed by John Nesson M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
 - C. Confer with legal counsel regarding action filed by Stephen Johnson and Elizabeth Manahan-Johnson against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
12. Return to open session, and report of any action taken in closed session.
13. Opportunity for members of the public to address the Board of Directors on items of interest.
14. Adjournment.

THIS SHEET

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- CALL TO ORDER The meeting was called to order at 5:30 p.m. by Peter Watercott, President.
- PRESENT Peter Watercott, President
John Ungersma, M.D., Vice President
M.C. Hubbard, Secretary
D. Scott Clark, M.D., Director
- ALSO PRESENT John Halfen, Administrator
Douglas Buchanan, Esq., Hospital District Legal Counsel
Sandy Blumberg, Administrative Secretary
- ABSENT Michael Phillips, M.D., Treasurer
Charlotte Helvie, M.D., Chief of Staff
- ALSO PRESENT FOR
RELEVANT PORTION(S) Dianne Shirley, R.N. Performance Improvement Coordinator
- PUBLIC COMMENTS
ON AGENDA Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.
- MINUTES The minutes of the February 17, 2010 regular meeting were approved.
- FINANCIAL AND
STATISTICAL REPORTS Mr. Halfen called attention to the financial and statistical reports for the month of January 2010. He noted the statement of operations shows a bottom line excess of revenues over expenses of \$391,615. Mr. Halfen additionally called attention to the following:
- *Total inpatient service revenue was over budget*
 - *Outpatient service revenue was over budget*
 - *Total expenses were over budget*
 - *Salaries and wages and employee benefits expense were over budget*
 - *Professional fees expense was over budget*
 - *The Balance Sheet showed no significant change*
 - *Year-to-date net revenue totals \$1,237,345*
- Mr. Halfen noted the average number of days accounts are in receivables is currently 64 days. Cash and cash equivalents on hand are higher than usual in order to ensure funds are available to help fund the hospital rebuild project. Mr. Halfen also noted the revenue bonds have not been issued and Administration is watching market conditions in order to choose the most advantageous time to make the bond offering. The bond rating will be lower than hoped for (BBB-) due to economic conditions and due to the fact that investors are leery of investments made in the State of California. Mr. Halfen hopes to find one or two buyers for the ten million dollar bond offering. He also reviewed year-to-date revenue

ADMINISTRATOR'S
REPORT

and expenses and noted the hospital's financial performance is positive, with the only significant problem with expenses involving employee benefits, which will be reviewed prior to the start of the next fiscal year. Mr. Halfen also noted the hospital's investments remain secure with the only questionable holdings being the Citigroup investments acquired as a result of the company's bankruptcy. It was moved by M.C. Hubbard, seconded by John Ungersma, M.D. and passed to approve the financial and statistical reports for the month of January as presented.

BUILDING UPDATE

Turner Construction project manager John Hawes reported the foundation for the new hospital building is in the final stages of completion, and per recommendations made by the Office of Statewide Healthcare Planning and Development (OSHPD) changes are being made to requirements for the structural steel for the new building. The recommended changes should be completed within one week and steel framework will begin to go up by April 1st. Mr. Hawes also noted steel work should progress rapidly and is expected to be completed in approximately two months.

SECURITY REPORT

Mr. Halfen noted there were no significant Security incidents to report during the last month. He additionally noted a report on the results of a recent unannounced survey by the Joint Commission will be presented at the next regular meeting of the District Board.

CHIEF OF STAFF
REPORT

The Medical Staff had nothing of significance to report at this meeting. Helena Black, M.D., Vice Chief of Staff stated the recently held Physician Leadership Program was a great success, and she expressed her gratitude to Mr. Halfen for Administrations' support of the program. The training was well attended by the Medical Staff and was considered by all to be a very worthwhile event.

OLD BUSINESS

INYO COUNTY
CONFLICT OF
INTEREST CODE

Mr. Halfen reported Inyo County's requirement to review, amend, or report the Hospital District's Conflict of Interest Code on a bi-annual basis has prompted a review of the Hospital's existing code, and (mostly minor) adjustments to the code will be presented for review at the next regular meeting of the District Board.

DISTRICT BYLAWS
REVIEW

Mr. Halfen noted members of the Board, Administration, and District Legal Counsel were asked to review the existing Northern Inyo County Local Hospital District Bylaws and be prepared to discuss changes that may be necessary for the upcoming year. Following discussion on this topic it was suggested that the following changes be made:

- Allowance for a fluctuating mileage reimbursement rate for Board members equal to the rate allowed by the Internal Revenue Service
- Change of the term "Clerk" to "Secretary" in Article IV, Section 4
- Change the annual election of District Board officers to be held at the January regular meeting, rather than at the December meeting

- Revise the specification of authority and duties of the Administrator to include authority to approve the following contracts for services and/or maintenance:
 - a. Those less than 60 days in duration;
 - b. Those less than \$10,000 in cost when not contained in a budget adopted by the Board;
 - c. Those less than \$25,000 in cost when contained in a budget adopted by the Board
- Authorize Administrator to control inventories including promotional materials
- Authorize Administrator to approve the following:
 1. Determinations that funds owing to the Hospital for patient care be deemed uncollectible charitable write-offs;
 2. Adjustment of accounts owing to the Hospital for patient care when the amount adjusted is either (a) less than 25% of the balance due or (b) the patient has paid more than \$5,000 on the relevant account and the Administrator determines, in his sole discretion, that such adjustment is in the best interests of the District;
 3. Modifications of existing contracts for the construction of Northern Inyo Hospital (Phase II) within the now-existing \$400,000 limits of said contracts;
 4. Grant applications
- Authorize Administrator to approve and execute the following contracts with physicians:
 1. Agreements to continue existing contracts, which are about to expire, for no more than thirty (30) days;
 2. Agreements for continuing call coverage;
 3. Agreements for *locum tenens* coverage for no more than thirty (30) day periods, and
 4. Contractual agreements with a physician conditioned upon he/she obtaining Medical Staff privileges where the contract is of no more than 30 days' duration
- Authorize Administrator to approve and execute the following contracts and/or billings:
 1. Discounts on payor contracts where the discount is more than 10% provided that no single discount may be more than 50% without Board approval;
 2. Consulting contracts for less than \$10,000 if not contained in a budget adopted by the Board;
 3. Consulting contracts for less than \$25,000 if contained in a budget adopted by the Board;
 4. Attorney's fees;
 5. Interagency agreements of less than \$25,000
 6. Prices, fees and rates charged by the Hospital whose effective rate, without Board approval, may be no more than one year;
 7. Meeting, training, and travel expenses;

8. Marketing commitments of less than \$10,000
 - Authorize Administrator to approve the following capital expenditures:
 1. Where included in a budget adopted by the Board: Up to \$25,000;
 2. Where not included in a budget adopted by the Board: Up to \$10,000
 3. Where neither of the above, but emergent: Immediately subject to and conditioned upon Board approval at the next-following regular or special meeting in which the expenditure may be included on the Board agenda
 - Authorize Administrator to perform any other duty that may be necessary in the best interests of the District
 - Further discussion is needed regarding guidelines for cancellation of a regular meeting of the District Board (Mr. Buchanan will research this topic for discussion at the next regular meeting)
 - The date of the monthly meeting held in December of each year will be changed to the second Wednesday of the month in order to allow the Credentials Committee to meet in sufficient time

Mr. Buchanan noted he has supplied Medical Staff attorney Jay Christensen, Esq. with a copy of the District Bylaws for his review, but he has yet to hear back from him regarding his comments. Following discussion it was moved by Ms. Hubbard, seconded by D. Scott Clark, M.D. and passed to include the suggested changes to the District Bylaws, and to conduct a final review of the Bylaws at the next regular meeting.

NEW BUSINESS

AGREEMENT WITH ROBBIN CROMER- TYLER, M.D.

Mr. Halfen called attention to a proposed Private Practice Physician Income Guarantee and Practice Management renewal agreement with Robbin Cromer-Tyler, M.D.. Following review of the proposed agreement it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the agreement with Robbin Cromer-Tyler, M.D. as recommended, with a correction being made to the calculation of the bi-weekly compensation rate indicated in the agreement.

AGREEMENT WITH LARA JEANINE ARNDAL, M.D.

Mr. Halfen noted the proposed agreement with Lara Jeanine Arndal, M.D. has yet to be finalized and will be presented for approval at the next regular meeting of the District Board.

AUTHORITY DELEGATED TO THE C.E.O.

District Legal Counsel Douglas Buchanan noted the proposed list of authorities delegated to the CEO has been incorporated into the District Bylaws, and therefore it is not necessary to discuss it as a separate agenda item.

REPORTS FROM BOARD MEMBERS ON ITEMS OF INTEREST

Mr. Watcrott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma reported he recently attended the Association of California Healthcare Districts' (ACHD) annual Legislative Day, where many pertinent healthcare topics

(including the progress of Senate Bill 726 and proposed Medi-Cal cuts) were discussed. Doctor Ungersma reported Californians can expect significant tax increases and hospitals can expect additional cuts to Medi-Cal reimbursement rates. He also noted Alpha Fund payments have increased, yet the number of claims or incidents has gone down.

OPPORTUNITY FOR
PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda for this meeting, or on any items of interest. Mr. Halfen noted escrow has closed on the property at 2957 Birch Street, and the Hospital District now owns that building. Mr. Watercott also commented the play *South Pacific* is currently being performed by Playhouse 395, and he feels it is well worth seeing. He also gave kudos to the Director of the play, Northern Inyo Hospital employee Martha Reynolds, R.N..

CLOSED SESSION

At 6:39 p.m. Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

- A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
- B. Confer with legal counsel regarding claim filed by John Nesson, M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
- C. Consideration of employment, evaluation of performance, discipline, or dismissal of a District employee (Government Code Section 54957).
- D. Confer with legal counsel regarding potential legal action against Northern Inyo County Local Hospital District filed by Stephen Johnson and Elizabeth Monahan-Johnson (Government Code Section 54956.9(a)).
- E. Conduct CEO annual performance evaluation (Government Code Section 54957).

RETURN TO OPEN
SESSION AND REPORT
OF ACTION TAKEN

At 7:01 p.m. the meeting returned to open session. Mr. Watercott reported the board took no reportable action.

OPPORTUNITY FOR
PUBLIC COMMENT

Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda for this meeting, or on any items of interest. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 7:02 p.m.

Peter Watercott, President

Attest: M.C. Hubbard, Secretary

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BUDGET VARIANCE ANALYSIS

Feb-10 PERIOD ENDING After Audit

In the month, NIH was

	-21%	under budget in IP days;
	(-0.32%)	under in IP Revenue and
	(-1.2%)	under in OP Revenue resulting in
\$ (937,986)	(-13.1%)	under in gross patient revenue from budget &
\$ (453,456)	(-10.6%)	under in net patient revenue from budget

Total Expenses were:

\$ (159,831)	(-3.8%)	under budget. Wages and Salaries were
\$ (91,714)	(-6.1%)	under budget and Employee Benefits
\$ (9,172)	(-1.0%)	under budget.
\$ 37,225		of other income resulted in a net loss of
\$ (64,442)	\$ (335,115)	under budget.

The following expense areas were over budget for the month:

\$ 74,036	22%	Professional Fees; registry staff & Physicians
\$ 2,149	2%	Interest Expense

Other Information:

40.65%	Contractual Percentages for month
42.08%	Contractual Percentages for Year

\$ 1,172,903 Year-to-date Net Revenue

Special Notes:

Radiology Professional Fee Revenue and Expense were not budgeted.

NORTHERN INYO HOSPITAL

Balance Sheet

February 28, 2010

Liabilities and net assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2009</u>
Current liabilities:			
Current maturities of long-term debt	244,159	364,717	1,103,540
Accounts payable	1,680,737	1,491,826	1,523,288
Accrued salaries, wages and benefits	3,326,110	3,108,032	2,807,675
Accrued interest and sales tax	482,923	241,158	247,663
Deferred income	223,835	311,257	48,991
Due to third-party payors	2,678,771	2,678,771	2,940,964
Due to specific purpose funds	-	-	-
Total current liabilities	<u>8,636,535</u>	<u>8,195,761</u>	<u>8,672,120</u>
Long-term debt, less current maturities	38,609,004	38,609,004	38,624,386
Bond Premium	1,446,846	1,455,531	1,481,587
Total long-term debt	<u>40,055,849</u>	<u>40,064,535</u>	<u>40,105,973</u>
Net assets:			
Unrestricted	44,315,035	43,973,937	42,547,767
Temporarily restricted	803,522	54,497	564,033
Total net assets	<u>45,118,557</u>	<u>44,028,434</u>	<u>43,111,799</u>
 Total liabilities and net assets	 <u>93,810,941</u>	 <u>92,288,729</u>	 <u>91,889,892</u>

NORTHERN INYO HOSPITAL

Statement of Operations

As of February 28, 2010

	MTD Actual	MTD Budget	MTD Variance \$	MTD Variance %	YTD Actual	YTD Budget	YTD Variance \$	YTD Variance %	Prior YTD
Unrestricted revenues, gains and other support:									
In-patient service revenue:									
Routine	475,234	658,253	(183,019)	(27.8)	4,686,341	5,266,182	(579,841)	(11.0)	4,898,775
Ancillary	1,413,548	2,114,385	(700,837)	(33.2)	15,520,373	16,916,090	(1,395,717)	(8.3)	15,693,865
Total in-patient service revenue	1,888,782	2,772,638	(883,856)	(0.32)	20,206,714	22,182,272	(1,975,558)	-8.9%	20,592,640
Out-patient service revenue	4,340,494	4,394,624	(54,130)	(1.2)	38,447,989	35,158,388	3,289,601	9.4	32,705,479
Gross patient service revenue	6,229,276	7,167,262	(937,986)	(13.10)	58,654,704	57,340,660	1,314,044	2.3	53,298,119
Less deductions from patient service revenue:									
Patient service revenue adjustments	(28,464)	233,194	261,658	112.2	984,069	1,865,586	881,517	47.3	1,735,427
Contractual adjustments	2,889,334	2,688,587	(200,747)	(7.5)	22,962,668	21,508,767	(1,453,901)	(6.8)	20,582,553
Prior Period Adjustments	(465,286)	(41,667)	423,619	100.0	(858,192)	(333,333)	524,859	100.0	(1,643,677)
Total deductions from patient service revenue	2,395,584	2,880,114	484,530	16.8	23,088,545	23,041,020	(47,525)	(0.2)	20,674,303
Net patient service revenue	3,833,692	4,287,148	(453,456)	-11%	35,566,158	34,299,640	1,266,518	4%	32,623,816
Other revenue	20,259	40,103	(19,844)	(49.5)	228,291	320,935	(92,644)	(28.9)	298,544
Transfers from Restricted Funds for Other Operating Expenses	64,666	64,665	1	-	517,328	517,326	2	0.0	524,328
Total Other revenue	84,925	104,768	(19,843)	(18.9)	745,619	838,261	(92,642)	(11.1)	822,872
Total revenue, gains and other support	3,918,616	4,391,916	(473,300)	(19.0)	36,311,777	35,137,901	1,173,876	(11.1)	33,446,688
Expenses:									
Salaries and wages	1,414,642	1,506,356	91,714	6.1	11,933,583	12,051,128	117,545	1.0	11,068,781
Employee benefits	909,117	918,289	9,172	1.0	7,979,278	7,346,606	(632,672)	(8.6)	6,806,128
Professional fees	413,252	339,216	(74,036)	(21.8)	3,540,690	2,713,822	(826,868)	(30.5)	2,729,950
Supplies	417,555	507,060	89,505	17.7	4,010,461	4,056,742	46,281	1.1	3,852,822
Purchased services	206,882	223,221	16,339	7.3	2,014,866	1,786,037	(228,829)	(12.8)	1,620,382
Depreciation	229,597	230,395	798	0.4	1,787,114	1,843,185	56,071	3.0	1,729,170
Interest	107,805	105,656	(2,149)	(2.0)	866,264	845,265	(20,999)	(2.5)	876,821
Bad debts	136,718	145,506	8,788	6.0	1,590,948	1,164,054	(426,894)	(36.7)	1,082,842
Other	184,716	204,415	19,699	9.6	1,611,766	1,635,593	23,827	1.5	1,613,149
Total expenses	4,020,283	4,180,114	159,831	3.8	35,334,969	33,442,432	(1,892,537)	(5.7)	31,380,045
Operating income (loss)	(101,666)	211,802	(313,468)	(22.8)	976,809	1,695,469	(718,660)	(5.4)	2,066,643
Other income:									
District tax receipts	43,711	47,650	(3,939)	(8.3)	349,689	381,200	(31,511)	(8.3)	381,200
Interest	(19,757)	43,338	(63,095)	(145.6)	93,189	346,707	(253,518)	(73.1)	696,064
Other	5,074	-	5,074	N/A	39,116	-	39,116	N/A	37,771
Grants and Other Non-Restricted Contributions	-	1,222	(1,222)	(100.0)	36,963	9,788	27,175	277.6	9,105
Partnership Investment Income	-	-	-	N/A	-	-	-	-	-
Net Medical Office Activity	8,197	(33,339)	41,536	(36.8)	(322,862)	(266,786)	(56,076)	(21.0)	(3,856)
Total other income, net	37,225	58,871	(21,646)	(37)	196,095	470,909	(274,814)	(58.4)	1,120,283
Excess (deficiency) of revenues over expenses	(64,442)	270,673	(335,115)	(124)	1,172,903	2,166,378	(993,475)	(46)	3,186,926

NORTHERN INYO HOSPITAL

Statement of Operations--Statistics

As of February 28, 2010

	Month		Month		Year		Year	
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Operating statistics:								
Beds	25	25	N/A	N/A	25	25	N/A	N/A
Patient days	209	264	(55)	0.79	2,040	2,117	(77)	0.96
Maximum days per bed capacity	700	700	N/A	N/A	6,075	6,075	N/A	N/A
Percentage of occupancy	29.86	37.71	(7.85)	0.79	33.58	34.85	(1.27)	0.96
Average daily census	7.46	9.43	(1.96)	0.79	8.40	8.71	(0.32)	0.96
Average length of stay	2.99	3.00	(0.01)	1.00	3.13	3.01	0.12	1.04
Discharges	70	88	(18)	0.80	652	704	(52)	1
Admissions	68	87	(19)	0.78	653	699	(46)	1
Gross profit-revenue depts.	3,895,073	4,741,247	(846,174)	0.82	38,416,760	37,931,821	484,939	1.01
Percent to gross patient service revenue:								
Deductions from patient service revenue and bad debts	40.65	42.21	(1.56)	0.96	42.08	42.21	(0.13)	1.00
Salaries and employee benefits	36.94	33.81	3.13	1.09	33.68	33.81	(0.13)	1.00
Occupancy expenses	5.97	5.10	0.87	1.17	4.97	5.10	(0.13)	0.97
General service departments	6.49	5.90	0.59	1.10	5.82	5.90	(0.08)	0.99
Fiscal services department	4.83	5.13	(0.30)	0.94	5.00	5.13	(0.13)	0.97
Administrative departments	5.41	5.23	0.18	1.03	4.98	5.23	(0.25)	0.95
Operating income (loss)	(3.65)	1.41	(5.06)	(2.59)	0.12	1.41	(1.29)	0.09
Excess (deficiency) of revenues over expenses	(1.03)	3.78	(4.81)	(0.27)	2.00	3.78	(1.78)	0.53
Payroll statistics:								
Average hourly rate (salaries and benefits)	44.86	44.47	0.38	1.01	43.43	44.47	(1.05)	0.98
Worked hours	45,199.33	46,803.00	(1,603.67)	0.97	386,576.13	374,709.00	11,867.13	1.03
Paid hours	51,295.13	54,496.00	(3,200.87)	0.94	454,866.11	435,968.00	18,898.11	1.04
Full time equivalents (worked)	282.50	270.54	11.96	1.04	279.32	270.16	9.16	1.03
Full time equivalents (paid)	320.59	315.01	5.59	1.02	328.66	314.32	14.34	1.05

NORTHERN INYO HOSPITAL

Statements of Changes in Net Assets

As of February 28, 2010

	<u>Month-to-date</u>	<u>Year-to-date</u>
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	(64,441.60)	1,172,903.25
Net Assets due/to transferred from unrestricted	-	-
Interest posted twice to Bond & Interest	-	(47.40)
Net assets released from restrictions used for operations	13,000.00	593,870.00
Net assets released from restrictions used for payment of long-term debt	(64,666.00)	(517,328.00)
Contributions and interest income	24.56	495.06
Increase in unrestricted net assets	<u>(116,083.04)</u>	<u>1,249,892.91</u>
Temporarily restricted net assets:		
District tax allocation	-	817,828.71
Net assets released from restrictions	(13,000.00)	(593,870.00)
Restricted contributions	-	15,450.00
Interest income	-	128.50
Net Assets for Long-Term Debt due from County	64,666.00	517,328.00
Increase (decrease) in temporarily restricted net assets	<u>51,666.00</u>	<u>756,865.21</u>
Increase (decrease) in net assets	(64,417.04)	2,006,758.12
Net assets, beginning of period	45,182,974.28	43,111,799.12
Net assets, end of period	<u>45,118,557.24</u>	<u>45,118,557.24</u>

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of February 28, 2010

	<u>Month-to-date</u>	<u>Year-to-date</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	(64,417.04)	2,006,758.12
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities: (correcting fund deposit)		47.40
Depreciation	229,597.30	1,787,113.73
Provision for bad debts	136,717.62	1,590,947.85
Loss (gain) on disposal of equipment	-	4,137.56
(Increase) decrease in:		
Patient and other receivables	215,090.93	(2,999,426.28)
Other current assets	11,533.67	(222,124.74)
Plant Expansion and Replacement Cash	852,384.93	8,339,777.14
Increase (decrease) in:		
Accounts payable and accrued expenses	162,741.57	1,085,989.04
Third-party payors	-	(262,192.45)
Net cash provided (used) by operating activities	<u>1,543,648.98</u>	<u>11,331,027.37</u>
 Cash flows from investing activities:		
Purchase of property and equipment	(1,883,625.19)	(10,036,207.27)
Purchase of investments	(445,496.79)	2,061,343.48
Proceeds from disposal of equipment	-	(4,137.56)
Net cash provided (used) in investing activities	<u>(2,329,121.98)</u>	<u>(7,979,001.35)</u>
 Cash flows from financing activities:		
Long-term debt	(64,732.21)	(909,505.14)
Issuance of revenue bonds	(47,475.83)	(9,287.27)
Unamortized bond costs	2,615.43	20,923.44
Increase (decrease) in donor-restricted funds, net	12,975.44	(240,032.27)
Net cash provided by (used in) financing activities	<u>(96,617.17)</u>	<u>(1,137,901.24)</u>
 Increase (decrease) in cash and cash equivalents	<u>(882,090.17)</u>	<u>2,214,124.78</u>
 Cash and cash equivalents, beginning of period	<u>3,977,866.36</u>	<u>881,651.41</u>
 Cash and cash equivalents, end of period	<u>3,095,776.19</u>	<u>3,095,776.19</u>

Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2010

Month	<u>Operations Checking Account</u>				<u>Time Deposit Month-End Balances</u>							
	Balance at Beginning of Month	Deposits	Disbursements	Balance at End of Month	Investment Operations Fund	Bond and Interest Fund	Equipment Donations Fund	Childrens Fund	Scholarship Fund	Tobacco Settlement Fund	Total Revenue Bond Fund	General Obligation Bond Fund
January	4,462,389	6,137,876	6,469,248	4,131,017	27,112,118	796,335	26,233	2,640	17,472	632,052	750,421	2,793,443
February	4,131,017	5,265,638	6,258,389	3,138,266	27,557,615	796,335	26,233	2,640	4,472	632,076	797,897	1,941,057
Prior Year												
March	684,291	6,979,617	5,689,346	1,974,563	23,604,971	557,497	26,218	3,138	8,016	530,337	806,520	-
April	1,974,563	9,529,952	9,189,387	2,315,128	24,919,927	167,252	26,218	3,138	8,016	630,495	853,958	14,464,947
May	2,315,128	3,264,722	4,556,036	1,023,814	28,168,905	552,617	26,218	3,138	8,016	631,411	934,534	11,007,929
June	1,023,814	3,947,195	3,990,630	980,379	29,618,958	552,753	26,225	3,184	8,018	631,589	788,610	10,122,651
July	980,379	7,052,713	7,416,364	616,727	30,121,668	574,431	26,225	2,639	18,468	631,762	836,048	9,398,497
August	616,727	6,367,182	5,462,850	1,521,059	29,615,171	574,431	26,225	2,639	18,468	631,852	883,487	8,652,655
September	1,521,059	4,571,506	4,221,577	1,870,988	29,609,631	574,537	26,230	2,639	17,470	631,900	930,926	8,074,645
October	1,870,988	6,700,748	6,690,198	1,881,538	29,097,832	34,292	26,230	2,639	17,470	631,949	978,365	8,074,772
November	1,881,538	14,574,637	14,781,591	1,674,584	28,603,006	34,292	26,230	2,639	17,470	631,999	1,045,102	6,395,453
December	1,674,584	9,083,464	6,295,659	4,462,389	26,778,789	34,310	26,233	2,640	17,472	632,026	702,945	4,657,307

Notes:

Investments as of February 28, 2010

Institution	Certificate ID	Purchase Dt	Maturity Dt	Principal	YTM
LAIF (Walker Fund)	20-14-002	15-Jan-10	01-Feb-10	\$317,487	0.58%
Union Bank-Money Market	2740028807	26-Feb-10	01-Mar-10	\$15,105,014	0.08%
Schwab Medium Term Note	80851QCX0	25-Jul-08	01-Mar-10	\$528,440	4.33%
Greater Bay Bancorp Sr Note	391648AT9	11-Dec-08	15-Apr-10	\$101,688	3.82%
Bank of Waukegan	065563AR9	22-Apr-05	22-Apr-10	\$99,000	4.75%
Toyota Motor Credit Corp Note	829233PV60	11-Dec-08	28-Apr-10	\$200,164	2.79%
American General Finance Corp Note	02635PSV6	24-Apr-08	15-May-10	\$503,905	4.47%
Total Short Term Investments				\$16,855,698	
Federal Home Loan Mtg Corp-MBS	313397L82	10-Nov-09	25-Oct-10	\$3,988,333	0.31%
United States Treasury Note-FNC	912828J50	10-Nov-09	30-Nov-10	\$4,038,750	0.33%
Worlds Foremost Bank (FNC CD)	5X42688	18-Dec-08	18-Dec-10	\$100,000	4.40%
National Rural Utilites Corp Bond-FNC	63743FLH7	13-Aug-09	15-Aug-11	\$250,000	2.35%
Union National Bank & Trust CO-FNC	5L27278	19-Oct-09	19-Oct-11	\$250,000	2.00%
Credit Suisse 1st	22541LAB9	02-Feb-10	15-Nov-11	\$541,865	1.36%
HSBC Financial Corp	40429XWB8	15-Sep-09	15-Sep-12	\$250,000	3.85%
Citigroup Inc	125581FT0	10-Dec-09	01-May-13	\$46,122	7.00%
Citigroup Inc	125588FU7	10-Dec-09	01-May-14	\$66,903	7.00%
United States Treasury Note-FNC	912828LK4	31-Aug-09	31-Aug-14	\$995,933	2.46%
Citigroup Inc	125588FV5	10-Dec-09	01-May-15	\$66,181	7.00%
Citigroup Inc	125581FW3	10-Dec-09	01-May-16	\$107,830	7.00%
Total Long Term Investments				\$10,701,917	
Grand Total Investments				\$27,557,615	

Financial Indicators

	Target	Feb-10	Jan-10	Dec-10	Nov-09	Oct-09	Sep-09	Aug-09	Jul-09	Jun-09	May-09	Apr-09	Mar-09
Current Ratio	>1.5-2.0	5.42	5.65	6.01	5.99	6.10	5.81	6.05	6.39	6.29	6.56	7.53	4.20
Quick Ratio	>1.33-1.5	4.87	5.09	5.45	5.41	5.53	5.27	5.51	5.85	5.78	6.04	6.96	3.74
Days Cash on Hand	>75	322.93	293.20	315.81	306.58	307.60	364.93	344.81	349.84	388.66	289.03	337.98	227.43

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2010
 As of FEBRUARY 28, 2010**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 2008-09	Coagulation Analyzer	25,000
	Zeiss Ophthalmic Argon Laser	42,642 *
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>67,642</u>
FY 2009-10	STAT Centrifuge	3,441 *
	QuickThaw Plasma Thawing System	5,736 *
	Blood Gas Analyzer	16,028 *
	Shredding Machine	32,178 *
	CommVault IT Data Backup	75,031
	Zumasys NetApp IT Data Storage	67,005 *
	CDW-G IT Network Switches	74,382
	Platelet Function Analyzer	9,000
	Birch Street Property	702,500 *
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>985,301</u>
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	67,642
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	<u>985,301</u>
	Year-to-Date Board-Approved Amount to be Expended	183,413
	Year-to-Date Administrator-Approved Amount	211,858 *
	Actually Expended in Current Fiscal Year	<u>869,529 *</u>
	Year-to-Date Completed Building Project Expenditures	0 *
	TOTAL FUNDS APPROVED TO BE EXPENDED	<u><u>1,264,800</u></u>
	Total-to-Date Spent on Incomplete Board Approved Expenditures	130,644

Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2010
 As of FEBRUARY 28, 2010

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
Reconciling Totals:		
	Actually Capitalized in the Current Fiscal Year Total-to-Date	1,081,387
	Plus: Lease Payments from a Previous Period	0
	Less: Lease Payments Due in the Future	0
	Less: Funds Expended in a Previous Period	0
	Plus: Other Approved Expenditures	<u>183,413</u>
	ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	<u><u>1,264,800</u></u>
	Donations by Auxiliary	0
	Donations by Hospice of the Owens Valley	0
	+Tobacco Funds Used for Purchase	0
		<u>0</u>
		<u><u>0</u></u>

*Completed Purchase

(Note: The budgeted amount for capital expenditures for all priority requests for the fiscal year ending June 30, 2010, is \$1,800,000 coming from existing hospital funds.)

**Completed in prior fiscal year

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2010
As of FEBRUARY 28, 2010

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
V60 VENTILATOR	RESPIRATORY THERAPY	13,860		
CYSTO-NEPHRO VIDEOSCOPE	SURGERY	20,233		
SYMPHONY ICE & WATER DISPENSE	Med/Surg	5,097		
WIRELESS ANALOG CLOCKS AND TF	Maintenance	4,268		
HVAC COOK SQN INLINE EXHAUST F	PATHOLOGY	7,568		
MONTH ENDING FEBRUARY 28, 2010			51,026	211,858

Investments as of 3/31/2010

	Purchase Dt	Maturity Dt	Institution	Broker	Rate	Principal
1	3/2/2010	4/1/2010	LAIF (Walker Fund)	Northern Inyo Hospital	0.58%	317,487.04
2	3/31/2010	4/1/2010	Union Bank-Money Market	Union Bank	0.08%	15,106,121.34
3	12/11/2008	4/15/2010	Greater Bay Bancorp Sr Note	Multi-Bank Service	3.82%	101,688.00
4	4/22/2005	4/22/2010	Bank of Waukegan	Financial Northeaster Corp.	4.75%	99,000.00
5	12/11/2008	4/28/2010	Toyota Motor Credit Corp Note	Multi-Bank Service	2.79%	200,164.00
6	4/24/2008	5/15/2010	American General Finance Corp N	Multi-Bank Service	4.47%	503,905.00
7	11/10/2009	10/25/2010	Federal Home Loan Mtg Corp-MB	Multi-Bank Service	0.31%	3,988,333.32
8	11/10/2009	11/30/2010	United States Treasury Note-FNC	Financial Northeaster Corp.	0.33%	4,038,750.00
9	12/18/2008	12/18/2010	Worlds Foremost Bank (FNC CD)	Financial Northeaster Corp.	4.40%	100,000.00
10	3/1/2010	2/15/2011	Santander Financial Issuances LT	Multi-Bank Service	1.17%	1,049,310.00
11	8/13/2009	8/15/2011	National Rural Utilites Corp Bond-	Financial Northeaster Corp.	2.35%	250,000.00
12	10/19/2009	10/19/2011	Union National Bank & Trust CO-	Financial Northeaster Corp.	2.00%	250,000.00
13	2/2/2010	11/15/2011	Credit Suisse 1st Boston USA Not	Multi-Bank Service	1.36%	541,865.00
14	9/15/2009	9/15/2012	HSBC Financial Corp	Financial Northeaster Corp.	3.85%	250,000.00
15	12/10/2009	5/1/2013	Citigroup Inc	Multi-Bank Service	7.00%	46,122.44
16	12/10/2009	5/1/2014	Citigroup Inc	Multi-Bank Service	7.00%	66,902.88
17	8/31/2009	8/31/2014	United States Treasury Note-FNC	Financial Northeaster Corp.	2.46%	995,932.50
18	12/10/2009	5/1/2015	Citigroup Inc	Multi-Bank Service	7.00%	66,180.63
19	12/10/2009	5/1/2016	Citigroup Inc	Multi-Bank Service	7.00%	107,830.21
			Total			\$28,079,592.36

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NORTHERN INYO HOSPITAL

SECURITY REPORT

02/17/10 THRU 03/23/10

FACILITY SECURITY

Access security during this period revealed ten occasions of open or unsecure exterior doors being located during those hours when doors were to be locked or secured. Twelve interior doors were found unsecured during this same period.

Pioneer Medical Building was found unsecure on ten instances.

Hospital vehicles were found open on two occasions although keys had been removed from those vehicles.

HUMAN SECURITY

On February 17th a seventeen year old, Emergency Department patient became belligerent and profanely outspoken. The patient was counseled by Security Personnel. The remainder of the emergency treatment went without incident.

On February 17th Inyo County Sheriffs Deputies arrived at the Lab for a DUI blood draw. The female arrestee was uncooperative. A forced draw was initiated and the arrestee became combative. The Arrestee was placed in a control hold position on the floor of the Drawing Room by ICSO and Security Personnel. The draw was completed without injury or further incident.

On February 19th Security Personnel located an extremely intoxicated subject in a vehicle in the Main Parking Lot. This subject was treated in the Emergency Department and discharged later that day.

On February 20th the Emergency Department Panic Alarm was activated and Bishop Police responded to the Hospital. It was determined that the Alarm was activated accidentally.

On February 23rd an intoxicated individual was treated in the Emergency Department. This patient was moderately obnoxious and Security Personnel stood-by during the treatment. Upon discharge this subject was provided a ride home by a friend.

On February 25th an intoxicated subject was treated in the Emergency Department. This patient was not problematic, however due to his state of intoxication, Security Personnel stood-by during treatment and upon discharge while the patient waited for a ride.

On February 28th Security Personnel made contact with Charles Santa. It had been reported that during the previous week Mr. Santa had once again taken advantage of food in the Cafeteria on at least one instance where he took items and failed to pay, and in another instance where he had made a fresh pot of coffee that he took to go. Mr. Santa was already under an advisement that the Cafeteria was off limits and his presence at the Hospital was restricted to immediate medical treatment for himself or a family member. His range of travel within the Hospital was restricted to those areas in immediate areas of treatment. In this instance Mr. Santa did not violate those restrictions however, he was reminded of the limitations place upon him by the Hospital and that on the previous week he had violated those provisions. Mr. Santa denied the allegations and left the Hospital.

On March 10th Mr. Santa returned to the Hospital and went into to the Cafeteria, whereupon his arrival was advised that he was not to be in the Cafeteria. The Police Department was called and the responding Officer and Security Staff met with Mr. Santa in the Main Parking Lot. A formal trespass advisement was made at that time. The formal advisement provides for immediate arrest for future violations of the restrictions placed upon Mr. Santa while at the Hospital.

On March 2nd the OB east door Amber Alarm was constantly activated. It was later determined that a loose baby monitor was to blame.

On March 16th a 26 year old male subject presented in the Emergency Department with a possible overdose of drugs. The patient was initially somewhat uncooperative and indignant. The patient would become agitated and then calm back down. This cycle repeated itself numerous times. While monitoring the patient during treatment the subject again became agitated and then went combative. Swinging wildly and attacking Security Personnel. The subject was controlled and handcuffed after a short struggle. Four-way restraints were applied with the assistance of Police and Sheriffs Department Personnel. The patient was monitored throughout the rest of the shift and although still combative for a good portion of that time, no further actions were needed on behalf of Security Personnel. The Police Department was notified per mandate of AB 1083.

Law Enforcement assistance was provided fourteen times during this period. Three cases were for Lab BAC's.

One potential 5150 situation was monitored during this period.

Security provided patient assists on twenty seven occasions during this period.

The Security Planning Committee continues to move forward to assure compliance with AB 1083. Trending of Security related activities is almost complete and automated reporting of Security activities is moving ahead to assist in tracking and trending for the following Annual Security Plan.

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03/23/10

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April 5, 2010

John Halfen
Administrator/CEO/CFO
Northern Inyo Hospital
150 Pioneer Lane
Bishop, California 93514

HCO ID:#9762

Dear Mr. Halfen:

We have completed our review of your request for clarification regarding the findings of the February 17 – 18, 2009 full survey of your critical access hospital program. Careful consideration was given to the surveyor's original findings and the documentation submitted by your organization.

Below you will find information specific to each of the clarification submitted and the impact on your organization's final report.

Critical Access Hospital Program

MM.04.01.01, EP 13: The clarifying evidence was accepted based on the documentation that demonstrates that the requirements of the EP were met. This documentation demonstrated that inpatient chart audit results were at 96.7% overall compliance and outpatient chart audit results were at 100% overall compliance. The standard level score was changed from non-compliant to compliant.

We appreciate your patience while we reviewed your clarification request. Please feel free to contact me at (630) 792-5842 with any questions regarding this matter or any other Joint Commission issue.

If I can be of further assistance I, can be reached at (630) 792-5842.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Jansky".

Michael Jansky, MBA, CPhT
Account Representative
Division of Accreditation and Certification Operations

cc: Faith Smith, Sr. Account Executive
Correspondence File



April 5, 2010

John Halfen
Administrator/CEO/CFO
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Joint Commission ID #: 9762
Program: Critical Access Hospital
Accreditation
Accreditation Activity: Unannounced Full
Event
Accreditation Activity Completed:
02/18/2010

Dear Mr. Halfen:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high - quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

With that goal in mind, your organization received Requirement(s) for Improvement during its recent survey. These requirements have been summarized in the Accreditation Report provided by the survey team that visited your organization.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

Sincerely,

A handwritten signature in black ink that reads "Ann Scott Blouin RN, PhD".

Ann Scott Blouin, RN, Ph.D.

Executive Vice President

Accreditation and Certification Operations



Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Organization Identification Number: 9762

Program(s)

Critical Access Hospital Accreditation

Surveyor(s) and Survey Date(s)

Byron K.Kitagawa - (02/18 - 02/18/2010)
George R.Orndorff, DO - (02/17 - 02/18/2010)

Executive Summary

Critical Access Hospital Accreditation :

As a result of the accreditation activity conducted on the above date(s), Requirements for Improvement have been identified in your report.

You will have follow-up in the area(s) indicated below:

- Evidence of Standards Compliance (ESC)

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

The Joint Commission Summary of Findings

Evidence of **DIRECT** Impact Standards Compliance is due within 45 days from the day this report is posted to your organization's extranet site:

Program:	Critical Access Hospital Accreditation Program	
Standards:	EC.02.05.07	EP4,EP5,EP6,EP7,EP8
	EM.02.02.13	EP2,EP5
	IC.02.02.01	EP2
	MM.04.01.01	EP13
	NPSG.03.04.01	EP5

Evidence of **INDIRECT** Impact Standards Compliance is due within 60 days from the day this report is posted to your organization's extranet site:

Program:	Critical Access Hospital Accreditation Program	
Standards:	EC.02.02.01	EP3
	EC.02.03.03	EP1
	EC.02.03.05	EP5,EP10,EP13
	EC.02.05.09	EP3
	LS.02.01.20	EP13
	LS.02.01.70	EP2
	MS.06.01.05	EP8
	MS.08.01.03	EP2

**The Joint Commission
Summary of CMS Findings**

CoP: §485.623 **Tag:** C-0220 **Deficiency:** Standard

Corresponds to: CAH

Text: §485.623 Condition of Participation: Physical Plant and Environment

CoP Standard	Tag	Corresponds to	Deficiency
§485.623(d)(1)	C-0231	CAH - EC.02.03.05/EP5, EP10, EP13, LS.02.01.20/EP13, LS.02.01.70/EP2	Standard

The Joint Commission Findings

Chapter: Emergency Management
Program: Critical Access Hospital Accreditation
Standard: EM.02.02.13

ESC 45 days

Standard Text: During disasters, the critical access hospital may grant disaster privileges to volunteer licensed independent practitioners.
Note: A disaster is an emergency that, due to its complexity, scope, or duration, threatens the organization's capabilities and requires outside assistance to sustain patient care, safety, or security functions.

Primary Priority Focus Area: Credentialed Practitioners

Element(s) of Performance:

2. The medical staff identifies, in its bylaws, those individuals responsible for granting disaster privileges to volunteer licensed independent practitioners.



Scoring Category :A

Score : Insufficient Compliance

5. Before a volunteer practitioner is considered eligible to function as a volunteer licensed independent practitioner, the critical access hospital obtains his or her valid government-issued photo identification (for example, a driver's license or passport) and at least one of the following:



- A current picture identification card from a health care organization that clearly identifies professional designation
- A current license to practice
- Primary source verification of licensure
- Identification indicating that the individual is a member of a Disaster Medical Assistance Team (DMAT), the Medical Reserve Corps (MRC), the Emergency System for Advance Registration of Volunteer Health Professionals (ESAR-VHP), or other recognized state or federal response organization or group.
- Identification indicating that the individual has been granted authority by a government entity to provide patient care, treatment, or services in disaster circumstances
- Confirmation by a licensed independent practitioner currently privileged by the critical access hospital or by a staff member with personal knowledge of the volunteer practitioner's ability to act as a licensed independent practitioner during a disaster

Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in the Emergency Management session at Northern Inyo Hospital site. During the Emergency Management session, it was noted that the Medical Staff bylaws did not contain information related as to who has the authority to grant disaster privileges.

EP 5

Observed in the Emergency Management session at Northern Inyo Hospital site. During the Emergency Management session, it was noted that the recently approved policy, Credentialing Health Care Practitioners in the event of a disaster, did not contain information related to obtaining the volunteer's valid government-issued photo-identification.

Chapter: Environment of Care

The Joint Commission Findings

Program: Critical Access Hospital Accreditation

Standard: EC.02.02.01

ESC 60 days

Standard Text: The critical access hospital manages risks related to hazardous materials and waste.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

3. The critical access hospital has written procedures, including the use of precautions and personal protective equipment, to follow in response to hazardous material and waste spills or exposures.



Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in individual patient tracer activity at Northern Inyo Hospital site.

Observed in the ED, and later in the OR, the plumbed eye wash stations are not being flushed as required by OSHA. There is no policy directing the frequency or time of flush for these safety items.

Chapter: Environment of Care

Program: Critical Access Hospital Accreditation

Standard: EC.02.03.03

ESC 60 days

Standard Text: The critical access hospital conducts fire drills.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

1. The critical access hospital conducts fire drills once per shift per quarter in each building defined as a health care occupancy by the Life Safety Code. The critical access hospital conducts quarterly fire drills in each building defined as an ambulatory health care occupancy by the Life Safety Code. (See also LS.01.02.01, EP 11; LS.02.01.70, EP 4; LS.03.01.70, EP 6)



Note 1: Evacuation of patients during drills is not required.

Note 2: In leased or rented facilities, drills need be conducted only in areas of the building that the critical access hospital occupies.

Scoring Category :A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 1

Observed in the Environment of Care Session at Northern Inyo Hospital site.

During the review of the quarterly fire drills, it was noted that the hospital staff were conducting the drills except the drills were not conducted in the healthcare occupancy during the first quarter of 2009. The drills were conducted in business occupancies throughout the first quarter of 2009.

During the review of the quarterly fire drills, it was noted that the hospital staff did not conduct an evening shift drill in the healthcare occupancy during the second quarter of 2009.

During the review of the quarterly fire drills, it was noted that the hospital staff did not conduct a morning shift drill in the healthcare occupancy during the third quarter of 2009. The morning shift drill was conducted in a business occupancy.

During the review of the quarterly fire drills, it was noted that the hospital staff did not conduct an evening shift and night shift drill in the healthcare occupancy during the fourth quarter of 2009. The evening and night shift drill were conducted in a business occupancy.

Chapter: Environment of Care
Program: Critical Access Hospital Accreditation
Standard: EC.02.03.05

ESC 60 days

Standard Text: The critical access hospital maintains fire safety equipment and fire safety building features.
Note: This standard does not require critical access hospitals to have the types of fire safety equipment and building features described below. However, if these types of equipment or features exist within the building, then the following maintenance, testing, and inspection requirements apply.

Primary Priority Focus Area: Physical Environment

The Joint Commission Findings

Element(s) of Performance:

5. Every quarter, the critical access hospital tests fire alarm equipment for notifying off-site fire responders. The completion date of the tests is documented.

Note: For additional guidance on performing tests, see NFPA 72, 1999 edition (Table 7-3.2).



Scoring Category :A

Score : Insufficient Compliance

10. For automatic sprinkler systems: Every quarter, the critical access hospital inspects all fire department water supply connections. The completion dates of the inspections are documented.

Note: For additional guidance on performing tests, see NFPA 25, 1998 edition (Section 9-7.1).



Scoring Category :A

Score : Insufficient Compliance

13. Every 6 months, the critical access hospital inspects any automatic fire-extinguishing systems in a kitchen. The completion of the inspections is documented.

Note 1: Discharge of the fire-extinguishing systems is not required.

Note 2: For additional guidance on performing inspections, see NFPA 96, 1998 edition.



Scoring Category :A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 5

§485.623(d)(1) - (C-0231) - (1) Except as otherwise provided in this section, the CAH must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101 2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD and at the Office of the Federal Register, 800 North Capital Street NW, Suite 700, Washington, DC. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. Chapter 19.3.6.3.2, exception number 2 of the adopted edition of the Life Safety Code does not apply to a CAH.

This Standard is NOT MET as evidenced by:

Observed in the document review at Northern Inyo Hospital site.

During the document review, the hospital staff was not able to provide supporting documentation that the off-site notification device (monitored by Bishop Police Department) was tested for the second quarter of 2009.

EP 10

§485.623(d)(1) - (C-0231) - (1) Except as otherwise provided in this section, the CAH must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101 2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD and at the Office of the Federal Register, 800 North Capital Street NW, Suite 700, Washington, DC. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. Chapter 19.3.6.3.2, exception number 2 of the adopted edition of the Life Safety Code does not apply to a CAH.

This Standard is NOT MET as evidenced by:

Observed in the document review at Northern Inyo Hospital site.

During the document review, the hospital staff was not able to provide supporting documentation that the fire department connection was inspected for the second quarter of 2009.

EP 13

§485.623(d)(1) - (C-0231) - (1) Except as otherwise provided in this section, the CAH must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101 2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD and at the Office of the Federal Register, 800 North Capital Street NW, Suite 700, Washington, DC. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. Chapter 19.3.6.3.2, exception number 2 of the adopted edition of the Life Safety Code does not apply to a CAH.

This Standard is NOT MET as evidenced by:

Observed in the document review at Northern Inyo Hospital site.

During the document review, the hospital staff was not able to locate the supporting documentation that the fire suppression system had been inspected on semi-annual basis between December 9, 2008 and November 11, 2009.

Chapter: Environment of Care
Program: Critical Access Hospital Accreditation
Standard: EC.02.05.07

ESC 45 days

Standard Text: The critical access hospital inspects, tests, and maintains emergency power systems.
Note: This standard does not require critical access hospitals to have the types of emergency power equipment discussed below. However, if these types of equipment exist within the building, then the following maintenance, testing, and inspection requirements apply.

The Joint Commission Findings

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

4. Twelve times a year, at intervals of not less than 20 days and not more than 40 days, the critical access hospital tests each emergency generator for at least 30 continuous minutes. The completion dates of the tests are documented.



Scoring Category :A

Score : Insufficient Compliance

5. The emergency generator tests are conducted with a dynamic load that is at least 30% of the nameplate rating of the generator or meets the manufacturer's recommended prime movers' exhaust gas temperature. If the critical access hospital does not meet either the 30% of nameplate rating or the recommended exhaust gas temperature during any test in EC.02.05.07, EP 4, then it must test each emergency generator once every 12 months using supplemental (dynamic or static) loads of 25% of nameplate rating for 30 minutes, followed by 50% of nameplate rating for 30 minutes, followed by 75% of nameplate rating for 60 minutes, for a total of 2 continuous hours.



Scoring Category :A

Score : Insufficient Compliance

6. Twelve times a year, at intervals of not less than 20 days and not more than 40 days, the critical access hospital tests all automatic transfer switches. The completion date of the tests is documented.



Scoring Category :A

Score : Insufficient Compliance

7. At least once every 36 months, critical access hospitals with a generator providing emergency power for the services listed in EC.02.05.03, EPs 5 and 6, test each emergency generator for a minimum of 4 continuous hours. The completion date of the tests is documented.



Note: For additional guidance, see NFPA 110, 2005 edition, Standard for Emergency & Standby Power Systems.

Scoring Category :A

Score : Insufficient Compliance

8. The 36-month emergency generator test uses a dynamic or static load that is at least 30% of the nameplate rating of the generator or meets the manufacturer's recommended prime movers' exhaust gas temperature.



Scoring Category :A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 4

Observed in the document review at Northern Inyo Hospital site.

During the document review of the generator test logs, it was noted that generator 2 was not tested with a dynamic load for 30 minutes in January 2010.

During the document review of the generator test logs, it was noted that generator 1 and 2 were not tested with a dynamic load for 30 minutes in August 2009.

During the document review of the generator test logs, it was noted that generator 1 and 2 were not tested with a dynamic load for 30 minutes in March 2009.

EP 5

Observed in the document review at Northern Inyo Hospital site.

During the document review of the generator test logs, it was noted that the monthly generator test did not meet the minimum 30% nameplate rated load. There is insufficient load to meet the 30%. The hospital staff did not monitor exhaust gas temperatures. An annual load bank was conducted on August 5, 2009 for both generator 1 and 2 but the two hour period could not be determined by reading the report. Generator 1 had a meter start time of 176.7 and an end time of 245.9; significant discrepancy. Generator 2 had a meter start time of 247.1 and an end time of 248.9; short of the two hours and inclusive of cool down.

EP 6

Observed in the document review at Northern Inyo Hospital site.

During the document review of the generator test logs, it was noted that generator 1 and 2 were not tested with a dynamic load for 30 minutes in August 2009. As a result, the three automatic transfer switches were not exercised.

During the document review of the generator test logs, it was noted that generator 1 and 2 were not tested with a dynamic load for 30 minutes in March 2009. As a result, the three automatic transfer switches were not exercised.

EP 7

Observed in the document review at Northern Inyo Hospital site.

During the document review of the generator logs, the hospital staff was not able to provide supporting documentation that the four hour generator test with a minimum of 30% load was conducted in the past three years.

EP 8

Observed in the document review at Northern Inyo Hospital site.

During the document review of the generator logs, the hospital staff was not able to provide supporting documentation that the four hour generator test with a minimum of 30% load was conducted in the past three years.

Chapter:	Environment of Care
Program:	Critical Access Hospital Accreditation
Standard:	EC.02.05.09
Standard Text:	The critical access hospital inspects, tests, and maintains medical gas and vacuum systems. Note: This standard does not require critical access hospitals to have the medical gas and vacuum systems discussed below. However, if a critical access hospital has these types of systems, then the following inspection, testing, and maintenance requirements apply.
Primary Priority Focus Area:	Physical Environment

ESC 60 days

The Joint Commission Findings

Element(s) of Performance:

3. The critical access hospital makes main supply valves and area shutoff valves for piped medical gas and vacuum systems accessible and clearly identifies what the valves control.



Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in a corridor of the Emergency Department that there were two medical gas valves identified as serving the CT room. According to staff, the CT room was moved to another location and the room was now being used for surgery storage. The valves, medical air and oxygen, were not properly labeled to reflect the area that is served.

Chapter: Infection Prevention and Control
Program: Critical Access Hospital Accreditation
Standard: IC.02.02.01

ESC 45 days

Standard Text: The critical access hospital reduces the risk of infections associated with medical equipment, devices, and supplies.

Primary Priority Focus Area: Infection Control

Element(s) of Performance:

2. The critical access hospital implements infection prevention and control activities when doing the following: Performing intermediate and high-level disinfection and sterilization of medical equipment, devices, and supplies. (See also EC.02.04.03, EP 4)



Note: High-level disinfection is used for items such as respiratory equipment and specula. Sterilization is used for items such as implants and surgical instruments. High-level disinfection may also be used if sterilization is not possible, as is the case with flexible endoscopes.

Footnote: For further information regarding performing intermediate and high-level disinfection of medical equipment, devices, and supplies, refer to the Web site of the Centers for Disease Control and Prevention (CDC) at <http://www.cdc.gov/ncidod/dhqp/sterile.html> (Sterilization and Disinfection in Healthcare Settings).

Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in individual patient tracer activity at Northern Inyo Hospital Rural Health Clinic site.

The Cidex OPA test strips were not labeled as to when they should be discarded. The unopened package expiration date was June, 2010. However they were opened 10-22-09 and thus with a 90 day life after breaking the seal should have been discarded 1-22-2010.

Chapter: Life Safety
Program: Critical Access Hospital Accreditation

The Joint Commission Findings

Standard: LS.02.01.20

ESC 60 days

Standard Text: The critical access hospital maintains the integrity of the means of egress.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

13. Exits, exit accesses, and exit discharges are clear of obstructions or impediments to the public way, such as clutter (for example, equipment, carts, furniture), construction material, and snow and ice. (For full text and any exceptions, refer to NFPA 101-2000: 7.1.10.1)



Scoring Category : C

Score : Partial Compliance

Observation(s):

EP 13

§485.623(d)(1) - (C-0231) - (1) Except as otherwise provided in this section, the CAH must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101 2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD and at the Office of the Federal Register, 800 North Capital Street NW, Suite 700, Washington, DC. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. Chapter 19.3.6.3.2, exception number 2 of the adopted edition of the Life Safety Code does not apply to a CAH.

This Standard is NOT MET as evidenced by:

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in the main hospital on the A floor that there were several soiled linen hampers and trash receptacles in the egress hallway.

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in the main hospital in the OB/Labor and Delivery unit that there were several equipment carts, soiled linen hampers and other medical equipment in the egress corridor.

Chapter: Life Safety

Program: Critical Access Hospital Accreditation

Standard: LS.02.01.70

ESC 60 days

Standard Text: The critical access hospital provides and maintains operating features that conform to fire and smoke prevention requirements.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

2. Soiled linen and trash receptacles larger than 32 gallons (including recycling containers) are located in a room protected as a hazardous area. (For full text and any exceptions, refer to NFPA 101-2000: 18/19.7.5.5)



Scoring Category : C

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 2

§485.623(d)(1) - (C-0231) - (1) Except as otherwise provided in this section, the CAH must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101 2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD and at the Office of the Federal Register, 800 North Capital Street NW, Suite 700, Washington, DC. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. Chapter 19.3.6.3.2, exception number 2 of the adopted edition of the Life Safety Code does not apply to a CAH.

This Standard is NOT MET as evidenced by:

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in the main hospital on the A floor that there was a four-bag soiled linen frame located in the egress hallway. Each bag was approximately 30 gallons in size.

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in the main hospital on the A floor that there was a large, gray trash receptacle in the egress hallway. The receptacle exceeded the 32 gallon limit.

Observed in the building tour at Northern Inyo Hospital site.

During the building tour, it was observed in the main hospital in the OB/Labor and Delivery unit that there was a four-bag soiled linen frame located in the egress hallway. Each bag was approximately 30 gallons in size.

Chapter: Medical Staff
Program: Critical Access Hospital Accreditation
Standard: MS.06.01.05

ESC 60 days

Standard Text: The decision to grant or deny a privilege(s), and/or to renew an existing privilege (s), is an objective, evidenced-based process.

Primary Priority Focus Area: Credentialed Practitioners

Element(s) of Performance:

8. Peer recommendation includes written information regarding the practitioner's current:

- Medical/clinical knowledge
- Technical and clinical skills
- Clinical judgment
- Interpersonal skills
- Communication skills
- Professionalism



Note: Peer recommendation may be in the form of written documentation reflecting informed opinions on each applicant's scope and level of performance, or a written peer evaluation of practitioner-specific data collected from various sources for the purpose of validating current competence.

Scoring Category : A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 8

Observed in Medical staff credentials tracer at Northern Inyo Hospital site.

Review of Credentialed provider's files found that the request letter for professional recommendation, to those individuals named by the applicant provider, did not require or allow for each of the required 6 elements to be addressed by the respondent. While the letter sent to the named references contained the language required by this standard, it was written in a way that the response would not allow for each individual item to be addressed by the person commenting on the qualifications and personal knowledge of the applicant. It is necessary to design a letter that will state each of the 6 elements in such a way that the person responding may or may not choose to address each one individually.

Chapter: Medical Staff
Program: Critical Access Hospital Accreditation
Standard: MS.08.01.03

ESC 60 days

Standard Text: Ongoing professional practice evaluation information is factored into the decision to maintain existing privilege(s), to revise existing privilege(s), or to revoke an existing privilege prior to or at the time of renewal.

Primary Priority Focus Area: Credentialed Practitioners

Element(s) of Performance:

2. The process for the ongoing professional practice evaluation includes the following:
The type of data to be collected is determined by individual departments and approved by the medical staff.



Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in medical staff credentialing tracer at Northern Inyo Hospital site.

It was noted that the medical staff has not yet adopted or put into practice an ongoing professional practice evaluation methodology that meets the intent of this standard.

Chapter: Medication Management
Program: Critical Access Hospital Accreditation
Standard: MM.04.01.01

ESC 45 days

Standard Text: Medication orders are clear and accurate.

Primary Priority Focus Area: Medication Management

Element(s) of Performance:

13. The critical access hospital implements its policies for medication orders.



Scoring Category :C

Score : Partial Compliance

Observation(s):

The Joint Commission Findings

EP 13

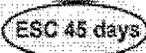
Observed in individual patient tracer activity at Northern Inyo Hospital site.
A Condition of Participation does not apply to this observation.

It was observed in the infusion center that the patient reviewed and interviewed was receiving an infusion for joint disease which was not in keeping with the order by the staff physician. The nurse noted that the dose was not the usual dose and contacted the consultant specialist that was designing care but who is not a credentialed provider at this org for a clarification. The dose was increased and corresponded to the dose given the patient but there was no order from the credentialed provider for this dose. The nurse indicated that she had taken a verbal order but had not recorded it and that the local MD had not provided any documented corrected order.

Observed in individual patient tracer activity at Northern Inyo Hospital site.
A Condition of Participation does not apply to this observation.

Review of an in patient on the medical surgical unit indicated that the order for 11 units of Insulin was held due to low blood sugar. There was a note by the nurse in the nursing notes section that she had talked with the primary MD but there was no order entered in the record to document this action.

The MAR was checked and the medication was withheld, but without documented physician order.

Chapter: National Patient Safety Goals
Program: Critical Access Hospital Accreditation
Standard: NPSG.03.04.01 
Standard Text: Label all medications, medication containers, and other solutions on and off the sterile field in perioperative and other procedural settings.
Note: Medication containers include syringes, medicine cups, and basins.
Primary Priority Focus Area: Medication Management

Element(s) of Performance:

5. Label each medication or solution as soon as it is prepared, unless it is immediately administered.



Note: An immediately administered medication is one that an authorized staff member prepares or obtains, takes directly to a patient, and administers to that patient without any break in the process.

Scoring Category :A

Score : Insufficient Compliance

Observation(s):

EP 5

Observed in individual patient tracer activity at Northern Inyo Hospital site.

It was observed that pre labeled syringes were to be used for the sedation medications in the OR for an endoscopy procedure, rather than labeling the syringes when the medication was transferred from the vial for patient administration during the procedure.

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*The California Healthcare
Interpreting Association honors*

JOSE GARCIA

AS

2010 Interpreter of the Year



*for dedicated service to patients,
providers, and the profession.*

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COUNTY OF INYO

ENVIRONMENTAL HEALTH SERVICES

P. O. Box 427

INDEPENDENCE, CALIFORNIA 93526

(760) 878-0238

(760) 873-7866



Key Board

Date: 3-17-10

Time: 10:45

Reinspection _____

Food Facility Inspection Report

Facility: <u>NORTHERN INYO HOSPITAL</u>	Address: <u>BISHOP</u>
Food Safety Certificate: Name: _____	Exp. Date: _____
In= In Compliance N/O= Not observed [X]= items not in compliance cos= corrected on site maj= major	

		cos	maj	out		out
<input checked="" type="checkbox"/> N/O	1 Demonstration of knowledge				24 Person in charge present and performs duties	
<input checked="" type="checkbox"/>	2 Communicable disease restriction				25 Personal cleanliness and hair restraint	
<input checked="" type="checkbox"/> N/O	3 Discharge of eyes, nose, mouth				26 Approved thawing methods	
<input checked="" type="checkbox"/> N/O	4 Eating, tasting, drinking, tobacco				27 Food separated and protected	
<input checked="" type="checkbox"/> N/O	5 Hands properly washed, glove use				28 Washing fruits and vegetables	
<input checked="" type="checkbox"/>	6 Handwashing facilities available				29 Toxic substances properly identified and stored	
<input checked="" type="checkbox"/> N/A N/O	7 Proper hot and cold holding				30 Food storage 31 self service 32 labeled	
In <input checked="" type="checkbox"/> N/A N/O	8 Time as control, records				33 Nonfood contact surfaces clean	
<input checked="" type="checkbox"/> N/A N/O	9 Proper cooling				34 Warewashing facilities maintained, test strips	
<input checked="" type="checkbox"/> N/A N/O	10 Cook time, temp				35 Equipment, utensils, approved, clean good repair	
<input checked="" type="checkbox"/> N/A N/O	11 Reheating temperature				36 Equipment, utensils and linens, storage and use	
In <input checked="" type="checkbox"/> N/A N/O	12 Returned and reservice of food				37 Vending Machines	
<input checked="" type="checkbox"/>	13 Food in good condition, safe				38 Adequate ventilation and lighting	
<input checked="" type="checkbox"/> N/A N/O	14 Food contact surfaces clean, sanitized				39 Thermometers provided and adequate	
<input checked="" type="checkbox"/>	15 Food from approved source				40 Wiping cloths properly used and stored	
In <input checked="" type="checkbox"/> N/A N/O	16 Shell stock tags 17 Gulf Oyster regs				41 Plumbing, proper backflow prevention	
In <input checked="" type="checkbox"/> N/A N/O	18 Compliance with HACCP plan				42 Garbage properly disposed, facilities maintained	
In <input checked="" type="checkbox"/> N/A N/O	19 Advisory for raw/undercooked food				43 Toilet facilities supplied, clean	
<input checked="" type="checkbox"/> N/A	20 Health care/ School prohibited food				44 Premises clean, vermin proof	
<input checked="" type="checkbox"/>	21 Hot & cold water. Hot Temp: <u>122</u> °F				45 Floors, walls and ceilings maintained and clean	
<input checked="" type="checkbox"/>	22 Wastewater properly disposed				46 No unapproved living or sleeping quarters	
<input checked="" type="checkbox"/>	23 No rodents, insects, birds, animals				47 Signs posted; Last inspection report available	

No PHF []

Temp	Food	Location	Temp	Food	Location	Temp	Food	Location
<u>33, 38, 37, 38</u>	<u>31</u>							
<u>38</u>		<u>WALK-IN</u>						

Comments:

FAX: 3-2135 (JUICE REG.)

CLEAN, WELL MAINTAINED, FOOD IS SAFELY HANDLED.

(CORN OIL & BUTTERY SPREAD: & TRANS-FAT.)

Received By: Alan Jordan

REHS: Andrew Kirk

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MM.4.10

NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Warfarin Monitoring Protocol	
Scope: Hospital-wide	Department:
Source: Pharmacy	Effective Date: 11-16-2005

PURPOSE:

Warfarin drug and food interactions frequently lead to destabilization of International Normalization Ratios (INR) in patients taking warfarin. Hospitalization often requires the temporary use of medications and the temporary use of therapeutic diets. Warfarin dosage requires adjustment in response to changes in INR. Warfarin dosage adjustment can be overlooked. The purpose of this policy is to provide a protocol by which pharmacists can order an INR and inform the physician of the need for dose adjustment, or, failing to contact the physician before the next dose, of holding a dose.

POLICY:

1. An INR will be ordered at least every 3 days to monitor warfarin dosage unless the physician specifically orders a different frequency of INR testing.
2. Pharmacists shall note a patient's most recent INR prior to dispensing warfarin any time.
3. Nurses shall note a patient's most recent INR prior to obtaining warfarin from an automated dispensing machine.
4. A pharmacist may order an INR on the physicians' order sheet with the notation "per Warfarin Monitoring Protocol," the date and time, and the pharmacist's signature, if:
 - a. a patient's most recent INR is 3 or more days old
 - b. if a patient is on a medication known to interact with warfarin drug activity
 - c. if a patient is starting warfarin therapy
5. If a patient's most recent INR is 3 or more days old, a nurse, intending to remove a warfarin dose from the automated dispensing machine or from a night locker, shall hold the dose until the patient's physician is reached for an INR order, or until a pharmacist is reached to write an INR order under this protocol. The warfarin dose shall be held until the INR result is known.
6. If the INR is under the therapeutic range, the dose shall be given and the physician informed of the INR.
7. If the INR is over the therapeutic range, the dose shall be held and the physician informed of the INR.

Committee Approval	Date
Pharmacy and Therapeutics Committee	12/17/2009
Policy and Procedures Committee	12/17/2009
Medical Services/ICU Committee	
Peri/Peds Committee	
Surgery/Tissue Committee	
Medical Executive Committee	
Administration	
Board of Directors	

Revised: 12/09

DRAFT

NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Warfarin Dosing	
Scope: Hospital Wide	Department:
Source: Director of Pharmacy	Effective Date:

PURPOSE:

To insure that warfarin dosing is performed in compliance with The Joint Commission National Patient Safety Goal NP.03.05.01 EP 2 (Use approved protocols for the initiation and maintenance of anticoagulation therapy).

POLICY:

Warfarin therapy shall be initiated and maintained in accordance with the "Pharmacology and Management of the Vitamin K Antagonists" published by the American College of Chest Physicians Evidence-Based Clinical Practice Guidelines (8th Edition).

Committee Approval	Date
Pharmacy and Therapeutics Committee	
Medical/ICU Committee	
Perinatal/Pediatrics Committee	
Emergency Medicine Committee	
Surgery/Tissue Committee	
Medical Executive Committee	
Administration	
Board of Directors	

Revised
Reviewed
Supersedes

PubMedU.S. National Library of Medicine
National Institutes of Health

Display Settings: Abstract

Chest. 2008 Jun;133(6 Suppl):160S-198S.

**Pharmacology and management of the vitamin K antagonists:
American College of Chest Physicians Evidence-Based Clinical
Practice Guidelines (8th Edition).**

Ansell J, Hirsh J, Hylek E, Jacobson A, Crowther M, Palareti G; American College of Chest Physicians.
Department of Medicine, Boston University Medical Center, 88 East Newton Street, Boston, MA 02118, USA.
jack.ansell@bmc.org

This article concerning the pharmacokinetics and pharmacodynamics of vitamin K antagonists (VKAs) is part of the American College of Chest Physicians Evidence-Based Clinical Practice Guidelines (8th Edition). It describes the antithrombotic effect of the VKAs, the monitoring of anticoagulation intensity, and the clinical applications of VKA therapy and provides specific management recommendations. Grade 1 recommendations are strong and indicate that the benefits do or do not outweigh the risks, burdens, and costs. Grade 2 recommendations suggest that the individual patient's values may lead to different choices. (For a full understanding of the grading, see the "Grades of Recommendation" chapter by Guyatt et al, CHEST 2008; 133:123S-131S.) Among the key recommendations in this article are the following: for dosing of VKAs, we recommend the initiation of oral anticoagulation therapy, with doses between 5 mg and 10 mg for the first 1 or 2 days for most individuals, with subsequent dosing based on the international normalized ratio (INR) response (Grade 1B); we suggest against pharmacogenetic-based dosing until randomized data indicate that it is beneficial (Grade 2C); and in elderly and other patient subgroups who are debilitated or malnourished, we recommend a starting dose of ≤ 5 mg (Grade 1C). The article also includes several specific recommendations for the management of patients with nontherapeutic INRs, with INRs above the therapeutic range, and with bleeding whether the INR is therapeutic or elevated. For the use of vitamin K to reverse a mildly elevated INR, we recommend oral rather than subcutaneous administration (Grade 1A). For patients with life-threatening bleeding or intracranial hemorrhage, we recommend the use of prothrombin complex concentrates or recombinant factor VIIa to immediately reverse the INR (Grade 1C). For most patients who have a lupus inhibitor, we recommend a therapeutic target INR of 2.5 (range, 2.0 to 3.0) [Grade 1A]. We recommend that physicians who manage oral anticoagulation therapy do so in a systematic and coordinated fashion, incorporating patient education, systematic INR testing, tracking, follow-up, and good patient communication of results and dose adjustments [Grade 1B]. In patients who are suitably selected and trained, patient self-testing or patient self-management of dosing are effective alternative treatment models that result in improved quality of anticoagulation management, with greater time in the therapeutic range and fewer adverse events. Patient self-monitoring or self-management, however, is a choice made by patients and physicians that depends on many factors. We suggest that such therapeutic management be implemented where suitable (Grade 2B).

PMID: 18574265 [PubMed - indexed for MEDLINE]

Publication Types, MeSH Terms, Substances

LinkOut - more resources

MM.2.20
MM.4.40
MM.7.10

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: High Alert Medications: Preparation, Dispensing, Storage, Administration	
Scope: Departmental	Department: Pharmacy
Source: Pharmacy	Effective Date: 3/2/04

PURPOSE:

To ensure that the preparation, dispensing, and storage of high alert medications occurs safely

POLICY:

1. High Alert medications are cancer chemotherapy drugs, monoclonal antibody drugs, concentrated electrolytes solutions, insulin, heparin, PCA narcotics, neuromuscular blocking agents and any medications designated as High Alert by the Pharmacy and Therapeutics Committee.
2. High Alert medications will not be dispensed or prepared for dispensing without a written order.
3. Prior to preparation or dispensing, the pharmacist will check the diagnosis, indications, contraindications, precautions, adverse effects, dose, route of administration in an FDA sanctioned publication (e.g.: the package insert), or in a industry-recognized compendium such as the American Hospital Formulary Service, Facts and Comparisons Chemotherapy Manual, or in a peer-reviewed article in a recognized medical journal. This step may be skipped if the pharmacist is sufficiently familiar with the drug to judge the safety and appropriateness of the order.
4. The drug will only be prepared and dispensed if the pharmacist is satisfied of the safety and appropriateness of the drug and dose.
5. For cancer chemotherapy orders and for orders written on a Chemotherapy Orders sheet, the pharmacy Chemotherapy Policy and Procedure will be followed. Personal protective equipment and the Bio-Safety Cabinet are only required for cancer chemotherapy and bio-hazardous medications.
6. Prior to the final mixing of non-chemotherapy High Alert medication, the prepared dose of the medication will be double checked by another pharmacist, a pharmacy technician, or a registered nurse.

Unit specific actions for High Alert Medications:

Class of Medication	Pharmacy	Nursing
Chemotherapy	Segregated in pharmacy Double check	Double check
Monoclonal Antibody	Segregated in Pharmacy Double check	Double check
Concentrated Electrolyte Sol.	Alert Note in Pharmacy Double check	Not Available
Insulin	Double check	Double check
Heparin	Pre-mix sol	Double check
PCA Narcotics	Double check	Double check Alert packaging
Neuro-Muscular Blocking Agent	Alert Note in Pharmacy	Alert packaging

Double check means that medication and dose are independently checked by 2 licensed practitioners.

Committee Approval	Date
Pharmacy and Therapeutics Committee	12/17/2009
Policy and Procedures Committee	12/17/2009
Medical Services/ICU Committee	
Peri/Peds Committee	
Surgery/Tissue Committee	
Medical Executive Committee	
Administration	
Board of Directors	

Revised 2/04, 12/09
 Reviewed 10/05
 Supercedes 2/01

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**CONFLICT OF INTEREST CODE OF THE
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
COUNTY OF INYO, STATE OF CALIFORNIA**

SECTION 1: Purpose

Pursuant to California Government Code section 87300, *et seq.*, the Northern Inyo County Local Hospital District hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the *Political Reform Act of 1974* (California Government Code section 81000). The provisions of this Conflict of Interest Code are additional to California Government Code section 81700 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Conflict of Interest Code shall be interpreted in a manner consistent therewith.

SECTION 2: Designated Positions

The positions listed on Appendix "A" are designated positions. Persons holding these designated positions are designated positions and are deemed to make, or participate in the making of, decisions which may have a material effect of a financial interest.

SECTION 3: Disclosure Statements

Each designated position is assigned to one or more of the disclosure categories as set forth in Appendix "B". Each person in a designated position shall file a statement of financial interest disclosing that person's interest in investments, business positions, real property, and income, designated as reportable under the disclosure category to which the person's position is assigned on Appendix "A".

Notwithstanding the disclosure category to which a consultant position is assigned by Appendix "A", the Presiding Officer of the Northern Inyo County Local Hospital District's Governing Board may determine in writing that a particular consultant, although a "designated" position is hired to perform a range of duties that are limited in scope and, thus, is not required to fully comply with the disclosure requirements of the category designated for consultants on Appendix "A". Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent, if any, of the disclosure requirements for such consultant. Such written determination is a public record and shall be filed and retained for public inspection in the same manner and locations as is required for statements of financial interest.

SECTION 4: Place, Time, and Requirements of Filing

(A) Place of Filing.

All persons required to file a statement of financial interests shall file the original with the Inyo County Clerk, and a copy with the Presiding Officer of the Northern Inyo County Local Hospital District Governing Board.

(B) Time and Content of Filing.

The first statement by a person in a designated position upon the effective date of this Conflict of Interest Code shall be filed within thirty (30) days after the effective date of this Conflict of Interest Code, and shall disclose investments, business positions, and interest in real property held on the effective date of this Conflict of Interest Code and income received twelve (12) months before the effective date of this Conflict of Interest Code. The first statement by a person who assumes a designated position after the effective date of this Conflict of Interest Code shall be filed within thirty (30) days after assuming such position with the District and shall disclose investments, business positions, and interests in real property held, and income received, during the twelve (12) months before the date of assuming such position. After filing the first statement, each person in a designated position shall file an annual statement on or before April 1, disclosing reportable investments, business positions, interests in real property held, and income received, any time during the previous calendar year or since the date the person assumed the designated position during the calendar year. Every person in a designated position who leaves a designated position shall file, within thirty (30) days of leaving the position, a statement disclosing reportable investments, business positions, interests in real property held, and income received, at any time during the previous calendar year or since the date the person assumed the designated position during the calendar year. Every person in a designated position who leaves a designated position shall file, within thirty (30) days of leaving the position, a statement disclosing reportable investments, business positions, interests in real property held and income received, at any time during the period between the closing date of the last statement required to be filed, and the date of leaving the position.

SECTION 5: Contents of Disclosure Statement

Statements of financial interest shall be made on forms supplied by the Inyo County Clerk and shall contain all of the information as required by the current provisions of Government Code sections 87206 and 87207 for interest in investments, business positions, real property, and sources of income designated as reportable under the disclosure category to which the person's position is assigned on Appendix "A".

SECTION 6: Disqualification

A person in a designated position must disqualify himself or herself from making, or participating in the making, or using their official position to influence the making of any decision which will have a material financial effect, as distinguishable from its effect on the public generally, on any financial interest as defined in Section 87103 of the Government Code. No person in a designated position shall be required to disqualify himself or herself with respect to any matter which could not be legally acted upon or decided without his or her participation.

APPENDIX "A"
DESIGNATED POSITIONS

**OF THE NORTHERN INYO COUNTY LOCAL HOSPITAL
DISTRICT
COUNTY OF INYO, STATE OF CALIFORNIA**

<u>DESIGNATED POSITIONS</u>	<u>DISCLOSURE CATEGORY</u>
Members of the Board of Directors, Hospital Administrator, and Chief Financial Officer	1
Director of Human resources and Education	2
Director of Information Technology	3
Director of Nursing	3
Director of Pharmacy	3
Director of Purchasing	3
Laboratory Manager	3
Radiology Manager	3
Director of Plant Operations	3
Dietary Director	3
Consultants, and Hospital District Legal Counsel	4

APPENDIX "B"
OF THE NORTHERN INYO COUNTY
LOCAL HOSPITAL DISTRICT

DISCLOSURE CATEGORIES

An investment, business position, interest in real property, or income is reportable if the business entity in which the investment or business position is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by a person in a designated position.

Designated persons in Disclosure Category "1" must report:

All investments, interests in real property and income, any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management, and any such business position. Financial interests are reportable only if located within or subject to the jurisdiction of the Northern Inyo County Local Hospital District or if the business entity is doing business or planning to do business in the jurisdiction or has done business within the jurisdiction at any time during the two years prior to the filing of the statement.

Designated persons in Disclosure Category "2" must report:

- A. Investments in any business entity defined to be an "employer" or an "employment agency" within the meaning of the State Labor Statute.
- B. Each source of income, provided that the income was furnished by or on behalf of any person defined to be an "employer, "labor organization", "employment agency, or "joint apprenticeship council" within the meaning of the State Labor Statute.
- C. His or her status as a director, officer, partner, trustee, employee, or any position of management in any business entity defined to be an "employer", "employment agency", labor organization", or "joint apprenticeship council", within the meaning of the State Labor Statute.

Designated persons in Disclosure Category "3" must report:

- A. Investments in any business entity which, within the last two years, has contracted, or in the future foreseeably may contract with the Northern Inyo County Local Hospital District or with the State of California to provide services,

- supplies, materials, machinery or equipment to the department or division of the Hospital District in which the persons serve as designated persons.
- B. Income from any source which, within the last two years, has contracted, or in the future foreseeably may contract with the Hospital District or with the State of California to provide services, supplies, materials, machinery or equipment to the department or division of the Hospital District in which the persons serve as designated persons.
 - C. His or her status as director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which, within the last two years, has contracted, or in the future foreseeably may contract with the Hospital District or with the State of California to provide services, supplies, materials, machinery or equipment to the department or division of the hospital district in which the persons serve as designated persons.

Designated persons in Disclosure Category "4":

Are consultants. A consultant is any natural person who provides under contract information, advice, or recommendation of counsel to the Northern Inyo County Local Hospital District. The disclosure required of each consultant shall be determined on a case by case basis by the Hospital Administrator, based on whether the consultant participates in the making of decisions on behalf of the Northern Inyo County Local Hospital District which may foreseeably and materially affect any investments, interests in real property, or sources of income conceivably held by the consultant, or any business entity in which the consultant may conceivably hold a business position. The scope of disclosure required of each consultant, if any, shall be determined by the Hospital Administrator in writing in each case, and may include, but is not limited to, any source listed in Disclosure Categories 1, 2, or 3 or this Appendix.

This acknowledges that the Northern Inyo County Local Hospital District adopted this Conflict of Interest Code on _____, 2010.

Signature of Authorized Officer
Peter J. Watercott, Governing Board President
Northern Inyo County Local Hospital District

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BYLAWS
of the
NORTHERN INYO COUNTY LOCAL HOSPITAL
DISTRICT

REVISED AND APPROVED

August 20, 1980
August 19, 1981
August 18, 1982
February 16, 1983
August 17, 1983
August 15, 1984
August 21, 1985
December 18, 1985
August 20, 1986
August 19, 1987
August 17, 1988
August 16, 1989
June 20, 1990
July 17, 1991
July 15, 1992
July 21, 1993
July 19, 1995
July 17, 1996
July 16, 1997
July 15, 1998
July 21, 1999
July 19, 2000
June 20, 2001
July 17, 2002
March 16, 2005
January 18, 2006
April 21, 2010

**BYLAWS OF THE
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT**

PREAMBLE

Section 1. Name

The name of this non-profit hospital district organization shall be the Northern Inyo County Local Hospital District (hereinafter "the District"), organized January 11, 1946, under the terms of the Local Health Care District Law (Health and Safety Code, Section 32000, et seq), to promote the public health and the general welfare. This organization shall be fully empowered to receive and administer funds for the attainment of these objectives, all in accordance with the purposes and powers set forth in the Local Health Care District Law.

ARTICLE I

OFFICES

Section 1. Offices

The principal office for the transaction of the business of the District is hereby fixed at Northern Inyo Hospital (hereinafter referred to as "The Hospital") at 150 Pioneer Lane, Bishop, Inyo County, California. Branch offices may be established by the Board of Directors at such place or places within the geographical boundaries of the District as it deems necessary or advisable to the conduct of the business of the District.

Section 2. Title to Property

The title to all property of the District shall be vested in the Board of Directors, and the signatures of the President and Secretary authorized by appropriate resolution at any meeting of the Directors, shall constitute the proper authority for the purchase or sale of property, or for the investment or other disposal of trust funds which are subject to the control of the District.

ARTICLE II

PURPOSES AND SCOPE

Section 1. Scope of Bylaws

These Bylaws shall be known as the "District Bylaws," and shall govern the District, its Board of Directors (hereinafter "the Board"), and all of its affiliated and subordinate organizations and groups.

The Board may delegate certain powers to the Medical Staff and to other affiliated and subordinate organizations and groups. Such powers and functions not expressly delegated to such affiliated or subordinate organizations or groups are to be considered residual powers vested in the Board of the District provided, however, that no assignment, referral, or delegation

of authority by the Board shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the hospital and the quality of patient care.

The Bylaws of the Medical Staff and other affiliated and subordinate organizations and groups, and any amendments to such Bylaws, shall not be effective until the same are approved by the Board of the District. Said Bylaws may be reviewed by the Board annually, or at more frequent intervals if circumstances require, with the assistance of the Administrator and the attorney for the District.

In the event of any conflict between the Bylaws of the Medical Staff or any other affiliated or subordinate organization or group, and the provisions of these District Bylaws, these District Bylaws shall prevail. In the event the District Bylaws are in conflict with any statute of the State of California governing hospital districts or other applicable law, such statute or other applicable law shall prevail.

Section 2. Purposes

The purposes of the District shall include, but not necessarily be limited to, the following:

- a. Within the limits of community resources, to provide the best facilities reasonably possible for the acute and continued care of the injured or ill.
- b. To conduct educational and research activities essential to the attainment of its purposes.
- c. To coordinate the services of the District with community agencies and other hospitals and health care institutions providing specialized care.
- d. To do any and all other acts and things necessary to carry out the provisions of the Local Health Care District Law.

Section 3. Profit or Gain

There shall be no contemplation of profit or pecuniary gain, and no distribution of profits to any individual, under any guise whatsoever, nor shall there be any distribution of assets or surpluses to any individual on the dissolution of the District.

Section 4. Disposition of Surplus

Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used and dealt with by the Board for improvements in the hospital's facilities for the care of the sick, injured, or disabled, or for other purposes not inconsistent with the Local Health Care District Law or these Bylaws.

Section 5. Fiscal Year

The fiscal year of the District shall commence on the first day of July of each year and shall end on the last day of June of each year.

Section 6. Annual Audit

The affairs and financial condition of the District shall be audited annually at the end of each fiscal year by a Certified Public Accountant selected by the Board, and a written report of such audit and appropriate financial statements shall be submitted to the Board. Additional audits may be authorized as considered necessary or desirable by the Board.

The annual audit report shall be reviewed and discussed by the Administrator and the Board.

Section 7. Non-Discrimination

Unlawful discrimination is against the policy of the District in all activities including, but not limited to, admission, treatment, and employment. No person shall be excluded from participation in, or be denied the benefits of, any District program or activity on account of race, religious creed, color, national origin, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ancestry or pregnancy.

ARTICLE III

DIRECTORS

Section 1. Number and Qualifications

The Board shall consist of five (5) members elected from and representing five (5) zones into which the District is divided. Each Board member shall be a registered voter residing in the zone of the District from which he or she is elected.

Section 2. Election and Term of Office

Members of the Board shall be elected to overlapping four-year terms by the electors of the five (5) zones of the District. Elections shall be conducted pursuant to and as provided in the California Elections Code, amendments thereto, and other applicable California law.

Section 3. Powers and Duties

The Board shall have and exercise all the powers of a Health Care District permitted by applicable law, including but not limited to the powers set forth in the Local Health Care District Law. Specifically, but without limitation, the Board shall be empowered as follows:

- a. To control and be responsible for the management of all operations and affairs of the District.
- b. To make and enforce all rules and regulations necessary for the administration, government, protection, and maintenance of hospitals and other facilities under District jurisdiction.

- c. To appoint an Administrator, to approve appointment of all officers of the Medical Staff and all chiefs of the various medical services, and to define the powers and duties of such appointees.
- d. To delegate certain powers to the Medical Staff and other affiliated or subordinate organizations in accordance with their respective bylaws.
- e. To approve or disapprove all constitutions, Bylaws, Rules and Regulations, including amendments thereof, of all affiliated or subordinate organizations.
- f. To appoint, promote, demote, and remove all members of the Medical Staff.
- g. To provide for the election of its officers and for the appointment of committees as necessary to effect the discharge of its responsibilities. In addition, the Board shall adopt a schedule of meetings, attendance requirements, and methods of recording minutes of governing body proceedings not including closed sessions.
- h. To, if deemed appropriate, appoint an executive committee of the Board. Lacking the appointment of an executive committee by resolution of a majority of the Board, the Board shall fulfill its duties and responsibilities acting as a committee-of-the-whole.
- i. To adopt resolutions and ordinances establishing policies or rules for the operation of the District and any of its facilities. Such resolutions and ordinances shall be kept in a separate book or file, and shall be available for inspection at all times. Such resolutions and ordinances shall be considered to be a part of these Bylaws.
- j. To designate by resolution persons who shall have authority to sign checks drawn on the funds of the District.
- k. To assume the responsibility for and perform the functions inherent in maintenance of accreditation of the hospital by the Joint Commission on Accreditation of Healthcare Organizations. The Board shall be actively involved in the accreditation process which shall include participation in the hospital survey process.
- l. To delegate to the Administrator and to the Medical Staff such authority as is appropriate to carry out the general purposes referred to in these Bylaws provided, however, that no assignment, referral, or delegation of authority by the Board shall preclude the Board from exercising the authority required to meet its responsibilities for the conduct of the hospital and the quality of patient care.
- m. To insure the preparation and maintenance of adequate and accurate records for all patients.
- n. To conduct, on an annual basis, a self-evaluation and review of the performance of the Board.
- o. To conduct, on an annual basis, an evaluation and review of the performance of the Administrator.
- p. To do any and all other acts and things necessary to carry out the provisions of these Bylaws or the provisions of the Local Health Care District Law.

Section 4. Compensation

The members of the Board shall receive \$100 each meeting not to exceed five (5) meetings a month in payment in lieu of expenses. Each member shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board including, but not limited to, compensation for travel at the rate allowed by the Internal Revenue Service, at the time of actual travel, to calculate the deductible costs of operating an automobile for business purposes.

Section 5. Vacancies

Any vacancy upon the Board shall be filled by appointment by the remaining members of the Board, or, if the Board is unable to appoint, pursuant to applicable California law. Any person appointed to fill such vacancy shall hold office for the period prescribed by Section 1780 of the Government Code as it may be amended from time to time, or any successor statutes thereto.

Section 6. Orientation and Education

Orientation and continuing education programs relating to the operation of the hospital shall be provided to all members of the Board.

ARTICLE IV

MEETING OF DIRECTORS

Section 1. Regular Meetings

Regular meetings of the Board of the District shall be held at the Northern Inyo Hospital on the third Wednesday of each month, excluding August and November, and on the second Wednesday of December, at 5:30 p.m. if the respective days are not legal holidays and, if any one such day is a legal holiday, then on another day selected by the Directors. The Board may change the time and/or place of such regular meetings by resolution adopted at the regular meeting held in the month immediately preceding, or at a special meeting called for such purpose. All members must attend a minimum of fifty percent (50%) of the meetings unless excused for good cause as approved by the remaining members of the Board.

Section 2. Special Meetings

Special meetings may be called at any time by the President, or by a majority of members of the Board. Written notice of such meeting shall be posted in a location freely accessible to the public, and shall be delivered to each Board member at least 24 hours before the meeting.

Section 3. Quorum

A majority of the members of the Board shall constitute a quorum for the transaction of business, but a member not entitled to vote because of a conflict of interest shall not be counted for the purpose of establishing a quorum on a particular question.

Section 4. Voting

The Board shall act by majority vote of the quorum. In the event that one less than the necessary number of "aye" votes has been cast, then an "abstain" vote shall constitute concurrence and the Secretary shall set forth in his or her minutes that the matter was passed pursuant to this rule.

Section 5. Adjournment

A quorum of the Board may adjourn any Board meeting to meet again at a stated day and hour provided, however, that in the absence of a quorum, a majority of the Board members present at any Board meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 6. Public Meetings

All meetings of the Board, whether regular, special, or adjourned, shall be open to the public, provided, however, that the foregoing shall not be construed to prevent the Board from holding closed sessions for any purpose for which California law allows closed sessions.

ARTICLE V

OFFICERS

Section 1. Officers

The officers of the Board shall be a President, a Vice President, a Secretary, and a Treasurer, all elected by the Directors from among themselves. The remaining Director shall be designated the "Member at Large."

Section 2. Election of Officers

The Board shall elect its officers annually at its regular January meeting. Each officer shall hold office for the calendar year beginning on the first day of January following the election, or until he or she dies, vacates his or her office, or is otherwise disqualified to serve.

Section 3. President

The Board shall elect one of its number to act as President. If at any time, the President shall be unable to act, the Vice President shall take his or her place and perform his or her duties. If the Vice President shall also be unable to act, the Member at Large shall take his or her place and perform his or her duties. Any person acting in place of the President in accordance with this Section 3 shall be vested temporarily with all the functions and duties of the office of President for such period as he or she may be required to act.

The President shall:

- a. Preside over all meetings of the Board.

- b. Sign, as President and, with the attestation of the Secretary, execute in the name of the District, all contracts and conveyances, and all other instruments in writing which have been authorized by the Board.
- c. Have, subject to the advice and control of the Board, general responsibility for management of the affairs of the District during his or her term of office.

Section 4. Vice President

The Vice President shall, in the event of death, absence, or other inability to act of the President, exercise all the powers and perform all the duties herein given to the President.

Section 5. Secretary

The Secretary shall keep, or cause to be kept, accurate and complete minutes of all meetings, except only those parts which are held in closed session; call meetings on order of the President; attend to all correspondence of the Board; attest the signature of the President on contracts and conveyances and all other instruments as outlined in Section 3 of this Article; and perform such other duties as ordinarily pertain to his or her office.

Section 6. Treasurer

The Board shall elect a Treasurer from its membership, whose duty shall be to ascertain that all receipts are deposited, and disbursements made, in accordance with these Bylaws, the directions of the Board, and good business practice. The Board may appoint an Assistant Treasurer to maintain the financial records of the District, and to prepare such financial reports as are required by the Board or the Administrator.

Section 7. Other Officers

The Board may create such other offices as the business of the District may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board may from time to time determine. Such additional offices may be filled either by members or non-members of the Board.

ARTICLE VI

ADMINISTRATOR

Section 1. Appointment

The Board shall appoint an Administrator, and such Administrator shall serve at the pleasure of the Board. The Administrator shall be the chief administrative officer of the District. It shall be his or her responsibility to carry out the policies of the Board, and he or she shall be responsible for the day-to-day operations of the District with power to hire and discharge District employees at will. The Administrator shall also have such other duties and powers as may be determined by the Board from time to time.

The Board shall select and employ a competent and experienced Administrator who shall be its direct representative in the management of the hospital. It is desirable that the Administrator have at least a baccalaureate degree and a minimum of three years' experience in a reasonable administrative position in a hospital, or in the healthcare field, or have completed formal education in a graduate program in hospital administration. The Administrator shall be given the necessary authority and be held responsible for the administration of the hospital in all departments, and all other facilities of the District, subject only to the policies enacted by the Board or by any of its committees to which it has delegated power to act. More specifically, the authority and duties of the Administrator shall be:

- a. Carrying out all policies established by the Board;
- b. Development and submission to the Board, for approval, of a plan of organization of personnel and others connected with the operation of the hospital;
- c. Preparation of an annual budget showing the expected receipts and expenditures;
- d. Selection, employment, control and discharge of employees, and development and maintenance of personnel policies and practices for the hospital, including a personnel performance evaluation process, with authority to approve the following contracts for services and/or maintenance:
 - 1) Those less than 60 days in duration;
 - 2) Those less than \$10,000 in cost when not contained in a budget adopted by the Board;
 - 3) Those less than \$25,000 in cost when contained in a budget adopted by the Board;
- e. Maintenance of physical properties in a good state of repair and operating condition;
- f. Control of inventories including purchasing procedures, product selection, supply distribution, and promotional materials;
- g. Supervision of all business affairs to insure the wisest possible expenditure of funds in purchases of equipment, supplies, and payment of salaries, as well as the most efficient possible collection of monies owing to the District, with authority to approve the following:
 - 1) Determinations that funds owing to the Hospital for patient care be deemed uncollectible charitable write-offs;
 - 2) Adjustment of accounts owing to the Hospital for patient care when the amount adjusted is either (A) less than 25% of the balance due or (B) the patient has paid more than \$5,000 on the relevant account and the Administrator determines, in his sole discretion, that such adjustment is in the best interests of the District;
 - 3) Modifications of existing contracts for the Construction of Northern Inyo Hospital (Phase II) within the now-existing \$400,000 limits of said contracts;
 - 4) Grant applications.

- h. Cooperation with the Medical Staff to the end that high quality care may be rendered to all patients;
- i. Presentation to the Board of periodic reports reflecting the financial activities of the hospital, and periodic reports of the performance evaluation process for all personnel who are not subject to the Medical Staff privilege delineation process, regarding competency of such personnel to provide services in their respective areas of responsibility;
- j. To attend all meetings of the Board and its committees;
- k. To designate in writing, on each occasion of the Administrator's absence, an individual to act for himself or herself in order to provide the hospital with administrative direction at all times;
- l. To approve and execute the following contracts with physicians:
 - 1) Agreements to continue existing contracts, which are about to expire, for no more than thirty (30) days;
 - 2) Agreements for continuing call coverage;
 - 3) Agreements for locum tenens coverage for no more than thirty (30) day periods, and
 - 4) Contractual agreements with a physician conditioned upon he/she obtaining medical staff privileges where the contract is of no more than 30 days' duration.
- m. To approve and execute the following contracts and/or billings:
 - 1) Discounts on payor contracts where the discount is more than 10% provided that no single discount may be more than 50% without Board approval;
 - 2) Consulting contracts for less than \$10,000 if not contained in a budget adopted by the Board;
 - 3) Consulting contracts for less than \$25,000 if contained in a budget adopted by the Board;
 - 4) Attorney's fees;
 - 5) Interagency agreements of less than \$25,000;
 - 6) Prices, fees and rates charged by the Hospital whose effective rate, without Board approval, may be no more than one year;
 - 7) Meeting, training, and travel expenses;
 - 8) Marketing commitments of less than \$10,000;
- n. To approve the following capital expenditures:
 - 1) Where included in a budget adopted by the Board; Up to \$25,000;
 - 2) Where not included in a budget adopted by the Board: Up to \$10,000

- 3) Where neither of the above, but emergent, immediately subject to and conditioned upon Board approval at the next-following regular or special meeting in which the expenditure may be included on the Board agenda.
- o. To perform any other duty that may be necessary in the best interests of the District.

ARTICLE VII
MEDICAL STAFF

Section I. Medical Staff

The Medical Staff shall be organized in accordance with the Medical Staff Bylaws and shall be known as the Northern Inyo Hospital Medical Staff. The Medical Staff shall govern its own affairs, elect its own officers and conduct meetings in accordance with the Medical Staff Bylaws, provided, however, that such Medical Staff Bylaws shall include those matters as are required by Section 32128 of the Health and Safety Code of the State of California as the same may be amended from time to time.

The Medical Staff Bylaws and Rules and Regulations shall be adopted by the Medical Staff and approved by the Board before becoming effective. Neither body may unilaterally amend the Medical Staff Bylaws or Rules and Regulations.

Only a member of the Medical Staff with admitting privileges shall admit patients to the hospital, and only an appropriately licensed practitioner with clinical privileges shall be directly responsible for a patient's diagnosis and treatment within the area of his or her privileges. Each patient's general medical condition shall be the responsibility of a physician member of the Medical Staff, and each patient admitted to the hospital shall receive a baseline history and physical examination by a physician who is either a member of or approved by the Medical Staff.

Medical Staff appointments and reappointments are made by the Board. Recommendations are made by the Medical Staff Executive Committee and are to be submitted prior to action of the Board. Appointments and reappointments are not to exceed a term of two years. Final decisions regarding Medical Staff appointments, reappointments, and approval of clinical privileges shall be rendered by the Board, and the applicants shall be notified of these decisions in writing by the Hospital Administrator.

The authority for the evaluation of the professional competence of Medical Staff members and applicants for Medical Staff privileges is hereby delegated to the Medical Staff of the hospital. The Medical Staff Executive Committee shall be responsible for making recommendations to this Board concerning initial Medical Staff appointments, reappointments and assignment or curtailment of privileges. The Medical Staff of the hospital shall be so organized that it shall have bylaws which will include procedures for processing applications for membership and for clinical privileges as a basis for making of recommendations to the Board and for the establishment of qualifications for Medical Staff membership and for the criteria it delineates for clinical privileges within the hospital, to ensure the achievement and maintenance of high standards of professional ethical practices.

Whenever the Board does not concur with a Medical Staff Executive Committee recommendation relative to Medical Staff appointment, reappointment, or termination of appointment, and the granting or curtailment of clinical privileges, a committee consisting of the President of the Board (who shall be the chairperson of this committee), the Vice President of the Board, the Chief of Staff, the Vice Chief of Staff, and the Administrator shall review the matter and submit a recommendation relative to the matter to the Board not later than the next scheduled regular meeting of the Board, provided, however, that the procedure set forth in this section shall not apply to the review, by the Board, of appeals from decisions of a hearing committee pursuant to Article 8 of the Bylaws of the Northern Inyo Hospital Medical Staff. Should any of the members of said committee be the same person, or the person whose appointment, reappointment, termination of appointment, and/or granting or curtailment of clinical privileges is the subject of the committee's meeting, such person shall not sit but be replaced by another Board member, or member of the Medical Staff, selected for such purpose by said body.

The Board shall adopt reasonable rules and regulations, or bylaws, providing for appellate review of any action, decision, or recommendation of the Medical Staff. This appellate review shall be conducted consistent with the requirements of Section 809.4 of the Business and Professions Code. Nothing in this section shall abrogate the obligation of the hospital and Medical Staff to comply with the requirements of Sections 809 to 809.9, inclusive, of the Business and Professions Code, and Sections 32150 to 32155, inclusive, of the Health and Safety Code.

The Administrator, and the Chief of Staff are hereby expressly given authorization, at their joint discretion, in the case of emergency, to grant Medical Staff privileges to any physician licensed to practice in the State of California.

The Medical Staff shall maintain a self-government with delegated authority to act on all medical matters considered to be in the best interest of the hospital and the welfare of the patient in conformity with the actions and directives of the Board.

The Bylaws of the Medical Staff will contain provisions whereby any doctor or other practitioner aggrieved may obtain a formal hearing by the Medical Staff incident to any adverse recommendations from the Medical Staff, regarding Medical Staff status or clinical privileges. Such Bylaws shall likewise provide a method and procedure for appeal to the Board by an aggrieved doctor or other practitioner.

Any doctor or other practitioner who feels aggrieved by any adverse recommendation or deprivation of Medical Staff status or clinical privileges shall be required, as a condition to exercising his or her right of appeal to the Board, to pursue his or her appeal through orderly channels of appeal and at the proper time and in the manner prescribed by the Bylaws and procedures of the Medical Staff of this hospital. When the Medical Staff has made its final ruling and decision concerning the appeal of any aggrieved doctor or practitioner in accordance with the Bylaws of the Medical Staff, and such doctor or practitioner then desires to appeal to the Board, he or she shall give notice in writing to the Hospital Administrator within ten (10) days next following the date of the entry of the final order of the Medical Staff. Said notices must state in substance the grievance made and complained of, and must be given in the time and manner herein specified, or the Board shall not take cognizance thereof except at its discretion.

If said notice is so given within said time, then it shall be the duty of the Board to then consider such grievance in its entirety and render the decision of the Board in writing, and deliver a copy of its decision and findings to the aggrieved doctor or practitioner. Such decision shall be final.

The Medical Staff shall have the right to be heard, through its Chief of Staff or through any other representative it may designate, at meetings of the Board.

Section 2. Medico-Administrative Positions

Members of the Medical Staff may at times be assigned administrative duties and responsibilities by the Board. If in the opinion of the Board the practitioner does not discharge the administrative duties and responsibilities assigned to him or her in accordance with standards set by the Board, then the Board may dismiss the practitioner from said duties and responsibilities, but such action by itself will not affect the Medical Staff privileges held by the practitioner.

Section 3. Performance Improvement and Risk Management

The Board shall be responsible for providing for resources and support systems for the quality assurance/improvement functions and risk management functions related to patient care and safety.

The Board shall, in the exercise of its overall responsibility for consistent optimal quality of care provided to all patients, assign to the members of the Medical Staff directly responsible for patient care, reasonable authority for assuring the appropriate professional care to all patients. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered in the hospital and through monthly performance improvement reports shall report such activities and end results to the Board. Where the quality of care is shown to be less than optimal, improvement in quality shall be demonstrated.

The Board shall adopt a performance improvement plan that includes effective mechanisms for reviewing and evaluating patient care, and that focuses on the resolution of known or suspected problems. The Board and the Medical Staff Executive Committee will reappraise the plan at least annually to assure that the collective effort is comprehensive, shows minimal duplication of effort, is cost effective, and results in improved patient care. The reappraisal will identify components of the performance improvement program that need to be instituted, altered, or deleted.

ARTICLE VIII

PATIENTS' RIGHTS, PATIENTS' RESPONSIBILITIES AND PROCESS FOR RESOLUTION OF PATIENT GRIEVANCES OR COMPLAINTS

The Board and Medical Staff shall review and adopt a written policy on Patients' Rights, Patients' Responsibilities, and Process for Resolution of Patient Grievances or Complaints.

ARTICLE IX
AUXILIARIES

The hospital may have such auxiliary or auxiliaries to serve the community and patients, as the Board shall from time to time establish, authorize or approve. The organization, membership, officers, meetings, and proceedings shall be determined by the auxiliary or auxiliaries, subject to approval by the Board. The auxiliary or auxiliaries may adopt bylaws and rules and regulations to govern their organization and procedures, which shall be subject to the approval of the Board. The Board shall cause to be inspected or audited from time to time the financial books and records of the auxiliary. The auditors or examiners shall be selected by the Board.

ARTICLE X
REVIEW AND AMENDMENT

Section 1. Review

These Bylaws shall be reviewed by the Board annually or at more frequent intervals if circumstances require, with the assistance of the Administrator and the attorney for the District.

Section 2. Amendment

These Bylaws may be altered, amended, repealed, added to or deleted by resolution of the Board adopted at any regular meeting of the Board by the vote of a majority of the members of the Board.

Adopted as revised at the regular meeting of the Board of Directors of the Northern Inyo County Local Hospital District held the 17th day of March, 2010.

Peter J. Watercott, President

M.C. Hubbard, Secretary

THIS SHEET

INTENTIONALLY

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**NORTHERN INYO HOSPITAL
PHYSICIAN PLACEMENT AGREEMENT
MASTER AGREEMENT**

This Agreement is made and entered into on this 1st day of July, 2010 by and between Northern Inyo County Local Hospital District ("District") and VMS Medical Group, Inc. ("Group").

RECITALS

- A. District, which is organized and exists under the California Local Health Care District Law, *Health & Safety Code section 32000, et seq.*, operates Northern Inyo Hospital ("Hospital"), a general acute care hospital serving northern Inyo County, California, including the communities of Bishop and Big Pine.
- B. Group is a professional medical corporation organized under the laws of the State of California, consisting of shareholders, employees, and contractors, each of whom is a physician duly licensed and qualified to practice medicine in the State of California.
- C. The District Board of Directors has found, by Resolution No. 09-01, that it will be in the best interests of the public health of the aforesaid communities to obtain/retain licensed physicians who is a board-certified/eligible specialist in the practice of Obstetrics and Gynecology, to practice in said communities, on the terms and conditions set forth below.
- D. Hospital desires to retain Group to provide professional services through qualified employees who are engaged by Group to provide such services at the Practice locations (collectively, the "**Group Physicians**") and each, a "**Group Physician**").
- E. Group Physician is a physician engaged in the practice of medicine, licensed to practice medicine in the State of California, and a member of the appropriate Certifying Board. Group Physician desires to relocate to Bishop, California, and practice Medicine in the aforesaid communities.

IN WITNESS WHEREOF, THE PARTIES AGREE AS FOLLOWS:

**I.
COVENANTS OF GROUP PHYSICIAN**

Group Physician (Exhibit B) shall provide professional services at medical offices ("Offices") provided by District at a place to be mutually agreed upon in Bishop, California and shall, for the term of this Agreement, do the following:

- 1.01. Services.** Group Physician shall provide Hospital with the benefit of their direct patient care expertise and experience, and shall render those services necessary to enable Hospital to achieve its goals and objectives for the provision of Internal Medicine services. The scope of services to be performed by Group Physician is described in Exhibit A attached hereto and incorporated by reference herein. Group Physician shall provide Hospital with patient medical record documentation of all direct patient care services rendered hereunder; such documentation shall be submitted to Hospital on an ongoing basis, and shall be in the form, and contain the information, requested by the Hospital such that a complete medical record can be assembled.
- 1.02. Limitation on Use of Space.** No part of any offices provided by the District either by lease or other arrangement shall be used at any time by Group and/or Group Physician as anything other than the private practice of Obstetrics and Gynecology unless specifically agreed to, in writing, by the parties.
- 1.03. Medical Staff Membership and Service:** Group Physician shall:
- a) Apply for and maintain Provisional or Active Medical Staff (“Medical Staff”) membership with Obstetrics and Gynecology privileges sufficient to support a full time Obstetrics and Gynecology practice, for the term of this Agreement.
 - b) Provide on-call coverage to the Hospital’s Emergency Services within the scope of privileges granted to Group Physician by Hospital and as required by the Hospital Medical Staff. Group Physician shall not be required to provide more than one week in four of Emergency Room call in weekly increments unless otherwise agreed upon from time to time. Group Physician shall be solely responsible for call coverage for Group Practice.
 - c) Maintain books, records, documents, and other evidence pertaining to all costs and expenses incurred, and revenue acquired, pursuant to this Agreement to the extent, and in such detail, as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies, services, and other costs and expenses of whatever nature, for which Group may claim payment or reimbursement from the District. Group acknowledges and agrees that any federal office authorized by law shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of Group and/or Group Physician which are relevant to this Agreement, at all reasonable times for a period of four (4) years following the termination of this Agreement, during which period Group shall preserve and maintain said books, documents, papers, and records. Group further agrees to transfer to the District, upon termination of this Agreement, any books, documents, papers or records which possess long-term [*i.e.*, more than four (4) years] value to the Hospital. Group shall include a clause providing similar access in any sub-contract he may enter with a value of more than Ten Thousand Dollars (\$10,000) or for more than a twelve (12) month period, when said sub-contract is with a related organization.
 - d) At all times comply with all relevant policies, rules and regulations of the Hospital, subject to California and federal statutes governing the practice of medicine.
 - e) District expressly agrees that said services might be performed by such other qualified Group Physicians as the Group may employ or otherwise provide so long as each such Group Physician has received proper training, is properly licensed, has been granted privileges by the Hospital Medical Staff, and has received approval in writing from the Hospital.

II.
COVENANTS OF THE DISTRICT

2.01. Hospital Services.

- a) Space. Hospital shall make the Offices available for the operation of Group's Practice either through a direct let at no cost to the Group or through an arrangement with a landlord, also at no cost to the Group, other than the fees retained by the hospital (3.05).
- b) Equipment. In consultation with Group and the Group Physician, Hospital shall provide all equipment as may be reasonably necessary for the proper operation and conduct of Group's practice. Hospital shall repair, replace or supplement such equipment and maintain it in good working order.

2.02. General Services. District shall furnish ordinary janitorial services, maintenance services, and utilities, including telephone service, as may be required for the proper operation and conduct of Group's Practice.

2.03. Supplies. District shall purchase and provide all supplies as may be reasonably required for the proper treatment of Group's Practice patients. Group and/or Group Physician shall inform Hospital of supply needs in a timely manner and shall manage the use of supplies in an efficient manner that promotes quality and cost-effective patient care.

2.04. Personnel. District shall determine the initial number and types of employees and place them in the Group Practice initially. Group, Group Physician and Hospital will mutually agree to subsequent staffing requirements. Group and Group Physician shall not be required to maintain any personnel that they do not feel are appropriate for the practice.

2.05. Business Operations. District shall be responsible for all business operations related to operation of the Group Practice, including personnel management, billing and payroll functions. Group Physician will provide the appropriate billing codes, which will be used unless changed by mutual consent of the Group and Hospital. Hospital will incur and pay all operating expenses of the Group Practice.

2.06. Hospital Performance. The responsibilities of District under this Article shall be subject to District's discretion and its usual purchasing practices, budget limitations and applicable laws and regulations.

2.07. Practice Hours. The District desires, and Group agrees, that Group's Practice shall operate on a full time basis as needed, maintaining at least Forty (40) hours of operation per week in keeping with the full time practice of one Internist. Specific shifts will be scheduled according

to normal operating procedures of the Group Practice and will be mutually agreed upon with Group Physician.

III. COMPENSATION

1. **3.01. Compensation.** District will guarantee the Group that they will realize gross annual income of at least the amount required in Exhibit C, plus reasonable markup without having any liability with respect to the payment and incurrence of operating expenses of the Group Practice. In accordance with Appendix C, this will be accomplished as follows:
 - a. The district will remit to the Group the total amount indicated in Exhibit C every two weeks.
 - b. The district will arrange for the patients of the Group Physician to be billed and collected. Group and Group Physician will agree to all assignments necessary to accomplish this.
 - c. District will retain all collections and pay all Group Practice expenses.
 - d. At the end of each calendar quarter the District will compare Qualifying Payments to the Group of the amount in Exhibit C # X (a portion of 3.01.a) against the collections received for that quarter (3.01.c).. If 50% of the collections are less than the qualified Payments made to the Group, that amount will be carried forward and calculated in the subsequent quarter's analysis. In no event will the Group owe money to the District as a result of these quarterly calculations.
 - e. At the end of each calendar year, all carry forwards will cease and new reconciliations will begin.
 - f. In the event that the Group terminates or elects not to renew their relationship with the District, Group shall be entitled to the maintaining uncollected balance of the Accounts Receivable less any Qualifying Payments made to the Group to satisfy the guarantee.
 - g. The district will remit to the Group Practice \$500. Per day for each 24 hour day of C-section call taken.

- 3.02. Malpractice Insurance.** Group will secure and maintain malpractice insurance for Group and Group Physician with limits of no less than \$1 million per occurrence and \$3 million per year. Group shall invoice Hospital for 80% of annual malpractice insurance expense for Group Physician on the day Group Physician begins working under this contract and annually thereafter until termination of the agreement.

- 3.03. Health Insurance.** During the first year of the term of this Agreement, and no longer, Group will be allowed to purchase access to Hospital's self-funded Medical Dental Vision Benefit Plan for the Group Physician providing services under this agreement. Group Physician shall be provided the benefits contained therein.

- 3.04. Billing for Professional Services.** Subject to section 2.05 above, Group and Group Physician assigns to District all claims, demands and rights of Group and Group Physician to bill and collect for all professional services rendered to Practice patients, for all billings for Internal Medicine services, for all billings consulting performed or provided by the Group Physician. Group and Group Physician acknowledges that Hospital shall be solely responsible for billing

and collecting for all professional services provided by Group Physician to Practice patients and for all Internal Medicine services performed at the Hospital, and for managing all Practice receivables and payables, including those related to Medicare and MediCal beneficiaries. Group and/or Group Physician shall not bill or collect for any services rendered to Practice patients or Hospital patients, and all Practice receivables and billings shall be the sole and exclusive property of the Hospital. In particular, any payments made pursuant to a payer agreement (including co-payments made by patients) shall constitute revenue of the practice. In the event payments are made to Group and/or Group Physician pursuant to any payer agreement, Group and/or Group Physician shall promptly remit the payments directly to Hospital.

- 3.05. Retention.** Hospital will retain 50% of all fees collected from the activities of Group, Group Physician/practice in exchange for the services rendered in II above.

IV.

TERM AND TERMINATION

- 4.01. Term.** The term of this Agreement shall be three (3) years beginning on the Monday next following the day upon which Physician is granted clinical privileges at Hospital, provisional membership on the Active Medical Staff of Hospital and has met all requirements for legally working in the United States. The Agreement may be renewed, by written instrument signed by both parties, no later than 120 days before its expiration date.
- 4.02. Termination.** Notwithstanding the provisions of section 4.01, this Agreement may be terminated:
- a) By either party, at any time, without cause or penalty, upon ninety (90) days' prior written notice to the other party;
 - b) Immediately by Hospital in its sole discretion if Group Physician fails to maintain the professional standards described in Article V of this Agreement;
 - c) Immediately upon closure of the Hospital or Group Practice;
 - d) By either party upon written notice to the other party in the event that any federal, state or local government or agency passes, issues or promulgates any law, rule, regulation, standard or interpretation at any time while this Agreement is in effect that prohibits, restricts, limits or in any way substantially changes the arrangement contemplated herein or which otherwise significantly affects either party's rights or obligations under this Agreement; provided that in such event, Hospital must give notice to Group equal to that provided to Hospital by the relevant federal, state or local government or agency. If this Agreement can be amended to the satisfaction of both parties to compensate for any such prohibition, restriction, limitation or change, this clause shall not be interpreted to prevent such amendment; or
 - e) By either party in the event of a material breach by the other party and, in such event, the non-breaching party shall have the right to terminate this Agreement after providing thirty (30) days' written notice to the breaching party, explaining the breach, unless such breach is cured to the satisfaction of the non-breaching party within the thirty (30) days.

In the event that this contract is terminated in accordance with 4.02 a) or 4.02 b) the hospital administrator must present the circumstances surrounding the anticipated termination to the Medical Executive Committee prior to any final action to the District Board. The Medical Executive Committee may support, decline to support, or not take a position relative to the matter. In any event the decision of the District Board will be final.

- 4.03. Rights Upon Termination.** Upon any termination or expiration of this Agreement, all rights and obligations of the parties shall cease except those rights and obligations that have accrued or expressly survive termination. The Hospital shall retain the Accounts Receivable to offset the expense of any performance required under 3.01. Funds remaining after that shall be remitted to the Group within 60 days of termination.

V. PROFESSIONAL STANDARDS

- 5.01. Medical Staff Membership.** It is a condition of this Agreement that Group Physician obtains Provisional or Active Medical Staff membership on the Hospital Medical Staff with appropriate clinical privileges and maintain such membership and privileges throughout the term of this Agreement.
- 5.02. Licensure and Standards.** Group Physician shall:
- a) At all times be licensed to practice medicine in the State of California;
 - b) Comply with all policies, bylaws, rules and regulations of Hospital, Hospital Medical Staff, and Practice, including those related to documenting all advice to patients and proper sign-off of lab and X-ray reports;
 - c) Be a member in good standing of the Provisional or Active Medical Staff of Hospital;
 - d) Maintain professional liability coverage in an amount required for membership on the Active Medical Staff of Hospital;
 - e) Participate in continuing education as necessary to maintain licensure and the current standard of practice; and
 - f) Comply with all applicable laws, rules and regulations of any and all governmental authorities, and applicable standards and recommendations of the Joint Commission on Accreditation of Healthcare Organizations.
 - g) At all times conduct them self, professionally and publicly, in accordance with the standards of the medical profession, the American College of Internists, the Hospital Medical Staff, and the District. Further, they shall not violate any California law which prohibits (1) driving a motor vehicle under the influence of alcohol or prescription drugs or the combined influence of such substances, (2) unlawful use of controlled substances, (3) being intoxicated in a public place in such a condition as to be a danger to himself or others, and/or (4) conduct justifying imposition of an injunction prohibiting harassment of Hospital employees in their workplace. Entry of any injunction, judgment, or order against Group Physician based upon facts, which constitutes the above offenses, shall be a material breach of this Agreement.

VI.
RELATIONSHIP BETWEEN THE PARTIES

6.01. Professional Relations.

- a) Independent Contractor. No relationship of employer and employee is created by this Agreement. In the performance of Group's work and duties, Group and Group Physician are at all times acting and performing as an independent contractor, practicing the profession of medicine. District shall neither have nor exercise control or direction over the methods by which Group and/or Group Physician performs professional services pursuant to this Agreement; provided, however, that Group and/or Group Physician agree that all work performed pursuant to this Agreement shall be in strict accordance with currently approved methods and practices in Group and/or Group Physician's professional specialty and in accordance with the standards set forth in this Agreement.
- b) Benefits. Except as specifically set forth in this Agreement, it is understood and agreed that Group and/or Group Physician shall have no claims under this Agreement or otherwise against Hospital for social security benefits, worker's compensation benefits, disability benefits, or any other employee benefit of any kind. In addition, Hospital shall have no obligation to reimburse Group and/or Group Physician for any costs or expenses associated with Group and/or Group Physician's compliance with continuing medical education requirements.

- 6.02. Responsibility for Own Acts.** Each party will be responsible for its own acts or omissions and all claims, liabilities, injuries, suits, demands and expenses for all kinds which may result or arise out of any malfeasance or neglect, caused or alleged to have been caused by either party, their employees or representatives, in the performance or omission of any act or responsibility of either party under this contract. In the event that a claim is made against both parties, it is the intent of both parties to cooperate in the defense of said claim and to cause their insurers to do likewise. However, both parties shall have the right to take any and all actions they believe necessary to protect their interest.

VII.
GENERAL PROVISIONS

- 7.01. No Solicitation.** Group and/or Group Physician agrees that they will not, either directly or indirectly, during and after the term of this Agreement, call on, solicit or take away, or attempt to call on, solicit or take away any patients or patient groups with whom Group Physician dealt or became aware of as a result of Group Physician's past, present or future affiliation with Hospital and Practice.
- 7.02. Access to Records.** To the extent required by Section 1861(v)(i)(I) of the Social Security Act, as amended, and by valid regulation which is directly applicable to that Section, Group and/or Group Physician agree to make available upon valid written request from the Secretary of HHS, the Comptroller General, or any other duly authorized representatives, this Agreement and the books, documents and records of Group and/or Group Physician to the extent that such

books, documents and records are necessary to certify the nature and extent of Hospital's costs for services provided by Group Physician.

Group and/or Group Physician shall also make available such subcontract and the books, documents, and records of any subcontractor if that subcontractor performs any of the Group and/or Group Physician's duties under this Agreement at a cost of \$10,000.00 or more over a twelve (12) month period, and if that subcontractor is organizationally related to Group and/or Group Physician.

Such books, documents, and records shall be preserved and available for four (4) years after the furnishing of services by Group Physician pursuant to this Agreement. If Group and/or Group Physician is requested to disclose books, documents or records pursuant to this subsection for purposes of an audit, Group and/or Group Physician shall notify Hospital of the nature and scope of such request, and Group and/or Group Physician shall make available, upon written request of Hospital, all such books, documents or records. Group shall indemnify and hold harmless Hospital in the event that any amount of reimbursement is denied or disallowed because of the failure of Group and/or Group Physician or any subcontractor to comply with its obligations to maintain and make available books, documents, or records pursuant to this subsection. Such indemnity shall include, but not be limited to the amount of reimbursement denied, plus any interest, penalties and legal costs.

This section is intended to assure compliance with Section 1861 of the Social Security Act, as amended, and regulations directly pertinent to that Act. The obligations of Group and/or Group Physician under this section are strictly limited to compliance with those provisions, and shall be given effect only to the extent necessary to insure compliance with those provisions. In the event that the requirements or those provisions are reduced or eliminated, the obligations of the parties under this section shall likewise be reduced or eliminated.

- 7.03. Amendment.** This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated, and signed by both parties.
- 7.04. No Referral Fees.** No payment or other consideration shall be made under this Agreement for the referral of patients, by Group and/or Group Physician, to Hospital or to any nonprofit corporation affiliated with District.
- 7.05. Repayment of Inducement.** The parties stipulate and agree that the income guaranteed to Group under this Agreement, and the covenants of the District to provide office space, personal, equipment, and certain other benefits, are the minimum required to enable Group and Group Physician to relocate them self to Bishop, California; that they are not able to repay such inducement, and no such repayment shall be required.
- 7.06. Assignment.** Group and/or Group Physician shall not assign, sell, transfer or delegate any of the Group and/or Group Physician's rights or duties, including by hiring or otherwise retaining additional physicians to perform services pursuant to this Agreement, without the prior written consent of Hospital.
- 7.07. Attorneys' Fees.** If any legal action or other proceeding is commenced, by either party, to enforce rights, duties, and/or responsibilities under this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs. As used in this Section 7.07, the term

“prevailing party” shall have the meaning assigned by Section 1032(a)(4) of the California Code of Civil Procedure.

- 7.08. **Choice of Law.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of California.
- 7.09. **Exhibits.** All Exhibits attached and referred to herein are fully incorporated by this reference.
- 7.10. **Notices.** All notices or other communications under this Agreement shall be sent to the parties at the addresses set forth below:

Hospital: Administrator
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Group: VMS Medical Group, Inc.
Attn: Michael B. Conley, CEO
3685 Mt. Diablo Blvd. Suite #351
Lafayette, CA 94549

Notice may be given either personally or by first-class mail, postage prepaid, addressed to the party designated above at the address designated above, or an address subsequently specified in writing by the relevant party. If given by mail, notice shall be deemed given two (2) days after the date of the postmark on the envelope containing such notice.

- 7.11. **Records.** All files, charts and records, medical or otherwise, generated by Group and/or Group Physician in connection with services furnished during the term of this Agreement are the property of Practice. Group and/or Group Physician agrees to maintain medical records according to Practice policies and procedures and in accordance with community standards. Each party agrees to maintain the confidentiality of all records and materials in accordance with all applicable state and federal laws. Hospital agrees to permit Group and/or Group Physician to have access, during or after the term of the Agreement, to medical records generated by Group and/or Group Physician if necessary in connection with claims, litigation, investigations, or treatment of patients.
- 7.12. **Prior Agreements.** This Agreement represents the entire understanding and agreement of the parties as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to the matters contained in this Agreement. This Agreement may be modified only by a writing signed by each party or her/its lawful agent.
- 7.13. **Referrals.** This Agreement does not impose any obligation or requirement that Hospital shall make any referral of patients to Group and/or Group Physician or that Group and/or Group Physician shall make any referral of patients to Hospital. The payment of compensation pursuant to section 3.01 is not based in any way on referrals of patients to Hospital.

- 7.14. **Severability.** If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and the remaining provisions shall remain enforceable between the parties.
- 7.15. **Waiver.** The failure of either party to exercise any right under this Agreement shall not operate as a waiver of that right.
- 7.16. **Gender and Number.** Use of the masculine gender shall mean the feminine or neuter, and the plural number the singular, and vice versa, as the context shall indicate.
- 7.17. **Authority and Executive.** By their signature below, each of the parties represent that they have the authority to execute this Agreement and do hereby bind the party on whose behalf their execution is made.
- 7.18. **Construction.** This Agreement has been negotiated and prepared by both parties and it shall be assumed, in the interpretation of any uncertainty, that both parties caused it to exist.

NORTHERN INYO COUNTY
LOCAL HOSPITAL DISTRICT

VMS MEDICAL GROUP, INC.

By _____
John Halfen, CEO
Northern Inyo Hospital

By _____
Michael B. Conley, CEO
VMS Medical Group, Inc.

EXHIBIT A

SCOPE OF DUTIES OF THE PHYSICIAN

POSITION SUMMARY

The Physician is a Member of the Northern Inyo Hospital Active Medical Staff. Physician provides direct primary medical diagnosis and treatment to Practice and Hospital patients. The Physician will provide services commensurate with the equivalent of a full time Internal Medicine Practice. Full time shall mean regularly scheduled office hours to meet the service area demand for office visitations (minimum of 40 hours of coverage per week) as may be required. Full time shall also mean the provision of no more than four (4) weeks of vacation and two (2) weeks of time to acquire CME credits, if needed, as well as all recognized national holidays. All time off will be coordinated with Call coverage such that scheduled time off will not conflict with the Physician's call requirement.

Specifically, the Physician will:

1. Provide high quality primary medical care services.
2. Direct the need for on-going educational programs that serve the patient.
3. Evaluate and develop treatment plans to facilitate the individual healthcare needs of each patient.
4. Work with all Practice personnel to meet the healthcare needs of all patients.
5. Assess, evaluate, and monitor on-going health care and medication of Practice patients.
6. Manage all medical emergencies.
7. Participate in professional development activities and maintain professional affiliations.
8. Participate with Hospital to meet all federal and state regulations.
9. Accept emergency call as provided herein.

By _____
John Halfen, CEO
Northern Inyo Hospital

By _____
Michael B. Conley, CEO
VMS Medical Group, Inc.

EXHIBIT B
GROUP PHYSICIAN

The Group will employ Lara Jeanine Arndal, MD to provide the services as Group Physician under the terms and conditions of this agreement.

By _____
John Halfen, CEO
Northern Inyo Hospital

By _____
Michael B. Conley, CEO
VMS Medical Group, Inc.

EXHIBIT C

COMPENSATION SCHEDULE

- 1. Base compensation: Annually, \$207,000. Biweekly, \$7961.53.**
- 2. VMS Payroll Taxes: 7.88% of #1.= \$17,493 annually, \$672.80.**
- 3. VMS will withhold all appropriate employee taxes.**
- 4. Pension: 0**
- 5. Health insurance: 0**
- 6. Malpractice \$_____. 20% to be withheld (recovered from employee).**
- 7. Initial Fee: \$5,000.**
- 8. Placement Fee (a % of #1 ??_____)**
- 9. Call pay: \$500.00 per 24 hour day of C-Section call. ***
- 10. Bonus: _____.***

***To be prepaid by District.**

THIS SHEET

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OFFICE LEASE

Table of Contents

Preamble

1. Term
2. Basic Rent
3. Rent Increased by Operating Expense Increases
4. Use of Premises
5. Prohibited Uses
6. Alterations by Tenant
7. Mechanic's Liens
8. Maintenance & Repairs
9. Inspection by Landlord
10. Tenant's Liability Insurance
11. Insurance for Tenant's Personal Property
12. Indemnification
13. Destruction of Premises
14. Condemnation
15. Assignment & Subletting
16. Acts Constituting Breach by Tenant
17. Termination Notice
18. Waiver of Breach
19. Notices
20. Attorney's Fees
21. Binding on Heirs & Successors
22. Time of Essence
23. Sole & Only Agreement

OFFICE LEASE

Preamble

This lease is entered into on May 1, 2010, by and between NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT, a California Health Care District (hereinafter referred to as "Tenant"), and Nickoline Hathaway, M.D. and Asao Kamei, M.D. (hereinafter referred to as "Landlord").

Subject to the terms and conditions set forth in this Lease, Landlords hereby lease to Tenant that certain office space, including fixtures, at 152 Pioneer Lane, Suite C, Bishop, California, and hereinafter referred to as "the Premises".

Term

1. The term of this lease shall be eighteen (36) months commencing at 12:01 a.m. on May 1, 2010, and ending at 12:01 a.m. on May 1, 2013, unless terminated earlier as provided in this lease. If Tenant holds over and continues in possession of the Premises after termination of the term of the lease, Tenant's continued occupancy of the Premises shall be deemed merely a tenancy from month-to-month at a minimum rental of \$1,428.75 per month subject to all the terms and conditions contained in this lease.

Basic Rent

2. Tenant agrees to pay to Landlord as basic rent for the use and occupancy of the Building, the sum of \$1.25 per square foot at the rate of \$1,428.75 per month payable on the first day of each and every month commencing May 1, 2010, and continuing through the term of this lease. All rent shall be paid by Tenant at the office of the Landlord, 152 Pioneer Lane, Suite C, Bishop, California 93514, or any other place or places that Landlord may from time to time designate by written notice given to Tenant.

Utilities

3. Tenant agrees to pay, and keep current, the cost off all utilities, including but not limited to electricity, propane, water, sewer, and telephone required for the use of the Premises allowed in this Lease, to-wit: a medical office.

Use of Premises

4. The Premises shall be used for medical office purposes by Tenant and for no other use or uses without the prior express written consent of Landlord. Tenant, in this regard, acknowledges that Tenant has received, read, and understood the following recorded documents, which control and restrict the use of the Premises and the Building:

(a) Declaration of Restrictions recorded December 23, 1983 as Instrument 83-6168 in the Official Records of the County of Inyo, State of California;

(b) First Amendment to Declaration of Restrictions by the Northern Inyo County Local Hospital District recorded February 11, 1991 as Instrument 91-0733 in the Official Records of the County of Inyo, State of California.

Prohibited Uses

5. Tenant shall not commit or permit the commission of any acts on the Leased Space nor use or permit the use of the Leased Space in any way that

(a) Increases the existing rates for or causes cancellation of any fire, casualty, liability, or other insurance policy insuring the Building or its contents;

(b) Violates or conflicts with any law, statute, ordinance, or governmental rule or regulation, whether now in force or hereinafter enacted, governing the Leased Space or the Building;

(c) Obstructs or interferes with the rights of other tenants or occupants of the Building or injures or annoys them; or

(d) Constitutes the commission of waste on the Leased Space or the commission or maintenance of a nuisance as defined by the laws of California.

Alterations by Tenant

6. No alteration, addition, or improvement to the Leased Space shall be made by Tenant without the written consent of Landlord. Concurrently with requesting Landlord's consent to the proposed alteration, addition, or improvement, Tenant shall submit to Landlord preliminary plans for the alteration, addition, or improvement. Landlord shall, in its sole discretion, approve or disapprove the proposed alteration, addition, or improvement within thirty (30) days after its receipt of Tenant's written request for approval. If Landlord fails to affirmatively approve or disapprove the proposed alteration, addition, or improvement within the same thirty (30) day period, the proposed alteration, addition, or improvement shall be deemed disapproved. If Landlord gives such written consent to any alteration, addition, or improvement to the leased premises, Landlord and Tenant shall agree in writing at that time to the date when that undertaking shall be completed. Tenant shall obtain all necessary governmental permits required for any alteration, addition, or improvement approved by Landlord and shall comply with all applicable governmental law, regulations, ordinances, and codes. Any alteration, addition, or improvement made by Tenant after consent has been given, and any fixtures installed

as part of the construction, shall at Landlord's option become the property of Landlord on the expiration or other earlier termination of this lease; provided, however, that Landlord shall have the right to require Tenant to remove the fixtures at Tenants' cost on termination of this lease. If Tenant is required by Landlord to remove the fixtures on termination of this lease, Tenant shall repair and restore any damages to the leased premises caused by such removal.

Mechanics' Liens

7. If Tenant causes any alterations, additions, or improvements to be made to the leased space, Tenant agrees to keep same free of liens for both labor and materials. If a lien is placed on the Leased Space in connection with any construction, repair, or replacement work that Tenant may or must cause to be performed under this lease, which results in a final judgment, Landlord may pay the amount of that judgment. Tenant shall reimburse Landlord for the full amount paid within thirty (30) days after that amount is paid by Landlord; otherwise Tenant shall be in default under this lease.

Maintenance & Repairs

8. (a) Subject of the duty of the Landlord under this lease to provide regular cleaning service for the Leased Space and to perform maintenance and repairs for the Leased Space as needed, Tenant shall during the term of this lease maintain the Leased Space, in a good, clean, and safe condition, and shall on expiration or earlier termination of this lease surrender the Leased Space to Landlord in as good condition and repair as existed on the date of this lease, reasonable wear and tear and damage by the elements excepted. Tenant, at Tenant's own expense, shall repair all deteriorations or injuries to the Leased Space or to the Building occasioned by Tenant's lack of ordinary care.

(b) Except as otherwise provided in this lease, Landlord shall perform, at Landlord's sole expense, all repairs and maintenance for the Leased Space. Any repairs by Landlord shall be made promptly with first-class materials, in a good and workmanlike manner, in compliance with all applicable laws of all governmental authorities, and in a style, character, and quality conforming to the existing construction. Except in the case of an emergency, Landlord shall not enter the Leased Space for the purpose of effecting the repairs, alterations, or improvements other than during normal business hours, and shall give Tenant 24-hours' notice of the intention to enter for those purposes.

(c) Except for cases of emergency, Landlord shall make all repairs required hereunder as soon as is practical. In the event Landlord has not made a repair referred to in a written notice from Tenant to Landlord within 30 days after the date of that notice, Tenant shall have the right to have the repair performed and be reimbursed by Landlord. If the full amount of reimbursement is not delivered by Landlord to Tenant within 10 days after Tenant's delivery to Landlord of a written statement or bill evidencing the cost of the repair, Tenant shall have the right to deduct the cost of the repair from the next monthly rent payable to Landlord.

(d) Cleaning maintenance for the Leased Space shall be regularly performed by Landlord on a weekly basis.

Inspection by Landlord

9. Tenant shall permit Landlord or Landlord's agents, representatives or employees, to enter the Premises at all reasonable times for the purpose of inspecting the Premises to determine whether Tenant is complying with the terms of this lease and for the purpose of doing other lawful acts that may be necessary to protect Landlord's interest in the Premises under this lease.

Tenant's Liability Insurance

10. For the mutual benefit of Landlord and Tenant, Tenant shall during the term of this lease caused to be issued and maintained public liability insurance in the sum of at least \$1,000,000.00 for one occurrence causing injury to or death of one person, and \$2,000,000.00 for all occurrences within a 12-month period, injury to or death or more than one person in any one accident, insuring the Tenant against liability for injury and/or death occurring in or on the Leased Space or in the common areas. Landlord shall be named as an additional insured and the policy shall contain cross-liability endorsements. Tenant shall maintain all such insurance in full force and effect during the entire term of this lease and shall pay all premiums for the insurance. Evidence of insurance and of the payment of premiums shall be delivered to Landlord.

Insurance for Tenant's Personal Property

11. Tenant agrees at all times during the term of this lease to keep, at Tenant's sole expense, all of Tenant's personal property, including trade fixtures and equipment of Tenant that may be on or in the Premises from time to time, insured against loss or damage by fire and by any peril included within fire and extended coverage insurance for an amount that will insure the ability of Tenant to fully replace the personal property, trade fixtures, and equipment.

Indemnification

12. (a) Landlord shall not be liable to Tenant, and Tenant hereby waives all claims against Landlord, for any injury or damage to any person or property in or about the Premises or any part of the Premises by or from any cause whatsoever, except injury or damage to Tenant resulting from acts or omissions of Landlord or Landlord's authorized agents.

(b) Tenant shall hold Landlord harmless from and defend Landlord against any claims or liability for any injury or damage to any person or property whatsoever occurring in, on, or about the Premises or any part of it, and occurring in, on, or about any common areas of the Building when that injury or damage was caused in part or in whole by the act, neglect, fault of, or omission of any duty by Tenant, its agents, servants, employees, or invitees.

Destruction of Premises

13. If the Premises are damaged or destroyed by any cause not the fault of Tenant, Landlord shall at Landlord's sole cost and expense promptly repair it, and the rent payable under this lease shall be abated for the time and to the extent Tenant is prevented from occupying the Leased Space or Building in its entirety. Notwithstanding the foregoing, if the Premises, or the Building, is/are damaged or destroyed and repair of the damage or destruction cannot be completed within 180 days:

(a) Landlord may, in lieu of making the repairs required by this paragraph, terminate this lease by giving Tenant 30 days' written notice of termination. A notice of termination must be given by Tenant not later than 30 days after the event causing the destruction or damage, or Tenant may terminate this lease by giving Landlord 60 days' written notice of termination.

Condemnation

14. If all or any part of the Premises is taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this lease: agency or entity under the power of eminent domain during the term of this lease:

(a) Either Landlord or Tenant may terminate this lease by giving the other thirty (30) days' written notice of termination; provided, however, that Tenant cannot terminate this lease unless the portion of the Premises taken by eminent domain is so extensive as to render the remainder of the Premises useless for the uses permitted by this lease.

(b) If only a portion of the Premise is taken by eminent domain and neither Landlord nor Tenant terminates this lease, the rent thereafter payable under this lease shall be reduced by the same percentage that the floor area of the portion taken by eminent domain bears to the floor areas of the entire Premises.

(c) Any and all damages and compensation awarded or paid because of a taking of the Premises shall belong to the Landlord, and Tenant shall have no claim against Landlord or the entity exercising eminent domain power for the value of the unexpired term of this lease or any other right arising from this lease.

Assignment & Subletting

15. Tenant shall not encumber, assign, sublet, or otherwise transfer this lease, any right or interest in this lease, or any right or interest in the Premises without first obtaining the express written consent of Landlord. Furthermore, Tenant shall not sublet the Premises or any part of it or allow any other persons, other than Tenant's employees and agents, to occupy or use the Premises or any part of it without the prior written consent of

(a) Continue this lease in effect by not terminating Tenant's right to possession of the Premises and thereby be entitled to enforce all Landlord's rights and remedies under this lease including the right to recover the rent specified in this lease as it becomes due under this lease; or

(b) Terminate this lease and all rights of Tenant under the lease and recover from Tenant:

1. The worth at the time of award of the unpaid rent that had been earned at the time of termination of the lease;

2. The worth at the time of award of the amount by which the unpaid rent that would have been earned after termination of the lease until the time of award exceeds the amount of rental loss that Tenant proves could have been reasonably avoided;

3. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided; and

4. Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this lease; or

(a) In lieu of, or in addition to, bringing an action for any or all of the recoveries described in subparagraph (b) of this paragraph, bring an action to recover and regain possession of the Premises in the manner provided by California law of unlawful detainer then in effect.

Termination Notice

17. No act of Landlord, including but not limited to Landlord's entry on or into the Premises or efforts to re-let the Premises, or the giving by Landlord to Tenant of a notice of default, shall be construed as an election to terminate this lease unless a written notice of the Landlord's election to terminate this lease is given to Tenant.

Waiver of Breach

18. The waiver by Landlord of any breach by Tenant of any of the provisions of this lease shall not constitute a continuing waiver or a waiver of any subsequent default or breach by Tenant either of the same or a different provision of this lease.

Notices

19. Except as otherwise provided by law, any and all notices or other communications required or permitted by this lease or by law to be served on or given to either party to this lease by the other party shall be in writing, and shall be deemed duly served and given when personally delivered to the party to whom it is directed or any managing employee of that party or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Landlord at 150 Pioneer Lane, Bishop, California 93514, or to Tenant at 152-F Pioneer Lane, Bishop, California 93514. Either party may change its address for purposes of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

Attorney's Fees

20. If any litigation is conducted between the parties to this lease concerning the Premises, this lease, or the rights and duties of either in relation to the Premises or the lease, the party prevailing in that litigation shall be entitled, in addition to any other relief granted, to a reasonable sum as and for its attorney's fees in the litigation which shall be determined by the Court in that litigation or in a separate action brought for that purpose.

Binding on Heirs & Successors

21. This lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties, but nothing in this paragraph shall be construed as consent by Landlord to any assignment of this lease or any interest therein by Tenant except as provided in Paragraph 15 of this lease.

Time of Essence

22. Time is expressly declared to be of the essence of this lease.

Sole & Only Agreement

23. This instrument constitutes the sole and only full, final, and complete agreement between Landlord and Tenant respecting the Premises or the leasing of the Premises to Tenant, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the Premises or its leasing

by Landlord to Tenant not expressly set forth in this Agreement are null and void. All prior negotiations between the parties are substituted into this lease to the extent they have been agreed to, and if not agreed to by the parties such negotiations are not set forth in the terms and conditions of this lease. This lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Landlord and Tenant.

EXECUTED on May 1, 2010, at the City of Bishop, County of Inyo, State of California.

Landlord: Nickoline Hathaway, M.D. or Asao Kamei, M.D.

**Tenant: Northern Inyo County Local Hospital District
By Peter Watercott, District Board President**

Approved for Form: _____
DOUGLAS BUCHANAN
Attorney for Landlord

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*People you know,
caring for people you love*

N . I . H . M E M O R A N D U M

DATE: 4/13/2010
TO: Board of Directors
FROM: Scott Hooker
RE: Birch Street Improvements

Attached you will find an expense spreadsheet and proposals showing the improvements that are needed at the Birch Street property so that we can move the warehouse and the shredder from the Golden State leased space into our new space.

Summary of the attachments:

- Electrical
 - Emergency exit signs in corridors \$ 2,300.00
 - Outside security and parking lights \$ 6,100.00
 - Automatic inside security and exit path lighting \$ 3,840.00
- Construction
 - Improvements to warehouse space \$ 24,121.00
 - Exterior stucco and paint
 - North side improvements \$ 19,099.00
 - Remainder of the building \$ 12,874.00
- Landscape \$ no quote
- Signage \$ no quote
- Security / Fire System \$ 12,413.13
- Construction clean up \$ 2,000.00
- Window coverings \$ 6,199.00
- New windows \$ 12,910.00

- Warehouse shelving \$ 9,292.74
- Phase one environmental site assessment \$ 3,500.00

Thank you for the opportunity to provide you with this information, our goal is to make these improvements prior to September 30, 2010, as this is when our contract ends on the Golden State property.

Thank you for your consideration,

Scott Hooker
Property Manager

Birch St. Budget

Electrical			
	Emergency exit signs in corridors	\$2,300.00	
	Outside security and parking lights	\$6,100.00	
	automatic inside security lighting	\$3,840.00	
Construction			
	Warehouse construction	\$24,121.00	
	Exterior Stucco and paint	\$19,099.00	additional \$12874.00 if we stucco all of the bldg.
	Bathroom improvements (to make ADA compliant)	\$18,076.00	
	waiting for quote	no quote	
Landscape			
	Irrigation		
	plants		
	fix up the West side		
	erosion control on North and South sides		
	waiting for quote (do not do until bldg. Is looking good)	no quote	
Signage			
	elec access locks to mock the new hospital, this will be used as a trial area for the software and hardware		
Door Hardware			
Security / FireSystem		\$12,413.13	
Construction Clean Up			
Window Coverings			
New Windows		\$6,199.00	
Warehouse Shelving		\$12,910.00	
Phase 1 env. Analysis		\$9,292.74	
		\$3,500.00	
		\$117,850.87	

Security Lighting

Proposal

COPY

Northern Inyo Hospital

Rollins Electric Inc.
177 F Short St.
Bishop, Ca. 93514

We hereby submit specifications and estimates for: The installation of inside security lighting Birch St. property.

1 - ET101 Time Clock
500ft 12-2 Romex

Reuse existing light fixtures in each room that has windows and corridors. Wire one light in each room and two lights in the East corridor to a time clock to make the appearance the building is occupied.

Lights to come on at dusk and go off at dawn.

Leave all other lights on the existing switches for future occupancy.

Wave house Sup Panel 5

We propose hereby to furnish material and labor complete in accordance with above specifications, for the sum of: Three Thousand Eight Hundred Forty & 00/100 (\$3,840.00)

Payment to be as follows: Progressive

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. You have the right to cancel this contract within 72 hours of signing. Our workers are fully covered by Workmen's Compensation Insurance. My liability insurance agent is James Ferrall State Farm Insurance Bishop, Ca. 93514 (760) 873-7171 Workers comp. Insurance. State Fund. Policy # 729178-10

Authorized
Signature
03/12/10

This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of proposal-The above price, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance:

3.23.10

Signature

outside lighting

Proposal

copy

Northern Inyo Hospital

Rollins Electric Inc.
177 F Short St.
Bishop, Ca. 93514

We hereby submit specifications and estimates for: The installation of outside security and parking area lights at the Birch St. property.

- 2 - TWP 250M120PELPISCWA 250WMH Wall Packs (Chain Link Parking area & Dock)
- 4 - TWP 70M120PELPI 70 Wall Packs (Front Grass & Front Parking Area)
- 4 - TWP 70M120PELPIFS 70 Wall Packs / Shields (Back Side of Building)

All Lights to be wired to a outside lighting circuit to come on with a photo cell. We will wire the lights in a manor for future occupancy in case NIH wants to break the outside lights up into groups.

We propose hereby to furnish material and labor-complete in accordance with above specifications, for the sum of: Six Thousand One Hundred & 00/100 (\$ 6,100.00)

Payment to be as follows: Progressive

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. You have the right to cancel this contract within 72 hours of signing. Our workers are fully covered by Workmen's Compensation Insurance. My liability insurance agent is James Ferral State Farm Insurance Bishop, Ca. 93514 (760) 873-7171 Workers comp. Insurance. State Fund. Policy # 729178-10

Authorized
Signature
03/12/10

This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of proposal-The above price, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance:

3-23-10

Signature

Exit Signs in Corridor

Proposal

Copy

Northern Inyo Hospital

Rollins Electric Inc.
177 F Short St.
Bishop, Ca. 93514

We hereby submit specifications and estimates for: The installation of Emergency lighting and Exit Signs at the Birch St. property.

3 - ELM 2 Emergency Lights (2- East Corridor, 1 South Entry)

2 - Exit Signs with battery back up (1- East Corridor, 1 South Entry)

Lights and Signs to be mounted below T bar ceiling height so they will not enter fear with future occupancy of the building. Lights will be needed for single person occupancy to exit the building in case of power outage.

We propose hereby to furnish material and labor-complete in accordance with above specifications, for the sum of: Two Thousand Three Hundred & 00/100 (\$2,300.00)

Payment to be as follows: Progressive

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. You have the right to cancel this contract within 72 hours of signing. Our workers are fully covered by Workmen's Compensation Insurance. My liability insurance agent is James Ferrall State Farm Insurance Bishop, Ca. 93514 (760) 873-7171 Workers comp. Insurance. State Fund. Policy # 729178-10

Authorized
Signature
03/12/10



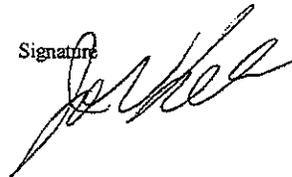
This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of proposal-The above price, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance:

7-23-10

Signature



RUDOLPH
CONSTRUCTION, INC.

March 17, 2010

Copy

Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Attn: Scott Hooker, Property Manager

Re: NIH Birch Street Warehouse Improvements

Subject: Budget Bid Proposal Dated March 17, 2010.
For: Birch Street Warehouse Improvements

Dear Scott,

This request to inspect further items of correction & repair is noted for this estimate and provisional cost analysis to provide the necessary material and work performance. The budget calculation of our firm and the required sub-trades, including material per your specifications total a cost of: **\$24,121.00**

THESE ITEMS ARE DESCRIBED AS FOLLOWS:

- ITEM ~ 1 DEMOLITION OF EXISTING ITEMS AS REQUIRED
- ITEM ~ 2 INSTALL NEW DOUBLE DOORS AND REINSTALL EXISTING DOORS AND HARDWARE, INSTALL NEW DRYWALL AS NEEDED, PATCH AND REPAIR.
- ITEM ~ 3 INSTALL NEW COILING DOOR AND LOADING DOC.
- ITEM ~ 4 INFILL 9 WINDOWS FOR STUCCO PATCH
- ITEM ~ 5 DEMO AND REFRAME NEW WALL AT BREAKROOM LOCATION.
- ITEM ~ 6 DISPOSE OF GENERATED DEBRIS FROM JOB SITE.

Thank you for the opportunity to be of service to your organization and provide the data and information requested.

Yours truly,

Gary Kaiser
Project Administrator
CC: File

RUDOLPH
CONSTRUCTION, INC.

March 17, 2010

Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Attn: Scott Hooker, Property Manager

Re: NIH Birch Street Warehouse Improvements

Subject: Budget Bid Proposal Dated March 17, 2010.
For: Birch Street Warehouse EXTERIOR Improvements

Dear Scott,

This request to inspect further items of correction & repair is noted for this estimate and provisional cost analysis to provide the necessary material and work performance. The budget calculation of our firm and the required sub-trades, including material per your specifications total a cost of: **\$19,099.00**

THESE ITEMS ARE DESCRIBED AS FOLLOWS:

- ITEM ~ 1 STUCCO REPAIR TO BACKSIDE OF BUILDING AS NEEDED.
- ITEM ~ 2 STUCCO INFILL 9 WINDOW LOCATIONS ON BACKSIDE OF BUILDING.
- ITEM ~ 3 APPLY ELASTOMERIC PAINT TO ALL EXTERIOR STUCCO.
- ITEM ~ 4 APPLY PAINT TO ALL EXTERIOR WOOD TRIMS.
- ITEM ~ 5 ADD TO STUCCO & PAINT COMPLETE EXTERIOR: **\$12,874.00**
- ITEM ~ 6 DISPOSE OF GENERATED DEBRIS FROM JOB SITE.

ReStucco

Thank you for the opportunity to be of service to your organization and provide the data and information requested.

Yours truly,

Gary Kaiser
Project Administrator
CC: File

RUDOLPH
CONSTRUCTION, INC.

March 17, 2010

Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Attn: Scott Hooker, Property Manager

Re: NIH Birch Street Warehouse Improvements

Subject: Budget Bid Proposal Dated March 17, 2010.
For: Birch Street Warehouse BATHROOM Improvements

Dear Scott,

This request to inspect further items of correction & repair is noted for this estimate and provisional cost analysis to provide the necessary material and work performance. The budget calculation of our firm and the required sub-trades, including material per your specifications total a cost of: **\$18,076.00**

*Call John Mishner
Does this have
to be done*

THESE ITEMS ARE DESCRIBED AS FOLLOWS:

- ITEM ~ 1 DEMOLITION OF EXISTING ITEMS AS REQUIRED
- ITEM ~ 2 DEMO AND REBUILD NEW WALL AS NEEDED.
- ITEM ~ 3 INSTALL NEW PARTITIONS AS NEEDED.
- ITEM ~ 4 INSTALL NEW FLOORING AS NEEDED.
- ITEM ~ 5 NEW PLUMBING, ELECTRICAL AND PAINTING AS NEEDED.
- ITEM ~ 6 DISPOSE OF GENERATED DEBRIS FROM JOB SITE.

Thank you for the opportunity to be of service to your organization and provide the data and information requested.

Yours truly,

Gary Kaiser
Project Administrator
CC: File

Sierra Security Systems, Inc.

218 B South Main St
 Bishop CA 93514
 Phone: 760-873-6301
 Fax: 760-872-2979

Quotation

DATE	Quotation #
3/26/2010	5549

NAME / ADDRESS
NORTHERN INYO HOSPITAL SCOTT HOOKER 150 PIONEER LN BISHOP CA 93514

Web Site
sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
- Birch St Building Fire System -		
New Hardwired, Central Station Connected Fire Alarm System - Purchase Basis / No long term financing agreement - Two year limited parts and labor warranty on all new Equipment Provided by Sierra Security Systems - Honest full service warranty and response with no hidden travel or trip charges to pay. See our web site for details. Service maintenance contract is optional after the warranty expires. Local Eastern Sierra Central Station - We answer our own phone 24/7. Fast Responding Local 24 Hour Service by our own State of California Licensed Fire and Life Safety Technicians.		
--- This is a firm not to exceed quote for the services and materials described below ---		
--- BASIC SYSTEM Materials and Labor are as follows ---		
Addressable Fire Control Panel	1	1,285.18
12 Volt 7 Amp Hour Gel Rechargeable Battery	2	92.50
FCC Required Telephone Demarcation	2	22.20
Alphanumeric LCD Display	1	597.53
Photoelectric Smoke Detector, 2-Wire, with Thermal Detector (for Control Panel)	1	70.21
ADDRESSABLE MANUAL PULL STATION	3	360.48
Strobe	2	101.76
Horn Strobe	2	136.86
Outdoor Weather Proof Horn Strobe	1	123.95
Horn/Strobe Damage Stopper® and Open Backbox with External Mounting Tabs	1	78.63
FIRE ALARM SYSTEM WIRE	0.5	174.83
Miscellaneous Wires, Boxes, Fasteners, and Hardware	1	150.00
Equipment Subtotal		3,194.13
Inyo County Sales Tax	1	279.49
Labor - Wiring Installation, Device Installation, Control Installation, Testing, Inspection Assistance, Operational Certification, As-Built Drawings, Voltage Drop Calculations, Battery Calculations, and Fire Department Documentation Package. Installation of NFPA Code required Signage.	24	2,784.00
- TOAL PRICE FOR BASIC SYSTEM WITH NO INITIATION DEVICES -	1	6,257.62

Fire Lines

3/30/10

8 Smoke Det.
1728.50
7985.62

Sierra Security Systems, Inc.

218 B South Main St
 Bishop CA 93514
 Phone: 760-873-6301
 Fax: 760-872-2979

Quotation

DATE	Quotation #
3/26/2010	5549

NAME / ADDRESS
NORTHERN INYO HOSPITAL SCOTT HOOKER 150 PIONEER LN BISHOP CA 93514

Web Site
sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
-- INITIATION DEVICES Materials and Labor are as follows --		
Addressable Photoelectric Smoke Detector or Heat Detector	1	94.26
Fire System Wire, Miscellaneous Wire, Fasteners, and Hardware	8	12.00
Inyo County Sales Tax	1	9.30
0205 - Labor - Installation, Programming, and Testing	1	116.00
- PRICE FOR EACH INITIATION DEVICE (SMOKE ORHEAT DETECTOR) -	1	231.56
- Monthly Recurring Charges -		
Central Station Monitoring Service (First Months Service)	0	32.50
Daily Central Station Test Signal Events Reports (First Months Service)	0	7.00
<p>Fire code requires that Fire Alarm Systems have two phone lines or communication paths for Central Station Monitoring. These communication paths must consist of: at least one dedicated telephone land line, and one shared use telephone line, or alternate approved secondary path. The property developer, Primary Contractor, or End-user / Owner shall provide these communication paths solely at their expense. These lines, paths, or services must be installed and working at least one week prior to the scheduled inspection of the Monitoring System. Per NFPA code, the system can not be inspected and certified operational unless Central Station Monitoring is on-line, working and tested. Failure to comply with this requirement may prevent occupancy of the property or buildings.</p>		

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	AS	

DESCRIPTION	QTY	TOTAL
<p>Fire code requires that Fire Alarm Systems have two phone lines or communication paths for Central Station Monitoring. These communication paths must consist of: at least one dedicated telephone land line, and one shared use telephone line, or alternate approved secondary path. The property developer, Primary Contractor, or End-user / Owner shall provide these communication paths solely at their expense. Fire Alarm Systems require phone lines for reporting signals to the Central Monitoring Station. Disconnected, Cut, Out-of-Order, Toll Restricted, or Malfunctioning Phone Lines and/or Communication paths will prevent Alarm System from reporting alarm signals to the Central Station. The owner should take all precautions necessary to cover outside telephone lines and connections. Alternate communication path devices such as Cellular, Internet, and Wireless Central Station Backup Options are available at an additional cost.</p> <p>Important Cost Saving Notice: Fire alarm systems are required by National and State Code to communicate to central monitoring stations using two independent communication paths. These paths historically have consisted of two telephone lines provided by the local phone company. As basic phone line costs have continued to increase over the years, basic business service now costs an average of \$40.00 per month per line. This means that two phone lines will cost about \$80.00 per month to operate your fire alarm system. By replacing the secondary phone line communication path with an optional Cellular or Internet communication device you can reduce the monthly cost of your secondary communication path to as little as \$15.00 per month. We would be more than happy to provide you with an additional quotation to install these cost saving options.</p> <p>Services provided are subject to the accompanying Sierra Security Systems Terms and Conditions - Fire Alarm Signage indicating Protection by a Local Licensed Alarm Company - Considerable reductions in Insurance costs typically apply - Sierra Security Systems is not an insurer. Installation and Monitoring Contracts must be executed prior to commencement of installation - Installation and Service by State of California Licensed Security Technicians, State C10 Electrical Contractors License Number 552435 - State of California Alarm Company Operators License Number ACO5842 - Quotation Valid for 60 Days from the above date.</p>		

Sierra Security Systems, Inc.

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sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
		0.00

Sierra Security Systems, Inc.

218 B South Main St
 Bishop CA 93514
 Phone: 760-873-6301
 Fax: 760-872-2979

Quotation

DATE	Quotation #
3/26/2010	5550

NAME / ADDRESS
NORTHERN INYO HOSPITAL SCOTT HOOKER 150 PIONEER LN BISHOP CA 93514

Web Site
sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
<p>- Birch St Building Burglar System -</p> <p>Small Business! Central Station Connected Hardwired Burglary Alarm System - Purchase Basis / Month-to-Month Monitoring Services / No long term financing agreement - Two year limited parts and labor warranty included with Monitoring - Honest full service warranty and response with no hidden travel or trip charges to pay. Service maintenance contract is optional after the warranty expires. Local Eastern Sierra Central Station Monitoring - We answer our own phone 24/7. Fast Responding Local 24 Hour Service by our own State of California Licensed Security Technicians.</p> <p>Important notice regarding property insurance for most areas of Inyo and Mono County and specifically the Town of Mammoth Lakes: Insurance companies that provide business and property insurance in these areas typically require a basic Central Station Monitored Security System. This system shall consist of basic burglary protection that is monitored by a 24-hour Central Station. Please check with your insurance agent to make sure this system as detailed below will satisfy their requirements. This system does not eliminates the need for local 110 AC Life Safety Smoke Detectors as required by the Authority Having Jurisdiction.</p> <p>Notice: January 2006 California Law requires that Contractors installing Residential Property Fire Alarm Protection Device be licensed as a C10 Electrical Contractor.</p> <p>--- Quality Expert Installation of the following system devices. All Devices are Monitored by Central Station for Maximum Protection ---</p>		
Enhanced Silent Alarm System Control Unit with Digital Central Station Communication package, includes Metal Cabinet and Electronics	1	103.60
LCD Keypad w/extra-zone connection	3	540.60
FCC Required Telephone Demarcation	1	11.10
12 Volt 7 Amp Hour Gel Rechargeable Battery	1	46.25
Weather Resistant 2-Tone Siren	1	27.75
Power Transformer	1	9.25
Overhead Door, Roll-Up, 2" Track Switch	1	47.18
Door/Window Contact (Detects Opening Only, Not Breakage)	3	55.50
TOTAL		

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Web Site

sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
35 x 35 Passive Inferred Motion Detector	2	123.96
35' Passive Inferred Motion Detector	2	118.22
Barrier Lens for PIR	2	64.21
BURG ALARM SYSTEM WIRE	1	238.65
Miscellaneous Can, Boxes, Wire, Fasteners, and Hardware	1	125.00
0205 - Equipment Subtotal		1,511.27
Customer Consultation, System Design, Installation of New Equipment, Programming, Testing, Central Station Database Setup and Configuration, Operational Certification Testing, Insurance Certificate Preparation, and Customer Training. Travel time is included. No Trip Charges.	24	2,784.00
--- Recurring Monthly Charges ---		
24 Hour Central Station Monitoring Service (First Months Service) - \$22.00	0	0.00
Weekly Central Station Test Reports (First Months Service) - \$3.50	0	0.00
Internet access to web pages showing alarm activity by event codes. - \$12.50	0	0.00
<p>This system requires a phone line connection for Central Station Monitoring, Customer will provide this circuit at their own expense. Phone line interconnection wiring and labor is included in this quotation. Alarm Systems require phone lines for reporting signals to the Central Monitoring Station. Disconnected, Cut, Out-of-Order, Toll Restricted, or Malfunctioning Phone Lines will prevent Alarm System from reporting alarm signals to the Central Station. The owner should take all precautions necessary to cover and protect outside telephone lines and connections. Cellular, Internet, and Wireless Central Station Backup Options are available at an additional cost.</p> <p>Services provided are subject to the accompanying Sierra Security Systems Terms and Conditions - Alarm Stickers and Yard Sign Indicating Protection by a Local Licensed Alarm Company - Considerable reductions in Insurance costs typically apply - Sierra Security Systems is not an insurer. - Installation and Monitoring Contracts must be executed prior to commencement of installation - Installation and Service by State of California Licensed Security Technicians, State C10 Electrical Contractors License Number 552435 - State of California Alarm Company Operators License Number ACO5842 - Quotation Valid for 60 Days from the above date</p>		

TOTAL

Sierra Security Systems, Inc.

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 Phone: 760-873-6301
 Fax: 760-872-2979

Quotation

DATE	Quotation #
3/26/2010	5550

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Web Site
sierrasecurity.com

P.O. NO.	REP	PROJECT
	AS	

DESCRIPTION	QTY	TOTAL
Sales Tax		132.24
TOTAL		\$4,427.51

Handwritten signature and date: 3-30-10

Just Do Right Janitorial

1625 S. Valley View Dr.
Bishop, CA 93514
760-873-4896

03/22/2010

This proposal is for the Birch St. building project for Northern Inyo Hospital. Prior to start of cleaning, a bleach & water solution will be sprayed to any and all areas where mice activity has been present. The scope of work to be done will consist of clearing all debris and dirt from inside the building prior to start of construction. After construction is completed, construction clean up to consist of but not limited to cleaning floors, windows, rest rooms, and any areas effected from construction, prior to NIH occupying.

A rate based on 40 hours per week at \$25.00 per hour/man hours will be billed weekly with a description of all work completed and man-hours worked.

Thank you,

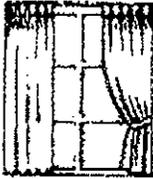


Jeff Clarkson, JDR

JDR
3-24-10

Plan on 80 HRS.
Could be 40 HRS.

INVOICE



Larry & Lynette
THE WINDOW FAIR
 400 WEST LINE STREET
 BISHOP, CA 93514
 (760) 873-6464 • FAX (760) 873-5089

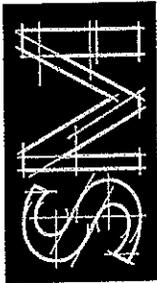
JOB INFORMATION	
ORDER DATE	JOB PHONE
3-25-10	760-920-9722
WORK ORDERED BY	
C/o Scott Hooker	
JOB NAME / LOCATION	
FAX-760-873-5824	
CONTACT	DATE PROMISED
PHONE	ORDER TAKEN BY

BILL TO	Northern Inyo Hospital		
ADDRESS	150 Pioneer Lane		
CITY	STATE	ZIP	
Bishop	CA	93514	

DESCRIPTION OF WORK	AMOUNT
<u>Quantity</u>	
18 - Phifer Sun Screen Mesh Shades - 3% - Bone White	4600 00
(South + West)	
6 - Entry Windows - Tinted w/ 80% Film (+ Doors)	1100 00
	5700 00
Installed + Complete	
TAX	499 00

LABOR	HOURS	RATE	AMOUNT	TOTAL MATERIAL/PARTS
<i>Please proceed</i>				<i>[Signature]</i>
<i>5H</i>				
TOTAL LABOR				TOTAL
				6199 00

DATE COMPLETED	SIGNATURE (I hereby acknowledge the satisfactory completion of the above described work.)



SHELF MASTER, INC.

"Creating intelligent storage solutions"
 2837 E. Coronado St.
 Anaheim, CA 92806

SALES QUOTE

Date: 4/12/2010

Company: NORTHERN INYO HOSPITAL
 Attention: NEIL LYNCH
 Phone: 760.873.2178
 Fax: 760.872.2768
 Ship To: BISHOP, CA. 93514

From: Kirk Kramer
 Title: President
 Phone: 714-632-5027
 Fax: 714-632-5047
 Quote#: 2957 Birch st. room layout

Qty	Unit	Part Number	Product Description	Price	Total
1)	EA	07S6932-4HW	RECORD STORAGE UNIT, 7'Hx69"Wx32"D W/ 4 SHELVES, 60 TO 80 BOXES PER	\$194.97	\$5,264.19
2)	EA	SF	SINGLE FOOT	\$0.62	\$29.76
3)	EA	DF	DOUBLE FOOT	\$1.10	\$33.00
4)	EA	SD2-3/8	3/8" CRACKED CONCRETE ANCHORS	\$1.45	\$113.10
5)					
6)					
7)					
8)					
9)					
10)					
11)					
12)					
13)					
14)					
15)					
16)					

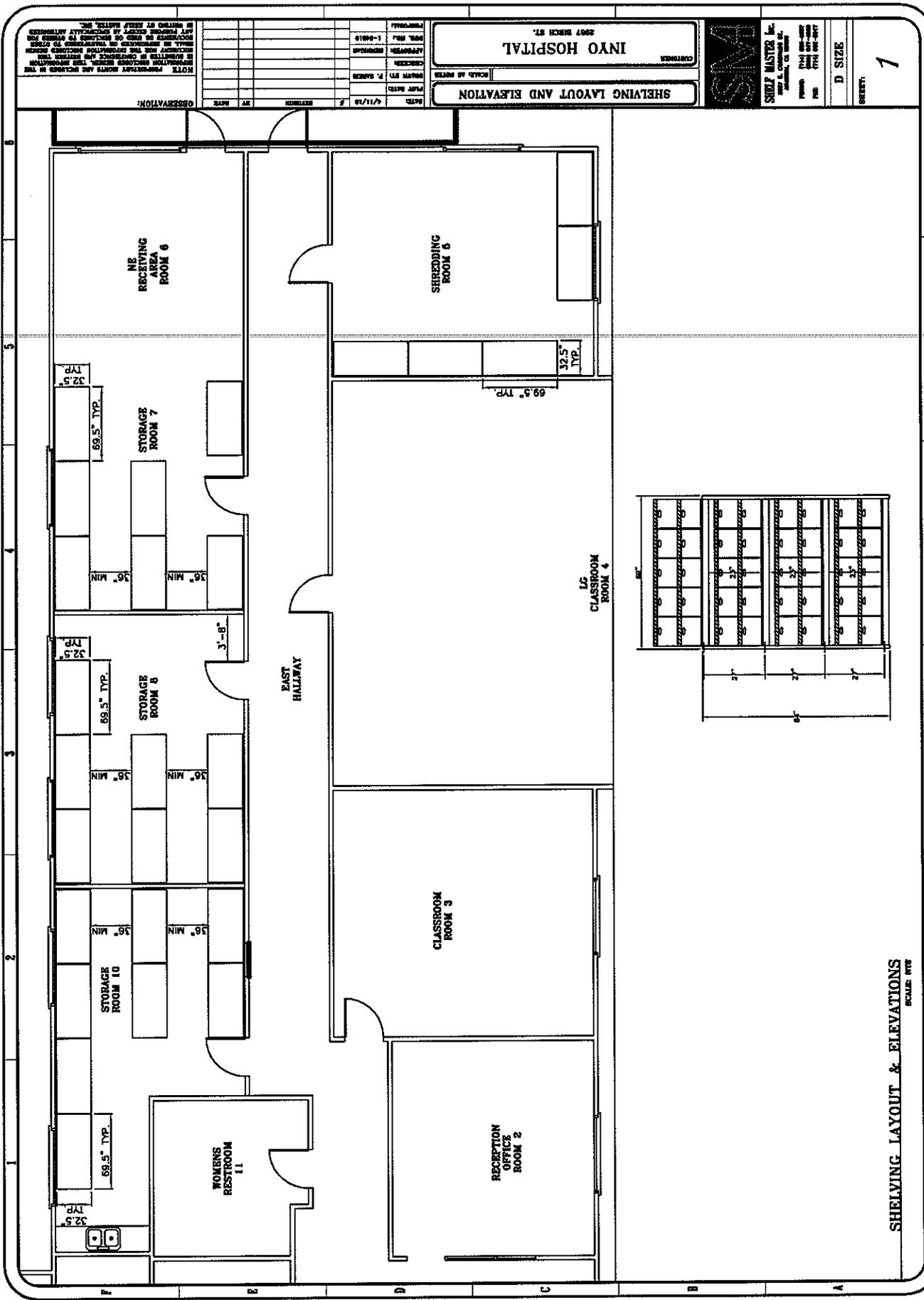
Total Material NET Price:	\$5,440.06
Installation: Travel, room, food, ect.	\$2,520.00
Delivery: 0 #	\$685.00
Tax: 8.75%	\$747.69
Total:	\$9,292.74
Lead Time ARO:	1-2 weeks

- Clarifications and Explanations:
- 1) Material Only, FOB, Shelf Master, Inc.
 - 2) Color: GRAY
 - 3) Engineering, Calculations, Plan Check or Permit fees are not included.
 - 4) Quote valid for 30 days
 - 5) Terms: C.O.D.

Thank you for the opportunity to be of service. If you have any questions, please do not hesitate to call.

Customer Approval

Kirk Kramer, President



NOTE: DIMENSIONS SHOWN ARE BASED ON THE INFORMATION PROVIDED BY THE ARCHITECT. THE ARCHITECT'S RESPONSIBILITY IS TO PROVIDE ACCURATE INFORMATION TO THE CONTRACTOR. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ALL DIMENSIONS AND CONDITIONS ON THE JOB SITE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL, STATE AND FEDERAL AUTHORITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL, STATE AND FEDERAL AUTHORITIES.

DATE	4/11/10
BY	DESIGNER
NO.	
REV.	
DESCRIPTION	
DATE	
BY	
NO.	
REV.	
DESCRIPTION	
DATE	
BY	
NO.	
REV.	
DESCRIPTION	

SHELVING LAYOUT AND ELEVATION

CLIENT: INYO HOSPITAL
 2907 BIRCH ST.
 LOCAL: 2000

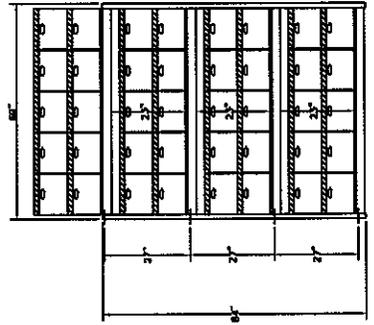
DATE: 4/11/10

SHRIMP MASTER Inc.
 1000 S. 1000 E.
 P.O. BOX 1000
 TULSA, OK 74110

PHONE: (918) 438-1000
 FAX: (918) 438-1001

D SIZE

SHEET: 1



SHELVING LAYOUT & ELEVATIONS
 SCALE: NTS



ENGINEERING & MANAGEMENT, INC.

P.O. Box 1265, Bishop, California 93515-1265
760-872-1033 fax 760-872-2131

Mr. Scott Hooker, Property Management
Northern Inyo Hospital
150 Pioneer Lane
Bishop, California 93514

March 25, 2010

PROPOSAL FOR PROFESSIONAL SERVICES AND AGREEMENT

TEAM Engineering & Management, Inc. (TEAM) is pleased to provide the following Proposal for Professional Services and Agreement to Northern Inyo Hospital (NIH) (Client). This proposal is for professional services related to performance of a limited environmental site assessment for the parcel located at 2957 Birch Street west of Bishop, California (subject site).

Introduction

Based on a meeting with you, it is my understanding that Northern Inyo Hospital is in the process of purchasing the land and improvements located at 2957 Birch Street west of Bishop. The current owner is Mammoth Hospital and the site was previously used by Cerro Coso Community College. NIH has requested that TEAM provide a Proposal for Professional Services to provide a limited environmental site assessment of the subject site. At the time TEAM was contacted to submit the proposal, the purchase of subject site was in escrow. It was understood by Management and Administration of NIH as well as Council for NIH that an environmental site assessment is usually performed in advance of the purchaser making an offer on the property and in advance of closing of escrow, however in this case given the time constraints and the Client's desire to proceed with the purchase, the environmental site assessment would be performed independent of the escrow process.

Primary Objective

The objective of a Phase I Environmental Site Assessment is to identify recognized environmental conditions at the subject site that have potential to be environmental liabilities.

"The term *recognized environmental conditions* means the presence or likely presence of any *hazardous substances* or *petroleum products* on a *property* under conditions that indicate an existing release, a past release, or a material threat of a release of any *hazardous substances* or *petroleum products* into structures on the *property* or into the ground, ground water, or surface water of the *property*. The term includes *hazardous substances* or *petroleum products* even under conditions in compliance with laws. The term is not intended to include *de minimis* conditions that generally do not present a material risk of harm to public health or the environment and that generally would not be

the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be *de minimis* are not *recognized environmental conditions*." (ASTM Designation E 1527-05 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process)

Completion of a Phase I Environmental Site Assessment would constitute *all appropriate inquiry* into the previous ownership and uses of the subject site and qualify the Client for *innocent landowner liability protections* under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §9601). Following a site visit on March 1, 2010 with the NIH Property Manager and consultation with NIH Council, the Client determined that, given the status of the escrow process and the unlikely future need for *landowner liability protections* under CERCLA, it would be most cost-effective and appropriate to conduct limited environmental due diligence. As a result, TEAM proposes an Environmental Site Assessment Transaction Screen Process as provided for under American Society for Testing Materials (ASTM) Designation E 1528-06.

Scope of Work

The Environmental Site Assessment Transaction Screen Process shall be performed according to ASTM Designation E 1528-06. TEAM has the qualifications and experience to perform this work. This Environmental Site Assessment Transaction Screen Process will be performed by and under the supervision of Walt Pachucki, president of TEAM. Mr. Pachucki is an engineer and a California Environmental Protection Agency Department of Toxic Substances Control Registered Environmental Assessor (#04154).

A report that summarizes the findings of the Environmental Site Assessment Transaction Screen Process will be provided to the Client following completion of the site assessment and related work.

Schedule

TEAM is prepared to initiate work on this project within one week of receipt of the signed Agreement and Retainer. Based on our experience with environmental site assessments, the Client can anticipate that this effort will take approximately four weeks to complete.

Costs, Invoicing, and Terms

The work proposed herein will be performed on a time and materials basis. Although we estimate the cost to perform the work proposed herein to be approximately \$3,500 and we will make every effort to complete the project as cost-effectively as possible, the Client is responsible for all reasonable job related costs invoiced to Client. A copy of TEAM's Schedule of Fees and Charges is attached for your reference.

TEAM requires payment of a Retainer in the amount of \$1800 prior to commencement of work. TEAM will hold the Retainer as a security for the full and faithful performance by Client of Client's payment obligation under this Agreement. TEAM will hold the Retainer until all work

is completed and a final invoice has been sent to Client. Any portion of the Retainer that is not required to pay the final invoice will be returned to Client.

TEAM's work will be invoiced on a monthly basis. Payment is due upon receipt of the invoice. If the invoice is not paid within thirty (30) days from the invoice date, the Client will pay a finance charge of 1.5% per month (19.56% annual) or the maximum allowed by law, whichever is less.

In the event that Client is in default hereunder, TEAM may use, apply or retain the whole or any part of the Retainer for the payment of any sum then owed by Client. Should TEAM apply the Retainer, or any part thereof, pursuant to the terms hereof, Client shall, within seven (7) days of the sending by TEAM of a written demand, remit to TEAM an amount sufficient to restore the Retainer to its original balance. Client's failure to remit the requested payment shall be considered a material default, and TEAM may discontinue work under the Agreement until the requested payment has been received by TEAM.

If Client fails to pay TEAM all outstanding balances within sixty (60) days following invoice date, TEAM may consider the default a total breach of this Agreement and all duties under this Agreement terminated.

All documents prepared by TEAM as instruments of services will remain the property of TEAM. Client agrees that all reports and other work furnished to the Client or his agents, which are not paid for, will be returned upon demand and will not be used by the Client for any purpose.

TEAM will retain all pertinent records relating to services performed under this Agreement for a period of three (3) years after the report is submitted to Client. During that time, the records will be made available to Client during TEAM's normal business hours.

This Agreement may be terminated by either party upon seven (7) days written notice if there is substantial failure by the other party to perform. Termination will not be effective if substantial failure is remedied before expiration of the seven days. Upon termination, TEAM will be paid for services, plus reasonable termination expenses.

In any legal action brought by either party to enforce the terms of this Agreement, the prevailing party is entitled to all costs incurred in connection with such and action, including reasonable attorney's fees.

* * * * *

If the terms of this Proposal for Professional Services and Agreement are acceptable to you, please sign and date below where indicated and return this Proposal for Professional Services and Agreement to my office.

I look forward to serving Northern Inyo Hospital in completion of this task.

Respectfully submitted,

TEAM Engineering & Management, Inc.

Walt Pachucki
Walt Pachucki
President

For Northern Inyo Hospital:

[Handwritten Signature]
Signature

John Halfen
Printed Name

CEO
Title

3-29-10
Date

SCHEDULE OF FEES AND CHARGES**Professional Fees**

Management Consulting Fees	Individual Quote
Litigation Support and Expert Witness	Individual Quote
Senior Consultant	\$ 240.00 per hour
Principal	\$ 200.00 per hour
Principal Hydrogeologist	\$ 180.00 per hour
Project Manager	\$ 145.00 per hour
Senior Hydrographer	\$ 145.00 per hour
Senior Geologist	\$ 130.00 per hour
Senior Engineer	\$ 130.00 per hour
Senior Environmental Planner	\$ 125.00 per hour
Senior Environmental Scientist	\$ 120.00 per hour
Assistant Project Manager	\$ 115.00 per hour
Project Engineer	\$ 110.00 per hour
Staff Biologist	\$ 95.00 per hour
Staff Geologist	\$ 95.00 per hour
Staff Scientist	\$ 90.00 per hour
Field Technician II	\$ 80.00 per hour
Field Technician I	\$ 70.00 per hour
Administrative Support	\$ 65.00 per hour

Charges

Mileage	\$ 1.15 per mile
Vehicle Use 2WD	\$ 100.00 per day
Vehicle Use 2WD ½ day	\$ 55.00 per ½ day
Vehicle Use 4WD	\$ 120.00 per day
Vehicle Use 4WD ½ day	\$ 65.00 per ½ day
Specialized Computer Applications	\$ 15.00 per hour
Necessary Job Related Expenses	Cost plus 15 percent

Above fees and charges are subject to change. Charges for services will be in accordance with TEAM's Schedule of Fees and Charges in effect at the time services are rendered.

Terms of payment are as follows: All balances are due and payable upon receipt. Any balance that has not been received within 30 days of the invoice date is assessed a one and one-half percent (1½%) per month late charge. The 1½% (19.56% annual) late payment charge is applied to the delinquent balance every thirty days thereafter. TEAM reserves the right to terminate work in progress on any overdue account. Retainer fees may be required for specific projects or phases of a project. The amount and terms of the retainer will be agreed upon with the client prior to initiation of the relevant phase of the project.

RUDOLPH

CONSTRUCTION, INC.

April 6, 2010

Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

Attn: Scott Hooker, Property Manager
Re: NIH Birch Street Warehouse Improvements
Subject: Exterior window remove and replace with new.

Dear Scott,

This request to inspect further items of correction & repair is noted for this estimate and provisional cost analysis to provide the necessary material and work performance. The budget calculation of our firm and the required sub-trades, including material per your specifications total a cost of:

THESE ITEMS ARE DESCRIBED AS FOLLOWS:

- ITEM ~ 1 REMOVE AND REPLACE 10 EXISTING WINDOWS WITH STANDARD ALUMINUM FRAME AS IS EXISTING NOW AND CLEAR DUAL GLAZED GLASS.....\$10,475.00
- ITEM ~ 2 REMOVE AND REPLACE 10 EXISTING WINDOWS WITH TUSCANY VINYL FRAME AND CLEAR DUAL GLAZED GLASS.....\$12,910.00
- ITEM ~ 3 DISPOSE OF GENERATED DEBRIS FROM JOB SITE.

AL
Vinyl
Better Heat Seals

Thank you for the opportunity to be of service to your organization and provide the data and information requested.

Yours truly,

Gary Kaiser
Project Administrator
CC: File

THIS SHEET

INTENTIONALLY

LEFT BLANK

Pioneer Medical Association Building

Data Wiring Project

- Objective
 - Provide wired connections to the NIH network for the Pediatric and Surgery clinics now managed by NIH.
 - Provide wireless access throughout the building.
- Benefits
 - Managed, Enterprise-level Services
 - Desktop Computers
 - Servers
 - Backups
 - Network
 - Antivirus
 - Internet
 - Uniform Technology Across Hospital And Practices
 - Roaming Staff
 - Minimized Training.

From:



PCC Network Solutions
Design. Build. Deliver.

PCC Networks Solutions
A Pacific Coast Cabling, Inc. Company
9340 Ebon Avenue,
Chatsworth, CA 91311
Toll free 800.313.1911
Phone 818.407.1911
Fax 818.407.1913
www.pccinc.com

Quotation #

E021810BB-200R1

3/8/2010

Duration: 30 Days

Terms: OAC

FOB: Chatsworth CA

To: Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

North Inyo Hospital

PMA Building
Budgetary

Attn: Justin Norcross
760.873.2841

Item	Qty	PCC P/N	Description	Unit	Total
<i>Horizontal Work Area</i>					
A	26000	TN6SP-BLRB	ADC Truenet CMP, L7 Cable(550Mz), 4 pair -Blue	\$0.34	\$8,858.20
B	4	PP48AC6T	ADC C6 48 PORT 2U ANGLED PATCH PANEL T568A/B	\$239.30	\$957.20
C	160	6830 1 830-06	ADC KM8 C6 1 PORT MODULAR JACK T568A/B Blue	\$4.75	\$760.00
D	39	TNSCSFPO4-WT	ADC CopperTen 4 Port Staggered Faceplate White	\$1.45	\$56.55
E		6644-3-000-53	ADC Wall Phone Faceplate Stainless Steel	\$8.40	
F	4	6645-1-160-01	ADC Blank Insert White 25 Pk	\$4.90	\$19.60
G	15	6644-1-224-01	ADC 4 Port Surface Mount Box White	\$3.15	\$47.25
H	160	6631-2-125-06	ADC ID Tabs with Icons Blue	\$1.05	\$168.00
I	24	Labor Only	Quoted Travel Time (Hours)		
J	160	Labor Only	Level III Category 5E or Cat6 Test (Per Circuit)		
K	320	TC-20Z1	Black Letters-White Tape-9mm (2 inch Label) (FOR COPPER)	\$0.09	\$28.80
L	640	TAG5L-105	Adhesive Cable Labels	\$0.04	\$25.60
M	100	HEA STFCOC	Stiffy 3-1/2" Mid Rod Clip on Cradle	\$2.11	\$211.00
N	100	HEASTFCPEN3	Stiffy 1/4" Rod x 3' Direct w/1-1/2" Concrete	\$2.43	\$243.00
O	100	POW 50622	Tomarco .27 Ca. Short Shot,light pwr, Green (Each)	\$0.10	\$9.80
P					
Q					
R					
<i>Closet Buildout</i>					
S	3	10250-712	CPI 12"x10" Ladder Rack Black	\$73.73	\$221.19
T	3	10595-712	CPI 3" Rack-To-Runway Mounting Plate Black	\$26.65	\$79.95
U	6	11421-712	CPI Wall Angle Support Kit Black	\$19.40	\$116.40
V	2	10642-001	CPI End Cap (Pair)	\$5.65	\$11.30
W	3	11302-001	CPI 1 1/2" Junction Splice Kit Gold	\$7.90	\$23.70
X	2	55053-703	CPI 19"x84" Stand Relay Rack Black	\$117.30	\$234.60
Y	4	30095-503	CPI 7"x6" Master Dble Vert Rack cbl Section Clear	\$492.30	\$1,969.20
Z					
<i>MISC Materials</i>					
AA					
AB	20	600GYBRTAPE	Dottie 3/4" Black Electrical Tape	\$0.62	\$12.40
AC	2	650C	Pull String-Exxon Poly 210 lb. (6500' bx)	\$25.50	\$51.00
AD	2	T50I0C2	Tyton 11" Tie Wrap Black (Pk100)	\$4.00	\$8.00
AE	25	MPLS	ERICO Afterset Ring SCREW ON MOUNTING PLATE SINGLE GANG BOX ELIMINATOR	\$1.07	\$26.75
AF	1	236993	Mineral Wool (Fire Stop Packing Material)	\$47.63	\$47.63
AG	10	314721	Hilti-Fire stop Putty Stick	\$17.68	\$176.80
AH	2	2-EMT	Conduit-10"x2" EMT	\$15.58	\$31.15
AI	20	371562	Conduit-2" EMT Strut Strap,Hilti	\$0.93	\$18.62
AJ	20	EMT200	Conduit-2" EMT Edge Protector	\$0.80	\$16.00
AK	10	309938	Hilti Unistrut Brace 1' x 1 5/8 x 1 5/8 Deep w/Holes	\$1.02	\$10.18
AL	1	4-EMT	Conduit-10"x4" EMT	\$41.29	\$41.29
AM	4	306644	Conduit-4" EMT Strap/Split for Unistrut,Hilti	\$1.70	\$6.80
AN	4	EMT400	Arlington 4" Edge Protector	\$3.27	\$13.09
AO	1	PCC-Core	Core Floor	\$50.00	\$50.00

RACEWAY

AP					
AQ	352	LD5WH6-A	Panduit Medium(5*cat5) Raceway White (Per Foot)	\$1.53	\$536.80
AR	50	CFX5WH-X	Panduit Medium Cover Clip (white)	\$1.24	\$61.75
AS	20	ICFC5WH-X	Panduit Medium Inside Corner (white)	\$1.44	\$28.70
AT	20	OCFX5WH-X	Panduit Medium Outside Corner (white)	\$2.19	\$43.80
AU		TFC5WH-X	Panduit Medium "T" Fitting (white)	\$1.45	
AV	20	RAF5WH-X	Panduit Medium Right Angle (white)	\$1.38	\$27.50
AW	50	DCF5WH-X	Panduit Medium Entrance End Fitting (white)	\$1.36	\$68.00
AX		RF10X5WH-X	Panduit LD10 to LD5 Reducer Fitting	\$1.03	
AY	44	JB1DWH-A	Panduit Deep Device Box-white	\$5.20	\$228.80

Material Total	\$15,546.40
Sales Tax	\$1,360.31
Labor	\$17,717.98
Expenses	
Total Due	\$34,624.69

By

Bryon Brammer

Assumptions: This budgetary quote based on a preliminary drawing and no specific scope of work.
Drops as noted on the drawing. Raceway was estimated at 80% of total locations.
Changes in scope will affect final price.



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3/08/10

Mr. Justin Norcross
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

RE: Quote No. Q021810BB-200R1

Dear Justin,

Thank you for the opportunity to provide a communications infrastructure solution to your organization. The PCC Network Solutions ("a Pacific Coast Cabling, Inc. company") (The Contractor) team looks forward to completing the Structured Cabling installation at the new facility.

our company

PCC Network Solutions – Design. Build. Deliver. We know that communication is vital to the success of your organization. At Pacific Coast Cabling, we provide the means to make your communication systems mission-ready at all times. We are a premier provider of structured cabling systems, LAN/WAN networking equipment and our own fabricated cable assemblies. We are proud to bring our clients best-of-breed products from our partners: Belden Wire & Cable Company, Berk-Tek, Belden/CDT, Hitachi Cable Manchester, Foundry, Panduit, Commscope/Uniprise, ADC, Systemax, Avaya, Ortronics, CORNING and Terabeam. And our history of outstanding customer service and quality workmanship has brought us clients such as Amgen, 20th Century Fox, DreamWorks, Warner Brothers, Countrywide, Disney, Sempra Energy, St. John's, See Beyond and UCLA, to name just a few.

our qualifications

American National Standards Institute (ANSI) Compliant
Electronics Industries Association (EIA) Compliant
Telecommunications Industry Association (TIA) Compliant
Institute of Electrical and Electronics Engineers (IEEE) Compliant
BICSI Corporate Member
Registered Communications Distribution Designers (RCDD) on Staff
Manufacturer Certified
Licensed Contractor, No. 534115
Fully Insured
High Bonding Capacity

Should you have any questions, please do not hesitate to contact me directly. I can be reached at 818-407-1911, via fax at 818-407-1913 or via email at bbrammer@pccinc.com.

Best regards,

Bryon Brammer

Bryon Brammer
Project Manager



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Statement of work for PMA building-

PCC will install (15) CAT 6 duplex drops for WAP locations; (14) CAT 6 duplex locations, and (25) CAT 6 quad locations to the PMA Building. All drops will be terminated on CAT 6 RJ45 jacks and CAT 6 patch panels wired T-568B installed in PCC installed (2) equipment racks. PCC will install the necessary ladder rack to support the tops of the (2) newly installed and (1) previously installed ladder rack to existing walls. Racks will be anchored into the concrete floor using wedge anchors. 80% of the drops were estimated to need to be installed in raceway extending up or down the wall from either the floor or ceiling. These drops will be installed in a deep surface mounted box. PCC will issue a credit for any unused raceway that was not used in this project. All conduit sleeves installed by PCC will be fire stopped when completed. All terminated drops will be tested with a Fluke DTX for CAT 6 performance specifications.

Contract Requirements

The Contractor (PCC) shall provide a 20-year warranty on all ADC MANUFACTURER products and workmanship.

PCC shall provide Certificates of Insurance for General Liability, Automobile Liability, and Workers Compensation and Employers Liability naming Northern Inyo Hospital as additionally insured.

PCC shall provide an installation that is compliant with ADC installation practices, TIA/EIA-568A, 569, 606 and 607 specifications as well as NEC and local building codes.

PCC's price shall encompass all applicable costs to provide a turn key structured cabling system solution including but not limited to all materials, labor, consumables, storage, waste removal, cable support hardware, tools, equipment, etc.

Tentative Schedule

April 2010

Quality Assurance Installation Practices

- 1.0 INSTALLATION PRACTICES
All equipment shall be installed in a neat and professional like manner and to the complete satisfaction of the Client. Any cable, or material installed that does not meet the installation specifications provided by the Statement of Work shall be replaced or repaired to Client's full approval without additional cost.
- 2.0 INSTALLATION REQUIREMENTS
Installation procedures must meet or exceed the requirements listed below:
 - 2.1 Installation and construction practices shall be in accordance with local utility practices and agreements, state, city and county ordinances, statutes and regulations, the National Electric Safety Code, TIA/EIA-568A, TIA/EIA-569, TIA/EIA-606 and TIA/EIA-607.
 - 2.2 The Client's Standard Construction Specifications shall apply where applicable.
 - 2.3 All equipment deemed necessary must be new and of the type specified in the Bill of Materials. No substituted items shall be allowed except as specified or approved by the Client. No custom items shall be allowed except as specified or approved by the Client.
 - 2.4 All wiring shall conform to the National Electric Code and all applicable Local Codes.
 - 2.5 All racks and power supplies shall be earth grounded using #6 AWG, bare copper wire to local ground grid. Customer and its General Contractor are required to provide a terminal ground buss (TGB) in the area of the equipment racks. All building terminal ground buss (TGB) shall be commonly connected to a main terminal ground buss (MTGB) located near the building's main power buss.
 - 2.6 All cables routed through ceilings, and building structure, shall be supported from the structure independently from other trades at intervals that meet applicable federal, state and local building codes. Cables shall be routed in such a manner as to allow other maintenance activities to occur without damage to the cable.



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- 2.7 PCC shall exercise due care in handling twisted pair so as not to damage the cable. Maximum pulling tension and bend radius pre and post installation shall be adhered to.
 - 2.8 PCC shall be responsible for scheduling and coordinating the cable placement with other activities which may take place subsequent to cable placement. Notice is given that the cable construction is such that relatively minor physical damage, such as compression and kinks, can have major impact on system performance.
 - 2.9 Separation distances between cable and EMI sources must be maintained. Reference: TIA/EIA-569.
 - 2.10 When practical all equipment shall be installed so as to be readily accessible for maintenance and shall be located so as not to interfere with servicing of other utilities or services.
-
- 3.0 **CLEAN-UP**
During the installation, on a daily basis, and upon completion of the work, PCC shall remove all debris and waste material from the site of work and adjacent work areas, and shall leave the facilities in a neat and orderly condition to the satisfaction of the Client's Project Manager. During the duration of the installation and construction phases, PCC shall maintain an attitude of safety, cleanliness and tidiness. Subcontractor shall remove daily all scrap and waste materials. Each day, PCC shall leave the premises as orderly as when he began construction.
 - 4.0 **SAFETY**
 - 4.1 Installation shall be designed and accomplished with safety as a primary consideration. The objective is to protect equally the public, the client, and the contracting employees.
 - 4.2 PCC shall at all time exercise extreme care to reduce to a minimum the hazard of accidental injury to themselves and the public due to the presence and installation of wires and equipment particular to their trade.

pricing

We will perform the above scope of work for the sum of:

Thirty Four Thousand Six Hundred Twenty Four and 69/100, (\$ 34,624.69) Price includes Material Sales Tax of \$ 1360.31.

terms & conditions, assumptions & caveats

1. Quote is valid for 5 days from date of issuance.
2. 50% check due upon project award, or full material invoice due upon project award.
"Percentage of Completion" invoices will also be submitted biweekly, on or about the 10th and 25th of each month, and/or as material is received, and/or as labor is incurred. Payment terms are 2% 10, Net 30 from invoice date. Any variance to these terms must be negotiated with PCC V.P. of Finance.
3. Leasing Options also available.
4. A purchase order or written contract will be required prior to the start of this project.
5. All labor has been quoted during PCC Network Solutions, a Pacific Coast Cabling, Inc. company regular business hours of 7:00 a.m. to 3:30 p.m., Monday through Friday except holidays. Work outside of regular business hours is available where additional charges may apply.



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6. Idle time incurred by PCC Network Solutions, a Pacific Coast Cabling, Inc. company due to the absence of required escorts, clearances, permits, inability to enter the work place, delays by other trades or other factors beyond our control will be charged to the customer at a rate of (\$65.00) per man-hour.
7. If demobilization and remobilization is required for this project, additional costs per incident will be charged to the customer.
8. Any shipping charges incurred will be prepaid and added to final invoice.
9. ~~A 15% Return/Handling Fee will be assessed on any materials returned by client.~~
Non-Returnable/Non-Refundable materials include: cabinets/racks built to order, copper and fiber optic interconnect cords, non-standard lengths or custom hybrid configurations of fiber optic cable or copper cable, etc.
10. It is the responsibility of the proposed client to notify PCC Network Solutions, a Pacific Coast Cabling, Inc. company, prior to the start of a project, of any Hazardous Materials such as asbestos contained materials (ACMs), Lead, Acids, Chemicals, etc., in or around the area of the project that may be disturbed. In the event that Hazardous Materials are present prior to job commencement or are encountered during the project, additional costs, damages and/or delays attributed to necessary procedures for working in this environment will be the responsibility of the proposed client and/or building owner/management.
11. The information contained in this document is proprietary to PCC Network Solutions, a Pacific Coast Cabling, Inc. Company and is intended to be used as evaluation and/or bidding information only. No part of this document may be disclosed, reproduced and/or distributed to anyone except the listed recipients within this package without the written permission from PCC Network Solutions, a Pacific Coast Cabling, Inc. Company.
12. This quotation is based upon information provided by the client and is limited to the material and labor items listed herein. Any changes to this quote must be agreed upon by all parties in the form of a written change order and may result in additional charges to the client. All change orders must be signed by the customer prior to the commencement of work specified in that change order.
13. PCC Network Solutions, a Pacific Coast Cabling, Inc. company assumes that all pathways are clear and accessible with the necessary capacity for the work to be performed as described in the Specifications/Statement of Work/Scope of Work. It is the responsibility of the client to provide adequate pathways where deficiencies are present.
14. It is assumed that pull strings will be provided in all conduits installed by others.
15. Certificates of Insurance will be submitted upon request. Special requirements, such as waiver's of subrogation, may result in additional charges to the customer.
16. PCC Network Solutions, a Pacific Coast Cabling, Inc. company quotation is good for (30) days from the date of quotation.
17. This quotation is not to be used as an "Add & Delete" schedule.
18. If PCC Network Solutions, a Pacific Coast Cabling, Inc. company crews are required to be on-site during move-in, system start-up, or first in service, this will be billed on a Time & Material basis. Pacific Coast Cabling will have the account manager available during the project cut over on-call for any questions.
19. A secured, storage area inside the building will be provided for PCC Network Solutions, a Pacific Coast Cabling, Inc. company materials and tools.



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20. No wall repair, painting or removal of existing/abandoned cable is included in this project. The National Electrical Code (NEC) was amended in 2002. One of the amendments concerns the requirement that abandoned cable (both copper and fiber) be removed. The NEC defines "abandoned cable" as: Installed communications cable that is not terminated at both ends at a connector or other equipment and not identified for future use with a tag." Our bid is provide submitted without costs for any removal of abandoned cable. In the event we are directed to remove abandoned cable, PCC will perform removal work at a T&M basis.
21. No permit, license, or bond(s) costs are included as a part of this response.
22. Parking will be provided to PCC Network Solutions, a Pacific Coast Cabling, Inc. company employees at no additional cost.
23. Price includes one (1) machine printed label per faceplate.
24. PCC Network Solutions, a Pacific Coast Cabling, Inc. company realizes that removal, storage and reinstallation of existing (used) ceiling tiles may result in incidental damages. While Pacific Coast Cabling exercises care in the handling of these tiles, incidental damage may occur. As such, Pacific Coast Cabling accepts no liability for any such incidental damages.
25. Pricing for this project is based on the assumption that the ceiling type is suspended with drop in tiles not exceeding 10' in height.
26. Pricing is based upon the assumption that the suspended ceiling grid and ceiling tiles will not be in place during placement of the cabling.
27. Station numbering scheme to be provided five (5) working days prior to the start of the project.
28. All coring to be provided by others. Floor or wall X-Ray's are not included. If X-Ray's are required, customer will be responsible for additional charges to perform this service.
29. No liquidated damages will be accepted.
30. Price does not include the identification and/or removal of any existing cabling or components abandoned or otherwise.
31. Price is based upon the assumption that this is not a prevailing wage job. It is the Owner or applicable agencies responsibility to notify bidders if prevailing wages are required to be paid, and what prevailing wage schedule should be used for any given project. If prevailing wages are required additional costs will be incurred and charged back to the Owner or applicable agency.
32. Price does not include coring, sleeves and/or fire stopping that may be required to meet federal, state and local building and/or fire codes.
33. Price does not include any grounding and/or bonding of equipment, racks, cabinets, conduits, raceways, cable tray, cable runway, cable sheaths, etc...
34. Price does not include voice cross connects, copper patch or line cords, or fiber patch or line cords.
35. Price does not include, plywood backboards, fire rated plywood backboards, and/or the painting of said backboards.



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36. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
37. Pertaining to PCC quoted duct-bank installations: Dig-Alert / USA will be called to the site by PCC's trenching subcontractor to identify underground utilities. Please note that underground utility blueprints must be provided by client as well, to ensure ALL utilities are accurately identified. Although PCC will perform trenching with the utmost in care, Dig-Alert / USA, PCC, nor PCC's trenching subcontractor will accept responsibility/liability for any underground utility damage that may occur during duct bank excavation/installation on utilities that could not be identified prior.

END



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lump sum agreement

This Lump Sum Agreement (the "Agreement") is made and entered into on March 8, 2010 by and between The Contractor, Pacific Coast Cabling Incorporated, DBA PCC Network Solutions, a California corporation, and Northern Invo Hospital (the "Customer"), who agree as follows:

1. Description of Work. The Contractor will provide the labor and materials to perform and complete the work detailed on The Contractor Quotation #I021810BB-200R1 attached to and incorporated in this Agreement by reference, and described as follows: PCC will install (15) CAT 6 duplex drops for WAP locations; (14) CAT 6 duplex locations, and (25) CAT 6 quad locations to the PMA Building. All drops will be terminated on CAT 6 RJ45 jacks and CAT 6 patch panels wired T-568B installed in PCC installed (2) equipment racks. PCC will install the necessary ladder rack to support the tops of the (2) newly installed and (1) previously installed ladder rack to existing walls. Racks will be anchored into the concrete floor using wedge anchors. 80% of the drops were estimated to need to be installed in raceway extending up or down the wall from either the floor or ceiling. These drops will be installed in a deep surface mounted box. PCC will issue a credit for any unused raceway that was not used in this project. All conduit sleeves installed by PCC will be fire stopped when completed. All terminated drops will be tested with a Fluke DTX for CAT 6 performance specifications.

the "Work"). The Work will be performed at Customer's facility located at **150 Pioneer Lane, Bishop, CA 93514** (the "Property"). Customer will provide The Contractor and any The Contractor subcontractor with complete and uninterrupted access to the Property so that The Contractor can perform and until The Contractor completes the Work.

2. Contract Price and Payment. Customer agrees and is required to pay to The Contractor a lump sum of Thirty Four Thousand Six Hundred Twenty Four Dollars and 69/100, \$34,624.69 for the Work (the "Contract Price").

Payment Terms: Any variance to these payment terms must be approved by PCC's VP of Finance prior to contract acceptance. In order to maintain neutral cash flow, PCC will initiate 100% material and equipment purchases, and will require from Customer 100% material and equipment payment upon delivery to the job site, or delivered and stored at the Customer premise, or delivered and stored off-site in a suitable location. Bi-weekly progress payments will be issued thereafter, on or about the 10th and 25th of each month, through project completion due 2% 10 / Net30.

A finance charge of 1.5% per month will be charged against any unpaid balance in excess of 30 days.

Each installment is due and payable within terms of 2% 10, NET 30. If Customer fails to timely pay any of such installments, The Contractor may stop performance of the Work and/or require payment of the entire unpaid balance of the Contract Price prior to resuming and/or completing the Work.

If performance of the Work is delayed, despite the above-stated payment terms The Contractor may invoice Customer for the Work completed, and such invoice is due and payable within terms of 2% 10, NET 30.

An invoice is deemed delivered to Customer upon the date of personal service or transmittal by facsimile to Justin Norcross facsimile number **760.873.2841** or two (2) days after the date of mailing to Customer at 150 Pioneer Lane, Bishop, CA 93514.

3. Service Charges and Return Fee's. Accounts will be assessed a monthly service charge equal to one and one-half percent (1 1/2 %) of any amounts not timely paid. Such service charge will accrue and become payable on the same day of each month commencing on the day such amount was due. Accounts will also be assessed a 15% Return/Handling Fee for any material returned by client.

4. Entire Agreement. This Agreement constitutes the sole understanding and agreement between The Contractor and Customer concerning the performance of and payment for the Work. This Agreement may be amended only by a change order or other writing signed by The Contractor and Customer. Customer may not assign Customer's rights or delegate Customer's duties under this Agreement.

5. Bonds. Customer agrees and is required to pay any additional premiums for performance and/or payment bonds with respect to the Work resulting from any change orders agreed to by The Contractor and Customer.

6. Hazardous Materials. It is the responsibility of the proposed Customer to notify the Contractor, prior to the start of a project, of any Hazardous Materials such as asbestos contained materials (ACMs), Lead, Acids, Chemicals, etc., in or around the area of the project that may be disturbed. In the event that Hazardous Materials are present prior to job commencement or are encountered during the project, additional costs, damages and/or delays attributed to necessary procedures for working in this environment will be the responsibility of the proposed Customer and/or building owner/management.

7. Confidentiality. The information contained in this document is proprietary and confidential to the Contractor and is intended to be used as evaluation and/or bidding information only. No part of this document may be disclosed, reproduced and/or distributed to anyone except the listed recipients within this package without the written permission from the Contractor.

8. Insurance. Certificates of Insurance for General Liability, Automobile Liability, Workers Compensation and Employers Liability naming the Customer as additionally insured will be provided.

9. Late Charges. Customer will be assessed a monthly service charge equal to one and one-half percent (1 1/2 %) of any amounts not timely paid. Such service charge will accrue and become payable on the same day of each month commencing on the day such amount was due.

10. Attorney's Fees. If the Contractor takes or commences any action or proceeding and/or hires an attorney to collect any unpaid portion of the Contract Price or to otherwise enforce this Agreement, Customer will pay to the Contractor the reasonable attorney's fees and costs incurred by the Contractor, which includes, but is not limited to, all expert and other witness fees and associated expenses. The Contractor may file or commence such action or proceeding in any court of competent jurisdiction which the Contractor in its sole discretion determines. The laws of the State in which such action or proceeding is filed or commenced will govern.



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11. Mechanic's Lien. As permitted by the local Civil Code in which State work is being performed, the Contractor will file a Preliminary Lien Notice with respect to the Work to protect the Contractor's and the building Owner's mechanic's lien rights. This notice is not indicative of the credit worthiness of either the Contractor, Owner or Customer.

12. Limits of Liability. Contractor shall not be liable to Customer or to any third party for any indirect, special, incidental or consequential damages in connection with or arising out of this Agreement, including, but not limited to, lost profits or lost data in connection with this Agreement, even if Contractor had been advised of the possibility of such damages.

13. Indemnification. Customer agrees to indemnify and hold Contractor, its directors, officers, employees and agents from and against any and all liability, claims, expenses, damages, causes of action, suits or judgments arising out of any actions of Customer's employees or agents in connection with the performance of this Agreement.

14. Force Majeure. Neither Contractor nor the Customer shall be liable for non-performance hereunder due to acts of God, civil disturbances, strikes, power failures, change in applicable laws or regulations, fire or any other cause which either party cannot prevent by the exercise of reasonable diligence

15. Non-Solicitation, Recruitment or Hire Employees. Both parties acknowledge that each party has expended time, effort and great expense in training the technicians, representatives and employees who will participate with the delivery of goods and services associated with this Agreement. In the absence of the respective technicians, representatives, employees parties consent and for a period of twelve (12) months after proposal or termination of this Agreement, each party agrees that it will not solicit, recruit or hire, or attempt to solicit, recruit or hire, directly or by affirmatively assisting others, any technician, representative, employee of the respective technicians, representatives, employees party who has participated, directly or indirectly, with the delivery of goods and services associated with this Agreement.

16. Entire Agreement. This Agreement constitutes the sole understanding and agreement between the Contractor and Customer concerning the performance of and payment for the Work. This Agreement may be amended only by a change order or other writing signed by the Contractor and Customer. Customer may not assign Customer's rights or delegate Customer's duties under this Agreement.

Client Information Here



Pacific Coast Cabling, Inc.,
 a California corporation

Northern Inyo Hospital

by _____
 Authorized signature

by _____
 Authorized Purchaser's signature

 Authorized name

 Authorized Purchaser's name

title: _____

title: _____

date: _____

date: _____

THIS SHEET

INTENTIONALLY

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Turner Construction
Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
 phone: 760-873-7214
 fax: 760-873-7246

April 12, 2010

Mr. John Halfen
 Northern Inyo Hospital
 150 Pioneer Lane
 Bishop, CA 93514

RE: Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 029

Dear Mr. Halfen,

We have finalized the required quotations for the additional work outlined below. Please see the attached supporting documentation for a complete labor, material and equipment estimate of the work.

PCO No	Description	Amount
069	IB 047 Multiple Issues with Structural Clarifications	\$4,882.00
Total Amount	\$4,882.00	

We have reviewed the scopes of work and have verified that they are in compliance with our contract agreement. See the attached for a detailed breakdown of the costs included in this Change Order Request.

This change will also result in a possible schedule impact of 0 days to the project.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which increases our Contract by **Four thousand eight hundred eighty two and 00/100 dollars (\$4,882.00)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
 Project Manager

Approved By: _____ Date: _____
 John Halfen
 CEO - Northern Inyo Hospital

cc: File

Date of Issuance: December 1, 2009
Instruction Bulletin No: 047

10980 Wilshire Boulevard
Los Angeles, California 90024-3905
Telephone 310 473 3555
FAX 310 312 3646

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

Att: Tom Stoddard

Bulletin 047

Contract for: General Construction

Owner: Northern Inyo Hospital
Project: Partial Hospital Replacement and Renovation
Project No: RBB# 0913700 OSHPD File #HS-060053-14 Facility ID # 10200

DESCRIPTION OF WORK TO BE PERFORMED:

Miscellaneous minor structural coordination and clarifications in response to RFI's 22, 23, 41.1, 66, 68, 72, 88, 94, 96, 119, 133, 158.1, 162, 164, 166, 189, 204.1, 215, 228, 243, 245, 250, 294, 346, 379 and Peer Review comments PRV 5232, 5337, 5339, 5340, 5419, 5440, and 6139. All no cost clarifications.

REASON FOR CHANGE:

Enter CHANGE CODE from IB Log

REQUESTED BY:

Enter WHO requested IB

ACTION TO BE TAKEN:

REQUEST FOR QUOTE

Please submit an itemized quotation for changes in the Contract Sum and/or Time incidental to proposed modifications to the Contract Documents described herein. DO NOT PROCEED WITH THE WORK DESCRIBED HEREIN UNTIL SO AUTHORIZED. (Architects signature required below.)

ARCHITECT'S SUPPLEMENTAL INSTRUCTIONS

The work shall be carried out in accordance with the following supplemental instructions issued in accordance with the Contract Documents without change in Contract Sum or Contract Time. Prior to proceeding in accordance with these instructions, indicate your acceptance of these instructions for minor change to the Work as consistent with the Contract Documents and return a copy to the Architect. (Architects and Contractors signatures required.)

CONSTRUCTION CHANGE AUTHORIZATION

In order to expedite the Work and avoid or minimize delays in the Work which may affect Contract Sum or Contract Time, the Contract Documents are hereby amended as described below. Proceed with this Work promptly. Submit final costs for Work involved and change in Contract Time (if any), for inclusion in a subject Change Order. (Architect, Owner and Contractor's signature required.)

The following is based on information provided by the Contractor:

Method of Determining Change in Contract Sum: _____			(lump sum, unit prices, cost plus fee or other)		
Fixed	Estimated	Maximum	Fixed	Estimated	Maximum
Change in Contract Sum \$	_____	_____	Change in Contract Time	_____	Days

ISSUED: RBB ARCHITECTS INC CONFIRMED: TURNER CONSTRUCTION AUTHORIZED: CHW

By Architect:  Contractor: Tom Stoddard By Owner: Scott Hooker
Kevin Boots, AIA, LEED AP

Date: 10/02/09 Date: _____ Date: _____

XC: Mr. Jack Sutherland / Mr. Ron Hastie, IOR (1 Full, & 2-1/2 Size Sets)
Mr. Scott Hooker, CHW (Email Notification ONLY)
Mr. William Spencer, DASSE (Email Notification ONLY)
Ms. Staci L. Noblitt, AA (Email Notification ONLY)
Mr. Michael O'Neill, RM (Email Notification ONLY)
Mr. Kevin Boots, AIA, RBB (Email Notification Only)

ENCL: RBB Narrative IB 000
Schedules
Spec Section
Drawings:

Thornton Tomasetti

MEMO

Date: December 1, 2009

To: Stephanie Kimball
Company: OSHPD

From: Kerwin Tsui

Cc: Kevin Boots - RBB

Subject: Bulletin No. 047/Change Order No. 003

TT Project No. 05B307.NIH

Description of work for Bulletin 047/Change Order 003:

Drawing S-1.1:

Peer Review Comment 6139: Add Note IK and delete detail 4 to coordinate with Geotechnical Report.

Peer Review Comment 5337: Revise OMRF R-value to 1 to coordinate with OSHPD approved calculations.

Peer Review Comments 5339, 5419, 5440: Revise specified expansion anchor to Hilti Kwikholt 3 to coordinate with 2001 CBC and OSHPD approved calculations.

Peer Review Comment 5340: Revise specified epoxies; previously specified products are no longer manufactured.

Drawing S-2.1.1:

RFI 189: Revise callout near Grid A/1

Drawing S-2.2.1:

RFIs 158.1 and 379: Provide/revise dimensions as clouded,

Drawing S-2.2.2:

RFI 022: Add and revise dimensions at elevator opening.

RFI 041.1: Delete callout as clouded near B.5/9.

Drawing S-2.2.3:

RFIs 158.1 and 379: Provide/revise dimensions as clouded near C/1.6.

RFI 204.1: Revise canopy framing as clouded.

Date: December 1, 2009
Page 2

Thornton Tomasetti

Drawing S-2.3:

RFI 022: Add/revise dimensions as clouded near D/7.

RFI 023 and Peer Review Comment 5232: Revise framing at Air Handling Unit as clouded.

RFI 068: Delete top of steel reference as clouded near D/9/7.

RFI 162: Add/revise dimensions as clouded near D/2.

Drawing S-5.1:

RFI 243: Detail 13 - Update slope of zone of influence to coordinate with Geotechnical Report.

Drawing S-5.2:

RFI 294: Detail 14 - Add note clarifying how to widen exterior grade beam to provide minimum slab bearing.

Drawing S-5.4:

RFI 166: Details 6, 10, 11, 14, 15, 16, 17, and 20 - Add cover requirements at brace frame column locations to coordinate with previously approved detail 7/S-5.4.

RFI 228: Detail 20 - Revise PCSA dimension as clouded to coordinate with field condition.

RFI 346: Detail 10 - Add min and max to dimension of pier spacing.

~~Drawing S-6.1:~~

~~RFI 215: Detail 6 - Revise opening length to coordinate with OSHPD approved calc.~~ **KTT**

Drawing S-7.2:

RFI 119: Detail 3 - Add note regarding continuity plate requirements for beams of differing depths.

RFI 133: Detail 1 - Add note regarding cap plate thickness at top of columns.

RFI 164: Detail 18 - Update column schedule for C7A column as clouded.

RFI 250: Detail 7 - Add section cut as clouded.

Drawing S-7.3:

RFI 088: Detail 2 - Update reinforcing angle size as clouded.

RFI 096: Detail 3 - Add anchor bolt size and grade callout as clouded.

RFI 245: Details 6 and 9 - Add/Revise weld as clouded.

Drawing S-7.4:

RFI 094: Details 9 and 10 - Update plate washer callouts as clouded.

Date: December 1, 2009
Page 3

Thornton Tomasetti

~~Drawing S-7.5:~~ ^{KTT}

~~RFI 066: Detail 10 — HSS column above terminates at the second floor. Update section as clouded.~~

Drawing S-7.6:

General Coordination: Detail 7 — Revise detail reference as shown.

Drawing S-7.11:

RFI 072: Detail 2 — New detail for bent plate opening reinforcement.

PCO No	Bgt Code No	Description	COR/ TCO	Estimated Budget				Indicated Cost			Sub Cntr	(Savings) Overrun	
				Apprv Rev	Pend Rev	Approx Rev	Adjusted Estimate	Committed Cost	Uncommitted Cost	Indicated Cost			
069 - 001	02-05-03300-SSD-08-001	IB 047 Multiple Issues with Structural C	029/	0	0	0	0	0	0	0	0	0	0
069 - 002	02-15-15000-SSD-08-001	Mid State - IB 047 Multiple Issues with S	029/	0	0	1,389	1,389	0	0	1,389	0	0	0
069 - 003	02-16-16000-SSD-08-001	IB 047 Multiple Issues with Structural	029/	0	0	0	0	0	0	0	0	0	0
069 - 004	02-16-16000-SSD-08-001	IB 047 Multiple Issues with Structural	029/	0	0	0	0	0	0	0	0	0	0
069 - 005	02-14-14240-SSD-08-001	IB 047 Multiple Issues with Structural	029/	0	0	0	0	0	0	0	0	0	0
069 - 006	02-08-09100-SSD-08-001	IB 047 Multiple Issues with Structural	029/	0	0	0	0	0	0	0	0	0	0
069 - 007	02-02-02300-SSD-08-001	IB 047 Multiple Issues with Structural	029/	0	0	0	0	0	0	0	0	0	0
069 - 008	02-02-02300-SSD-08-001	Action Steel Detail - revise steel drawing	029/	0	0	0	0	0	0	0	0	0	0
069 - 009	02-05-05500-SSD-08-001	WestCo - IB 047	029/	0	1,040	0	1,040	0	0	1,040	0	0	0
069 - 010	02-07-07810-SSD-08-001	Cell-Crete - IB 047 Multiple Issues with S	029/	0	1,638	0	1,638	0	0	1,638	0	0	0
069 - Level 001	02-01-01837-SSD-02-001	Subguard	029/	0	500	0	500	0	0	500	0	0	0
069 - Level 002	02-01-01831-SSD-05-001	General Liability	029/	0	60	0	60	0	0	60	0	0	0
069 - Level 003	02-01-01840-SSD-06-001	Builder's Risk	029/	0	52	0	52	0	0	52	0	0	0
069 - Level 004	02-01-01860-SSD-08-001	Payment and Performance Bond	029/	0	53	0	53	0	0	53	0	0	0
069 - Level 004	02-01-01860-SSD-08-001	Payment and Performance Bond	029/	0	59	0	59	0	0	59	0	0	0
Total 069		Open/Closed: Open		0	3,402	1,389	4,791	3,178	1,613	4,791	0	0	0
Project Totals:				0	3,402	1,389	4,791	3,178	1,613	4,791	0	0	0

WESTCO IRON WORKS

License #860762

Structural Steel ■ Miscellaneous Metals
Fabricators & Erectors

April 1, 2010

Mr. Chris Smart
Turner Construction
150 Pioneer Lane
Bishop, CA 93514

Northern Inyo Hospital
Misc-structural fabrication
1173-5-J
Reference: PCO 69

Dear Mr. Smart,

We submit the following quotation for work in our trade for the above-referenced project.

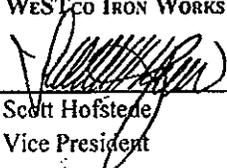
- 1) Furnish material and shop labor only for: (1) 5404A, (1) 5727A, (1) 5728, (1) 5054.
Shipping costs have been split 3 ways, between PCO100, 199& 69.

Material			\$495.00
Fabrication	6.00 hrs.@	\$80.00	480.00
Load/Ship (straight time)	5.00 hrs.@	\$80.00	400.00
Load/Ship (X-1/2 time)	0.66 hrs.@	\$104.00	68.64
Load/Ship (2X time)	1.00 hrs.@	\$128.00	128.00
Hotel / Subsistence			66.36
Total add this change			<u>\$1,638.00</u>

The above Change Order Proposal is based upon the receipt of written acceptance within fourteen (14) calendar days and will be subject to price and schedule confirmation after April 15, 2010

Please be advised that we will withhold all actions related to these changes until such time written acceptance is received.

Very Truly Yours
WESTCO IRON WORKS



Scott Hofstede
Vice President

437 Queens Lane, San Jose, California 95112

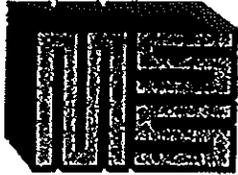
Corporate Office (408) 436-0711

Production Plant (209) 862-1501

FAX (408) 436-8138

FAX (209) 862-1911

www.westcoironworks.com



**MID-STATE
STEEL ERECTORS, INC.**

5036 E. Jensen Ave
Fresno, CA 93725
PH. (559) 266-6634
FX. (559) 266-1211

March 25, 2010

Turner Construction
1211 H Street
Sacramento, CA 95814

Attn: Chris Smart

Re: Northern Inyo Hospital
Bishop, CA

Dear Mr. Smart,

We are in receipt of Informational Bulletin (IB) No.47 (PCO #69) for the above referenced project. Upon our review, we have found the following changes that have affected our scope of work:

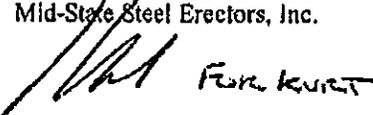
IB No. 47

1. Cut off vertical leg of bent plate and grind smooth on Beam 1172A
2. Set & weld new shear plate to Beam 1172A
3. Remove bent plate and grind smooth on Beam 1202A
4. Remove portion of bent plate and grind smooth on Beam 1407A.
5. Set & weld new shear plate on Beam 1407A
6. Set & weld new bent plate on Beam 5404A.
7. Install new WF beam 5404A

Our price for this additional work will be:	Estimated Labor (11 hrs)	\$ 1,100.00.
	Estimated Equip/Materials	\$ 280.00
	Total	\$ 1,389.00

Please note that our pricing does not include costs for having to relocate back to an area if fixes cannot be completed while our crane and raising gang are in the area. We will require one (1) additional working day be added to our contract duration. Please call me if you have any questions.

Sincerely,
Mid-State Steel Erectors, Inc.


Kurt Bremenkamp
Estimator

Turner Construction hereby authorizes Mid-State Steel Erectors, Inc. to complete the work detailed above and agrees to pay the price quoted, with any time extension requested, for the completion of said work. All additional work per the above quote shall be completed in accordance with the terms and conditions set forth in our Subcontract Agreement.

Turner Construction

Date

PROJECT CHANGE ORDER REQUEST

Revised 03/16/10

DATE: February 08, 2010

ASD#08

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

PROJECT: Northern Inyo Hospital, #835

ATTN.: Tom Stoddard / Chris Smart

Change: Breakdown per review of IB documents received 2/1/10

IB#001

Architect info is not shown on the steel drawings.
NO CHANGE

IB#029 – please confirm *italics* [confirmed per email, IB 29 Dimension, 03/08/10, 5:13 PM]

Drawing S-2.3: Elevator dimensions near gridline 7 - *please confirm 5'-0" dimension should read 4'-11 7/8"*. Changes to elevator dimensions were picked up prior to Strocal's departure.
NO CHANGE

IB#030

Drawing S-2.1.1: Change dimensions locating walkway canopy columns between gridlines 5.6-6.

Drawing S-2.1.2: Change dimensions locating walkway canopy columns near gridline 8.8.

Drawing S-2.2.1: Change beam lengths. Rework canopy edge angles/bent plate.

Drawing S-2.2.2: Move walkway columns. Revise beam lengths. Rework edge angles. Add new columns with connections.

- add 2 new columns with connections
- move 24 columns
- revise lengths for 39 beams
- rework edge angle & bent plate

- revise shop drawings
- revise anchor-rod setting plan
- revise erection drawings

Changes to canopy near line 8.8 are superseded by IB#093. Changes to canopy near line 5.6 are required per IB#30.

Revise walk-way canopy west of line G.6 near line 5.6.

- move 6 columns
- rework framing to new dimensions
- revise anchor-rod setting plan
- revise erection drawings
- revised, deleted & new shop drawings

CHANGE: 32 hours @ \$65/hour = \$2080

IB#031

Miscellaneous ceiling revisions
NO CHANGE

IB#036

Drawing S-2.1.2: Move 2 stair landing columns due to headroom clearance at gift shop.

- move 2 stair landing columns
- revise anchor-rod setting plan
- move one beam and one brace
- lengthen 2 beams
- add one new beam
- new field-work drawings
- revise erection drawings

CHANGE: 30 hours @ \$65/hour = \$1950

IB#037

Drawings S-2.2.2, S-2.2.3, S-2.3 & S-7.5: Revise stair #2 for headroom clearance & drain piping conflict. Move column & revise framing around stair #2.

- move one HSS4x4x5/16 column

- delete 2 beams
- add 2 new beams
- lengthen one beam
- move 5 beams
- move connections on 5 beams
- extend edge plate along north edge around stair #2 & rework edge plate at moved beams
- new RFI's required
- new shop drawings
- new field work drawings
- revise erection drawings

CHANGE: 40 hours @\$65/hour = \$2600

IB#043 [below confirmed per email, IB 43 and 56 Dimension Clarification, 03/05/10, 6:12 PM]

Drawing S-2.2.1: Change dimension for W12x19 beam near gridlines 3/F from 6'-1" to 5'-7".

- move one beam
- move connections on 2 beams
- new field-work drawings
- revise erection drawing

CHANGE: this beam is also moved per IB#56 – verify beam should be located per IB#56

IB#047 - see email from Damien Binch on 2/12/10 – verify change is required [1/2" change not required, however need to relocate edge of slab & add one beam, confirmed per email, FW: RFI 0022.1 Updated Response, 03/11/10, 6:25 PM]

Drawing S-2.2.2: Dimension near elevator (near grid-lines 8/F-E.6) of 8'-4 1/2" is a change from 8'-4" per NTD RFI#22.

- one new beam
- new connections on 2 beams
- rework edge plate 3 beams
- new shop drawings
- new field-work drawings
- revise erection drawings.

CHANGE: 16 hours @ \$65/hour = \$1040



Turner Construction
Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
 phone: 760-873-7214
 fax: 760-873-7246

April 12, 2010

Mr. John Halfen
 Northern Inyo Hospital
 150 Pioneer Lane
 Bishop, CA 93514

RE: Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 030

Dear Mr. Halfen,

We have finalized the required quotations for the additional work outlined below. Please see the attached supporting documentation for a complete labor, material and equipment estimate of the work.

PCO No	Description	Amount
100	IB 056 - Revise location of beam near 3/E.7 on S-2.2.1 to coordinate with plumbing routing. Add moment connection at beam/column connection at 9.7/E.6	\$5,835.00

Total Amount \$5,835.00

We have reviewed the scopes of work and have verified that they are in compliance with our contract agreement. See the attached for a detailed breakdown of the costs included in this Change Order Request.

This change will also result in a possible schedule impact of 0 days to the project.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which increases our Contract by **Five thousand eight hundred thirty five and 00/100 dollars (\$5,835.00)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
 Project Manager

Approved By: _____ Date: _____

John Halfen
 CEO - Northern Inyo Hospital

cc: File

CMS

Date of Issuance: December 23, 2009
Instruction Bulletin No: 056

10980 Wilshire Boulevard
Los Angeles, California 90024-3905
Telephone 310 473 3555
FAX 310 312 3646

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

Att: Tom Stoddard

Bulletin 056

Contract for: General Construction

Owner: Northern Inyo Hospital
Project: Parlat Hospital Replacement and Renovation
Project No: RBB# 0913700 OSHPD File #HS-060053-14 Facility ID # 10200

DESCRIPTION OF WORK TO BE PERFORMED:

RBB Instruction Bulletin No. 056

PRC 5374 & RFI 330.2: Revise location of beam near 3/E.7 on S-2.2.1 to coordinate with plumbing routing. Add moment connection at beam/column connection at 9.7/E.6.

REASON FOR CHANGE:

Drawing Coordination

REQUESTED BY:

A/E Team

ACTION TO BE TAKEN:

REQUEST FOR QUOTE

Please submit an itemized quotation for changes in the Contract Sum and/or Time incidental to proposed modifications to the Contract Documents described herein. DO NOT PROCEED WITH THE WORK DESCRIBED HEREIN UNTIL SO AUTHORIZED. (Architects signature required below.)

ARCHITECT'S SUPPLEMENTAL INSTRUCTIONS

The work shall be carried out in accordance with the following supplemental instructions issued in accordance with the Contract Documents without change in Contract Sum or Contract Time. Prior to proceeding in accordance with these instructions, indicate your acceptance of these instructions for minor change to the Work as consistent with the Contract Documents and return a copy to the Architect. (Architects and Contractors signatures required.)

CONSTRUCTION CHANGE AUTHORIZATION

In order to expedite the Work and avoid or minimize delays in the Work which may affect Contract Sum or Contract Time, the Contract Documents are hereby amended as described below. Proceed with this Work promptly. Submit final costs for Work involved and change in Contract Time (if any), for inclusion in a subject Change Order. (Architect, Owner and Contractor's signature required.)

The following is based on information provided by the Contractor:

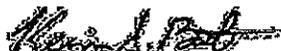
Method of Determining Change in Contract Sum:			(lump sum, unit prices, cost plus fee or other)		
Fixed	Estimated	Maximum	Fixed	Estimated	Maximum
Change in Contract Sum \$	_____	_____	Change in Contract Time	_____	Days

ISSUED: RBB ARCHITECTS INC

CONFIRMED: TURNER CONSTRUCTION

AUTHORIZED: CHW

By Architect:


Kevin Boots, AIA, LEED AP

Contractor

Tom Stoddard

By Owner

Scott Hooker

Date 12/23/09

Date

Date

XC: Mr. Jack Sutherland / Mr. Ron Hastie, IOR (1 Full, & 2-1/2 Size Sets)
Mr. Scott Hooker, CHW (Email Notification ONLY)
Mr. William Spencer, DASSE (Email Notification ONLY)
Mr. Kevin Boots, AIA, RBB (Email Notification Only)

ENCL: Dasse Narrative IB 056
Drawings: S-2.2.1, S-2.3

oshpd

"Equitable Healthcare Accessibility for California"

Office of Statewide Health Planning and Development
 Facilities Development Division www.oshpd.ca.gov/fdd
 400 R Street, Room 200, Sacramento, California 95811
 700 N. Alameda Street, Suite 2-500, Los Angeles, CA 90012

Phone (916) 440 8300 FAX (916) 324 9188
 Phone (213) 897-0166 FAX (213) 897-0168



Cost Approval Documents

A	Name of Facility: <u>Northern Inyo Hospital</u>	OSHPD # <u>HS-060053-14</u>	
	Address - Street: <u>150 Pioneer Lane</u>		FACILITY I.D. # <u>10200</u>
	City: <u>Eishop</u> County: <u>Inyo</u> Zip: <u>93514</u>		DATE:
	Title of Project (45 Characters max.): <u>Partial Hospital Replacement and Renovation</u>		Applicant Job # <u>0913700</u>

B

Change Order CO# 032 Addendum AD# _____

Instruction Bulletin IB# _____ Deferred Item DA# _____

IB must be confirmed by change order within 30 days

C

Description/Scope of Change:
RBB Instruction Bulletin No. 056
PRC 5374 & RFI 330.2: Revise location of beam near 3/E.7 on S-2.2.1 to coordinate with plumbing routing. Add moment connection at beam/column connection at 9.7/E.6.

Reason for Change:
Drawing Coordination

List of Enclosures:
Dasse Narrative IB 056
Drawings: S-2.2.1, S-2.3

D	CHANGE ORDER ONLY	OSHPD USE ONLY	OSHPD/FDD-Field Review Tracking	CPER:	Y	N		
	Total contract amount prior to this change.	\$ <u>40,596,210</u>	ACO					
	Amount of this change	\$ <u>0</u>	Architectural	A	AC	D	X	Refer
	<input type="checkbox"/> Add <input type="checkbox"/> Deduct		Mechanical	A	AC	D	X	Refer
Revised contract amount to date:	\$ <u>40,596,210</u>	Electrical	A	AC	D	X	Refer	
Northern Inyo Hospital		DSE						
Owner: <u>Kevin Boots, AIA, LEED AP</u>		Structural	A	AC	D	X	Refer	
Signature: <u><i>Kevin S. Boots</i></u>		FLSO						
		Fire Life Safety	A	AC	D	X	Refer	

E	Architect or Engineer in responsible charge of project:	Structural Engineer (if applicable)
	Signature: <u><i>Kevin S. Boots</i></u>	Signature: <u><i>William R. Dasher</i></u>
	Firm Name: <u>RBB ARCHITECTS INC</u>	Firm Name: <u>Thornton Tomasetti</u>
	Address: <u>10980 Wilshire Blvd.</u>	Address: <u>555 12th Street, Suite 600</u>
City: <u>Los Angeles</u> State: <u>CA</u> Zip: <u>90024-3905</u>	City: <u>Oakland</u> State: <u>CA</u> Zip: <u>94607</u>	

F OSHPD APPROVAL: _____ OSHPD USE ONLY

Signature: _____ Date: _____

Thornton Tomasetti

MEMO

Date: December 23, 2009

To: Stephanie Kimball
Company: OSHPD

From: Will T. Spencer

Cc: Kevin Boots - RBB

Subject: Bulletin No. 056/Change Order No. 032

TT Project No. 05B307.NIH

Description of work for Bulletin 056/Change Order No. 032

Drawing S-2.2.1:

RFI 330.2: Revise location of beam near 3/E.7 to coordinate with plumbing.

Drawing S-2.3:

Peer Review Comment 5374: Add moment connection at beam/column connection at 9.7/E.6.

PCO No	Bdgt Code No	Description	COR/ TCO	Estimated Budget				Indicated Cost			Sub Cntr	(Savings) Overrun													
				Apprv Rev	Pend Rev	Approx Rev	Adjusted Estimate	Committed Cost	Uncommitted Cost	Indicated Cost															
100 - 001	02-05-05120-SSD-08-001	IB 056 - Revise location of beam near 3/	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
100 - 002	02-15-15000-SSD-08-001	IB 056 - Revise location of beam near	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
100 - 003	02-16-16000-SSD-08-001	IB 056 - Revise location of beam near	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
100 - 004	02-13-13000-SSD-08-001	IB 056 - Revise location of beam near	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
100 - 005	02-14-14500-SSD-08-001	IB 056 - Revise location of beam near	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
100 - 006	02-05-05500-SSD-08-001	Mid-State - IB 056 - Revise location of be	030/	0	2,480	0	2,480	0	2,480	0	0	2,480	0	0	2,480	0	0	0	0	0	0	0	0	0	0
100 - 007	02-07-07510-SSD-08-001	WestCo - IB 056 - Revise location of be	030/	0	1,423	0	1,423	0	1,423	0	0	1,423	0	0	1,423	0	0	0	0	0	0	0	0	0	0
100 - 008	02-07-07510-SSD-08-001	Cell-Crete - IB 056 - Revise location of	030/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
100 - 009	02-01-01837-SSD-02-001	Action Detail - IB 056 detail changes for	030/	0	1,690	0	1,690	0	1,690	0	0	1,690	0	0	1,690	0	0	0	0	0	0	0	0	0	0
100 - Level 001	02-01-01831-SSD-08-001	Subguard	030/	0	64	0	64	0	64	0	0	64	0	0	64	0	0	0	0	0	0	0	0	0	0
100 - Level 002	02-01-01840-SSD-08-001	General Liability	030/	0	57	0	57	0	57	0	0	57	0	0	57	0	0	0	0	0	0	0	0	0	0
100 - Level 003	02-01-01860-SSD-08-001	Builder's Risk	030/	0	57	0	57	0	57	0	0	57	0	0	57	0	0	0	0	0	0	0	0	0	0
100 - Level 004	02-01-01860-SSD-08-001	Payment and Performance Bond	030/	0	63	0	63	0	63	0	0	63	0	0	63	0	0	0	0	0	0	0	0	0	0
Total 100	Open/Closed: Open			0	5,835	0	5,835	0	5,835	0	5,593	242	5,835	0	5,835	0	0	0	0	0	0	0	0	0	0
Project Totals:				0	5,835	0	5,835	0	5,835	0	5,593	242	5,835	0	5,835	0	0	0	0	0	0	0	0	0	0

WESTCO IRON WORKS

License #860762

Structural Steel ■ Miscellaneous Metals
Fabricators & Erectors

April 1, 2010

Mr. Chris Smart
Turner Construction
150 Pioneer Lane
Bishop, CA 93514

Northern Inyo Hospital
Misc structural fabrication
1173-5-H
Reference: PCO 100

Dear Mr. Smart,

We submit the following quotation for work in our trade for the above-referenced project.

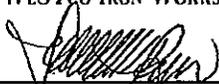
- 1) Furnish material and shop labor only for: (1) 5715A-5718A,(1) 5723A,(1) 5724A
Shipping costs have been split 3 ways, between PCO100, 199& 69.

Material			\$280.00
Fabrication	6.00 hrs.@	\$30.00	480.00
Load/Ship (straight time)	5.00 hrs.@	\$80.00	400.00
Load/Ship (X-1/2 time)	0.66 hrs.@	\$104.00	68.64
Load/Ship (2X time)	1.00 hrs.@	\$128.00	128.00
Hotel / Subsistence			66.36
Total add this change			<u>\$1,423.00</u>

The above Change Order Proposal is based upon the receipt of written acceptance within fourteen (14) calendar days and will be subject to price and schedule confirmation after April 15, 2010

Please be advised that we will withhold all actions related to these changes until such time written acceptance is received.

Very Truly Yours
WESTCO IRON WORKS



Scott Hofstede
Vice President

437 Queens Lane, San Jose, California 95112

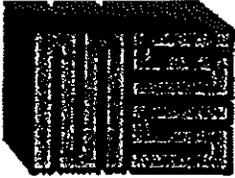
Corporate Office (408) 436-0711

Production Plant (209) 862-1501

FAX (408) 436-8138

FAX (209) 862-1911

www.westcoironworks.com



**MID-STATE
STEEL ERECTORS, INC.**

5036 E. Jensen Ave
Fresno, CA 93725
PH. (559) 266-6634
FX. (559) 266-1211

March 25, 2010

Turner Construction
1211 H Street
Sacramento, CA 95814

Attn: Chris Smart

Re: Northern Inyo Hospital
Bishop, CA

Dear Mr. Smart,

We are in receipt of Informational Bulletin (IB) No.56 (PCO #100) for the above referenced project. Upon our review, we have found the following changes that have affected our scope of work:

IB No. 56

1. Remove column cap plate and grind smooth on Column FW1050A.
2. Remove shear plate and grind smooth on Column FW1050A.
3. Remove two (2) stiffener plates and grind smooth on Column FW1050A
4. Set & weld new 3/4" thick cap plate on Column FW1050A.
5. Set & weld two (2) new 1" thick stiffener plates w/pre-heat on Column FW1050A
6. Set & weld new shear plate w/pre-heat at 1" stiffener on Column FW1050A.
7. Install temporary backing plate on beam FW1464A
8. Fill three (3) bolt holes in Beam FW1464A with weld.
9. Remove temporary backing plate and grind smooth on Beam FW1464
10. Drill three (3) new bolt holes in web of Beam FW1464
11. Set & weld new shear plate on Beam FW2181A.
12. Set & weld new shear plate on Beam FW2572

Our price for this additional work will be:	Estimated Labor (21 hrs)	\$ 2,200.00
	Estimated Equip/Material	\$ 280.00
	Total	\$ 2,480.00

Please note that our pricing does not include costs for having to relocate back to an area if fixes cannot be completed while our crane and raising gang are in the area. We will require one (1) additional working day be added to our contract duration. Please call me if you have any questions.

Sincerely,
Mid-State Steel Erectors, Inc.

 FOR KURT
Kurt Bremenkamp
Estimator

Turner Construction hereby authorizes Mid-State Steel Erectors, Inc. to complete the work detailed above and agrees to pay the price quoted, with any time extension requested, for the completion of said work. All additional work per the above quote shall be completed in accordance with the terms and conditions set forth in our Subcontract Agreement.

Turner Construction

Date

PROJECT CHANGE ORDER REQUEST

Revised 03/16/10

DATE: February 08, 2010

ASD#08

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

PROJECT: Northern Inyo Hospital, #835

ATTN.: Tom Stoddard / Chris Smart

Change: Breakdown per review of IB documents received 2/1/10

IB#001

Architect info is not shown on the steel drawings.
NO CHANGE

IB#029 – please confirm *italics* [confirmed per email, IB 29 Dimension, 03/08/10, 5:13 PM]

Drawing S-2.3: Elevator dimensions near gridline 7 - *please confirm 5'-0" dimension should read 4'-11 7/8"*. Changes to elevator dimensions were picked up prior to Strocal's departure.
NO CHANGE

IB#030

Drawing S-2.1.1: Change dimensions locating walkway canopy columns between gridlines 5.6-6.

Drawing S-2.1.2: Change dimensions locating walkway canopy columns near gridline 8.8.

Drawing S-2.2.1: Change beam lengths. Rework canopy edge angles/bent plate.

Drawing S-2.2.2: Move walkway columns. Revise beam lengths. Rework edge angles. Add new columns with connections.

- add 2 new columns with connections
- move 24 columns
- revise lengths for 39 beams
- rework edge angle & bent plate

- revise shop drawings
- revise anchor-rod setting plan
- revise erection drawings

Changes to canopy near line 8.8 are superseded by IB#093. Changes to canopy near line 5.6 are required per IB#30.

Revise walk-way canopy west of line G.6 near line 5.6.

- move 6 columns
- rework framing to new dimensions
- revise anchor-rod setting plan
- revise erection drawings
- revised, deleted & new shop drawings

CHANGE: 32 hours @ \$65/hour = \$2080

IB#031

Miscellaneous ceiling revisions
NO CHANGE

IB#036

Drawing S-2.1.2: Move 2 stair landing columns due to headroom clearance at gift shop.

- move 2 stair landing columns
- revise anchor-rod setting plan
- move one beam and one brace
- lengthen 2 beams
- add one new beam
- new field-work drawings
- revise erection drawings

CHANGE: 30 hours @ \$65/hour = \$1950

IB#037

Drawings S-2.2.2, S-2.2.3, S-2.3 & S-7.5: Revise stair #2 for headroom clearance & drain piping conflict. Move column & revise framing around stair #2.

- move one HSS4x4x5/16 column

- delete 2 beams
- add 2 new beams
- lengthen one beam
- move 5 beams
- move connections on 5 beams
- extend edge plate along north edge around stair #2 & rework edge plate at moved beams
- new RFI's required
- new shop drawings
- new field work drawings
- revise erection drawings

CHANGE: 40 hours @\$65/hour = \$2600

IB#043 [below confirmed per email, IB 43 and 56 Dimension Clarification, 03/05/10, 6:12 PM]

Drawing S-2.2.1: Change dimension for W12x19 beam near gridlines 3/F from 6'-1" to 5'-7".

- move one beam
- move connections on 2 beams
- new field-work drawings
- revise erection drawing

CHANGE: this beam is also moved per IB#56 – verify beam should be located per IB#56

IB#047 - see email from Damien Binch on 2/12/10 – verify change is required [1/2" change not required, however need to relocate edge of slab & add one beam, confirmed per email, FW: RFI 0022.1 Updated Response, 03/11/10, 6:25 PM]

Drawing S-2.2.2: Dimension near elevator (near grid-lines 8/F-E.6) of 8'-4 1/2" is a change from 8'-4" per NTD RFI#22.

- one new beam
- new connections on 2 beams
- rework edge plate 3 beams
- new shop drawings
- new field-work drawings
- revise erection drawings.

CHANGE: 16 hours @ \$65/hour = \$1040

IB#048

Location & detail for splice for channel ledger at Central Plant. Channels are currently correct as detailed.

NO CHANGE

IB#055

Drawing S-2.2.3: Added detail callout – it appears that details 19/S7.6 & 20/S7.6 do not point to correct location at canopy steel. Review of these details confirms that canopy was detailed per these details correctly.

NO CHANGE

IB#056

Drawing S-2.2.1: Change dimension for W12x19 beam near gridlines 3/F from 6'-1" to 5'-0". Moment connection added.

- move one beam
- move connections on 2 beams
- add moment connection
- new field-work drawings
- revise erection drawing

CHANGE: 26 hours @ \$65/hour = \$1690

IB#071

Add or revise section cut & details

NO CHANGE

IB#089

Close gap in walkways between Existing Radiology Bldg. & New Hospital Bldg., and Existing Hospital Bldg. & New Hospital Bldg.

- add 2 new beams at each walkway with fit-up aids
- add 4 new moment connections at each walkway.
- add edge angle at new beams
- revise erection drawings

These changes are superseded by IB#093



Turner Construction
Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
 phone: 760-873-7214
 fax: 760-873-7246

April 12, 2010

Mr. John Halfen
 Northern Inyo Hospital
 150 Pioneer Lane
 Bishop, CA 93514

RE: Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 031

Dear Mr. Halfen,

We have finalized the required quotations for the additional work outlined below. Please see the attached supporting documentation for a complete labor, material and equipment estimate of the work.

PCO No	Description	Amount
161	IB 103 Supplements IB 32 & 110: Adjust structural bracing at gridline 8 between gridlines E & D	\$22,582

Total Amount \$22,582

We have reviewed the scopes of work and have verified that they are in compliance with our contract agreement. See the attached for a detailed breakdown of the costs included in this Change Order Request.

This change will also result in a possible schedule impact of 4 days to the project.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which increases our Contract by **Twenty two thousand five hundred eighty-two and 00/100 dollars (\$22,582)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
 Project Manager

Approved By: _____ Date: _____
 John Halfen
 CEO - Northern Inyo Hospital

cc: File

RBB ARCHITECTS INC

Date of Issuance: March 2, 2010
Instruction Bulletin No: 103

10980 Wilshire Boulevard
Los Angeles, California 90024-3905
Telephone 310 473 3555
FAX 310 312 3646

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

Att: Tom Stoddard

Bulletin 103

Contract for: General Construction

Owner: Northern Inyo Hospital
Project: Partial Hospital Replacement and Renovation
Project No: RBB# 0913700 OSHPD File #HS-060053-14 Facility ID # 10200

DESCRIPTION OF WORK TO BE PERFORMED:

RBB Instruction Bulletin No. 103
Supplements IB 32 & 110: Adjust structural bracing at gridline 8 between gridlines E & D

REASON FOR CHANGE:

Drawing Coordination

REQUESTED BY:

A/E Team

ACTION TO BE TAKEN:

REQUEST FOR QUOTE

Please submit an itemized quotation for changes in the Contract Sum and/or Time incidental to proposed modifications to the Contract Documents described herein. DO NOT PROCEED WITH THE WORK DESCRIBED HEREIN UNTIL SO AUTHORIZED. (Architects signature required below.)

ARCHITECT'S SUPPLEMENTAL INSTRUCTIONS

The work shall be carried out in accordance with the following supplemental instructions issued in accordance with the Contract Documents without change in Contract Sum or Contract Time. Prior to proceeding in accordance with these instructions, indicate your acceptance of these instructions for minor change to the Work as consistent with the Contract Documents and return a copy to the Architect. (Architects and Contractors signatures required.)

CONSTRUCTION CHANGE AUTHORIZATION

In order to expedite the Work and avoid or minimize delays in the Work which may affect Contract Sum or Contract Time, the Contract Documents are hereby amended as described below. Proceed with this Work promptly. Submit final costs for Work Involved and change in Contract Time (if any), for inclusion in a subject Change Order. (Architect, Owner and Contractor's signature required.)

The following is based on information provided by the Contractor:

Method of Determining Change in Contract Sum: _____			(lump sum, unit prices, cost plus fee or other)		
Fixed	Estimated	Maximum	Fixed	Estimated	Maximum
Change in Contract Sum \$ _____			Change in Contract Time _____ Days		

ISSUED: RBB ARCHITECTS INC	CONFIRMED: TURNER CONSTRUCTION	AUTHORIZED: CHW
By Architect:  Kevin Boots, AIA, LEED AP	Contractor: _____ Tom Stoddard	By Owner: _____ Danny Webster
Date: 3/2/10	Date: _____	Date: _____

XC: Mr. Jack Sultherland / Mr. Ron Hastie, IOR (1 Full, & 2-1/2 Size Sets)
Mr. Scott Hooker, CHW (Email Notification ONLY)
Mr. Danny Webster, CHW (Email Notification ONLY)
Mr. William Spencer, DASSE (Email Notification ONLY)
Mr. Kevin Boots, AIA, RBB (Email Notification Only)

ENCL: Thornton Tomasetti Narrative IB 103
Drawings: S-2.3, S-3.1 & S-7.4
Structural Calculations IB 103

oshpd

'Equitable Healthcare Accessibility for All Californians'

Office of Statewide Health Planning and Development

Health Development Division www.oshpd.ca.gov/fdd
R Street, Room 200, Sacramento, California 95811
N. Alameda Street, Suite 2-500, Los Angeles, CA 90012

Phone (916) 440 8300 FAX (916) 324 9188
Phone (213) 897-0166 FAX (213) 897-0168



Post Approval Documents

A	Name of Facility: Northern Inyo Hospital	OSHPD # HS-060053-14
	Address - Street: 1100 Broadway East	FACILITY I.D. # 10200
	City: French County: Inyo Zip: 93514	DATE:
	Title of Project (45 Characters max): Partial Hospital Replacement and Renovation	Applicant Job # 0913700

B	<input checked="" type="checkbox"/> Change Order CO# 064	<input type="checkbox"/> Addendum AD# _____
	<input type="checkbox"/> Instruction Bulletin IB# _____	<input type="checkbox"/> Deferred Item DA# _____
IB must be confirmed by change order within 30 days		

C Description/Scope of Change:
RBB Instruction Bulletin No. 103
Supplements IB 32 & 110: Adjust structural bracing at gridline 8 between gridlines E & D

Reason for Change:
Drawing Coordination

List of Enclosures:
Thornton Tomasetti Narrative IB 103
Drawings: S-2.3, S-3.1, S-7.4

D	CHANGE ORDER ONLY		OSHPD USE ONLY				OSHPD/FDD-Field Review Tracking				
	Total contract amount prior to this change.	\$ 40,596,210	ACO	<i>N/A</i>							
	Amount of this change	\$ 0	Architectural	A	AC	D	<i>OK</i>	1	1	Refer	
	Revised contract amount to date:	\$ 40,596,210	Mechanical	A	AC	D	<i>OK</i>			Refer	
Northern Inyo Hospital		DSE		Electrical	A	AC	D	<i>OK</i>		Refer	
Owner: Kevin Boots, AIA		FLSO		Structural	<i>OK</i>	AC	D	<i>X</i>	<i>31</i>	<i>10</i>	Refer
Signature: <i>Kevin S. Boots</i>				Fire Life Safety	A	AC	D	<i>OK</i>			Refer

E	Architect or Engineer in responsible charge of project: Signature: <i>Kevin S. Boots</i>	Structural Engineer (if applicable): Signature: <i>William P. ...</i>
	Firm Name: RBB ARCHITECTS INC	Firm Name: THORNTON TOMASETTI
	Address: 10980 Wilshire Blvd	Address: 555 12th Street, Suite 600
	City: Los Angeles State: CA Zip: 90024-3905	City: Oakland State: CA Zip: 94607

OSHPD APPROVAL: Signature: *[Signature]* OSHPD USE ONLY Date: **3/4/10**

© Documents and Settings\W\Scharz\Dev\Post, # FDD IB 103 CO 064.rtf



Office of Statewide Health Planning and Development

"Equitable Healthcare Accessibility for California"

FR

Facilities Development Division
1600 9th Street, Room 420 Sacramento, California 95814
(916) 654-3362 Fax (916) 654-2973 www.oshpd.ca.gov/fdd

District Structural Engineer - FIELD REVIEW

Facility Name and Address: Northern Inyo Hospital, 150 Pioneer Lane, Bishop, CA 93514. Contractor: Turner Construction. Facility I.D. No.: 10200, Project Number: HS060053. Date: 3/4/2010. Project % Complete: Building Permit (Yes), Approved Plans (Yes), Change Orders (Pending).

Title or Scope of Project: Partial Hospital Replacement: Adjust structural bracing at gridline 8 between gridlines E & D. P.A.D. checked. No.: 64.

FIELD REVIEW - Plans were field reviewed this date and the following determination was made:

- PLANS APPROVED: Plans appear to conform to the minimum applicable provisions of the State Building Standards Code.
PLANS NOT APPROVED: Approval could not be given for the following reason(s): Corrections, changes or completion required as noted: slip connection and revised calcs.

Note: Failure to resubmit corrected or completed plans/documents noted above within six months of this report may result in cancellation of this project in accordance with Section 7-129(b), Part 1, Title 24, California Code of Regulations.

Table with 3 columns: Field Staff (S. Kimball/DSE), Report Received By/Title (Thornton Tomasetti/SEOR), and Date (3/4/2010).

Thomson Tomasetti

MEMO

Date: March 3, 2010
To: Stephanie Kimball - OSHPD
From: Will T. Spencer - TT
Cc: Kevin Boots - RBB

Subject: Bulletin No. 103/Change Order No. 064
TT Project #: 05B307.NIH

Description of work for Bulletin 103/Change Order No. 064:

Drawing S-2.3:

General Coordination: Revise BF-6 to chevron brace configuration. Relocate W16x31 to revise unbraced length of W24x76 brace beam.

add (N)

Drawing S-3.1:

General Coordination: Detail 8 – Revise BF-6 to chevron brace configuration. Update related connection detailing.

Drawing S-7.4:

General Coordination: Detail 4 – Revise detail to show removal of the gusset plate at the BF-6 frame.

Thornton Tomasetti

Supplemental Structural Calculations

FOR IB #103

Northern Inyo Replacement Hospital
Bishop, California
HS060053-14

ARCHITECT:

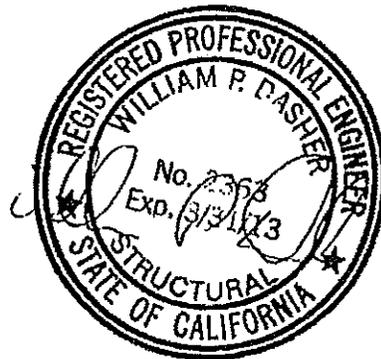
RBB Architects, Inc.
10980 Wilshire Boulevard
Los Angeles, CA 90024
Telephone: 310-473-3555
Facsimile: 310-312-3646

STRUCTURAL ENGINEER:

Thornton Tomasetti
555 12th St, Suite #600
Oakland, CA 94607
Telephone: (510) 433 9370
Facsimile: (510) 433-9378

TT Project No.: 05B307

Date: March 3, 2010



ORIGINAL CALL

(F) (E) (D) (C) (B.5)

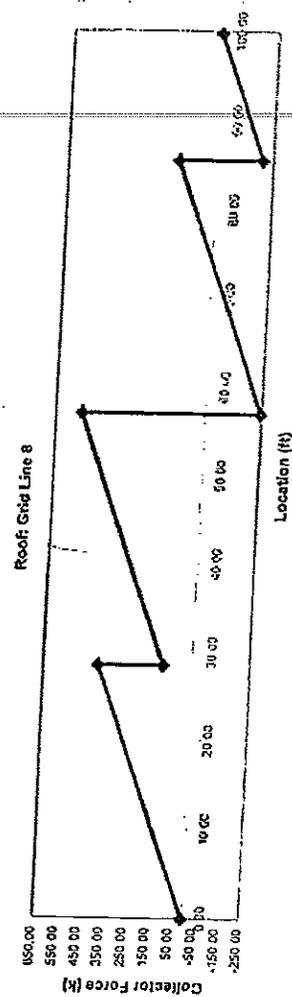
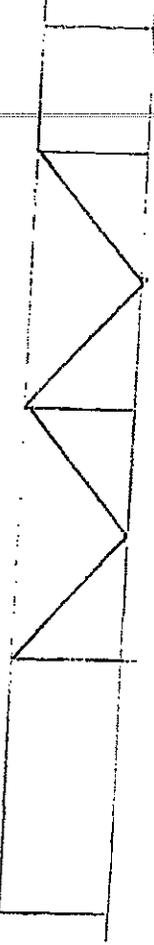
DASSE DESIGN
 Oakland
 PROJECT: 05B307
 BY: YNC
 PAGE: 1/7/2008
 Date: 1/7/2008

Northern Inyo Hospital

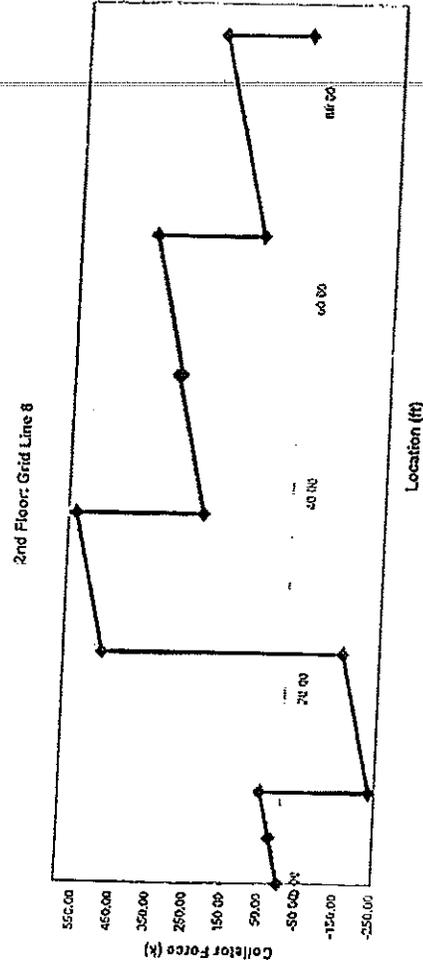
COLLECTOR FORCES

Grid Line #	Level	Roof	2nd
	9.00	2.50	2.30
	28.50	19.75	38.50
	57.00	28.75	232.02
	85.50	8.50	2.68

Grid	Location (ft)	BF Resist Force (k)	F _{collector} (k)	C.F. (k)
F	9.00	0.00	0.00	0.00
E	28.50	135.37	-407.34	400
E	28.50	128.06	57.31	-407.34
D	57.00	342.66	533.89	126.06
D	57.00	334.25	-111.57	533.89
C	85.50	73.80	162.28	-245.46
C	85.50	166.48	-203.91	162.28
B.5	99.75	0.00	0.00	0.00



Grid	Location (ft)	BF Resist Force (k)	F _{collector} (k)	C.F. (k)
E.2.8	0.00	0.00	0.00	0.00
E.1.4	4.67	12.50	27.50	27.50
E	9.33	25.00	35.01	35.01
E	9.33	131.02	-106.92	-235.22
D.5	25.58	408.74	-151.23	-151.23
D.5	25.58	225.07	495.15	495.15
D	37.53	167.24	576.14	576.14
D	37.53	156.06	145.42	235.93
C.5	52.08	4.50	319.92	319.92
C.5	52.08	170.04	304.00	304.00
C	66.33	129.79	188.46	188.46
B.2	86.83	104.22	229.28	229.28
B.2	86.83	104.22	0.00	0.00



Northern Inyo Hospital

COLLECTOR FORCES

Grid Line 8

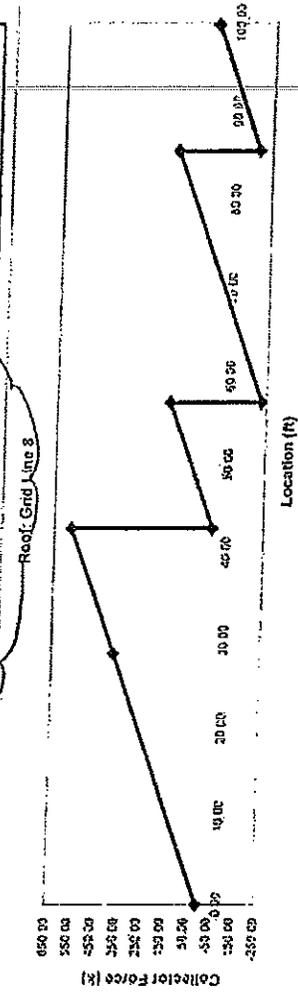
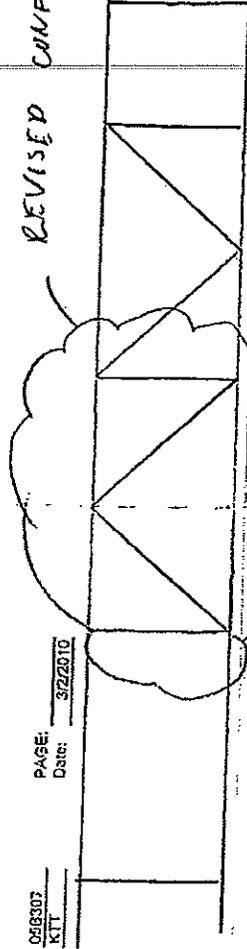
Level	Room	2nd
0.5	2.20	2.20
0.5	0.75	0.75
0.5	0.75	0.75
0.5	0.75	0.75
0.5	0.75	0.75

DASSE DESIGN

PROJECT: 098307
BY: KTT

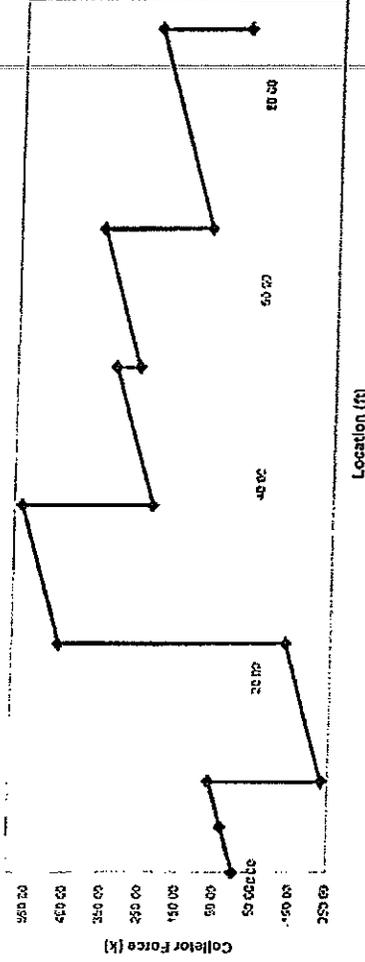
PAGE: 3/22/2010
Date:

REVISED CONFIGURATION



Grid	Location (ft)	RF Resist Force (k)	Forces (k)	ΔU _{max} (kips)
P	0.00		0.00	0.00
E	10.00	28.50	174.56	383.96
E	20.00	40.75	261.81	574.97
E	30.00	42.75	-12.99	-28.50
D	40.00	42.75	274.50	238.50
D	50.00	37.00	-12.99	239.00
D	60.00	37.00	74.57	163.40
C	70.00	84.50	574.97	574.97
C	80.00	85.50	71.03	156.26
C	90.00	85.75	-87.27	-19.90
0.5	100.00		0.00	0.00

2nd Floor: Grid Line 8



Grid	Location (ft)	RF Resist Force (k)	Forces (k)	ΔU _{max} (kips)
E 2.8	0.00		0.00	0.00
E 1.2	10.00	15.78	15.78	24.81
E	20.00	30.75	30.75	67.65
E	30.00	35.93	-105.18	-231.50
D 4	40.00	23.58	-58.23	-138.10
D 5	50.00	23.58	216.50	476.16
D	60.00	37.83	204.51	574.97
D	70.00	37.83	137.02	234.31
C 6	80.00	52.08	151.46	137.61
C 7	90.00	48.08	154.41	275.80
C	100.00	68.37	574.97	574.97
0.5	100.00		0.00	0.00

REVISIONS (CONFORM TO PLAN)

(F) (E) (D) (C) (B.S)

Northern Inyo Hospital

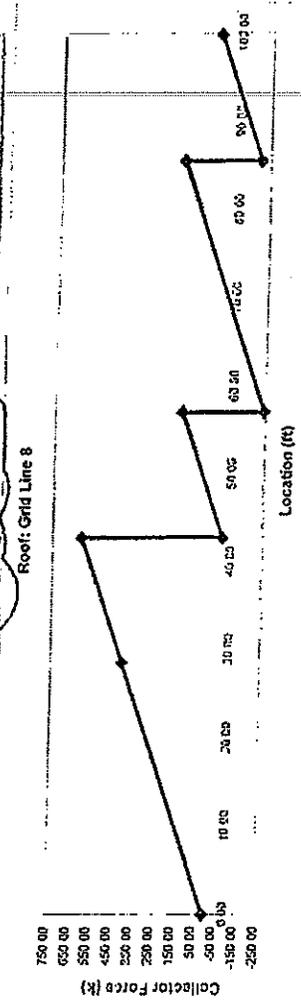
DASSE DESIGN (F)
 Oakland
 PROJECT: 058307
 BY: KIT
 PAGE: 3/25/2012
 Date

COLLECTOR FORCES

Grid Line 8

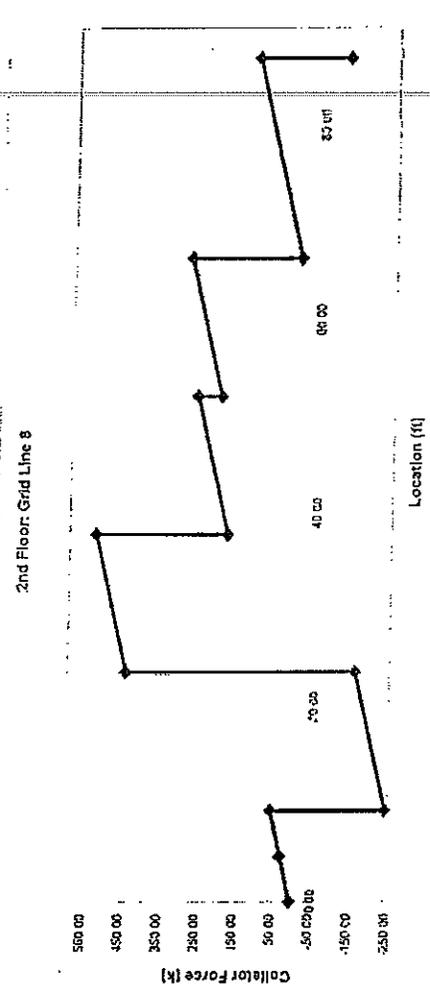
Level	Roof	2nd
Span	2.26	3.31
Deadman Length (ft)	86.33	96.23
Diaphragm Force (k)	648.79	232.82
Diaphragm Shear (k/ft)	4.91	2.46

Roof	Grid	Location (ft)	RF Reson. Force (k)	Force (k)	Q _r Factor (k/ft)
F	F	0.00	0.00	0.00	0.00
E	E	28.50	185.17	497.81	1.73
E	E	42.75	378.36	611.72	1.73
D	D	42.75	-27.73	-89.65	1.73
D	D	57.00	-8.56	-144.23	1.73
C	C	57.00	111.57	242.46	1.73
C	C	71.25	73.86	162.75	1.73
B	B	71.25	-92.68	-205.91	1.73
B	B	85.50	0.00	0.00	0.00



2nd Floor

Grid	Location (ft)	RF Reson. Force (k)	Force (k)	Q _r Factor (k/ft)
F	F	0.00	0.00	0.00
E	E	1.62	32.46	27.50
E	E	6.45	28.00	55.45
D	D	6.45	-110.93	-244.02
D	D	21.58	-72.78	-160.65
D	D	37.83	-274.80	-348.51
C	C	37.83	157.02	228.30
C	C	52.08	121.38	265.03
C	C	52.08	-28.46	-205.32
B	B	66.33	131.50	286.70
B	B	80.57	44.28	121.11
B	B	80.57	-108.42	-117.46



Noetherm Inyo Hospital

DASSE DESIGN

Oakland
 PROJECT 05B307
 BY: KTT
 PAGE: _____
 Date: 3/5/2010

$F_y = 50$ ksi
 $K_y = 1$
 $K_x = 1$
 $\phi_c = 0.85$
 $\phi_t = 0.9$
 $\phi = 0.9$

Design Case
 at Roof 1 2D+0 2S+D₀E₀
 at 2nd Floor 1 2D+0 SL+D₀E₀ (L is either floor live load or snow load)

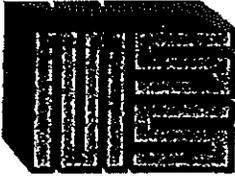
Grid: 8

Bevel Beam such that
 Mit L_y = 6'-0"

Collector Property		Between Grid lines #		L _y		L _x		A _g		I _y		I _x		r _y		r _x		A _{ov}		F _{ci}		φ _c		φ _t		φ _h		
Level	RAM BM ID	I	J	(ft)	(ft)	(in ⁴)	(in ⁴)	(in ²)	(in ²)	(in)	(in)	(in)	(in)	(in)	(in)	(in)	(in)	(in)	(in)	(in)	(ksi)	(ksi)	(ksi)	(ksi)	(ksi)	(ksi)	(ksi)	(ksi)
Roof		F	E	28.50	9.50	20	20	5.01	2.48	0.75	0.61	38.5	671	900	516	0.61	0.50	1.09	1.09	30.4	470	819	758	415	0.61	0.50	1.09	1.09
Roof		E	D	28.50	6.00	22.4	22.4	9.23	1.38	0.49	1.09	30.4	470	819	758	0.50	0.47	1.09	1.09	30.4	470	819	758	415	0.50	0.47	1.09	1.09
Roof		D	C	28.50	3.50	18.2	18.2	8.06	1.28	0.28	0.90	35.7	395	585	415	0.49	0.28	0.90	0.90	35.7	395	585	415	0.49	0.28	0.90	0.90	
Roof		C	B.5	14.25	7.13	13	13	6.26	1.12	0.12	0.66	41.6	272	345.6	166	0.28	0.12	0.66	0.66	41.6	272	345.6	166	0.28	0.12	0.66	0.66	
2nd		E.2.8	E.1.4	4.67	4.67	7.68	7.68	6.26	1.12	0.12	0.66	41.6	272	345.6	166	0.12	0.12	0.66	0.66	41.6	272	345.6	166	0.12	0.12	0.66	0.66	
2nd		E.1.4	E	4.67	4.67	7.68	7.68	6.26	1.12	0.12	0.66	41.6	272	345.6	166	0.12	0.12	0.66	0.66	41.6	272	345.6	166	0.12	0.12	0.66	0.66	
2nd		E	D.5	14.25	7.13	20.1	20.1	9.55	1.87	0.24	0.60	42.9	733	904.5	749	0.12	0.24	0.60	0.60	42.9	733	904.5	749	0.12	0.24	0.60	0.60	
2nd		D.5	D	14.25	7.13	20.1	20.1	9.55	1.87	0.24	0.60	42.9	733	904.5	749	0.24	0.24	0.60	0.60	42.9	733	904.5	749	0.24	0.24	0.60	0.60	
2nd		D	C	28.50	9.50	22.4	22.4	9.55	1.87	0.24	0.60	42.9	733	904.5	749	0.24	0.24	0.60	0.60	42.9	733	904.5	749	0.24	0.24	0.60	0.60	
2nd		C	B.2	20.50	6.83	18.2	18.2	9.23	1.38	0.35	0.79	38.6	736	1006	825	0.35	0.35	0.79	0.79	38.6	736	1006	825	0.35	0.35	0.79	0.79	

Bevel Collector Laser

Collector Design		Between Grid lines #		M ₀		M _u		DCR		P _u		P _c		Interaction		Test/Status	
Level	RAM BM ID	I	J	(k-ft)	(k-ft)	(k-ft)	(k-ft)	DCR	DCR	DCR	DCR	DCR	DCR	Interaction	Interaction	DCR	Interaction
Roof		F	E	144	89	192	192	0.37	0.37	408	361	408	408	0.94	0.45	0.78	OK
Roof		E	D	192	92	249	249	0.27	0.27	612	0.71	612	612	0.95	0.61	0.85	OK
Roof		D	C	275	116	354	354	0.47	0.47	245	0.52	245	245	0.94	0.30	0.71	OK
Roof		C	B.5	40	34	55	55	0.13	0.13	204	0.52	204	204	0.64	0.35	0.47	OK
2nd		E.2.8	E.1.4	0	0	0	0	0.00	0.00	45	0.10	28	28	0.05	0.06	0.04	OK
2nd		E.1.4	E	0	0	0	0	0.00	0.00	55	0.20	55	55	0.20	0.18	0.08	OK
2nd		E	D.5	75	70	124	124	0.17	0.17	235	0.32	235	235	0.27	0.26	0.41	OK
2nd		D.5	D	75	70	125	125	0.15	0.15	579	0.79	579	579	0.92	0.64	0.77	OK
2nd		D	C	284	169	435	435	0.47	0.47	394	0.54	394	394	0.95	0.39	0.81	OK
2nd		C	B.2	208	140	320	320	0.48	0.48	229	0.38	229	229	0.81	0.28	0.71	OK



**MID-STATE
STEEL ERECTORS, INC.**

5036 E. Jensen Ave
Fresno, CA 93725
PH. (559) 266-6634
FX. (559) 266-1211

March 24, 2010

Turner Construction
1211 H Street
Sacramento, CA 95814

Attn: Chris Smart

Re: Northern Inyo Hospital
Bishop, CA

Dear Mr. Smart,

We are in receipt of Informational Bulletin (IB) No. 103 for the above referenced project. Upon our review, we have found the following changes that have affected our scope of work:

S-2.3, S-3.1 & S-7.4

1. Added two (2) 1/2" stiffener plates with welded connections to beam 1184.
2. Added two (2) 1/2" stiffener plates with welded connections to column 1059
3. Added two (2) 1/2" stiffener plates with welded connections to column 1064
4. Added four (4) 1/2" stiffener plates with welded connections to beam 1166.
5. Added two (2) 5/8" stiffener plates with welded connections to beam 1166.
6. Added one (1) 1 1/4" thick center gusset plate with CJP welded connection & pre-heat to beam 1184
7. Added two (2) 1/2" side plate stiffeners with welded connections & pre-heat to middle 1 1/4" thick gusset
8. Added two (2) 1 1/4" thick corner gusset plates with CJP welded connection & pre-heat to beam 1166.
9. Added four (4) 3/8" shear plates with welded connections to existing beams 1184 & 1207
10. Added one (1) WF beam with bolted connections at roof.
11. Remove one (1) middle 1 1/4" thick gusset plate and grind smooth
12. Remove two (2) corner 1 1/4" thick gusset plates and grind smooth.

Our price for this additional work will be	Estimated Labor (57 hrs)	\$ 6,100.00
	Estimated Equip/Materials	\$ 672.00
	Total	\$ 6,772.00

We will require an additional four (4) days be added to our contract duration. Also, all gussets, shear plates, stiffeners and clips are to be shop fabricated. Please call me if you have any questions.

Sincerely,
Mid-State Steel Erectors, Inc.

Kurt Bremen
Kurt Bremenkamp
Estimator

Turner Construction hereby authorizes Mid-State Steel Erectors, Inc. to complete the work detailed above and agrees to pay the price quoted, with any time extension requested, for the completion of said work. All additional work per the above quote shall be completed in accordance with the terms and conditions set forth in our Subcontract Agreement.

Turner Construction

Date

April 1, 2010

Mr. Chris Smart
Turner Construction
150 Pioneer Lane
Bishop, CA 93514

Northern Inyo Hospital
Misc structural fabrication
1173-5-G
Reference: PCO 161

Dear Mr. Smart,

We submit the following quotation for work in our trade for the above-referenced project.

- 1) Furnish material and shop labor only for: (1) 5301A,(1) 5733A,(1) 5734A,(2) 5735A-5740A,
(4) 5741A,(1) 5742A-5744A, (2) 5745A, (2) 5753A

Material			\$6,490.00
Fabrication	16.00 hrs.@	\$80.00	1,280.00
Load/Ship (straight time)	14.00 hrs.@	\$80.00	1,120.00
Load/Ship (X-1/2 time)	2.00 hrs.@	\$104.00	208.00
Load/Ship (2X time)	3.00 hrs.@	\$128.00	384.00
Hotel / Subsistence			200.00
Total add this change			<u>\$9,682.00</u>

The above Change Order Proposal is based upon the receipt of written acceptance within fourteen (14) calendar days and will be subject to price and schedule confirmation after April 15, 2010

Please be advised that we will withhold all actions related to these changes until such time written acceptance is received.

Very Truly Yours
WESTCO IRON WORKS



Scott Hofstede
Vice President

437 Queens Lane, San Jose, California 95112

Corporate Office (408) 436-0711

Production Plant (209) 862-1501

FAX (408) 436-8138

FAX (209) 862-1911

www.westcoironworks.com

PROJECT CHANGE ORDER REQUEST

Revised 04/08/10 – added IB64 & IB108

DATE: February 08, 2010

ASD#08

To: Turner Construction Company
150 Pioneer Lane
Bishop, CA 93514

PROJECT: Northern Inyo Hospital, #835

ATTN.: Tom Stoddard / Chris Smart

Change: Breakdown per review of IB documents received since 2/1/10

IB#001

Architect info is not shown on the steel drawings.
NO CHANGE

IB#029 – please confirm *italics* [confirmed per email, IB 29 Dimension, 03/08/10, 5:13 PM]

Drawing S-2.3: Elevator dimensions near gridline 7 - *please confirm 5'-0" dimension should read 4'-11 7/8"*. Changes to elevator dimensions were picked up prior to Strocal's departure.
NO CHANGE

IB#030

Drawing S-2.1.1: Change dimensions locating walkway canopy columns between gridlines 5.6-6.

Drawing S-2.1.2: Change dimensions locating walkway canopy columns near gridline 8.8.

Drawing S-2.2.1: Change beam lengths. Rework canopy edge angles/bent plate.

Drawing S-2.2.2: Move walkway columns. Revise beam lengths. Rework edge angles. Add new columns with connections.

- add 2 new columns with connections
- move 24 columns
- revise lengths for 39 beams
- rework edge angle & bent plate

- revise shop drawings
- revise anchor-rod setting plan
- revise erection drawings

Changes to canopy near line 8.8 are superseded by IB#093. Changes to canopy near line 5.6 are required per IB#30.

Revise walk-way canopy west of line G.6 near line 5.6.

- move 6 columns
- rework framing to new dimensions
- revise anchor-rod setting plan
- revise erection drawings
- revised, deleted & new shop drawings

CHANGE: 32 hours @ \$65/hour = \$2080

IB#031

Miscellaneous ceiling revisions
NO CHANGE

IB#036

Drawing S-2.1.2: Move 2 stair landing columns due to headroom clearance at gift shop.

- move 2 stair landing columns
- revise anchor-rod setting plan
- move one beam and one brace
- lengthen 2 beams
- add one new beam
- new field-work drawings
- revise erection drawings

CHANGE: 30 hours @ \$65/hour = \$1950

IB#037

Drawings S-2.2.2, S-2.2.3, S-2.3 & S-7.5: Revise stair #2 for headroom clearance & drain piping conflict. Move column & revise framing around stair #2.

- move one HSS4x4x5/16 column

- delete 2 beams
- add 2 new beams
- lengthen one beam
- move 5 beams
- move connections on 5 beams
- extend edge plate along north edge around stair #2 & rework edge plate at moved beams
- new RFI's required
- new shop drawings
- new field work drawings
- revise erection drawings

CHANGE: 40 hours @\$65/hour = \$2600

IB#043 [below confirmed per email, IB 43 and 56 Dimension Clarification, 03/05/10, 6:12 PM]

Drawing S-2.2.1: Change dimension for W12x19 beam near gridlines 3/F from 6'-1" to 5'-7".

- move one beam
- move connections on 2 beams
- new field-work drawings
- revise erection drawing

CHANGE: this beam is also moved per IB#56 – verify beam should be located per IB#56

IB#047 - see email from Damien Binch on 2/12/10 – verify change is required [1/2" change not required, however need to relocate edge of slab & add one beam, confirmed per email, FW: RFI 0022.1 Updated Response, 03/11/10, 6:25 PM]

Drawing S-2.2.2: Dimension near elevator (near grid-lines 8/F-E.6) of 8'-4 1/2" is a change from 8'-4" per NTD RFI#22.

- one new beam
- new connections on 2 beams
- rework edge plate 3 beams
- new shop drawings
- new field-work drawings
- revise erection drawings.

CHANGE: 16 hours @ \$65/hour = \$1040

IB#048

Location & detail for splice for channel ledger at Central Plant. Channels are currently correct as detailed.
NO CHANGE

IB#055

~~Drawing S-2.2.3: Added detail callout – it appears that details 19/S7.6 & 20/S7.6 do not point to correct location at canopy steel. Review of these details confirms that canopy was detailed per these details correctly.~~
NO CHANGE

IB#056

Drawing S-2.2.1: Change dimension for W12x19 beam near gridlines 3/F from 6'-1" to 5'-0". Moment connection added.

- move one beam
- move connections on 2 beams
- add moment connection
- new field-work drawings
- revise erection drawing

CHANGE: 26 hours @ \$65/hour = \$1690

IB#064

Edge of slab drawings

- revise edge plate on 31 beams
- revise 15 loose edge plates
- new shop drawings
- new FW drawings
- revise erection drawings

CHANGE: 55 hours @ \$65/hour = \$3575

IB#071

Add or revise section cut & details
NO CHANGE

IB#089

Close gap in walkways between Existing Radiology Bldg. & New Hospital Bldg., and Existing Hospital Bldg. & New Hospital Bldg.

- add 2 new beams at each walkway with fit-up aids
- add 4 new moment connections at each walkway.
- add edge angle at new beams
- revise erection drawings

These changes are superseded by IB#093
NO CHANGE

IB#093

Revise walk-way canopy west of line L near line 1.3.

- delete 4 columns
- move 4 columns
- rework framing to include cantilevered ends
- revise anchor-rod setting plan
- revise erection drawings
- revised, deleted & new shop drawings

CHANGE: 40 hours @ \$65/hour = \$2600

IB#103

Revise BF-6 to chevron brace configuration.

- one new W16x31
- 1163A add shear plate for new W16x31
- 1207A move shear plate
- 1184A add shear plate connection, add brace plate, remove end brace plates, move shear plate connection
- 1166A remove center plate for bracing, add new brace plates to each end
- 1059A add/remove stiffeners in column for brace connection
- 1064A add/remove stiffeners in column for brace connection
- 1729A revise brace length
- 1730A revise brace length
- 1352A move beam
- layout bracing, gussets, stiffeners, check all bracing requirements met

- new field-work drawings
- new shop drawings
- revise erection drawings

CHANGE: 55 hours @ ⁹⁰ \$65/hour = ^{\$4,950} \$3575

ALL WORK PERFORMED ON OT

IB#118

S-2.2.2 – revised to show changes per IB47

S-5.3 – revised to show elevator pit reinforcement

S-7.2 – revised for misaligned anchor-rod fix

SSK-16 – revised to add stiffener plates at deck support detail, add detail 18/S-7.10

- add eleven stiffeners
- add stiffener plates & angles per 18/S-7.10
- revise erection drawings
- new shop drawings

CHANGE: 12 hours @ \$65/hour = \$780

CELL-CRETE CORPORATION

135 E Railroad Ave.
 Monrovia, CA 91016
 (626) 357-3500 FAX (626) 357-2537
 lsmith@cell-crete.com

Chris Smart
 Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
 Project # 1495401

RE: IB # 36, 37, 47, 56, 103

Chris,

Please see attached costs for additional labor and material for IB # 36 and 103. There is no cost impact for IB # 37, 47 and 56.

IB # 36				
Cafco 300	1 bag	@	\$19.00 per bag	\$19.00
Material mark up 10%				\$1.90

Total CO request for IB#36 \$20.90

IB # 103				
Cafco 300	7 bags	@	\$19.00 per bag	\$133.00
Material mark up 10%				\$13.30
Subtotal material				\$146.30

Labor				
Foreman	.33hrs	@	\$66.77 hr	\$22.03
Journeyman	.33hrs	@	\$63.65 hr	\$21.00
Plaster Tender	.33hrs	@	\$63.27 hr	\$20.88
Laborer	.33hrs	@	\$61.21 hr	\$20.20

Labor total				\$84.11
Labor mark up 15%				\$12.61

Subtotal labor				\$96.72
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Total CO request for IB#103 \$243.02

Lance
 Cell-Crete

Estimated Budget

PCO No	Bdgt Code No	Description	COR/ TCO	Estimated Budget				Indicated Cost			Sub Cntr	(Savings) Overrun				
				Apprv Rev	Pend Rev	Approx Rev	Adjusted Estimate	Auth Doc	Com Doc	Committed Cost			Uncommitted Cost	Indicated Cost		
161 - 001	02-05-05120-3SD-06-040	IB 103 - Supplements IB 32 & 103 - Adj	031/	0	4,950	0	4,950	0	4,950	0	4,950	0	0	0	0	0
161 - 002	02-05-05500-3SD-06-001	Action Detailing - IB 103 - Supplements IB 32 & 1	031/	0	9,682	0	9,682	0	9,682	0	9,682	0	0	0	0	0
161 - 003	02-05-05120-3SD-06-030	Midstate - IB 103 - Supplements IB 32 &	031/	0	6,772	0	6,772	0	6,772	0	6,772	0	0	0	0	0
161 - 004	02-05-05120-3SD-06-035	Deck West - IB 103 - Supplements IB 32	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 005	02-15-15000-3SD-06-001	RHP - IB 103 - Supplements IB 32 &	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 006	02-16-16000-3SD-06-001	Rex Moore - IB 103 - Supplements IB 32	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 007	02-08-08100-3SD-06-001	John Joy - IB 103 - Supplements IB 32	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 008	02-14-14580-3SD-06-001	Airlink - IB 103 - Supplements IB 32 &	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 009	02-07-07810-3SD-06-001	Cell-Crete - IB 103 - Supplements IB 32	031/	0	0	0	0	0	0	0	0	0	0	0	0	0
161 - 010	02-05-05500-3SD-06-001	WestCo - Replacement of beam 1166/	031/	0	243	0	243	0	243	0	243	0	0	0	0	0
161 - Level 001	02-01-01837-3SD-02-001	Subguard	031/	0	249	0	249	0	249	0	249	0	0	0	0	0
161 - Level 002	02-01-01831-3SD-06-001	General Liability	031/	0	219	0	219	0	219	0	219	0	0	0	0	0
161 - Level 003	02-01-01840-3SD-06-001	Builder's Risk	031/	0	221	0	221	0	221	0	221	0	0	0	0	0
161 - Level 004	02-01-01660-3SD-06-001	Payment and Performance Bond	031/	0	246	0	246	0	246	0	246	0	0	0	0	0
Total 161		Open/Closed: Open		0	22,582	0	22,582	0	22,582	0	22,582	0	21,647	8,279	29,926	7,344
Project Totals:				0	22,582	0	22,582	0	22,582	0	22,582	0	21,647	8,279	29,926	7,344



Turner Construction
Northern Inyo Hospital Construction
150 Pioneer Lane
Bishop, CA 93514
phone: 760-873-7214
fax: 760-873-7246

April 12, 2010

Mr. John Halfen
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

RE: Northern Inyo Hospital Construction
150 Pioneer Lane
Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 032

Dear Mr. Halfen,

In an effort to resolve Galletti and Sons request for additional cost reimbursement for the differing site conditions encountered, Turner Construction has reconciled actual total cost of the differing site conditions. We have reached final negotiation with Galletti and Hillside Drilling. As a result, we request the below value be approved in order to bring closure to the issue.

PCO No	Description	Amount
046B	Differing Site Conditions - FINAL	\$424,054.00
Total Amount	\$424,054.00	

Total cost to resolve the differing site condition is \$1,386,320. This settlement results in Galletti and Sons absorbing \$260,000.

COR 17: \$205,933 (Approved October Board Meeting)
COR 22: \$756,333 (Approved December Board Meeting)
COR 32: \$424,054 (Action Item April Board Meeting)
Total: \$1,386,320

We request that Northern Inyo Hospital review this proposal and approve accordingly. This settlement will close the "differing site condition" additional cost request from Galletti and Sons, Hillside Drilling and Turner Construction.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which **increases** our Contract by **Four hundred twenty four thousand fifty four and 00/100 dollars (\$424,054.00)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,



Kathy Sherry
Project Manager

Approved By: _____ Date: _____

John Halfen
CEO - Northern Inyo Hospital

cc: File

Turner Construction

Project No.: 1495401

Project Name: Northern Inyo Hospital Construction

PCO DETAILED REPORT

Potential Change Orders

Print Date: 12-Apr-2010
Print Time: 3:55 pm

PCO No	Bdgt Code No	Description	COR/ TCO	Estimated Budget			Indicated Cost			Sub Cntr	(Savings) Overrun	
				Apprv Rev	Pend Rev	Approx Rev	Adjusted Estimate	Auth Doc	Com Doc			Committed Cost
046B	02-03-03300-3SD-03-001	Offering Site Conditions - FINAL	032/	0	406,501	0	406,501	0	406,501	406,501	CO	0
046B - Level 001	02-01-01837-3SD-02-001	Cast-in-Place Concrete	032/	0	4,675	0	4,675	0	4,675	4,675	CO	0
046B - Level 002	02-01-01831-3SD-06-001	Subguard	032/	0	4,112	0	4,112	0	4,112	4,112	CO	0
046B - Level 003	02-01-01840-3SD-06-001	General Liability	032/	0	4,153	0	4,153	0	4,153	4,153	CO	0
046B - Level 004	02-01-01860-3SD-06-001	Builder's Risk	032/	0	4,614	0	4,614	0	4,614	4,614	CO	0
		Payment and Performance Bond		0	4,614	0	4,614	0	4,614	4,614	CO	0
Total	046B	Open/Closed:Open		0	424,054	0	424,054	0	424,054	424,054		0
Project Totals:				0	424,054	0	424,054	0	424,054	424,054		0

Differing Site Conditions
 Summary of Cost
 PCO 46B

DSC Payment Breakdown Turner Cost In Hand

Hillside's DSC	\$1,317,358.00
CO #5	(\$187,621.00)
Partial DSC CO #8	(\$512,537.00)
Hillside REM DSC	\$617,200.00

Galletti's DSC	\$192,401.00
Galletti's Premium Time	\$13,308.00
Hillside Markup	\$65,867.90
Galletti Total DSC	\$271,576.90
CO #5	(\$18,312.00)
Partial DSC CO #8	(\$203,964.00)
Galletti Remaining DSC	\$49,300.90
Total Remaining DSC	\$666,500.90

Turner Offer	\$406,501.00
Short Fall	\$259,999.90



Turner Construction
Northern Inyo Hospital Construction
150 Pioneer Lane
Bishop, CA 93514
phone: 760-873-7214
fax: 760-873-7246

November 23, 2009

Mr. John Halfen
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

RE: Northern Inyo Hospital Construction
150 Pioneer Lane
Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 022

Dear Mr. Halfen,

As presented at the last Board Meeting, Galletti and Hillside Drilling were in the process of calculating cost associated with the differing site conditions encountered during the drilling operation. Specifically, this included the lost time and additional material required as a result of the cobbles and boulders at the 25' and 45' level. We have since received all cost from Galletti and Sons as well as their subcontractor Hillside Drilling identifying a total cost of \$1,575,627. COR 17 approved in October, represented a partial change order for additional casings purchased and welding time in the amount of \$205,933. Turner Construction has analyzed Galletti's cost proposal and now requests approval of a second partial change order as we have not yet reached final negotiation. Reference also COR 17 for additional information.

PCO No	Description	Amount
046A	Differing Site Conditions	\$756,332.89
Total Amount		\$756,332.89

We have reviewed the scopes of work and have verified that they are in compliance with our contract agreement. See the attached for a detailed breakdown of the costs included in this Change Order Request.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which **increases** our Contract by **Seven hundred fifty six thousand three hundred thirty two and 89/100 dollars (\$756,332.89)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
Project Manager

Approved By: _____ Date: _____
John Halfen
CEO - Northern Inyo Hospital

cc: File



Turner Construction
Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
 phone: 760-873-7214
 fax: 760-873-7246

April 12, 2010

Mr. John Halfen
 Northern Inyo Hospital
 150 Pioneer Lane
 Bishop, CA 93514

RE: Northern Inyo Hospital Construction
 150 Pioneer Lane
 Bishop, CA 93514
Project # 1495401
Change Order Request Number COR - 033

Dear Mr. Halfen,

Turner's effort to pursue cost reductions where attainable has resulted in an additional savings included in the COR. As a result, we offer the following value returned from the GMP contract.

PCO No Description	Amount
042A GC/GR Savings	(\$313,479.00)
Total Amount	(\$313,479.00)

See the attached for a detailed breakdown of the costs included in this Change Order Request.

Please return one (1) copy of this letter indicating your approval of this Change Order Request which decreases our Contract by **Three hundred thirteen thousand four hundred seventy nine and 00/100 dollars (\$313,479.00)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
 Project Manager

Approved By: _____ Date: _____

John Halfen
 CEO - Northern Inyo Hospital

cc: File

Turner Construction

Project No.: 1495401

Project Name: Northern Inyo Hospital Construction

PCO DETAILED REPORT
Potential Change Orders

Print Date: 12-Apr-2010
Print Time: 5:14 pm

PCO No	Bdgt Code No	Description	COR/ TCO	Estimated Budget				Indicated Cost				Sub Cntnr	(Savings) Overrun	
				Apprv Rev	Pend Rev	Approx Rev	Adjusted Estimate	Auth Doc	Com Doc	Committed Cost	Uncommitted Cost			Indicated Cost
042A - 001	02-01-01890-3SD-06-001	GC/GR Savings Indirects on Changes	033/	0	(84,583)	0	(84,583)	0	(84,583)	(84,583)	co	0	0	0
042A - 002	02-06-00991-3SD-06-001	*Extended/Additional General Condition	033/	0	(228,896)	0	(228,896)	0	(228,896)	(228,896)	co	0	0	0
Total	042A	Open/Closed:Open		0	(313,479)	0	(313,479)	0	(313,479)	(313,479)		0	0	0
Project Totals:				0	(313,479)	0	(313,479)	0	(313,479)	(313,479)		0	0	0



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Mr. John Halfen
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

RE: Northern Inyo Hospital Construction
150 Pioneer Lane
Bishop, CA 93514
Project # 1495401
Authorization Request - 032

Dear Mr. Halfen,

In an effort to resolve Galletti and Sons request for additional cost reimbursement for the differing site conditions encountered, Turner Construction has reconciled actual total cost of the differing site conditions. We have reached final negotiation with Galletti and Hillside Drilling. As a result, we request the below value be approved in order to bring closure to the issue.

PCO No	Description	Amount
046B	Differing Site Conditions - FINAL	\$424,054.00
Total Amount	\$424,054.00	

Total cost to resolve the differing site condition is \$1,386,320. This settlement results in Galletti and Sons absorbing \$260,000.

We request that Northern Inyo Hospital review this proposal and approve accordingly. This settlement will close the "differing site condition" additional cost request from Galletti and Sons, Hillside Drilling and Turner Construction.

Please return one (1) copy of this letter indicating your approval of this Authorization Request which **increases** our Contract by **Four hundred twenty four thousand fifty four and 00/100 dollars (\$424,054.00)**. This approval will also authorize us to issue Subcontract Change Orders accordingly.

If you have any questions regarding this Change Order Request, please call me at your earliest convenience.

Sincerely,

Kathy Sherry
Project Manager

Approved By: _____ Date: _____
John Halfen
CEO - Northern Inyo Hospital

cc: File

END