



University Health System

SPECIAL MEETING OF THE BOARD OF MANAGERS

Tuesday, January 19, 2010
2:00 p.m.
Board Room, University Hospital
4502 Medical Drive
San Antonio, Texas

MINUTES

BOARD MEMBERS PRESENT:

Robert L. Jimenez, M.D., Chair
James R. Adams, Vice Chair
Ira Smith, Secretary
Robert Engberg
Alex Briseño
Rebecca Q. Cedillo

BOARD MEMBERS ABSENT:

Linda Rivas

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health System
Tricia Aleman, Director, Corporate Communications & Marketing, University Health System
Francine Crockett, Vice President, Supply Chain Management, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Theresa De La Haya, Vice President, Prevention & Community Health, University Health System
Steve Enders, Senior Vice President, Ambulatory Services, University Health System
Roe Garrett, Vice President/Controller, University Health System
Glenn Halff, M.D., Interim Dean, School of Medicine, UTHSCSA
Michael Hernandez, Director, Contract Compliance & Administration, Facilities Development & Project Management, University Health System
Karen McMurry, Vice President, Legal Services & Risk Management, University Health System
Gary McWilliams, M.D., Executive Vice President/Chief Ambulatory Services Officer
Priti Mody-Bailey, M.D., President/Chief Executive Officer, Community Medicine Associates
Mary Ann Mote, Senior Vice President/Chief Revenue Officer, University Health System
Richard Rodriguez, Vice President, Facilities, University Health System
A.J. Sandoval, Chief of Police, Protective Services, University Health System
Chris Vasquez, Executive Vice President/Chief Operating Officer
Mark Webb, Vice President, Facilities Development & Project Management
RTKL Representatives
And other attendees.

MEMBERS OF THE PRESS:

Don Finley, San Antonio Express News

**CALL TO ORDER AND RECORD OF ATTENDANCE: ROBERTO L. JIMENEZ, M.D.,
CHAIRMAN, BOARD OF MANAGERS**

Dr. Jimenez called the meeting to order at 2:15 p.m.

INVOCATION AND PLEDGE OF ALLEGEANCE:

Ms. De La Torre said the invocation and Dr. Jimenez led the pledge of allegiance.

NEW BUSINESS

Consent Agenda – Roberto Jimenez, M.D.

Action Items:

**CONSIDERATION AND APPROPRIATE ACTION REGARDING PURCHASING ACTIVITIES -
JANUARY 19, 2010 ATTACHMENT A – FRANCINE CROCKETT**

SUMMARY:	The list total for contracts presented to the Board of Managers as consent items for approval was \$899,499.
RECOMMENDATION:	Staff recommended approval of the item listed on the consent agenda.
ACTION:	A MOTION to approve staff's recommendation was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY .
EVALUATION:	None.
FOLLOW-UP:	none.

**ITEMS RELATED TO BUDGET & FINANCE—ROBERT ENGBERG, CHAIR, BUDGET &
FINANCE COMMITTEE**

SUMMARY:	<u>Contract with AMPCO System Parking for Ground Transportation Shuttle Services for Employees and Visitors During Capital Improvements at University Hospital – Mark Webb</u> – Contract provides shuttle bus service for visitors and employees during construction from designated parking areas of the West Parking Garage and Hospital Tower. Funding is available through the series 2008 Bond Proceeds. The shuttle service will be broken into three phases; includes an option for an additional 6 months of service and is within the CIP Budget estimate of \$1,500,000. AMPCO System Parking has an affirmative action Plan or policy in effect, is ADA compliant and has a total of 2,465 employees.
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The Workforce Composition Data was reviewed with the Board of Managers

RECOMMENDATION: Based on the overall evaluation of the firms' capabilities and processes as evidenced through the results of the RFP process, the evaluation committee recommends AMPCO System Parking for the provision of ground transportation/shuttle bus services for employees and visitors during capital improvements at University Hospital. Staff further recommends Board approval to begin contract negotiations.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Adams, **SECONDED** by Ms. Cedillo, and **PASSED UNANIMOUSLY**.

EVALUATION: Board members requested that staff ensure the adequate screening of AMPCO drivers. Drivers will routinely undergo the first employment screening through AMPCO System Parking followed by the Health System's routine criminal background check. Mr. Webb will work with Chief Sandoval to tailor a specific safety training program for AMPCO drivers assigned to the Health System during the capital improvement projects at University Hospital.

FOLLOW-UP: None.

SUMMARY: Amendment to the Interlocal Governmental Agreement with the San Antonio Metropolitan Health District – Theresa De La Haya – Modification #1 provides funding continuation for the provision of public health services by San Antonio Metropolitan Health District to residents of unincorporated Bexar County. Additionally, this agreement serves as the foundation for joint planning and operations between the two entities through the Joint Planning and Operations Council. This is a planned expense and operating funds have been included in the 2010 operating budget. As compared to the previous term there is a 22.9% (\$71,079) decrease in the agreement total. This decrease is due to the continued shift of preventive services from the Health District to the Health System. The original agreement was approved by the Board of Managers in February 2009 for \$310,543. Modification #1 requests funding for the second year; the total value of this contract including modification #1 is \$550,007. This agreement includes two services whereby the Health District funds services provided by the Health System (i.e. chest rays provided to Health District TB Clinic Patients at fee for services and a \$200/month oversight fee for services to Health District Class D Pharmacy for drugs such as birth control dispensed at the clinics). The San Antonio Metropolitan Health District has an affirmative action policy or plan in effect, with a total of 515 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board approval of the proposed three year agreement (2009-2011) with the San Antonio Metropolitan Health District for continued provision of public health services to unincorporated Bexar County with a cost calculation of \$239,464 for the City of San Antonio's fiscal year 2009 - 2010. The cost calculation will be re-negotiated in October, 2010 when the City's new fiscal year begins.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Ms. Cedillo, and **PASSED UNANIMOUSLY**.

EVALUATION: None.
FOLLOW-UP: None.

SUMMARY: Contract with Topside Contracting, L.L.C., for Roof Replacement Construction Services at Kenwood Preventive Health Clinic – Theresa De La Haya/Richard Rodriguez – This contract is for replacement of the Kenwood Preventive Health Clinic's roof. The existing roof has exceeded its useful life and repairs are not economically feasible. Upon completion, the new roof will be more energy efficient, provide moisture protection and meet current roofing industry construction and materials improvements. Capital funds are available for this acquisition which is included as a priority item on the 200 Capital Prioritization List. Topside Contracting, LLC is classified as a local, Small, Minority, and Disadvantage Business Enterprise (SMDBE), Historically Underutilized Business (HUB). Topside Contracting, LLC has an affirmative action plan or policy in effect, with a total of 22 employees. Workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval for construction services by Topside Contracting, L.L.C., in the amount of \$143,973.00 for roof replacement at Kenwood Preventive Health Clinic.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Adams, **SECONDED** by Mr. Smith, and **PASSED UNANIMOUSLY**.

EVALUATION: None.
FOLLOW-UP: None.

ITEMS RELATED TO PLANNING & OPERATIONS – LINDA RIVAS, CHAIR, PLANNING & OPERATIONS COMMITTEE

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE CONCEPTUAL DESIGN AND BUDGET ESTIMATE FOR THE NEW CLINICAL SERVICES BUILDING, PARKING AND RENOVATIONS AT UNIVERSITY HEALTH CENTER DOWNTOWN –GEORGE HERNÁNDEZ AND MARK WEBB

RECOMMENDATION: The University Health System is currently undertaking an \$899 million Capital Improvement Program (CIP) to increase the capacity and quality of facilities at both the medical center and downtown locations. In general, the projects associated with the CIP at the downtown location include a new clinical building, parking facilities, and renovations to existing buildings.

The Master Facilities Plan (MFP) commissioned by the Board of Managers in December 2006 and approved in July of 2008, confronted the surfacing operational constraints due to aging of the downtown facilities. The MFP concluded that the improvements should:

- Incorporate a Primary Entry Zone, a Public Zone (including outdoor public spaces), Visual Landmarks and Private Zones
- Enhance Clinic Operations by accommodating families graciously, create “Functional Zones” and “Unlock or “Decompress” existing floor plans

- Optimize Site Access and Internal Flows by adding public parking, reorganizing staff, outpatient, prisoner and support service flows
- Plan for future expansion
- Optimize the Health System's relationship with UTHSCSA by enhancing the teaching clinic layout
- Achieve LEED Gold certification
- Enhance the features of the Robert B. Green Memorial Hospital through the design of the Clinical Services Building and the landscape and provide UHS with a public entrance that is welcoming to the community of San Antonio
- Restore the front entrance to the historic Robert B. Green Memorial Hospital, which opened its doors to serve as a charity and teaching hospital in 1917

In May 2009, the University Health System initiated a design challenge to develop a physical planning solution that met the space program within the limits of the budget, as well as optimize connectivity to existing buildings, staff efficiency and effectiveness, use of the site, the project budget, and options for future expansion. RTKL Architects were approved by the Board of Managers on September 29, 2009 to provide a resolution to this challenge.

The Project Definition phase of design, including conceptual design, master zoning and space programming of new construction, has been completed with the involvement and assistance of numerous Users, Physician and other Stakeholder Groups. Four distinct scenarios have been evaluated. The architect's proposed conceptual design accomplishes substantially all of the objectives of the MFP upon which it was based. Estimators from the Project Manager and Program Manager have reviewed and confirmed the Construction Managers estimates. The conceptual design described in this memo is within the \$121,317,788 Capital Budget set by the Board.

During this process, the following additions to the MFP were suggested by Stakeholders and evaluated by the project team.

- Build Out & Equip clinical spaces in the "B" Building that were not originally targeted to be in the new clinical building (FFACTS, ENT/OMS, OBGYN, MED/MED Specialties)
- Relocate Crisis Care Center at the Center for Health Care Services (601 N. Frio) to allow for additional security and enhance efficiency of operations

While inclusion of these changes to the MFP (valued at approximately \$28.3M) has not increased the project cost above the budget, it has caused impacts on the PT/OT portion of the project. These areas are being presented at this time for information and evaluation along with a plan for incremental implementation.

After Board approval, RTKL began work on a conceptual design scheme that would encompass the MFP. Four months of collaborative work sessions with the UHS staff and the CIP team yielded the current Conceptual Design. In general, this concept achieves the goals outlined in the MFP, including the following benefits:

- Visual Landmark to downtown San Antonio, highway traffic, and patient population
- Establish clearly defined Public Circulation that is separate and independent of Service Circulation
- Centralize as many functions—Clinical & Ancillary—to de-load the Medical Center site
- Accommodate current & projected parking needs at the UHCD site
- Add additional clinical capacity to accommodate projected growth in the region
- Expand Express Med clinic
- Relocate Pharmacy
- Accommodate Future Campus Growth

Additionally, the following suggestions for enhancements, valued at approximately \$12.1M have been made to the Conceptual Design. These enhancements, listed in priority order, are suggested only after significant analysis and discussion among the CIP team, UHS staff, and the medical staff.

- Construct core and shell for remainder of 5th floor
- Construct 6th floor shell and conference center/multi-purpose space
- Complete purchase of imaging equipment
- Complete expansion of the Pharmacy in the Milagros Building
- Complete Express Med shelled space
- Reconstruct Building A Porte-cochere
- Modify Building C north entrance
- Sealcoat existing employee parking

Based on the current equipment estimate, the CIP Team anticipates the total project cost, including the additions listed above will be approximately \$121,292,196, which is within the \$121,317,788 capital budget.

Project Cost without Enhancements			
Cost	Budget	Project Definition	Variance
Total Construction Cost	\$73,603,116	\$76,541,921	(\$2,938,805)
Equipment (Medical, IT, FF&E)	\$27,845,684	\$24,881,287	\$2,964,397
Consultant Fees/Other Costs	\$19,869,055	\$19,869,055	\$0
TOTALS	\$121,317,788	\$121,292,196	\$25,592

In an effort to provide for the additional enhancements within the budget constraints of the project, the CIP team will utilize the following budget management strategies to ensure that the project stays within the current budget of \$121M:

Medical Equipment, FFE and IT

Estimates will be refined to reflect actual conditions of this project as more detailed planning information is developed during Schematic Design

FF&E and IT related to future shell space noted below will be initially deferred and may be reinstated on a prioritized basis if we are able to build out those shelled spaces and if funding becomes available

Construction

Budget Management Alternates will be developed which allow the incremental addition of desired enhancements to match any incremental bid savings actually realized. Enhancements that will be more difficult and/or costly to implement at a later date will be implemented first followed by those which bring the highest value to the Health System. Using this criteria, incremental additions will be made in the future if funding is available and with the Board's approval in the following order:

Enhancements for Board Consideration	
Construct 5th floor shell & core for expansion of clinical space	\$904,938
Construct 6th floor shell & core for expansion of clinical space or development of a conference center/multi-purpose space (must build 5th floor shell first)	\$4,921,577
Complete purchase of imaging equipment	\$2,867,530
Complete expansion of Pharmacy in Milagros Building	\$1,791,450
Construct Express Med shelled space	\$565,000
Reconstruct/restore the Porte-cochere at the Historic Robert B Green Building	\$750,000
Modify Building C north entrance	\$89,060
Sealcoat existing employee parking	\$192,267
Total	\$12,081,822

Design project bid packages to accommodate items above as additive alternates to be accepted should bid savings be achieved
 Utilize infusion from annual capital program should construction bid savings not materialize as expected to fund needs as prioritized

Recent experience in the current marketplace with University Hospital projects suggest that future bids could yield some level of construction savings.

Next steps in the process after consideration of the Project Definition Conceptual Design Scheme, include proceeding to the Schematic Design phase, continuing work on design/operational issues related to the Pharmacy, solidifying equipment planning and budgeting by summer 2010, and implementing the budget management strategies.

The CIP Team recommends proceeding with the Schematic Design phase ensuring budget parameters are achieved while continuing to refine estimates and implement the budget management and equipment planning strategies outlined above to maximize beneficial results within available budget and bid savings.

ACTION: A **MOTION** to approve staff's recommendation, subject to resolution of issues that need further consideration and feedback, was made by Mr. Adams, **SECONDED** by Mr. Engberg, and **PASSED UNANIMOUSLY**.

EVALUATION: Dr. Jimenez noted the lack of an outpatient surgery center. Mr. Webb replied that an ambulatory surgery center is possible during the schematic phase, however, the CIP team followed the initial master facility plan and therefore did not include as an option during the initial conceptual design. Dr. Jimenez asked staff to further analyze the amount of traffic that is expected to flow through the first floor lobby as families navigate their way to the upper floors. Discussion ensued regarding the buildings' cultural relevance to families served by the Health System. Staff was asked to study human factors and what we can do to improve areas such as the pharmacy waiting areas from a customer and paying patient perspective, to include appropriate waiting areas for children. Service areas to be further considered by staff are the demand areas in use after 5 p.m., such as pharmacy, radiology, lab and Express Med. Regarding a multi-purpose conference center, Mr. Adams expressed concern about providing an area that would be used for social purposes. Staff clarified that the conference center would be used for meeting and educational purposes to accommodate up to two hundred people. Mr. Engberg asked about the cost of preparing the building foundation to handle the proposed 6th floor shell & core for expansion of clinical space or development of a conference center. Mr. Webb will follow up by quantifying the costs associated with this item for Mr. Engberg. Staff has not developed specific plans for the historic buildings at the downtown campus because there are currently no identified uses for these buildings. Mr. Briseno suggested that this item be added to the enhancement list and that staff explore possibilities for the buildings by partnering with the City's conservation society. Board members asked staff to further consider and refine plans that will allow the buildings to connect during inclement weather, as well as efficient use of open spaces in the hot Texas weather. Board members asked about the manner in which staff had solicited community input because the Board feels strongly that the new buildings ought to lend themselves to the community. The Board urged more community involvement during schematic design with feedback from groups who are in a position to provide meaningful input, such as local residents and business neighbors *via* focus groups and/or surveys if necessary, as we move into schematic design. Dr. Jimenez suggested that community focus groups can also be used to solicit input regarding pediatrics and ambulatory children's health services at the downtown campus.

FOLLOW-UP:

Mr. Webb summarized the Board's guidance today as follows:

- Enhancements – Provide a surgery suite concept, costs
- Two historic buildings – Need a plan with dollars attached
- Prioritize importance of items in building vs. enhancements
- Traffic volumes on first floor from a design standpoint
- Pharmacy access - Human use factors and how those play into the design – will be further flushed out during schematic design phase
- Move imaging equipment to capital equipment list
- Consumer factor of getting patients to and from buildings
- Branding of downtown facility
- Costs for preparing building foundation to accommodate a 6th floor

Mr. Hernández will arrange for follow up presentations regarding the items above to the Planning & Operations Committee of the Board of Managers. Staff will return to the full Board of Managers with an update after schematic design.

ADJOURNMENT:

There being no further business, Dr. Jimenez adjourned the public meeting at 4:15 p.m.

Roberto L. Jimenez, M.D., F.A.P.A.
Chairman, Board of Managers

Ira Smith
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary