MINUTES

BOARD MEMBERS PRESENT:

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

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health System
Bryan Alsip, M.D., Executive Vice President/Chief Medical Officer
Jeff Andrews, Professor and Chair, Department of Anesthesiology, UTHSCSA
Tim Brierty, Senior Vice President/Administrator, University Hospital
Francine Crockett, Vice President, Supply Chain Management, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Michael Hernandez, Vice President, Legal Services and Risk Management, University Health System
Charles Nolan, M.D., Professor/Clinical, Renal Diseases, Department of Medicine, UTHSCSA
Leni Kirkman, Vice President, Strategic Communications & Patient Relations, University Health System
Theresa Scepański, Vice President, Organizational Development, University Health System
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Mark Webb, Vice President, Facilities and Project Development, University Health System
Dave Mulvany, Jacobs Engineering Group
Jef Johnson, Zachry Vaughn Layton
Peter Gostomski, GH Law
And other attendees.

MEDIA:

Richard A. Marini, San Antonio Express-News
CALL TO ORDER AND RECORD OF ATTENDANCE: ROBERT JIMENEZ, M.D., CHAIR, BOARD OF MANAGERS

Dr. Jimenez called the meeting to order at 1:30 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Rev. Loretta Walsh, Volunteer Chaplain, said the invocation and Dr. Jimenez led the pledge of allegiance.

CITIZENS’ PARTICIPATION: None.

NEW BUSINESS:

ITEMS RELATED TO BUDGET & FINANCE – ROBERT ENGBERG, CHAIR, BUDGET & FINANCE COMMITTEE

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH TEJAS ANESTHESIA FOR PROFESSIONAL SERVICES REGARDING PEDIATRIC ANESTHESIOLOGY SERVICES—THERESA SCEPANSKI

SUMMARY: This contract provides third party pediatric anesthesia support to cover urgent, emergent, transplant, trauma, neonatal, and pediatric intensive care cases. The contract assures the Health System maintain access to high-quality pediatric anesthesia coverage 24 hours per day, seven days per week. It is a one year contract beginning March 2011, for $474,000 and is a planned expense. Operating funds have been included in the 2011 operating budget. This item is being requested as an exempt contract because the vendor is currently providing the Health System with pediatric anesthesia coverage. Additionally, this agreement complements the current UTHCSSA Anesthesia practice at the Health System. As compared to the previous contract, there is no change in the contracted amount. Tejas Anesthesia, P.A. is classified as a local Small Business Enterprise (SBE), and does not have an Affirmative Action Plan or Policy in effect. However, a copy of their Equal Employment Opportunity/Non-Discrimination Policy and Procedure is on file. Tejas Anesthesia, P.A. has a total of 114 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval of a contract with Tejas Anesthesia for specialized pediatric anesthesia services in the amount of $474,000 for a 12 month period.

ACTION: A MOTION to approve staff’s recommendation was made by Mr. Briseno, SECONDED by Ms. Rivas, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW-UP: None.
CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR THE HOSPITAL TOWER PRE-PURCHASE ITEM: FIRE SPRINKLER PIPE (GMP #13E) MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #13e) is for the first pre-purchase of major utility infrastructure items to be installed within the Hospital Tower structure and includes pre-purchase of the fire sprinkler pipe for the fire protection system. For the first Quarter of 2011, the trend for all commodities including steel used for manufacture of pipe reflects a rapid escalation in price. Advanced purchase of this material for construction of the fire sprinkler pipe and fire protection system will lock in the price at current rates. Based upon this factor, it is the intent to pre-purchase approximately 85% of the total sprinkler material for the Hospital Tower. Funding is available through the Bond Proceeds. The participation goals for local firms and SMWVBEs is 80% and 40%, respectively. To date, SMWVBE participation of awarded construction projects is 49.4% and local participation is 94%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative costs (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $44,451,753 was approved by the BCHD Board of Managers in September 2009. Modifications #1 through #27 total $191,363,034 and were for GMPs #1, 2 ,2-R, 3a, 3b, 3c, 4, 5a, 5b, 5-R, 6, 7, 8, 8-R, 9a, 9b, 10, 11, 12, 13, 13a, 13b, 13c, 13d, 14, 15 and 16a. The total value of this contract including Modification #28 is $236,156,166.

RECOMMENDATION: Staff recommends Board of Managers approval of GMP #13e in the amount of $1,341,379 with Zachry Vaughn Layton.

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

EVALUATION: Board members at this time requested that Mr. Webb provide a briefing on the collapse of the partially built west parking garage at the conclusion of the items he is presenting today.

FOLLOW-UP: As indicated above.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR THE PRE-PURCHASE OF COPPER FOR THE NEW ROBERT B. GREEN CAMPUS CLINICAL SERVICES BUILDING AND THE NEW UNIVERSITY HOSPITAL TOWER (RBG #06A AND UH GMP #13F) — MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #6a) includes the cost of pre-purchasing copper wire by the Robert B. Green (RBG) Project Construction Manager (Bartlett Cocke). The cost of cooper is dependent on the global commodities market which is subject to large fluctuations. Due to these fluctuations, the cost savings strategy is to pre-purchase the cooper. To reduce the impact of market fluctuations, Bartlett Cocke will pre-purchase 75% of the amount of copper wire that will be required for the Robert B. Green Project. Funding is available through Bond Proceeds. The participation goal for SMWVBE firms and local participation is 56% and 95% respectively. To date, SMWVBE
participation of awarded construction projects is 79.7% and local participation is 98.5%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative cost (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $5,202,068 was approved by the Board of Managers in October 2009. Modifications #1 through #10 total $15,619,654 for GMPs #1, 2, 3, 4, 5, 6 and 7. The total value of this contract including Modification #11 is $21,021,982.

Guaranteed Maximum Price Proposal (GMP #13f) includes the cost of pre-purchasing copper wire by the University Hospital Tower Project Construction Manager (Zachry Vaught Layton). The cost of cooper is dependent on the global commodities market which is subject to large fluctuations. Due to these fluctuations, the cost savings strategy is to pre-purchase the cooper. To reduce the impact of market fluctuations, Bartlett Cocke will pre-purchase 75% of the amount of copper wire that will be required for the University Hospital Tower Project. Funding is available through the Bond Proceeds. The participation goals for local firms and SMWVBEs is 80% and 40%, respectively. To date, SMWVBE participation of awarded construction projects is 49.4% and local participation is 94%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative costs (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $44,451,753 was approved by the BCHD Board of Managers in September 2009. Modifications #1 through #28 total $191,704,413 and were for GMPs #1, 2, 2-R, 3a, 3b, 3c, 4, 5a, 5b, 5-R, 6, 7, 8, 8-R, 9a, 9b, 10, 11, 12, 13, 13a, 13b, 13c, 13d, 13e, 14, 15 and 16a. The total value of this contract including Modification #29 is $239,877,617.

RECOMMENDATION: Staff recommends Board of Managers approval of RBG-GMP #06a with Bartlett-Cocke Construction in the amount of $200,260 and UH-GMP#13f with Zachry Vaught Layton in the amount of $3,721,525

ACTION: A MOTION to approve staff’s recommendation was made by Ms. Rivas, SECONDED by Ms. Cedilo, and PASSED UNANIMOUSLY.

EVALUATION: Storage of the pre-purchased copper will be determined at a later date and includes the three following options: 1) by the manufacturer; 2) by a third party, to be shipped as needed; or 3) on site under lock and key. Regardless of location selected, storage will be handled by a bonded facility and highly secured.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR THE CLINICAL SERVICES BUILDING SUPERSTRUCTURE AT ROBERT B. GREEN CAMPUS (RBG GMP #06B)—MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #6b) includes the cost to perform site work and construction of the superstructure for the Robert B. Green Clinical Services Building. The superstructure work includes forming and placing the six (6) story concrete and structural steel framing for the building and mechanical penthouse and installation of
elevators. Funding is available through Bond Proceeds. The participation goal for SMWVBE firms is 56% and 95% respectively. To date, SMWVBE participation of awarded construction projects is 79.7% and local participation is 98.5%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative cost (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $5,202,068 was approved by the Board of Managers in October 2009. Modifications #1 through #11 total $15,819,914 for GMPs #1, 2, 3, 4, 5 6a and 7. The total value of this contract including Modification #12 is $30,824,813. As compared to the Control Estimate, GMP #6b is under budget by $306,844.

Drilling at the downtown campus is complete and the piers that will hold the structural steel framing of the building are up. Structural engineers and testing agencies will continuously monitor and test concrete pours as a means of safety checks and balances.

Board members insisted that safety at the construction sites not be compromised in any manner. Further, they requested that Mr. Webb inform the project managers at the downtown location of the Board’s stance on safety.

**RECOMMENDATION:** Staff recommends Board of Managers approval of GMP #06b in the amount of $9,802,831 with Bartlett-Cocke Construction Company.

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

**EVALUATION:** None.

**FOLLOW-UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR STERILE PROCESSING AND DISTRIBUTION EQUIPMENT AND CONSTRUCTION SERVICES (RBG GMP #06C)—MARK WEBB**

**SUMMARY:** Guaranteed Maximum Price Proposal (GMP #6c) includes pricing for sterile processing equipment and construction consulting services for the Robert B. Green (RBG) Campus. In order to properly equip and design a sterile processing and distribution department that will accommodate the increased demand for sterile supplies at the RGB Campus, there is a need to engage a sterile processing vendor. The chosen vendor (Belimed) is the same vendor which is providing services for the Hospital Tower sterile processing department. Funding is available through Bond Proceeds. The participation goal for SMWVBEs and local firms is 56% and 95% respectively. To date, SMWVBE participation of awarded construction projects is 79.7% and local participation is 98.5%. This does not include the dollars associated with the Construction Manager’s Fee or other project administrative cost (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $5,202,068 was approved by the Board of Managers in October 2009. Modifications #1 through #12 total $25,622,745 for GMPs #1, 2, 3, 4, 5 6a, 6b, and 7. The total value of this contract including Modification #13 is $31,162,953. As compared to the
Control Estimate, GMP #6c is under budget by $109,483. The maintenance agreement contract will be submitted for approval at a later date.

**RECOMMENDATION:** Staff recommends Board of Managers approval of GMP #06c in the amount of $338,140 with Bartlett Cocke Construction Company.

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

**EVALUATION:** None.

**FOLLOW-UP:** None.

**BRIEFING REGARDING WEST PARKING GARAGE INCIDENT ON MONDAY, FEBRUARY 14, 2011:**

**SUMMARY:** On Monday, February 14, 2011, at 11:39 a.m., an unoccupied portion of the West Parking Garage under construction at University Hospital collapsed. The cause of the structure failure is under investigation. The portion that collapsed was one bay deep and two bays wide. It consisted of erected precast members (vertical and horizontal beams) approximately seven stories tall.

At the time of the collapse, approximately 120 construction workers were on site. Two iron workers were injured but, due to Zachry Vaughn Layton’s (ZVL) extensive safety program and training, injuries were minimized. Both of the injured workers are receiving excellent care at University Hospital. One of them remains in critical condition, the other is stable. The safety plans in place, along with the rapid response of personnel on site, unquestionably saved lives. Additionally, ZVL’s process of accounting for every person in the structure at every moment enabled them to take roll call immediately, and within minutes were able to let us know that no one was buried in the rubble.

Immediately after the collapse, dozens of Capital Improvement Program team members and other University Health System staff, from many departments, including Protective Services, Facilities, Administration, Emergency Center and Corporate Communications responded to the site to provide assistance. Lillian De La Torre was there to provide spiritual counseling to the workers who were all understandably shaken. San Antonio Fire and EMS were also onsite within minutes.

All University Hospital and Robert B. Green Campus construction activities were shut down. The portion of the West Parking Garage that opened last month was thoroughly inspected Monday afternoon, and was found to be structurally sound and remains open for staff parking.

Work at the Robert B. Green Campus resumed Tuesday, February 15, 2011 and University Hospital projects (excluding the West Garage Project) will resume on Wednesday, February 16, 2011.

Furthermore, existing safety programs will be evaluated, enforcement reconfirmed and, if needed, modifications taken on both campuses.
Work on this portion of the new West Garage will not resume until we have thoroughly reviewed the findings of the forensic engineer and are entirely confident that it is safe for ZVL and its subcontractors to proceed to construct a parking garage that will be structurally sound from every standpoint.

Jef Johnson, the Project Executive for ZVL addressed the Board at this time. Initially, it appears that 12 to 15 columns collapsed with the top of the columns appearing to have crushed downward. The pillars closest to the finished parking structure then fell inward, as if pulled, which would explain why witnesses have reported hearing two crashes. The column bases were poured at the site, and then pre-fabricated segments were stacked on top, and no floors had yet been built. Mr. Johnson continued with a brief description of the beam and column manufacturing process.

Mr. Webb emphasized that it is too early to guess what might have caused the collapse, and stressed that safety has been, and continues to be, the highest priority during implementation of the capital improvement projects.

Ms. Kirkman presented a video of the collapse that had been captured by a security camera in the hospital parking lot. She informed the Board that she plans to release the video to the media at 4 p.m. today.

**RECOMMENDATION:** This report was presented for informational purposes.

**ACTION:** None.

**EVALUATION:** Board members praised staff for their professionalism and leadership during the incident, and for working closely with the media, and for keeping them informed. The Board encouraged open and proactive communication and asked staff to be impartial about what happened and transparent about the steps we are taking to assure this will not happen again. The Board agreed that safety is of the utmost importance, as is trust. Patients, visitors and staff should trust that our facilities are safe.

Board members expressed concern on behalf of Bexar County residents and are very intent on receiving answers at the appropriate time. Among other issues, they are interested in knowing the extent of the damage, repercussions as far as construction delays and costs, and in learning more about the inspection and investigation process. To determine the cause or causes of the collapse, and to assure this does not happen in the future, Board members insisted that the Health System engage an independent forensic engineer to conduct a complete analysis of the collapse, from materials to procedures, and that the engineer report directly to Mr. Webb, not Zachry Vaughn Layton.

Board members also expressed concern for the injured workers. Dr. Jimenez requested that Ms. Kirkman convey their concern to the families. Mr. Briseno thanked the staff for efforts to keep the Board informed throughout the day, however, he suggested use of telephone texting during emergencies such as this.
Mr. Webb was asked by Board members if he felt pressured or rushed to complete this project – he replied that the project is moving along as quickly and as safely as possible. He will inform the program and project managers at both sites of the Board’s requirements to assure values of safety, trust and transparency.

FOLLOW-UP: Mr. Hernandez will keep the Board members, Commissioners Court, and the Bexar County community fully informed as more information becomes available, to include the findings of the forensic engineers.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH UT MEDICINE SAN ANTONIO FOR PALLIATIVE CARE PROFESSIONAL SERVICES—BRYAN ALSIP, MD, MPH, FACPM

SUMMARY: Dr. Alsip introduced Dr. Charles Nolan, a full time faculty member at UTHSCSA who developed the LIFE (Lifelong Intensive Family Emotional) support model for the care of patients. Despite the Board’s approval to proceed with the recruitment of a physician leader for a Palliative Care program in 2009, a suitable candidate has not been selected. Dr. Nolan has expressed an interest in developing and leading the Palliative Care program for the University Health System.

The Palliative Care Team is brought to address the care of a patient through a consult from the patient’s physician. The team works with the patient and family to consider all options and to work toward the best choice for them. The physicians and fellow will be part of the Department of Medicine, Division of Geriatrics, Section of Palliative Medicine led by Dr. Charles Nolan. The experience of Dr. Nolan and his relationships with current faculty and staff will greatly facilitate the implementation of this new program. The Health System will provide nursing, social work, and chaplain support for the team from existing staff.

The proposed program provides for a Director (Dr. Nolan) at 50%, two full-time faculty physicians, and one fellow. The Palliative Care program was planned for 2011 and $220,000 was included in the based care contract assumed by BCCS under the regional UPL program. Given the potential recruitment of two qualified physicians with an anticipated start date as early as July, the total annual estimated cost for 2011 including salaries, benefits, and CME is $314,593 which exceeds the BCCS contract amount by $94,593. A separate contract directly with UTHSCSA for this additional cost will need to be executed for 2011. The full cost for the physician services in 2012 is estimated at $572,393.

A business plan has been completed and positive results are reflected starting in 2012 after a minimal loss of $71,000 in 2011. Every effort will be made to reduce this estimated loss amount. Reduced hospital costs will be recognized from care being provided in a more appropriate
setting and the savings will result from reduced length of hospital stays and from lower supplies and resources for care provided outside of a more intensive care setting.

RECOMMENDATION: Staff recommends approval to enter into a contract with UTHSCSA for the additional cost of $94,593 to implement a full-service Palliative Care Program. The program will include one director at 50%, two full-time faculty physicians, and one fellow. The requested amount will fund one of the two full time faculty physicians for 6 month in 2011.

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.

ADJOURNMENT:

There being no further business, Mr. Adams adjourned the public meeting at 3:40 p.m.

James R. Adams, Vice Chair
Bexar County Hospital District
Board of Managers

Ira Smith, Secretary
Bexar County Hospital District
Board of Managers

Sandra D. Garcia, Recording Secretary