REGULAR BI-MONTHLY MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Tuesday, June 26, 2012
6:00 p.m.
University Health System - Texas Diabetes Institute
(formerly known as University Center for Community Health)
701 S. Zarzamora
San Antonio, Texas 78207

MINUTES

BOARD MEMBERS PRESENT:

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

OTHERS PRESENT:

George B. Hernández, Jr. President/Chief Executive Officer, University Health System
Bryan Alsip, M.D., Executive Vice President/Chief Medical Officer, University Health System
Tricia Aleman, Director, Marketing, University Health System
Francine Crockett, Vice President, Materials Management, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Theresa De La Haya, Senior Vice President, Community Health and Clinical Preventive Programs, University Health System
Sergio Farrell, Vice President, Ambulatory Services, University Health System
Roe Garrett, Vice President/Controller, University Health System
Greg Gieseman, President/Chief Executive Officer, Community First Health Plans, Inc., and Vice President Managed Care, University Health System
Barbara Holmes, Vice President/Chief Financial Officer, Community First Health Plans, Inc.
Francisco Gonzalez-Searano, Dean, School of Medicine, UTHSCSA
Michael Hernandez, Chief Legal Officer, University Health System
Leni Kirkman, Vice President, Strategic Communications and Patient Relations, University Health System
Sherry Johnson, Vice President/Integrity and Regulatory Services, University Health System
Gary McWilliams, M.D., Executive Vice President/Chief Ambulatory Services Officer, University Health System
Priti Mody-Bailey, M.D., President, Community Medicine Associates
Mary Ann Mote, Senior Vice President of Operations/Chief Revenue Officer
Kourtney Mosby, Administrative Director, Procurement Services, University Health System
CALL TO ORDER AND RECORD OF ATTENDANCE: JAMES R. ADAMS, CHAIR, BOARD OF MANAGERS

Mr. Adams called the meeting to order at 6:02 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Ms. De La Torre introduced Michael Harrison of Coker United Methodist Church for the invocation. Mr. Adams led the pledge of allegiance.


The Tejeda Family attended today’s meeting to witness presentation of the first annual award honoring the late Senator Frank Tejeda. Senator Tejeda took the time and interest on behalf the Hospital District to help pass legislation that would establish the Peace Officer Program in the late 1990’s. BCHD Officer Corporal Robert Jimenez was recognized by the Board of Managers for showing acceptable achievement and a genuine commitment to his profession.

CITIZEN PARTICIPATION:

Ms. Lisa Nava addressed the Board of Managers to request a bid opportunity on behalf of her company, Benefit Source. Benefit Source is the current provider of short and long term disability insurance benefits for the University Health System. She recently received notice that UHS would not renew the current contract with Benefit Source, and further, she reported that that her company was not provided with the opportunity to respond to a Request for Proposal (RFP). Instead, the Health System’s Group Purchasing Organization (GPO) awarded a group purchase to a national life insurance company. Ms. Nava informed the Board that a GPO has the capability to review detailed benefits where as during the typical RFP process that is not possible. The RFP respondent is only allowed to view benefit highlights, and there is no leveraging one block of business for another because RFPs are specific to the product that is being sought. The GPO lumps more than one benefit to secure the best price on behalf of more than one client.
Ms. Nava informed that the Board that as the current vendor for this service, her company has worked hard to meet the needs of University Health System and will continue to do so if given a fair opportunity. Mr. Adams thanked Ms. Nava and asked Mr. Hernandez to address Ms. Nava’s concern at the time the item comes up for Board deliberation later this evening. *(Consideration and Appropriate Action Regarding a Contract with Reliance Standard Life Insurance for Short-Term and Long-Term Disability Benefits and Group Life Insurance Benefits)*

**APPROVAL OF MINUTES OF PREVIOUS MEETING(S):**

**APRIL 24, 2012**

**SUMMARY:** The minutes of the regular meeting of April 24, 2012 were presented for the Board’s approval.

**RECOMMENDATION:** Mr. Adams recommended approval of the minutes as submitted.

**ACTION:** A MOTION to approve the minutes as submitted was made by Mr. Engberg, SECONDED by Ms. Rivas and PASSED UNANIMOUSLY.

**EVALUATION:** None.

**FOLLOW-UP:** None.

**MAY 22, 2012**

**SUMMARY:** The minutes of the first regular meeting for the month of May 2012 were presented for the Board’s approval.

**RECOMMENDATION:** Mr. Adams recommended approval of the minutes as submitted.

**ACTION:** There being no objection, the minutes were APPROVED.

**EVALUATION:** None.

**FOLLOW-UP:** None.

**MAY 29, 2012**

**SUMMARY:** The minutes of the second regular meeting for the month of May 2012 were presented for the Board’s approval.

**RECOMMENDATION:** Mr. Adams recommended approval of the minutes as submitted.

**ACTION:** There being no objection to the correction requested by Mr. Smith, the minutes were APPROVED.

**EVALUATION:** Ms. Rivas was not in attendance at this meeting. Mr. Smith requested that the minutes be corrected to reflect her absence.

**FOLLOW-UP:** As indicated above.

**REPORT FROM THE PRESIDENT OF THE HEALTH SCIENCE CENTER – WILLIAM HENRICH, M.D., BY DR. FRANCISCO GONALEZ-SCARANO:**

**SUMMARY:** Dr. Gonzalez acknowledged the physician leaders present. He elaborated on the recent news that UTHSCSA President William Henrich would be taking a medical leave of absence effective Monday, June 25, 2012, through the end of the year, for treatment of a condition known as myelodysplastic syndrome. Dr. Henrich made the decision to
seek treatment at this time because he is in excellent physical health and simply because the condition is long term. Dr. Gonzalez informed the Board that at the present time, San Antonio does not have bone marrow transplant capability; however, the School of Medicine is in the process of recruiting a candidate from Denver, Colorado. There are three reputable providers in the country: Boston, MA; Galveston, TX; and Seattle, WA. All have slight differences in their approaches but all have the same results. Dr. Henrich has made the decision to seek treatment at The University of Texas MD Anderson Cancer Center in Galveston. Dr. Ken Shine, executive vice chancellor for Health Affairs of the UT System, has appointed Dental School Dean Kenneth L. Kalkwarf, DDS, to serve as interim president. Dr. Gonzalez plans to introduce Dr. Kalkwarf to the Board of Managers at the next meeting.

On a more positive note, Dr. Gonzalez reported that earlier this month, the Liaison Committee on Medical Education (LCME) approved the School of Medicine's plan to remediate its probationary status. The next step is a site visit to the UTHSCSA which will be scheduled directly with him at a time that is mutually convenient. Dr. Gonzalez assured the Board that he would not schedule the site visit prematurely but would wait until June 2013. This gives the LCME time to render a verdict by their October 2013 meeting. In the mean time, Dean Gonzalez will proceed with the LCME-approved plan.

**RECOMMENDATION:** None.

**ACTION:** None.

**EVALUATION:** Board members expressed wishes to Dr. Henrich for a rapid and full recovery. They also thanked Dr. Gonzalez for the prompt attention to the LCME issue.

**FOLLOW-UP:** None.

**NEW BUSINESS**

**CONSENT AGENDA – JAMES R. ADAMS**

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership – Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding the Appointment of Dr. Robert Quinn as the Chairman of the Department of Orthopaedics – Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding Appointments/Reappointments to the Alamo Area Council of Governments—Rebecca Cedillo

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) - Francine Crockett
SUMMARY: The items above were presented as consent for the Board’s consideration.

RECOMMENDATION: Staff recommended approval of the items listed on the consent agenda.

ACTION: A MOTION to approve staff’s recommendation of the items listed on the consent agenda was made by Mr. Engberg, SECONDED by Ms. Rivas, and PASSED UNANIMOUSLY.

EVALUATION: None

FOLLOW-UP: None.

ACTION ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS RELATED TO THE CAPITAL IMPROVEMENT PROJECT:

BOTH CAMPUSES:

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH WARD NORTH AMERICAN FOR RENTAL OF WAREHOUSING SPACE-MARK WEBB

SUMMARY: This contract provides the use of rented warehousing services during the construction duration of the Hospital Tower and Robert B. Green Campus. Utilization of these services will ensure proper inventory, management, and tagging of approximately 22,000 pieces of equipment. The scope of services include: fully bonded and insured warehouse facility; warehouse handling and receiving; storage and warehousing as required; shipping to project locations; delivery to job site as required by product; and installation services as required by product. All activities will be closely coordinated with Health System staff to ensure compliance with Health System requirements, asset management, and equipment certification/management. Funding is available through Bond Proceeds. Components of this contract are: University Hospital Tower $681,666 and Robert B. Green Campus $317,365. The total value ($999,031) of this contract is $1,992,781 below budget. Ward North American has an Affirmative Action Plan or policy in effect, and has a total of 373 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers’ approval for rental of warehousing services for University Hospital and Robert B. Green campus in the total amount of $999,031.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH DRAEGER MEDICAL INC. FOR ANESTHESIA AND MONITORING MACHINES-MARK WEBB

SUMMARY: This purchase order is for the acquisition of anesthesia machines in a coordinated effort to support the Robert B. Green Project, the ongoing
University Hospital Tower Project, and daily operations at the existing Hospital site. By co-procuring this equipment in coordination with the existing medical staff, efficiencies are being recognized to standardize new equipment, eliminate possible duplication of existing equipment, and update technologies. Funding is available through Bond Proceeds with the overage being funded through Contingency Funding. The total budgeted amount for this purchase is $743,051 which is being exceeded by $294,859. The unit pricing will remain in effect for 24 months, this will allow the Health System to procure standardized equipment and monitors with the same technologies and the associated purchasing efficiencies for ongoing clinical operations. Draeger Medical, Inc., has an Affirmative Action Plan or policy in effect, and has a total of 364 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers’ approval for the purchase of anesthesia and monitoring machines for University Hospital and Robert B. Green campus in the total amount of $1,037,910.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH OM SOLUTIONS TO PROVIDE PROJECT MANAGEMENT SERVICES FOR SUPPLY CHAIN REDESIGN - MARK WEBB

SUMMARY: This contract provides project management services to assist materials management staff with redesign of the supply chain and migration from the current traditional bulk distribution model to a low unit of measure (LUM) distribution model and will assure that all aspects of the Supply Chain Redesign Project Plan are addressed within the allotted time and in accordance with the established milestones. The scope of services include devising a detail plan to move product to and from the new facilities, review of inventory and par management processes, review of par stock and storeroom inventories, technology integration, review of staff requirements, and review process implementation. This redesign relates to and effects all departments that materials manage. The components of this contract are $120,000 for professional fee (i.e. dedicated project manager, one analyst, and one regional director) and travel expenses not to exceed $47,800. Additionally, a PAR Optimization Tool and training valued at $15,000 will be provided at no additional charge. Funding is available through Bond Proceeds. OMSolutions has an Affirmative Action Plan or policy in effect, and has a total of 4,796 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers’ approval of a contract for project management services for supply chain redesign in the amount of $167,800.

ACTION: A MOTION to approve staff’s recommendation was made by Ms. Rivas, SECONDED by Ms. Cedillo, and PASSED UNANIMOUSLY.
EVALUATION: None.
FOLLOW-UP: None.

UNIVERSITY HOSPITAL:

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR PHASE 2 CONSTRUCTION AT THE REMOTE SURFACE PARKING LOT (GMP#1B) - MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #1b) is for work which is required prior to the return of the Remote Surface Lot to Methodist Hospital. This GMP provides materials and construction services to set in place a one-inch asphalt overlay, striping, removal of parking and security equipment, and repairs to previously unseen geological conditions. Funding is available through Bond Proceeds. The participation goals for SMWVBE and local firms is 40% and 80% respectively. To date, SMWVBE participation of awarded construction projects is 39% and local participation is 76%. 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 Board of Managers in September 2009. Modifications #1 through 55A total $507,578,027 and were for GMPs #1, 2, 2-R, 3a, 3b, 3c, 3d, 3e, 4, 4b, 5a, 5b, 5-R, 6, 7, 8, 8-R, 9a, 9b, 9b-R, 10, 11, 12, 13a, 13b, 13c, 13d, 13e, 13f, 13g, 13h, 13i, 13j, 13k, 13l, 13m, 13n, 14, 15a, 15b, 15c, 15d, 16c, and 16b. The total value of this contract including Modification #56 is $552,182,415. As compared to the Control Estimate, GMP #1b is under budget by $94,644.

RECOMMENDATION: Staff recommends Board of Managers’ approval of GMP 1b in the amount of $143,635 and authorization for the President/CEO to execute an amendment to the existing Zachry Vaughn Layton Construction Management Agreement.

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.

CONSIDERATION AND APPROPRIATE ACTION TO AMEND THE PROFESSIONAL SERVICES CONTRACT WITH PERKINS+WILL FOR:

Reduction of Scope of Work for Design Services Associated with the Renovation Phases of the CIP project

SUMMARY: The original agreement with Perkins+Will for $45,310,513 approved by the Board of Managers in May, 2009, has since been amended for a revised contract amount of $48,894,716. Staff has received a proposal from Perkins+Will for an Alternate Renovation Delivery Strategy which
retains their services for projects that must be delivered at the same time the new tower opens, such as elevator modifications, existing main lobby refurbishment, interconnections between buildings, and certain departmental relocations. The remainder of the fee currently set aside in their contract for other renovations would be credited back and redeployed to smaller, agile, local architecture and engineering firms with lower expense profiles. This type of approach is more suited to the longer term, multiple small project scenario that is now envisioned. While staff anticipates that this approach will actually cost more than the credits available, staff believes 1) that a greater level of additional costs would be incurred to implement the envisioned program with the current organizational structure, and 2) it is in the best interest of the Health System to implement this work with smaller, more agile, local firms. From a facilities perspective, this strategy will also allow staff to optimize efficiencies and effectiveness and take advantage of new opportunities to address the current healthcare landscape, physical planning concepts and changing conditions that have developed over the last 3 years when the original design work started at University Hospital. With the acceptance of the this Renovation Alternative Delivery Strategy Proposal, the revised contract amount with Perkins+Will will be $46,896,507.

RECOMMENDATION: Staff recommends Board of Managers’ approval of a contract decrease for design services in the amount of $1,908,209 and authorization for the President/CEO to execute the amendment to the Perkins+Will agreement in that amount. The credit of fees from this amendment will be returned to the CIP to fund architectural/engineering services for renovation projects.

ACTION: A MOTION to vote on all three Perkins+Will items at once after all three are presented to the Board this evening was made by Mr. Briseno. There being NO OBJECTION, the MOTION CARRIED.

EVALUATION: Mr. Smith commended staff for the effort to utilize local architecture and engineering firms with lower expense profiles for smaller, agile renovations, and he agreed that this approach is in the best interest of the Health System and Bexar County. He would like to learn more about how the Health System plans to accomplish local participation.

FOLLOW-UP: Mr. Smith and Mr. Webb will meet to discuss plans to engage local vendors.

The Design and Planning Work Performed for the Future Expansion of Additional Operating Rooms, Patient Rooms, and Related Support Spaces

SUMMARY: The original agreement with Perkins+Will for $45,310,513 approved by the Board of Managers in May, 2009, has since been amended for a revised contract amount of $49,186,328. In January 2011, staff described for the Board a technique for managing bidding risk called “budget management alternates.” During that meeting, the Board accepted staff recommendations to designate $1,251,609 to fund potential additional service fee obligations should they be perfected related to the Phase 1 of the Heart Center, 36 Shelled Beds on the 10th Floor, Shelled Operating Rooms and related Pre-Op and Recovery, and
the Trauma Clinic. An allowance in this amount was added to the Perkins+Will contract in Amendment 3. In October 2011, staff recommended to build out the Add Alternates, but not equip all remaining shell space within the new tower could be bought within the budget. No additional fees are due for the build out design since it was achieved within the Budget. Additional services are due for various design and planning work, that is, the design work was performed, but the project will not be build. The fiscal impact is ($780,577) as follows: Budget Management Alternates Allowance currently in Amendment 3: ($1,251,609); Budget Management Alternates Planning Work Provided, but not implemented – Level 2 and 3: $311,890; Level 10: $159,142, for a total of $471,032. No additional fees will be due to Perkins+Will if the decision if made to equip any of the areas described. The credit of fees from this contract amendment will be returned to the CIP to fund future architectural/engineering services for renovation projects.

RECOMMENDATION:
Staff recommends the Board of Managers authorize payment to Perkins+Will in the amount of $471,032 for design services, approve a contract decrease for design services in the amount of $780,577 and authorize the President/CEO to execute the amendment to the Perkins+Will agreement in that amount. The revised contract amount with Perkins+Will is $48,405,751.

ACTION: None.
EVALUATION: None.
FOLLOW UP: None.

Additional Architectural Services Associated with the Additional Scope for Existing Equipment Planning, Operating Room Integration, and Design Modifications as well as Deduced Scope Associated with Estimate Reconciliation, Design Modifications, Budget Savings, and Credits

SUMMARY: This contract is being amended to adjust the Fixed Limit of Cost (FLC) by adding the appropriate fee associated with the planning of the relocation of medical equipment to be reused on the University Hospital project. In addition to the existing equipment planning services, other changes affecting the FLC are increases in the fee related to increasing Operating Room (OR) Integration from 4 ORs to 24 ORs with provisions for 11 additional ORs, Pre-Admission Testing and Trauma Follow-up Clinic space and equipment designed but not implemented in the new tower, accommodations for Automated Guided Vehicles, and offsets for various other reductions in scope. Funding is available through Bond Proceeds. Participation goals for this contract are 38% for SMWVBE and 60% for local firms. The original contract in the amount $45,310,513 was approved by the Board of Managers in July 2009. Modification #1 through #6 total $3,095,238. The total value of this contract including Modification #7 is $48,894,716.

RECOMMENDATION: Staff recommends the Board of Managers approve a contract increase for design services in the amount of $488,965 for existing equipment planning and other changes, and authorize the President/CEO to execute an amendment to the Perkins+Will agreement in that amount to be funded from savings accruing from Budget Management Alternatives.
ACTION: A MOTION to approve staff’s recommendations of all three Perkins+Will items was made by Mr. Briseno, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW-UP: Messrs Adams and Briseno requested a more holistic view of the Perkins+Will contract to better understand budget management alternatives and renovation alternative add-ons. Mr. Smith requested a breakdown of approved versus proposed enhancements for both campuses. Mr. Hernandez agreed to schedule an overview presentation in July.

CONSIDERATION AND APPROPRIATE ACTION REGARDING CLOSE-OUT OF THE GUARANTEED MAXIMUM PRICE FOR THE MRI RELOCATION PROJECT (GMP #2)—MARK WEBB

SUMMARY: This enabling project has been completed and is ready to be closed out. As a follow up to the July 19, 2011 Board of Managers meeting, the final accounting of all close out pay applications and allowances have been completed with additional dollars being credited to GMP 2 for $5,225,057, which was approved by the Board on November 20, 2009. The scope included all major work associated with construction of a new MRI Suite on the second floor of the 1981 building. A credit adjustment of $562,629 to GMP 2, approved at the July 20, 2010 Board of Managers meeting, was made due to bids coming in lower than the approved GMP. This adjusted the GMP 2 to $4,662,428. Substantial completion of this project occurred in April 2011, required documents have been turned over, and the project is now ready for close out. The final cost of work for GMP 2 is $4,260,381 which leaves a credit of $402,047 from the ZVL GMP total amount of $4,662,428. These savings will revert back to the CIP Project Budget.

RECOMMENDATION: Staff recommends Board of Managers’ approve to close out GMP 2 in the credit amount of $402,047 and authorize the President/CEO to adjust the amendments to the existing Zachry Vaughn Layton Construction Management Agreement in the total credit amount of $402,047.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR WATERPROOFING IN THE EXISTING KITCHEN; CORRIDOR UPGRADES; AND EMERGENCY CENTER LOBBY RENOVATIONS (GMP #15F)—MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #15F) provides materials and construction services to perform kitchen waterproofing to existing topping slab for new floor drains and a waterproof finish; two hour fire protection corridor upgrades to include wall construction, rated opening,
MEP work and modifications to the existing fire sprinkler and fire alarm. Additionally, the Emergency Center (EC) lobby renovation scope includes interior renovations to accommodate a new EC entry during construction of the Hospital Tower. Funding is available through the Project Contingency Fund. The participation goals for SMWVBE and local firms is 40% and 80% respectively. To date, SMWVBE participation of awarded construction projects is 38% and local participation is 76%. 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 Board of Managers in September 2009. Modifications #1 through 56 total $507,730,662 and were for GMPs #1, 2, 2-R, 2-CO 3a, 3b, 3c, 3d, 3e, 4, 4b, 5a, 5b, 5-R, 6, 7, 8, 8-R, 9a, 9b, 9b-R, 10, 11, 12, 13a, 13b, 13c, 13d, 13e, 13f, 13g, 13h, 13i, 13j, 13k, 13l, 13m, 14, 15a, 15b, 15c, 15d, 16c, and 16b. The total value of this contract including Modification #57 is $552,594,415. As compared to the Control Estimate, GMP #15f is under budget by $38,000.

RECOMMENDATION: Staff recommends the Board of Managers approves the GMP #15f in the amount of $412,000 and authorize the President/CEO to execute the amendment to the Zachry Vaughn Layton Construction Management Agreement in an amount of $412,000.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH AMPCO SYSTEM PARKING, INC. TO PROVIDE PATIENT/VISITOR GARAGE MANAGEMENT SERVICES FOR THE WEST PARKING GARAGE AT UNIVERSITY HOSPITAL—MARK WEBB

SUMMARY: This contract provides garage management services to staff the West Parking Garage visitor parking pay booth 24 hours a day, seven days a week. The term of this contract is for one year, to be implemented in min-July. This contract provides a higher level of customer service and immediate relief for lost parking revenue due to the visitor pay booth not being adequately staffed. This is a planned expense and operating funds have been included in the Year 2012 Operating Budget. The components of this contract are a fixed management fee of $7,650, and direct expenses of $152,175 for staff and supplies. As compared to the previous contract, there is a net increase of $86,755 which will be paid with operating funds. Staff estimates that parking revenue will increase by 40% which is approximately $11,169 additional revenue per month which will sufficiently cover the incremental additional cost associated with this contract. The 2012 budgeted parking garage revenue for visitor parking is $765,000, which is approximately $381,000 under budget, due to higher volume of validated parking tickets than originally anticipated. Ticket validation has been used as a key customer service tool to mitigate inconveniences associated with the CIP and other minor issues. Ampco System Parking has an Affirmative Action Plan or Policy in effect, and
has a total of 2,465 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve a contract for garage management services in the amount of $159,825 and authorize the President/CEO to negotiate and execute the contract with Ampco System Parking, Inc. to provide patient/visitor garage management services for the West Parking Garage at University Hospital.

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

EVALUATION: The Human Resources department will work diligently with displaced employees (cashiers) to find equivalent positions throughout the Health System.

FOLLOW-UP: None.

ROBERT B. GREEN CAMPUS:

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE TO RELOCATE EXISTING MECHANICAL EQUIPMENT TO THE ROOF OF “BUILDING A” (RBG-GMP# 7C)—MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #7c) is for new existing mechanical units that are currently located on the ground between Building "A" and Building "B" in courtyards that will be exposed when Building "B" is demolished. The new mechanical units will be located to a structural frame on the roof of Building "A". The relocation of these mechanical units enhances the aesthetics of the new plaza that is replacing Building "B" in the final campus configuration. Funding is available through the Project Contingency Fund. The participation goals for SMWVBE and local firms are 56% and 95% respectively. To date, SMWVBE participation of awarded construction projects is 64.7% and local participation is 99.1%. 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 $5,202,068 was approved by the Board of Managers in October 2009. Modifications #1 through #15 total $84,792,129 for GMPs #1, 1a, 2, 2a, 3, 3a, 4, 5, 6, 6a, 6b, 6c, 6d, 6e, 6f, 6g, 6h, 7, 7a, and 7b. The total value of this contract including Modification #17 is $90,663,044.

RECOMMENDATION: Staff recommends the Board of Managers approve the RBG GMP 7c in the amount of $666,847 and authorize the President/CEO to execute an amendment to the existing Bartlett Cocke Construction Management Agreement in the amount of $666,847.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE FOLLOWING CONTRACTS FOR THE PURCHASE OF MISCELLANEOUS EQUIPMENT FROM THE FOLLOWING VENDORS: SOUTHWEST SOLUTIONS GROUP FOR A SPACESAVER HIGH
SUMMARY:

Southwest Solutions Group, Inc. – This Purchase Order is for acquisition of a Spacesaver High Density Storage System and medical records relocation services from Building "B" to Building "A" at the Robert B. Green Campus. Purchasing this High Density Storage System reduces the current medical records storage footprint more than 50%. Funding is available through Bond Proceeds. This is a MedAssets group purchase in the amount of $276,167. Southwest Solutions Group, Incorporated is classified as a Small Business Enterprise (SBE). Southwest Solutions Group, Incorporated does not have an Affirmative Action Plan. However, a copy of their Equal Employment Opportunity Statement and Policy is on file. Southwest Solutions Group, Incorporated has a total of 85 employees. The workforce composition data was reviewed with the Board.

Philips Medical Systems - Purchase Order is for acquisition of an Interventional Angiography X-Ray for use in the Interventional Radiology department at the Robert B. Green Campus. Funding is available through Bond Proceeds. This item was competitively bid and the total award is $1,562,170. Philips Medical Systems has an Affirmative Action Plan or Policy in effect, and has a total of 17,755 employees. The workforce composition data was reviewed with the Board.

Toshiba America Medical Systems - Purchase Order is for acquisition of a CT scanner to be located at the Robert B. Green Campus. This equipment is standardized to the existing Toshiba CT Scanner equipment. Funding is available through Bond Proceeds. This is a MedAssets group purchase in the amount of $974,200. Toshiba America Medical Systems is classified as a Small, Minority Business Enterprise (SMBE). Toshiba America Medical Systems has an Affirmative Action Plan or Policy in effect, and has a total of 1,192 employees. The workforce composition data was reviewed with the Board.

Sodexo Health Care Services - Purchase Order is for acquisition of food service equipment for the new café located at the Robert B. Green Campus. The cafeteria is not moving from Building "C" into the new Clinical Pavilion so the new café has been upgraded in layout and equipment to provide a similar volume of service as the existing cafeteria. Funding is available through Bond Proceeds. This item is a MedAssets group purchase in the amount of $301,421. Sodexo Health Care Services has an Affirmative Action Plan or Policy in effect, and has a total 115,093 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION:

Staff recommends the Board of Managers approve the purchase of High Density Storage System with Relocation of Medical Records, Interventional Angiography x-ray, CT Scanner and Food Service Equipment for the new Café.
Equipment for Robert B. Green Campus in the total amount of $3,113,959.

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

EVALUATION: None.

FOLLOW-UP: Ms. Rivas asked for a presentation on the RBG Cafeteria and new café. Mr. Hernandez will arrange the presentation requested by Ms. Rivas.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR THE NEW CAFÉ AND PRE-INSTALLATION MATERIALS FOR MEDICAL EQUIPMENT (GMP#6h)—MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #6h) provides funding for the new Café and pre-installation materials for medical equipment at the Robert B. Green Campus. The completion of the Café is expected to coincide with the substantial completion of the Clinical Pavilion and procurement of this equipment during this stage of construction is recommended to reduce re-work when the equipment arrives on site and supports the substantial completion dates. Funding is available through Bond Proceeds. The participation goals for SMWVBE and local firms are 56% and 95% respectively. To date, SMWVBE participation of awarded construction projects is 64.7% and local participation is 99.1%. 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 $5,202,068 was approved by the Board of Managers in October 2009. Modifications #1 through #15 total $84,491,101 for GMPs #1, 1a, 2, 2a, 3, 3a, 4, 5, 6, 6a, 6b, 6c, 6d, 6e, 6f, 6g, 7, 7a, and 7b. The total value of this contract including Modification #16 is $89,994,197.

RECOMMENDATION: Staff recommends the Board of Managers approves the RBG-GMP 6h in the amount of $301,028 and authorizes the President/CEO to execute an amendment to the existing Bartlett Cocke Construction Management Agreement in the amount of $301,028.

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

EVALUATION: None.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING AN INCREASE OF FUNDING OF THE CONTINGENCY POOL FOR THE CAPITAL IMPROVEMENT PLAN - MARK WEBB

SUMMARY: In September 2009, the Board of Managers instructed staff to prepare a proposed plan to establish separate contingency fund pools, one for the University Hospital project and one for the Robert B. Green (RBG) Campus. After the establishment of the pools by the Board and the initial funding, each pool will be funded as needed and approved by the Board of Managers. Contingency funds will be utilized and processed in accordance with the Board's Capital Improvement Program Approval Authority Policy.
In March 2010, the Board of Managers approved the establishment of the separate contingency fund pools with initial funding levels of $2.8M for the University Hospital project and $0.6M for the Robert B. Green Campus.

At the RBG Campus, a total of $1,009,440 has been approved from the contingency of $1,073,473. The current balance is $64,033. Mr. Webb provided a detailed written report which described previously approved items and their costs and the report was discussed in detail with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve a $1,202,814 increase in funding for the Robert B. Green Campus. The increase in funding of the Board of Managers authorized contingency pool for the Robert B. Green Campus will leave a balance of $600,000 in the Board of Managers contingency pool and $922,001 in the Project Contingency Fund.

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

EVALUATION: Discussion ensued regarding the manner in which enhancements are funded, which is through a variety of ways, including the use of capital reserves and contingencies. Savings from the various GMPs are returned to the project contingency fund. Ms. Rivas noted that it was important for her to keep up with the percentages of the enhancements funded, particularly at the RBG campus to assure that fair attention is given to that historical facility. She asked Mr. Webb to provide an updated status report on enhancements for both facilities, including their funding source.

FOLLOW-UP: Mr. Webb will update the May 22, 2012 CIP financial report. This report includes an enhancements funding summary, current budget summary with current commitments and actual cost to date, estimated cost at completion, contingencies, and enhancements. He will present at the Board next month.

SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING CONTRACTS WITH THE FOLLOWING VENDORS FOR THE NEONATAL INTENSIVE CARE UNIT RENOVATION AT UNIVERSITY HOSPITAL: VAUGHN CONSTRUCTION; MODULAR SERVICES COMPANY; AND DIMENSION MILLWORKS - RICHARD RODRIGUEZ/NANCY RAY

SUMMARY: J.T. Vaught Construction, LLC. – This purchase order is for the demolition and renovation of the University Hospital 5th floor Neonatal Intensive Care Unit (NICU). The renovation includes the addition of ten (10) beds of which two (2) will be private patient rooms and one will be an isolation room. These renovations enhance the efforts of a more family centered model of care. Capital funds in the amount of $1,257,000 are available for this acquisition which is included as priority
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item on the Year 2012 Capital Prioritization List. J.T. Vaughn Construction, LLC has an Affirmative Action Plan or Policy in effect, and has a total of 545 employees. The workforce composition data was reviewed with the Board.

Dimension Milworks – This purchase order provides funding for labor and materials necessary for the custom infant care stations millwork to support the headwall and medical equipment in the renovated Neonatal Intensive Care Unit (NICU). The infant care stations are designed to be a custom millwork piece that hosts many components to support patient care, including patient headwalls, acrylic panels, plumbing, electrical and telecommunication items. Capital funds in the amount of $134,680 are available for this acquisition which is included as a priority item on the Year 2012 Capital Prioritization List. Dimension Millworks, Inc., is classified as a local, Small Business Enterprise (SBE). It does not have an Affirmative Action Policy. However, a copy of their Equal Employment Opportunity Statement and Policy was provided. Dimension Millworks, Inc., has a total of 14 employees. The workforce composition data was reviewed with the Board.

Modular Services Company - This purchase order provides funding for labor and materials for custom headwalls in the Neonatal Intensive Care Unit (NICU). These custom headwalls have provisions for medical gas, telecommunications and power. Capital funds in the amount of $235,454 are available for this acquisition which is included as a priority item on the Year 2012 Capital Prioritization List. Modular Services Company is classified as a Small, Veteran-Owned Business Enterprise (SVBE). Modular Services Company does not have Affirmative Action Plan or Policy. However, a copy of their Equal Employment Opportunity Statement and Policy was provided. Modular Services Company has a total of 24,042 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends that the Board of Managers approve the following purchase requests: 1) Construction services with Vaughn Construction in the amount of $1,257,000, 2) Construction services with Dimension Millwork in the amount of $134,680 and 3) Construction services with Modular Services Company in the amount of $235,454, for a grand total of $1.627 million.

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

EVALUATION: Ms. Ray introduced Dr. Steve Sneider and Nurse Rachel Rivas as the NICU leaders. With their assistance, the Health System has demonstrated excellence in clinical outcomes in the NICU. Benchmarking data indicates that the NICU is ranked in the top 25% percentile. The unit has had a 30% increase in activity since 2010, which means there is a service market available, not only locally, but regionally. The current unit was built in the early 1990’s and falls short of allowing the Health System to provide family-centered care. Expanding the unit will allow the staff to incorporate the community standard of family centered care. Mr. Rodriguez provided a graphics presentation of what the unit looks like today and what it will look like
upon renovation. The amount requested for this project falls within the funds available for 2012 capital items. However, since the project was not initially included in the 2012 capital priority list, staff made the decision to defer a project on the 6th floor hematology/oncology and outpatient chemotherapy unit since initiating discussions with the Cancer Therapy and Research Center in search of the best opportunity for cancer patients.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH GUARDIAN LIFE INSURANCE COMPANY OF TEXAS (THROUGH THE BENEFITS SOURCE, INC.) FOR DENTAL BENEFITS – THERESA SCEPANSKI

SUMMARY: This contract provides Dental Insurance Benefits for regular full-time and part-time employees, house staff, and current retirees of University Health System. This item was competitively bid and is a planned expense. This is a three year contract for a total amount of $1,536,840. Funds in the amount of $512,279 have been included in the year 2012 Annual Operating Budget. Guardian Life Insurance Company of America has an Affirmative Action Plan or Policy, has a total of 5,174 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve the contract for dental benefits with Guardian Life Insurance Company of America (through the Benefits Source, Inc.) in the estimated amount of $512,279.88 annually for a total of $1,536,839.64 for a three-year period.

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

EVALUATION: The net cost to the tax payers of Bexar County for providing this employment benefit is $102,000.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH ALLSTATE (THROUGH NATIONAL BENEFITS GROUP) FOR CANCER, DREAD DISEASE AND ICU INSURANCE BENEFITS – THERESA SCEPANSKI

SUMMARY: This contract provides Cancer, Dread Disease, and ICU Insurance Benefits for regular full-time and part-time employees of University Health System. This item was competitively bid, is planned expense and operating funds have been included in the 2013 Annual Operating Budget. The contractual value is 100% contributory in nature and is accrued through employee premiums. The Health System does not incur a cost in relation to this contract. Additionally, the vendor guarantees the current rate for the three year period for a total award of $1,001,633. As compared to the previous contract, there is no increase in the premium rate. Allstate has an Affirmative Action Plan or Policy in effect. Allstate has a total of 30,077 employees. The workforce composition data was reviewed with the Board.
RECOMMENDATION: Staff recommends the Board of Managers approve the contract with Allstate (through National Benefits Group of America, Inc.) for Cancer, Dread Disease and ICU Insurance benefits in the estimated amount of $333,878 annually for a total amount of $1,001,633.04 for a three-year period.

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

EVALUATION: There are currently 880 participants enrolled in this benefit out of 5,200 employees, or approximately 15% of the workforce. There is no cost to the tax payers of Bexar County for providing this employment benefit.

FOLLOW-UP: Board members requested that management emphasize the availability of this important benefit to employees during the upcoming open enrollment season.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH AMERICAN GENERAL LIFE INSURANCE COMPANY (THROUGH THE BENEFITS SOURCE, INC.) FOR UNIVERSAL LIFE INSURANCE BENEFITS - THERESA SCEPANSKI

SUMMARY: Modification #1 exercises the option to renew the contract with American General Life Insurance Company which provides Universal Life Insurance Benefits for regular full-time and part-time employees of University Health System. This is a planned expense and operating funds have been included in the Year 2013 Annual Operating Budget. The original contract included an option to renew for one additional one-year term; Modification #1 exercises that option. The total value of this contract including Modification #1 is $381,691. The contractual value is 100% contributory in nature and is accrued through employee premiums. The Health System does not incur a cost in relation to this contract as the policies are individually held by the employees participating in the plan. As compared to the previous contract, no change in the premium rates for the Year 2013 plan year unless a class level rate change is approved by the Texas Department of Insurance. American General Life Insurance Company has an Affirmative Action Plan or Policy in effect. American General Life Insurance Company has a total of 638 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve the contract with American General Life Insurance Company (through The Benefits Source, Inc.) for Universal Life Insurance benefits in the estimated amount of $280,809 for a one-year period. The final amount is based on the actual number of participants.

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

EVALUATION: There is no cost to the tax payers of Bexar County for providing this employment benefit.

FOLLOW-UP: None.
CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH
RELIANCE STANDARD LIFE INSURANCE FOR SHORT-TERM AND LONG-TERM
DISABILITY BENEFITS AND GROUP LIFE INSURANCE BENEFITS

SUMMARY: This contract provides Short Term and Long Term Disability insurance benefits to Health System regular full-time employees, part-time employees, and house staff. This is a planned expense and operating funds have been included in the Year 2013 Operating Budget. As compared to the current contract, there is a 15% ($361,707) decrease in cost. This item is a group purchase through MedAssets. Insurance Point will act as administrator for this contract. In addition to the noted savings, the Health System will receive approximately $99,317 in shareback dollars. Reliance Standard Life Insurance Company has an Affirmative Action Plan or policy in effect. Reliance Standard Life Insurance Company has a total of 1,845 employees. The workforce composition data was reviewed with the Board. The Health System has opted to terminate the contract with the current vendor (Benefit Source) due to the half million dollar savings potential.

RECOMMENDATION: Staff recommends Board of Managers approval of the contract for short-term and long-term disability benefits with Reliance Standard Life Insurance in the estimated amount of $1,324,227 annual for a total of $972,681 for a three year period.

ACTION: A MOTION to approve staff’s recommendation was made by Mr. Smith with the PROVISO that staff would provide an annual presentation of the MedAssets Program, SECONDED by Ms. Cedillo, and PASSED UNANIMOUSLY.

EVALUATION: There is no cost to the Health System for providing the short term disability benefit; however, the Health System pays 100% of the cost for long term insurance. The net cost to the tax payers of Bexar County is approximately $460,000. Notwithstanding the savings and shareback dollars associated with this contract award, and in light of the concerns expressed by Ms. Nava during the citizens’ participation portion of the meeting, Mr. Hernandez offered to ask MedAssets to consider allowing a local broker/administrator for this agreement with Reliance Standard Life Insurance. Board members agreed with the suggestion, and identified the issue as being the engagement of MedAssets and the assumption that they will help the Health System achieve $9 million in savings to meet budget requirements this year. MedAssets represents approximately 2,000 hospitals across the country and for this reason are able to generate these types of savings. Ms. Vasquez reiterated that the Board’s policy to engage the local vendor community as much as possible was made very clear and is being honored by MedAssets.

FOLLOW-UP: Board members requested an annual status report on the contract with MedAssets to measure the success of the program and the effect it has had on local vendors. What percent of UHS contracts are awarded to Bexar County vendors now via MedAssets as compared to before their engagement? Staff will approach MedAssets for consideration of the option presented by Mr. Hernandez.
CONSIDERATION AND APPROPRIATE ACTION REGARDING REPORT FOR MAY 2012
FINANCIAL STATEMENTS - ROE GARRETT/PEGGY DEMING

SUMMARY: For the month activity was down 4.0% for the Clinical Services (as measured based on discharges adjusted for outpatient activity). Community First Health Plan (CFHP) fully-insured membership was up 1.2%. From operations, the Health System experienced a gain of $2.5 million which was $2.0 million better than the budgeted gain of $474,000 due to the net of higher operating revenue and higher operating expense. Meaningful use incentive of $446,000 was recorded and was $119,000 over budget due to funding received by CMA. Investment income was under budget by $35,000 due to slightly lower interest rates than budgeted. An unrealized market loss of $18,000 was recorded in the month. The bottom line gain excluding debt service and including the $521,000 (reversing 1/8 of the amount recorded in December 2011) of the Premium Deficiency Reserve was $3.7 million which was $2.6 million better than the budgeted gain of $1.1 million. CFHP reflected bottom line loss of $288,000 which was $550,000 off from a budgeted gain of $262,000. Debt Service Revenue was $3.5 million which is equal to the budgeted portion of the Debt Service payment of $3.5 million. Mr. Garrett reviewed notable increases and/or decreases from the consolidated balance sheet in detail with the Board.

RECOMMENDATION: Staff recommended acceptance of the financial reports, subject to audit.
ACTION: A MOTION to approve staff’s recommendation was made by Mr. Engberg, SECONDED by Mr. Briseno, and PASSED UNANIMOUSLY.
EVALUATION: AirLife revenue is included with net patient revenue. The expense is found under purchased services. The Health System pays AirLife for each take off that the Health System is responsible for.
FOLLOW-UP: None.

REPORTS AND EDUCATION:

REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS - LENI KIRKMAN

SUMMARY: Ms. Kirkman provided a written report highlighting the Health System’s recent recognitions, media coverage and upcoming special event sponsorships.

RECOMMENDATION: None.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.

INFORMATION ONLY ITEMS:

REPORT REGARDING YEAR 2012 MEDICAL-DENTAL STAFF COMMITTEES AND DEPARTMENTS - NICOLAS WALSH, M.D., PRESIDENT, MEDICAL/DENTAL STAFF
ANNUAL CARELINK REPORT - GARY M CWILLIAMS, M.D.

UPDATE ON CAPITAL IMPROVEMENT PROGRAM ACTIVITIES—MARK WEBB

SUMMARY: Board members were provided with three written reports for information purposes only. The CareLink Annual report was provided in preparation for the presentation scheduled for July, 2012.

RECOMMENDATION: None.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.

CLOSED SESSIONS:

Mr. Adams recessed the public Board meeting at 8:55 p.m. The Board members met in closed session beginning at 8:59 p.m., to evaluate the quality of medical and/or health care services as permitted by Section 161.032 of the TEXAS HEALTH & SAFETY CODE (Vernon Supp. 2008). The following Board members were present: Alex Briseno, Robert Engberg, Ira Smith, Jim Adams, Rebecca Cedillo and Linda Rivas. The following staff members were present: George Hernandez, Michael Hernandez, Dr. Nicolas Walsh, Dr. Bryan Alsip. The quality briefing ended at 9:11 p.m.

At 9:12 p.m., a closed meeting was held to receive information and and/or deliberate regarding pricing, market data and/or financial and planning information relating to the arrangement or provision of proposed new services and/or product lines as permitted by Section 551.085 of the TEXAS GOV’T CODE, Vernon (2004). The following Board members were present: Alex Briseno, Robert Engberg, Ira Smith, Jim Adams, Rebecca Cedillo and Linda Rivas. The following staff members were present: George Hernandez and Michael Hernandez. After discussion, no action was taken in closed session. The closed meeting ended at 9:33 p.m. and the public meeting reconvened.

ADJOURNMENT:

There being no further business, Mr. Adams adjourned the public meeting at 9:34 p.m.

James R. Adams
Chair, Board of Managers

Rebecca Q. Cedillo
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary