

Date: March 13, 2010

Time: 10:00 A.M.

Location: Cassel Volunteer Fire Company & Community Center
21635 Cassel Road, Cassel, California

(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.)

<p>1. CALL MEETING TO ORDER: President Kerns called the special meeting to order at 10:00 a.m. on the above date with the following present:</p> <p style="text-align: center;">Mike Kerns, President Jim Hamlin, Vice President Allen Albaugh, Treasurer Gail McClung, Secretary</p> <p>Staff Present: Terry Pena, Interim CEO</p>
<p>2. ADDITIONS & CHANGES TO AGENDA, SECTION 54954.2(b)2: None.</p>
<p>3. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: Allen Albaugh requested meeting format changed to include public comments throughout presentation and discussions. Kerns suspended rule per MMHD public forum policy during the board meeting for the audience to speak—the open forum will be allowed for this meeting only. He asked members of the audience who wished to speak to raise their hands to be called upon.</p> <p>Public Comments: Audience members spoke during open comment period in support of the hospital. Comments focused on the hospital's cleanliness, quality and compassionate care in the emergency department, hospital and skilled nursing—overall, the comments were that Mayers is a good place and it needs to be preserved.</p>
<p>4. REVIEW OF SEISMIC COMPLAINT ALTERNATIVES: Kerns introduced hospital staff members and provided an overview and purpose of the meeting to essentially review and discuss seismic mandates and master facility plan (MFP) options including next steps. He introduced Leslie Thomas, Blackbird & Associates, and Michael Ryan, ANOVA Architects.</p> <p>An evaluation that was previously conducted by architects was reviewed: 1) overall condition of buildings; 2) operationally—how it functions and if adaptable; 3) how do the structures fare in terms of seismic upgrades. A display of the current hospital floor plan with breakdown (visual display categorized by colors) after the evaluation was conducted is noted below:</p> <ul style="list-style-type: none">• Areas that are already seismic compliant. (Green)• Areas needing some work but feasible. (Yellow)• Areas that are problem areas – and practically infeasible to bring into seismic compliance. (Pink) <p>Ryan discussed amendment to seismic bill that includes HAZUS assessment—a method of calculating the seismic retrofit tailored to a specific building and location—it would calculate seismic risk independent of the original building after completion of seismic wall separation. He</p>

is optimistic of the benefits but still some structural changes would be necessary.

Architects Ryan and Thomas reviewed government mandates and timelines with focus on 2010 deadlines (dispersed "Tasks for 2010" handout).

Thomas asked board members to make key decisions to move forward to a central plan (MFP modified) for the future that include three different implications and price tags:

Option #1: Seismic compliance exclusively (minimal project) – and not consider future strategic plan (MFP). Building compliance will be met once the 1953 building is physically separated and once non-compliant (pink) area modified for appropriate space.

Option #2: Look at only vacating 1953 building and at a compatible long-term strategic plan but not the ideal project (reduced MFP option with a cost estimate of \$20-25 million).

Option #3 – Long-term ideal solution 20-30 years into the future—the current master facility plan (MFP) previously approved by BOD with a projected cost of \$117 million.

Thomas asked the board and community to go back and re-look at the options and decide what pieces need addressed.

At this time there was discussion regarding cost estimate for wall separation: \$200,000 for just the wall (based on best guess today) plus \$300,000 for re-routing electrical and other services. Board must decide: **Option 1**: services will be re-routed where the wiring bypasses the 1953 building; **Option 2**: modify existing service but would have to be re-routed again in 2020 to meet compliance; **Option 3**: install new service on west end to re-feed 1953 building for future expansion.

Thomas stated the approved master facility plan (MFP) was completed along with input by the community and MMHD staff—and the document has a lot of useful information that was gathered. Therefore, regardless of the path that the board and community take there are other options to be considered for the current MFP. The plan can be modified to accomplish whatever is decided. However, if you chose not to use the plans already submitted and approved by OSHPD, then new construction plans will be necessary and due by January 1, 2013, that supports plan to move patient care services from the non-compliant (pink) area to compliant areas. Architects discussed the possibility of DHS L&C grandfathering relocations but most space relocations are not allowed with current requirements.

In response to question by Albaugh if District failed to meet deadlines, Ryan answered that the State would no longer issue building permits unless emergency replacement—and then the facility would not just have seismic issues but building codes issues as well. By not meeting deadlines will trigger seismic compliance progress.

Discussion regarding Burney facility being considered for acute hospital and services. Hamlin stated the Board was told that it was seismic complaint and could house acute care. Architects responded as a part of the MFP, the Burney facility was reviewed but that the departments are code specific and again most space relocations will not be allowed.

Thomas reviewed the MFP process where it was initiated through the employee task group that looked at 4-5 options and chose one for the direction to go in Phase I. The Phase I allows

for expansion of all major departments with an estimate cost of \$70 million which also addresses the seismic mandate including other inefficiencies. Albaugh felt, at this time, that any expansion was not feasible until financial means are available—and that the only option we can pursue currently is the most cost efficient option as well as pursue the HAZUS application.

Ryan reiterated the next steps:

- 1) Discuss Phase I: find out what monies can be raised and tailor to a modified construction design
- 2) Pursue HAZUS (independent of other tasks)
- 3) Nov 1, 2010: Seismic compliance report with a plan to reach seismic compliance
- 4) Suggest spending time very soon to discuss: a) pursuing extension for non-structural retrofit; b) finalize plan for OSHPD

Board actions necessary at future meetings:

- Seismic separation with necessary infrastructure
- HAZUS assessment – could save \$ and extend some deadlines
- More practical plan for current situation—consider other options between now and 2011 for a specific plan (move services from pink area).
- Fundraising plan to pay for it. Hamlin stressed fundraising must start ASAP for the \$500,000 necessary for seismic wall because it must be completed regardless of any further expansion.
- Non-structural project

Ryan and Thomas will provide feedback over the next two weeks for the necessary board actions and estimated costs for March District board meeting. Kerns will take information to the IHF (Foundation) board to discuss fundraising efforts.

5. ADJOURNMENT: The Board of Directors adjourned at 1:35 p.m.