

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS FOR CHAMBERS COUNTY PUBLIC HOSPITAL DISTRICT NO. 1 HELD AT THE BAYSIDE COMMUNITY HOSPITAL CONFERENCE ROOM ON MARCH 21, 2024, ANAHUAC, CHAMBERS COUNTY TEXAS BEGINNING AT 5:00 PM.

A regular meeting of the Board of Directors of the Chambers County Public Hospital District No. 1 was held at Bayside Community Hospital Conference Room in Anahuac, Texas on Thursday, March 21, 2024, beginning at 5:00 pm with the following Directors present:

Mike Emmons, Chairperson
Andy Legg, Vice Chairperson at 5:21
Linda Tinnerman, Secretary
Geraldine Brown, Director at 5:12
Leslie Turner, Director

Pursuant to a Notice under the Open Meetings Act duly filed and posted a full 72 hours prior to the opening of said meeting.

Also present were Ann Newton, Interim CEO; Terri Billiot, HR Director; David Smith, New Light Healthcare; Chris Rutledge, New Light Healthcare; Lee Hughes, New Light Healthcare; Charice Cole, New Light Healthcare; Sue Hawthorne, The Progress; Gilford Boullion; Brittney Evans, Wellness Center; Janice Jircik, Marketing Director; Kimberly Cooper, CFO; Brian Jackson, Attorney, Noe Mejia, Director of Plant Operations; Dr. Anthony Capili, M.D.; Vicente Jalandoni, Physical Therapy Director; Ynna Torre, Laboratory Director; Malinda Albritton, Social Worker/Swing Bed; Tisha Miller, Occupational Therapy Assistant and husband;

1. Call to Order

- a. The meeting was called to order at 5:09 pm by Chairperson Emmons, and it was determined that a quorum was present.
- b. Linda Tinnerman gave the invocation.
- c. Director Turner led the pledges.
- d. Introduction of Guests
- e. Public Comment – none

EXECUTIVE SESSION

Chairperson Emmons immediately requested we go to Executive Session.

A motion was made by Director Brown and seconded by Director Turner to move into Executive Session at 5:15 pm under Section 551.072 and Section 551.071. Motion carried unanimously.

A motion was made by Director Brown and seconded by Director Turner to exit Executive Session at 6:02 pm. Motion carried unanimously.

2. HR Report – Terri Billiot, Director of HR provided summary of February’s recruiting, hiring, terming & promotions.

3. New Light -

- a. Vice Chairperson Legg expressed concerns about bringing New Light onboard prior to bringing on a new CEO. Attorney Brian Jackson provided insight into complexity & large effort levels required to manage QIPP Program. The hospital owns a portion of the nursing

home if part of the QIPP program. Revenue from QIPP program is large, and Attorney Brian Jackson advises not to wait for a new CEO. As a lawyer with a lot of related experience, he recommends finding a consultant, such as New Light or Chris Dockal. We need to select a consultant & stick with them.

- b. Vice Chairperson Legg expressed concerns Chambers Health contract with New Light had already terminated, which is accurate. Chambers Health does not have an existing contract with New Light. Therefore, Vice Chairperson Legg inquired if going out for bids was necessary for this type of consulting work since the prior contract was already terminated. Attorney Brian Jackson responded Chambers Health does not have a legal requirement to go out to bid; it would be a business decision only.
- c. Chambers Health QIPP employee resigned April 20th, but is willing to continue to work contract as needed.
- d. We've received several QIPP complaints from our nursing homes since leaving New Light in January 2024. Current complaints are routed to Kimberly Cooper, CFO & Ann Newton, Interim CEO.
- e. Secretary Tinnerman suggested we return to New Light, because we did not have any complaints while with New Light.
- f. Need to make sure contract has an out clause for Chambers Health.

A motion was made by Secretary Tinnerman and seconded by Director Turner to authorize Ann Newton, Interim CEO to enter into an agreement/sign contract to re-hire New Light as the QIPP Management Company. Motion carried unanimously.

A motion was made by Director Turner and seconded by Secretary Tinnerman to approve the minutes of February 29, 2024 Called Meeting as presented. Motion carried unanimously.

4. District Financial Report –

- a. Kimberly Cooper presented a snapshot of high points, such as total cash on hand.
- b. Britney Strickland & Kimberly Cooper reviewing contracts management, such as are we getting paid appropriately, should contracts be renegotiated, etc.

A motion was made by Director Brown and seconded by Secretary Tinnerman to approve the District Financial Report as presented. Motion carried unanimously.

5. Capital Equipment Request (Chemistry and Immune Chemistry Instrument) – Ynna Torre, Lab Director presented the need for 2 new laboratory instruments. The current instruments are old & past their life span, and need replaced. 1 had a 7-year lease, but it's expired. Purchasing these 2 new pieces can immediately give Chambers Health Laboratory the ability to perform at least 10 new tests, with additional tests down the road.

- a. Options –
 - a. Option 1 - Ynna Torres, Director of Laboratory, prefers the presented option 1: Vitros 3400 (Chemistry) and Vitros ECI (Immunochemistry). These are the “dry” instruments and do not use water system, do not take up ½ the specimen processing room & does not require construction to modify lab. Service agreement cost – Vitros 3400 is \$15,000 annually (year 3 – 7) Vitros ECI is \$15,865 (year 3 – 7).
 - b. Option 2 - Cost is greater and equipment is much larger. Due to size, construction to modify the lab would be required. Ynna Torres used this in the past & did not like it.

- c. Option 3 – Requires a water system, which is very sensitive and difficult to maintain.
- b. Purchase vs Lease –
 - a. Leasing is for 7 years. The # of lease years are typically the life span for the instrument, so 7 years lease means 7 year life span for the piece of equipment.
 - b. When leasing, still must purchase a maintenance contract, just like what we would have to do if purchasing the equipment. So, we'll need a maintenance contract either way.
 - c. Only advantage to purchasing vs leasing, you don't have to front the \$145k when leasing, but you save \$4k per month by purchasing.
- c. Ynna Torre, Director of Laboratory, plans to perform inventory to identify what the life of all other laboratory equipment is, so any necessary replacements can be incorporated into the upcoming year budget.
- d. The replacement of these 2 pieces of laboratory equipment was planned for in advance, and in the current year budget.
- e. Ann Newton, Interim CEO, recommends purchasing equipment outright.

A motion was made by Secretary Tinnerman and seconded by Director Brown to approve the purchase of the Capital Equipment Request for the Chemistry and Immuno Chemistry Instruments. Motion carried unanimously.

6. Physical Therapy Recruitment –

- a. Terri Billiot, Director of HR, presented a proposal to add an additional Physical Therapist (PT) to our existing Physical Therapy team. Presentation included comparison between hiring local vs. Philippines.
- b. Vicente Jalandoni, Physical Therapy Director, presented revenue & conservative future projections.
- c. Hiring an additional Physical Therapist (PT) is not in the current year's budget. Kimberly Cooper, CFO stated Chambers Health is currently \$912K under payroll budget for 2024.

A motion was made by Director Turner and seconded by Secretary Tinnerman to allow Terri Billiot, Director of HR to proceed with adding the additional Physical Therapist position/FTE and hire from the Philippines as desired. Motion carried unanimously.

7. Plant Operation Vehicle Purchase

A motion was made by Secretary Tinnerman and seconded by Director Brown to authorize the Plant Operation Vehicle Purchase of a New 2024 truck. Motion carried unanimously.

8. Remove prior CEO as Signatory on District Bank Accounts

A motion was made by Director Brown and seconded by Secretary Tinnerman to remove prior CEO as Signatory of District Bank Accounts. Motion carried unanimously.

16. ER Canopy Update – Renovate ER entrance to increase height so all ambulances can go under.

- a. Noe presented
- b. Update Ann's name as point of contact
- c. Send app forms to state (30 to 60 day process)

- d. Next, start asking city for permit & sending to construction companies for quotes.
- e. Expecting quotes to be \$150+
- f. Signage for hospital should be Chambers Health (not Omni Point)

9. Front of Hospital Project (paint and solar screens)

- a. Noe presented a couple of options for trim types
- b. Paint colors
- c. Screens discussed
- d. Improve landscaping & cleaning up flower beds

10. District Parking Needs –

- a. Parking lots at WCMC & Wellness Center & behind hospital for staff parking
- b. Need a strategic planning meeting
- c. Need a feasibility study around parking for PT & Wellness
- d. WCMC –
 - a. land behind Dutch Brothers we might be able to purchase for parking. Employees could be told to park over there so patients could park closer.
 - b. It's a way to reserve the south for future construction & services.

There's an option to allow us to use a retention pond for parking too.

Wellness Center

- i. Future may be to have a new building for PT & OT services.
 - ii. Need to meet with owner of corner lot South of the Wellness Center to see if he would let us purchase that lot.
- c. Need to make sure road is clear for ambulances. Potentially purchase "do no park" signs to mitigate

11. Bayside Clinic Leak Repair

A motion was made by Secretary Tinnerman and seconded by Director Brown for Ann Newton and Noe Mejia work together to get the repair fixed. Motion carried unanimously.

12. Purchase of Commercial Freezer –

Janice informed the Board that The Wellness Center at Bayside would like to make a Capital Request to purchase a new three compartment commercial freezer. She said that this week the one that was purchased in 2010 read 40 degrees and was not cooling properly. This freezer is used for congregate meals and to store food during hurricane season. There are two other freezers at the Wellness Center that are used to store Meals on Wheels and they have reached capacity on delivery days. Janice recommends option 1 freezer from Direct Supply.

A motion was made by Director Turner and seconded by Secretary Tinnerman to approve the Hoshizaki F3A-FS Steelheart Series Reach-In Freezer (alarm on temperature) bid from Direct Supply in the amount of \$9,470.89. Motion carried unanimously.

13. Bayside Clinic Grant Update

- a. Kimberly Cooper look into CIP & CDBG

- b. Bayside Update for \$650k grant – Terri explained what’s included in that grant. It encompasses all the preliminary work prior to actual construction.
- c. If construction occurs, could expand Behavioral Health and/or Occupational/Physical Therapy services to a newly constructed building in Mont Belvieu.
- d. Need to know what the city will say for retention pond, before adding on or building new. This could impact drainage if we build a new building.
- e. Ann Newton, Interim CEO, & Elissa Lofgren, Clinics Executive Director, need to research what, if any land we can purchase.

14. IT Grant Update –

- a. Terri provided an update.
- b. Vice Chairperson Legg suggested to be careful submitting portions of the project individually for approval, because it could result in running out of funds prior to project completion.

15. District Policy & Procedure Statement –

a. PC Screen Lockout

New Security Policy that will lock computer screens at 15 minutes of no active use. Policy will be reviewed periodically & screen lock time may decrease gradually down to as low as 3 minutes as employees get used to the new functionality.

A motion was made by Vice Chairperson Legg and seconded by Director Turner to approve the District Policy & Procedure Statement for PC Screen Lockout. Motion carried unanimously.

16. Winnie Lease –

- a. Question raised if Attorney, Brian Jackson can help us get out of Winnie lease.
- b. Comment mentioned that Coastal Gateway may be interested in taking over our existing lease.

A motion was made by Director Brown and seconded by Secretary Tinnerman to have Brian Jackson, Attorney investigate if it is possible to get Chambers Health out of the Winnie Lease and to work with Ann Newton, Interim CEO, on this item. Motion carried unanimously.

Executive Session

A motion was made by Director Brown and seconded by Vice Chairperson Legg to move into Executive Session at 7:47 under Section 161.032 and Section 551.074. Motion carried unanimously.

A motion was made by Director Brown and seconded by Secretary Tinnerman to exit Executive Session at 8:35 pm. Motion carried unanimously.

17. Discuss, Consider and Take Action on Executive Session Items -

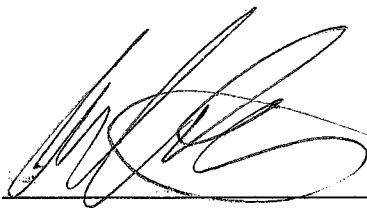
A motion was made by Secretary Tinnerman and seconded by Vice Chairperson Legg to give legal approval to respond as directed to Robert Pascasio’s attorney regarding request for severance package. Motion carried unanimously.

A motion was made by Vice Chairperson Legg and seconded by Director Brown to approve the updated Organization Chart. Motion carried unanimously.

A motion was made by Secretary Tinnerman and seconded by Director Brown to authorize Brian Jackson, Attorney to engage Ron Rainey and Chris Tritico to respond to the demand letter received. Motion carried unanimously.

ADJOURNMENT

A motion was made by Secretary Tinnerman and seconded by Director Brown to adjourn the meeting at 8:40 PM. Motion carried unanimously.

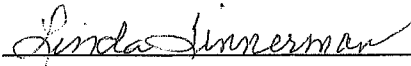


Mike Emmons, Chairperson
Board of Directors

SECRETARY'S CERTIFICATE

I, Linda Tinnerman do hereby certify that: I am the Secretary of Chambers County Public Hospital District No. 1 d/b/a Chambers Health (hereinafter the "District") that these are true and correct minutes reflecting the discussion and actions of the Board of Directors of the District at a regular or special meeting held on the date shown above and entered in the permanent records of the District.

IN WITNESS WHEREOF I have hereunto set my hand this the 22nd day of April, 2024.



Linda Tinnerman, Secretary
Board of Directors