



Sublette County Hospital District Board Meeting Minutes

March 13, 2024 at 4:00 p.m.

By Zoom Only

The Sublette County Hospital District Board of Trustees met in a Special Board Meeting by Zoom on March 13, 2024 at 4:00 p.m. with Tonia Hoffman, Kenda Tanner, Ashli Tatro, Dave Bell and Jamison Ziegler present. Also present by Zoom were Lindsey Bond, Jann Maxfield, Kari Dewitt, Nathan Pitman, JD Dreyer, Michelle Stauthamer, Shawn Leisure and Lena Moeller. Also present by Zoom were Lena Moeller and Michelle Stauthamer.

At 4:01 p.m., the meeting was called to Order by Chair Hoffman.

Set Agenda

Dave Bell motioned to set the agenda. Kenda Tanner seconded. All in favor and motion carried.

Standing Business - Project Update

Nathan from Layton reported that all of the steel is complete on the project and that decking on the LTC portion is finishing up. The roof on the hospital side is 85% complete. All concrete slabs have been poured on the hospital portion and the top track of the interior framing has begun. Hoping to do exterior membrane and masonry work next. In the next 5-6 months all of the exterior site work such as sidewalks, parking lots etc. needs to be completed.

Standing Business – Change Orders

Layton currently is in a holding pattern on winter conditions. They returned half of the ground thaw heaters last week. The hospital portion of the building is enclosed and they have natural gas heaters going to keep temperature up.

No new updates on tile, lighting and electrical. They are waiting on for pricing on tile that JD recommended. No changes on the switchgear items as of now.

MRI miscellaneous equipment was discussed. There is an approximately \$135,000 cost for miscellaneous items associated to the installation of the MRI. JD asked board if the Foundation would be able to fund those additional costs as it is above and beyond what the Foundation said they would originally pay for. JD also suggested that the cost may be able to come out of the medical equipment budget if the Foundation wanted to spend their money on other projects. Lena is concerned that the USDA would not allow the miscellaneous MRI equipment to come out of the projects budget in that medical equipment line item because they have been told

that the MRI is fully funded by the Foundation. Kari stated that the Foundation Board is looking for direction regarding the additional \$135,000 charge. The board asked to take this matter back to the Foundation Board to see if they could give a commitment from them to pay this cost.

Dave motioned to pull estimated cost of MRI miscellaneous equipment out of medical equipment budget of approximately \$135,000 and ask Foundation to include it in their MRI purchase budget. Kenda Tanner seconded.

Tonia asked JD if this additional equipment would complete the MRI suite or will there be any other anticipated costs? JD stated that he feels like it is complete but there may be some items that could pop up that he is currently not aware of.

All in favor and motion carried.

JD reported that the signage budget may not be able to cover the cost of the donor wall. Collin from Davis has given JD an early estimate for signage which is coming in at \$240-\$400,000. Line item in Karl's budget for signage was \$250,000 which includes inside and outside signage. JD said he is hesitant to have the designer continue moving forward or not. The furniture budget is \$750,000 but no final numbers have been given. There is a fee from Davis Architects to design the donor wall for \$18,000. Board will be having some budget discussions in the next few weeks and hopefully will have clearer picture then of all of the line items and budget. JD reported that Susan has added a column to her medical equipment spreadsheet that includes need by purchase order dates. The first pressing item is the patient monitoring system which needs a PO very soon as the date is listed for mid-March. Tonia asked JD to get a PO prepared by Susan for that item and present to the board next week.

PCO change orders 22, 25, 27, 29, 30, 32 and 36 were attached to Board Docs for board to review and since the brief discussion last week on those orders there has been no new changes per Nathan. Ashli asked Nathan to identify which of those change orders would not be coming out of the construction contingency. Nathan stated that the PCO change orders 29, 30 and 32 will be coming out of the owner's contingency. PCO-029 is for \$5,300 and is for the drains that were a design miss. The subcontractor will be covering the labor and install but are just requesting for the materials to be paid. PCO-030 is for the electrician for the under-slab items that needed to be installed for IT and that change order equals \$14,815. PCO-032 is the design miss for the canopy in the back of building where the design detail was not complete. It is where they need to tie the awning to the building and the cost is just under \$5,818 to make the modifications. Layton asked that they not wait on these items to submit to the USDA so they do not hold the project up. Change order numbers will be assigned by the USDA after they are submitted.

Jamison Ziegler motioned to approve PCO-022, 25, 27, 29, 30, 32 and 36. Kenda Tanner seconded. All were in favor and motion carried.

Standing Business - Owner's Purchased Equipment

Discussion was already had on equipment earlier in the meeting.

Standing Business - Pay Applications

Tonia reported that November Pay App has been revised and should be ready to be resubmitted again for USDA approval in a couple of days. SF271 has been revised by Dan and Tonia will be collecting Kenda's signature on Appendix D tomorrow to be included with the Pay App. Lena informed board that she asks the USDA almost

daily about the status of the Pay Apps. Layton reported to the board that they will be submitting their March Pay App in just a couple of weeks.

ARPA pay application #2 for \$579,806.63 was asked by Layton for the board to approve this. This amount includes boilers, chillers, ventilation equipment, etc. that shouldn't be delayed. This money should be coming out of the \$10 million ARPA grant. Kari reported that the State office flagged the last 6 PO's on the ARPA Pay App #1 which equaled \$3.8 million as they were items that have to be fabricated and they were not comfortable with paying for things that are not yet built. Line items 1-16 on the ARPA Pay Application #1 for \$3.3 million has been submitted and payment should be received around March 25th for those items as they were received by the State on 2/20. Discussion was had whether the board could sit on this for one more week. Layton recommended that they not wait as subcontractors continue to ask when these items are going to be released so production can start as some of these items have long lead times. Subs are also getting tighter on sticking to their 30 days for invoices because of the pattern they have seen in the project so far. Michelle was asked if the construction account is fully set up and if payments can go out quickly to subcontractors when they are approved. Michelle stated that she felt like funds could go out quickly and possibly by wire but if the district has to pull funds out of the Kaiser account, then that could hold things up. Layton mentioned the risk that is associated with waiting as it could delay getting the equipment to the site on time but would support whatever the board decides. Board all agreed that they would wait one more week and will table this item until next week's board meeting.

Standing Business - Draw Schedule/Appendix D

There are no items to discuss under this agenda item this week.

Standing Business – Review of Any Current Invoices

Michelle reported to the board that the operating account is light again and asked board to consider a motion to transfer \$500,000 from the Kaiser account. Payroll is on Friday and a \$129,000 Cigna health insurance premium will be coming out of the operating account next week on the 20th. Accounts payable for the last two weeks was around \$155,000 so after all of these costs it would leave the account around \$40,000. Michelle also reported that she has no idea what patient account and insurance payments will be coming in and the next Mill Levy payment in April will be around \$300,000 and they are expecting around \$4 million in May. Dave stated that he felt like \$500,000 would be an adequate amount right now to transfer to the operating account and this is the Finance Committee's recommendation. They have tried to reserve the Kaiser account for operating expenses as needed and there is currently \$1.8 million in that account. Dave mentioned that the cash flow for the next 6 months is going to be a challenge because we are so behind on being paid for the Pay Apps and that Layton projects that the Pay Apps in the coming months will be around \$3.5 million each.

Dave Bell motioned to transfer \$500,000 out of the Kaiser account into the operating account for the payment of operating expenses. Kenda Tanner seconded. All were in favor and motion carried.

Old Business – Donor Wall

Kari requested on behalf of the Foundation Board that they roll the donor wall project into the Art Committee. Potential designs were sent to the board. There is still a question where the funds for this project will come from. Dave will be having another meeting with Rocky Mountain Power to see if they might be interested in sponsoring that wall. So far there has only been a 30-minute call with Davis Architects about the wall and Kari wondered if they could just have someone else do the design for the wall. Lena will confirm with Davis to see if the donor wall was in the original budget.

Dave Bell motioned that the board ask Foundation to assume the responsibility for the donor wall and at the same time Lena to confirm the status of any funds that may or may not remain in the budget as part of the GMP and if there are none, that the Foundation will assume responsibility for the design and construction of the wall. Jamison Ziegler seconded. All were in favor and motion carried.

New Business – Letter to USDA re: VE items

A letter was composed by Nathan, with collaborative input from the team, for the USDA regarding VE items. Nathan identified 3 items in the letter. First, he listed the VE items that they see now needed to be put back in the project. Secondly, he mentioned in the letter that they have the right to request any unknown items in the future that were VE'd out. The 3rd item he included were the items that the Foundation is working on that were VE'd out of project and would like them injected back into the project. Tonia asked for board approval of the letter and that she has permission to sign and send it to the USDA.

Jamison Ziegler motioned to submit the letter dated 3/11/2024 to the USDA and board authorizes Chair Hoffman to sign the letter. Ashli Tatro seconded. All were in favor and motion carried.

New Business – Sanctuary Space

Kari reminded Board that the sanctuary space including the carpet, furniture, etc., was included in the project and GMP. There was a decorative element planned that was going to go across the wall and up over the back lighting and it was VE'd out and the Foundation wants to restore that piece back in. Design possibilities were shown to the board. There is an artistic element that the Foundation wants the board to give permission to the Foundation to proceed with. They plan to fundraise for a stained-glass piece and Sharon Ziegler has offered to paint a finish on the wall as a design element. Tonia stated that she did not want any of these changes to affect the scope and schedule. Layton does not have any huge concerns right now with any of the design changes with regards to the schedule but needs to see the design change as soon as possible.

Dave Bell motioned that the board ask the Foundation to assume responsibility for completing the sanctuary project. Jamison Ziegler seconded.

Lena asked whether the Foundation will bring back to the board any additional costs for the design changes? Kari stated that the Foundation will be paying for any of the changes and not bring any additional costs to the board.

All were in favor and motion carried.

Public Comments

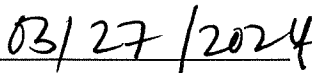
None

Adjournment

Jamison Ziegler motioned to adjourn the meeting. Dave Bell seconded. All in favor and motion carried. Meeting adjourned at 5:49 p.m.

Minutes taken by Jann Maxfield, Executive Assistant both from written and recorded notes.


Tonia Hoffman, Board Chair


Date