

Sublette County Rural Health Care District  
Board of Trustees  
Special Meeting  
June 5, 2018

**Venue:** Lovatt Room, Pinedale Library, Pinedale, WY

**Trustees Present:**

Scott Scherbel Chairman  
Laura Clark, Vice-Chairman  
John Godfrey, Secretary/Treasurer  
Wendy Boman, Trustee  
Chuck Bacheller, Trustee

**Call to Order:**

Mr. Scherbel called the meeting to order at 11:30 am.

**Discussion and decision on the offer from the Board of County Commissioners to sell the existing clinic and related buildings and land to the District:** The Board of County Commissioners made a one-time offer to the SCRHCD Board of Trustees to sell the buildings and land on which the current Pinedale Clinic, EMS Barn, and the old Pinedale Clinic reside for a purchase price of \$4.2 million. There are three stipulations that go along with the \$4.2 million purchase price; 1) the CAH must be built on the site included in the offer, 2) Sublette County has the first right of refusal if the property should ever be sold by the SCRHCD, and 3) the SCRHCD must do everything it can to keep the Marbleton/Big Piney Clinic open in the future.

Mr. Bacheller explained to the board that he believed the design team should provide a proposal for construction of the hospital on the current Pinedale Clinic property without the use of the ballfields. He is also concerned that the District needs to look to the future to include a medical campus, not just a hospital site.

Mr. Godfrey echoed Mr. Bacheller's concerns but is also concerned about the financial ramifications; will the costs be higher with new construction on a new site or retrofitting and reconstructing on the current site. He is concerned with obligating future boards to keep the Marbleton Clinic open if financial constraints lead to future decreases in services.

Ms. Clark stated that the board also needs to consider the impact on patient care during a construction period on the current clinic site.

Ms. Boman stated that she is pleased with the County Commissioners' offer and it would be foolish not to take it. The Town of Pinedale will offer parking in conjunction with the ballfields should the District need the space.

Mr. Scherbel presented copies of an aerial view photo to the board of the current clinic campus. Of the four plus acre site, only 1.5 (plus or minus) acres would be available for new build of CAH facilities. Using the current design size of the hospital, .5 acres would be left for expansion, parking, and/or

anything else that the District may find necessary to include. He asked the board if they wanted to spend the money to have the design team “shoehorn” the CAH onto the property. Mr. Scherbel had asked Shawn Warner of Sletten Construction to provide the cost of new construction on the Bloomfield site for just the clinic and administration as presented in the current design plan. Mr. Warner told Mr. Scherbel that it would be just over \$3 million. The BCC’s offer includes a building that would have to be demolished and the EMS Barn. Although the board appreciates the low rent offered by the BCC, he feels this is not the right place to build.

Ms. Boman asked that the board consider building up to fit on the property. She is also concerned that if the District does not take the offer, the BCC will have to find a medical business to move onto the property due to the deed restriction from the Town of Pinedale and the District would face direct competition. She also found it hard to believe that the clinic could be built on the Bloomfield property for \$3 million.

Mr. Scherbel stated that the footprint of the clinic and administration on the Bloomfield property is approximately 8,000 sq. ft. compared to the current clinic building at 15,000 sq. ft., thus the cost difference.

Mr. Godfrey stated that he has spoken with about a dozen CEOs or CFOs of critical access hospitals to find out about cost of construction. He was referred to Ralph Llewellyn of Eide Bailly, a critical access hospital expert, and was told that CAH construction averages about \$350-\$430 per sq. ft. provided you are not in a remote location. Costs would be higher in a remote location.

Ms. Werner of the USDA asked to speak to the board. She explained that the District would most likely not be able to break ground on construction until the spring of 2019 as all final plans and specs must be approved by the Wyoming Hospital Association and the USDA. The \$3 million Mr. Scherbel was referring to for clinic construction did not include accessibility and land purchase. She just wants the board to make sure the CAH is sustainable.

Public discussion followed regarding construction for tomorrow, delivery of health care in a multi-story building, value engineering, services that will be offered, land purchase and wetlands, the Garrison Road project, and a possible pledge from the Town of Pinedale.

Mr. Godfrey made a motion that the SCRHCD board take the Board of County Commissioners motion under advisement. The motion was seconded by Mr. Bacheller. Ms. Clark, Mr. Bacheller, and Mr. Godfrey voted aye, Mr. Scherbel voted nay, and Ms. Boman abstained. Motion carried.

**Pre-approved assessment of Pinedale Medical Clinic site for the CAH:** Mr. Godfrey stated that he believes a new motion is required due to the stipulations attached to the old motion that no longer exist. He then made a motion to ask Plan One to complete a space program and test fit the conceptual design on the old clinic site for the quoted price of \$16,540. Mr. Bacheller seconded the motion. Mr. Godfrey stated that Sletten Construction had said the design could be completed in two weeks and will be asked to go ahead as quickly as possible. All members voted aye; motion carried.

**Approval of the proposed contract from Wyoming Wildlife Consultants for the wetland delineation of the Bloomfield site:** Mr. Scherbel told the board that in order to get all questions answered, the wetland delineation must be done on the Bloomfield property. Mr. Bacheller made a motion to engage Wyoming Wildlife Consultants to complete a wetlands delineation of the Bloomfield site. Ms. Clark seconded the motion. Ms. Boman stated that the Colorado Ditch gates have not been

opened or have been opened and closed. By July 4<sup>th</sup>, the property will be wet. Discussion followed regarding the test holes previously dug, ground water, and types of dirt found on the site. All board members voted aye with the exception of Ms. Boman who voted nay. Motion carried

A twenty-five minute break was taken.

**Decision on management type for hospital:** Ms. Clark explained to the board that two management companies had made site visits to the District and had met with staff and board members in attendance to discuss the management services they offer. She stated that the board needed to make the decision as to whether or not the District would recruit their own administrator or hire a management company to vet and hire an administrator for the District, with board approval. Quorum Health Resources interviewed on May 30<sup>th</sup> and Cypress Health interviewed on June 5<sup>th</sup>. Ms. Clark gave a short summary of services, resources, and flexibility of contracts of both management companies. When asked, those that attended those interviews all stated that they preferred the management company option for stability in leadership and CAH expertise to guarantee success.

Mr. Bacheller asked how soon a management company would be necessary. He was answered, "The sooner the better". Ms. Werner of the USDA cautioned that no contract should be signed until USDA council had the opportunity to review it. The USDA would also like to review a resume or track record for success. There will be a USDA engineer onsite during construction.

Mr. Godfrey stated that both companies will modify their contracts and prefer a minimum three year contract.

Ms. Clark made a motion that the board commit to a management company for the management model of a critical access hospital. Mr. Bacheller seconded the motion. All members voted aye.

**Executive Session:** Mr. Godfrey made a motion to go into executive session for personnel purposes at 1:57 pm. Motion was seconded by Ms. Clark. All members voted aye; motion carried.


The board returned to regular session at 2:17 pm. No decisions or motions were made during executive session.

**Adjournment:** Mr. Godfrey made a motion to adjourn at 2:18 pm. Ms. Clark seconded the motion. All voted aye; motion carried.

Minutes taken by Lorraine Gatzke



Scott Scherbel, Chairman



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Lorraine Gatzke, Finance Director