

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
SWEENY HOSPITAL DISTRICT**

May 24, 2022

Time 1700

Members Present: Mason Nichols, President; Scott Swift, Vice President; Patti Foster, Secretary
Violet Weeks, Lisa Leal, Charlie Genella, Leeda Wood

Others Present: Tellepsen - Guy Cooke, Bobby Rutherford, Terry Hargus
CRTKL - Larry McKillop, Beau Herr, Kyle Thiel
Enrique Leal, M.D.
Agatha Sanchez
Tom Ronayne

Employees Present: Kelly Park, CEO, Cindy Burge, Dana Quintanilla, Travis Alford, Stuart Butler,
Doug Smith, Stephanie Crowder, Jessica Rees, April Nichols, Jimmy Mashaw,
Veronica Scott

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1. **Call to Order** Mr. Nichols called the meeting to order at 1702.
 2. The invocation was given by Mr. Genella.
 3. **Record Members Present and Establish A Quorum**
There being 7 members present, a quorum was established.
 4. **Public Comments**
A. None
 5. **Old Business**
 - A. **Replacement Hospital Update**
 - (1) **Consider and take action, if needed regarding GMP received from Tellepsen for new hospital build**

Mr. Nichols said we are here tonight to get some replacement hospital updates. He said our GMP has returned. We are going to review it, look at it, discuss it and take any action necessary.

Ms. Park said between Tellepsen and our architects, they have worked diligently on trying to get this where we need it to be and where we can be here today to have this conversation and take this vote. Larry McKillop will give a presentation that they gave to the leadership team and what we will do is hear what they have done to decrease the pricing. Initially those numbers were coming in high so they will show the things that have changed, corrected and have fixed. She said we are still coming in under the 45 million budget.

Larry McKillop said the targeted price for the construction of the hospital was 32 million but when the GMP came back it was over 43 million. Much discussion happened between the architects and the Tellepsen to be able to reduce the price down to \$34,643,228. He gave an overview of the changes made to reduce the price by sharing information from a spreadsheet.

Ms. Weeks inquired about the location of the helipad. The response was it had to be moved to the front parking lot. There just wasn't enough room to place it at the end of the parking area which would be by the new EMS building.

Guy Cooke said some major changes that helped reduce the price was the roof drains, pvc pipping in the building, air conditioners on the roof top in place of chillers, and the electrical which contributed to over 4 million reduction in price.

Ms. Leal inquired about the entrance from Ross and Alice Street to the new parking area. Larry McKillop said basically the roads themselves stay as is but there are some drainage connections made into the property, they will re-work some of those drives and passageways for the drainage ditch and re-work a couple of the intersections.

Mr. Nichols said with the cost savings going on, he saw a lot going on with the walls, roof and seams, do you still feel confident it will hold up to our humid climate and weather patterns we have in Sweeny from time to time. Mr. McKillop responded they feel the building will be a 50-year building and gave details of the construction.

Mr. Cooke also gave additional details of the quality of a building they will build.

Mr. Genella said on the initial spreadsheet that Larry McKillop was reviewing, are there some big ticket items to be concerned about with figures going the opposite direction. He said he knows it has been a big effort for the group, it is very comprehensive and they have done a great job. Were there any items that there was some suspect on presenting. Mr. Cooke responded the list is condensed compared to the lists they have been working from. The working list is a lot more extensive. If it does not pan out, they have contingency plans that will not cheapen the building at all.

Ms. Park gave an overview of the estimated cost sheet that had been updated. The loan from Frost Bank would be 28 million with down payment of 17 million. The goal for the team was to do a 45 million project and currently coming in under budget. The focus for the capital campaign is to fund the medical equipment budget which is 3.8 million.

Ms. Weeks inquired if we would have a place for a MRI machine in case we decide we want one. Ms. Park said if we decide we want one, we would build to the outside of the building. We will have a place for a mobile MRI at the back of the hospital. That would be the place that we could build out for a permanent MRI.

Ms. Foster asked to clarify does it include the physical therapy and the EMS quarters. The response was there is an allowance for the EMS building and for the physical therapy wing.

Ms. Leal asked is this a guaranteed amount or are we factoring in a plus or minus. Response was we have contingencies included and is as guaranteed as we can give you today in a very volatile market.

Mr. Genella said one of the cavoites from a design standpoint was needing to get the authorization to proceed with the changes for the structure. Was there anything else needed from a design authorization standpoint. Mr. McKillop responded you as a board accepted the

direction and they will move forward with an add service for the additional structure work that is required for those changes.

Mr. Swift made a motion to accept the general maximum price as presented by the CRTKL and Tellepsen Construction and move forward with the construction of the hospital. Ms. Weeks seconded the motion. Unanimous decision, motion carried.

Mr. Swift asked what happens next. Mr. Parks said she will get a contract with Tellepsen to send to Frost Bank, and then we will start doing closing which takes about 6 to 8 weeks. Once that happens, we will have ground breaking.

Mr. Nichols asked the board if they have any items they want added to next week's agenda. Ms. Wood said to add discussion to set a date and time to have training with Kristen Bulanek of Brazoria County regarding taxes.

6. **CLOSED EXECUTIVE SESSION:**

Mr. Nichols announced the Board would go into closed, Executive Session at 1800 to review the following:

- A. Discuss personnel matters

End of Executive Session

Went out of Executive Session at 1843.

7. **Action Regarding Executive Session:** None

8. **Adjournment**

Ms. Wood moved for adjournment, seconded by Ms. Weeks. Meeting adjourned at 1844.



Mason Nichols, President
Recorder: Cindy Burge