



**HARRIS COUNTY HOSPITAL DISTRICT
MINUTES OF THE BOARD OF MANAGERS MEETING**

Thursday, October 26, 2006

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. J. Evans Attwell, Chair
Ms. Carolyn Truesdell, Secretary
Dr. Daniel D. Louie, Asst. Sec.
Mr. Elvin Franklin, Jr.
Mr. Jim Lemond
Mr. E. Dale Wortham

BOARD MEMBERS ABSENT

Mr. Stephen H. DonCarlos, Vice Chair
Mr. Danny Jackson
Ms. Mary Spinks

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. Jack McCown, Harris County Purchasing
Mr. Kelly Johnson, Harris County Purchasing
Attorney Mercedes Leal, County Attorney's Office
Ms. Suzanne McPherson, Commissioner El Franco Lee's Office
Ms. Gloria Moreno, Commissioner Sylvia Garcia's Office
Ms. Elizabeth Estrada, Commissioner Jerry Eversole's Office
Administrative Staff
Media
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Mr. J. Evans Attwell, Chair, called the meeting to order at 9:10 A.M. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meeting

Motion 06.10-502

Moved by Dr. Louie, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the minutes of the August 31, 2006 called meeting and September 28, 2006 regular meeting of the Board of Managers.

III. Hear from Citizens

Mr. Walter Protheroe addressed the Board regarding Baylor College of Medicine doctors and Ben Taub General Hospital.

Ms. Suzanne Salley addressed the Board regarding cleanliness issues at Ben Taub General Hospital.

Mr. Gene Flores addressed the Board regarding the Council-at-Large practices.

IV. Purchasing

Mr. Attwell called on Ms. Carolyn Truesdell to present the agenda items related to Purchasing. Ms. Truesdell informed the Board that the correct totals on the purchasing spreadsheets are: A.1.a. - \$10,243,066 bringing the grand total to \$11,232,186.

The Fiscal Affairs Committee met on September 25, 2006 and brings to the Board the following:

A(1). Consideration of Recommendation regarding Approval of Purchases requiring Board Approval:

a. **Motion 06.10-503**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve funding for year one of a three year agreement to DIR through SHI Government Solutions in the estimated amount of \$1,200,000 for Microsoft Enterprise License Agreement for the term January 1, 2007 through December 31, 2007.

b. **Motion 06.10-504**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve additional funds and an extension for Roche Diagnostics Company in the amount of \$40,800 for PCR Genotyping System Analyzer and Reagents for the extended term November 1, 2006 through January 31, 2007. (The Board previously approved funds in the amount of \$204,000 for the term August 1, 2005 through October 31, 2006; these additional funds bring the total funded amount to \$244,800.)

c. **Motion 06.10-505**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve additional funds and an extension for BD Biosciences in the amount of \$38,600 for flow cytometry analyzer automation and software for the term November 1, 2006 through January 31, 2007. (The Board previously approved funds in the amount of \$193,000 for the term August 1, 2005 through October 31, 2006; these additional funds bring the total funded amount to \$231,600.)

d. **Motion 06.10-506**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the first of three renewal options for Boston Scientific Corporation in the estimated amount of \$1,950,000 for drug eluting stents for the term December 1, 2006 through November 30, 2007.

e. **Motion 06.10-507**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the renewal on the basis of sole source for Thomson Healthcare in the amount of \$123,017 for Micromedex Intranet Database Customer License Agreement for the term December 31, 2006 through December 30, 2007.

f. **Motion 06.10-508**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an exemption from the competitive bid requirements and the first renewal option for Hermitage Communities, Inc. d/b/a Katyville Healthcare Center in the estimated amount of \$154,600 for nursing home care for Hospital District patients needing extended care for the term February 1, 2007 through January 31, 2008.

g. **Motion 06.10-509**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the third of four renewal options for Siemens Medical Solutions USA, Inc. in the amount of \$150,000 for software maintenance for NOVIS Radiology System for the term December 16, 2006 through December 15, 2007.

h. **Motion 06.10-510**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an award on the basis of sole source for 3M Health Information Systems in the amount of \$149,633 for software license and maintenance for 3M Encoder application for the term October 28, 2006 through October 27, 2007.

i. **Motion 06.10-511**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an exemption from the competitive bid requirements for an award for Travel Nursing Services in the estimated amount of \$2,250,000 for the term November 1, 2006 through October 31, 2007 with two one-year renewal options. (See attached list of vendors – Appendix “A”.)

j. **Motion 06.10-512**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the purchase of four each Rhino-Laryngofiberscopes, Bronchovideoscopes and Telescopes from Olympus Surgical America for the amount of \$158,138. (Four Telescopes are being purchased for \$12,426 and four each Rhino-Laryngofiberscopes and Bronchovideoscopes for \$145,712.)

k. **Motion 06.10-513**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the purchase of two magnetic resonance imaging (MRI) patient monitors from Invivo for the total amount of \$114,559.

l. **Motion 06.10-514**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the purchase of influenza vaccine for the 2006-2007 season from Sanofi Aventis distributed through Cardinal Health (Fluzone - \$52,855), Chiron distributed through F.F.F. Enterprises, Inc. (Fluvirin - \$148,606) and GlaxoSmithKline distributed through F.F.F. Enterprises, Inc. (Fluarix - \$267,322) for the total estimated amount of \$468,783.

m. **Motion 06.10-515**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the second of two renewal options for Universal Hospital Services in the estimated amount of \$295,511 for rental of life support equipment for the term November 1, 2006 through October 31, 2007.

n. **Motion 06.10-516**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an award on the basis of low bid to Highlights Electrical in the amount of \$302,542 for purchase and installation of heat detectors and shunt trip in elevator machine rooms located at Ben Taub and Lyndon B. Johnson General Hospitals.

o. **Motion 06.10-517**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an award on the basis of sole source to Fujifilm Medical Systems USA, Inc. in the amount of \$124,963 for one FCR Clearview-1m with Flash Plus IIPm Workstation contingent upon

the Harris County Hospital District Foundation and the Komen Foundation donating funds to cover the purchase.

p. **Motion 06.10-518**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an award on the basis of sole source to Trumpf Medical Systems, Inc. in the amount of \$876,300 for light emitting diode (LED) surgical lights.

q. **Motion 06.10-519**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an award of the basis of only bid received to Mark III Systems in the amount of \$254,700 for IBM backup tape library upgrade.

r. **Motion 06.10-520**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve a purchase on the basis of best contract meeting specifications to GE Medical Systems Ultrasound and Primary Diagnostics, LLC in the amount of \$138,315 for three hand carried ultrasounds.

s. **Motion 06.10-521**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an award on the basis of only bid received and approve contract revision of ending date for Advanced Health Education dba/MedRelief Staffing in the estimated amount of \$54,500 for supplemental temporary therapist personnel for the term October 1, 2006 through March 31, 2007 with two one-year renewal options.

t. **Motion 06.10-522**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify additional funds and an extension for KCI USA, Inc. (PP-CE-310) in the amount of \$137,610 for vacuum assisted wound closure for the extended term July 1, 2006 through December 31, 2006 (Ben Taub General Hospital Only). (The Board previously approved funds in the amount of \$68,805 for the extended term of January 1, 2006 through June 30, 2006 (Ben Taub General Hospital only); these funds bring the total funded amount to \$206,415.)

u. **Motion 06.10-523**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify additional funds for Midwest Employers Casualty Co. through Alamo Insurance Group, Inc. for excess workers'

compensation and employer's liability insurance in the amount of \$101,548 for the extended term January 1, 2005 through March 1, 2005. (The Board previously approved funds in the amount of \$237,264 for the term February 1, 2004 through December 31, 2004; these funds bring the total funded amount to \$338,812.)

v. **Motion 06.10-524**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an award to Kimberly-Clark Health Care through Cardinal Health in the estimated amount of \$569,555 for custom procedure trays/packs (previously known as packs and gowns) for the term October 1, 2006 through September 30, 2007.

w. **Motion 06.10-525**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an award to Cardinal Health Medical Products through Cardinal Health in the estimated amount of \$117,120 for respiratory therapy ventilator supplies and humidification devices for the term October 1, 2006 through September 20, 2007.

x. **Motion 06.10-526**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an award to Tyco Healthcare Group through Cardinal Health in the estimated amount of \$315,000 for general wound care products for the term October 1, 2006 through September 30, 2007.

y. **Motion 06.10-527**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an award to Tyco Healthcare Group through Cardinal Health 200 in the estimated amount of \$157,274 for EKG electrodes, cables and leads for the term October 1, 2006 through September 30, 2007.

A(2). Transmittal of Completed Purchases Under \$100,000

(For Informational Purposes Only requiring no action.)

- a. Premier Contract: Purchase of Ureteroscope, Flexible Cystoscope and Telescopes (4 ea.) – *ACMI Corporation*

Transmittal of a purchase on the basis of lowest price contract from ACMI Corporation for four each ureteroscopes, flexible cystoscope and Telescopes in the amount of \$47,257.

- b. Job 06/0297: Award for Examination Tables (6 ea.) – *h.m.t Services Corporation*

Transmittal of an award on the basis of low bid meeting specifications to h.m.t. Services Corporation for six examination tables for the Baytown Health Clinic expansion in the amount of \$34,296.

- c. Premier Contract: Purchase of Ultrasound Imaging Products and Services – *Philips Medical Systems N.A. Company*

Transmittal of a purchase on the basis of lowest priced contract to Philips Medical Systems N.A. Company for one ultrasound unit for the Birthing Center at Ben Taub General Hospital and one for the Peoples Clinic in the amount of \$37,120 each for a total amount of \$74,240.

- d. Premier Contract: Purchase of Advanced Wound Care-Silver Dressing – *ConvaTec through Cardinal Health*

Transmittal of an award to ConvaTec through Cardinal Health in the estimated amount of \$32,169 for advanced wound care-silver dressings for the term October 1, 2006 through September 30, 2007.

- e. Premier Contract: Purchase of Suction Catheters – *Cardinal Health, Inc.*

Transmittal of an award to Cardinal Health, Inc. in the estimated amount of \$51,828 for suction catheters for the term October 1, 2006 through September 30, 2007.

- f. Premier Contract: Purchase of Patient Bedside Products – *Medegen Medical Products through Cardinal Healthcare*

Transmittal of an award for Medegen Medical Products through Cardinal Healthcare in the estimated amount of \$73,535 for patient bedside products for the term October 1, 2006 through September 30, 2007.

- g. Premier Contract: Purchase of Respiratory Therapy: Nebulizers – *Cardinal Healthcare Medical Products*

Transmittal of an award to Cardinal Healthcare Medical Products in the estimated amount of \$47,352 for respiratory therapy nebulizers for the term October 1, 2006 through September 30, 2007.

- h. Job 04/0460: Additional Funds for Excess Workers' Compensation and Employer's Liability Insurance – *Midwest Employers Casualty Co. through Alamo Insurance Group, Inc.*

Transmittal of additional funds for Midwest Employers Casualty Co. through Alamo Insurance Group, Inc. in the amount of \$69,923 for the extended term of March 1, 2006 through March 31, 2006. (The Board previously approved funds in the amount of \$234,809 for the term March 1, 2005 through February 28, 2006; these additional funds bring the total funded amount to \$304,732.)

- i. Job 06/0318: Award for Commercial Conveyor Type Dishwasher – *Preferred Foodservice Design/Supply, Inc.*

Transmittal of an award on the basis of only bid received to Preferred Foodservice Design/Supply, Inc. in the amount of \$84,888 for commercial conveyor type dishwasher.

- j. Job 03/0500: Renewal for Template Charting Systems for Emergency Center Physicians and Nurses – *The Poseidon Group, Inc.*

Transmittal of the second of three renewal options for The Poseidon Group, Inc. in the estimated amount of \$81,104 for template charting systems for emergency center physicians and nurses for the term December 1, 2006 through November 30, 2007.

- k. Renewal for API Software License and Equipment and Services – *API Software, Inc.*

Transmittal of the second of four renewal options on the basis of sole source to API Software, Inc. in the estimated amount of \$62,430 for API Software license and equipment services for the term December 4, 2006 through December 4, 2007.

- l. Job 06/0309: Grounds Maintenance – *Landscape Consultants of Texas, Inc. dba Landscape Professionals of Texas*

Transmittal of an award on the basis of low bid to Landscape Consultants of Texas, Inc. dba Landscape Professionals of Texas in the estimated amount of \$87,786 for grounds maintenance for the term November 1, 2006 through October 31, 2007 with four one-year renewal options.

- m. Transmittal of Purchases for Categories of Goods and/or Services

- (1) Premier Standardized: – Olympus Surgical & Industrial (scopes) - \$25,133;
- (2) Sole Source Standardized (Propaq 242 monitors for vital signs) – Welch Allyn Protocol, Inc. - \$58,035;
- (3) CISV – (database security software) – The Presidio Corporation - \$89,929;
- (4) US Communities (furniture) – Steelcase through Rockford Business Interiors - \$69,215.

The total amount of these awards: \$242,312.

V. Reports of the Committees

A. Joint Conference Committee

Dr. Louie presented agenda items related to Joint Conference.

The Joint Conference Committee met October 11, 2006 and brings forth the following:

1. Informational report regarding Joint Conference Committee meeting held October 11, 2006.

The following items did not go to Joint Conference Committee and come directly to the Board:

2. **Motion 06.10-528**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the credentialing changes for members of the HCHD Medical Staff for October 2006 as recommended by the Medical Board.

3. **Motion 06.10-529**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board accept the Medical Board Report as included in the packet. (Appendix "B").

4. **Motion 06.10-530**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board approve the Advance Directives Policy that establishes policies and procedures for addressing the fundamental right of a patient to consent to or refuse medical intervention, including withholding or withdrawing life sustaining treatment, in the event he or she becomes incompetent or otherwise mentally or physical incapable of communication.

B. Fiscal Affairs Committee

Mr. Attwell called on Ms. Truesdell who called on Ms. Gwen Huskey to present the agenda items related to Fiscal Affairs.

The Fiscal Affairs Committee met October 19, 2006 and brings forth to the Board the following:

1. Financial Report

Ms. Gwen Huskey presented the September 2006 Financial Report. Much discussion ensued. Highlights included:

- District net revenues are \$3.4 million (4.7%) below budget for the month
- Total expenses are \$2.5 million (3.6%) below budget for the month
- Operating income is \$0.9 million less than budget for the month

- There were no DSH/UPL receipts in September

Motion 06.10-531

Moved by Mr. Lemond, seconded by Dr. Louie, and unanimously passed, that the Board accept the September 30, 2006 Financial Report subject to final audit.

2. **Motion 06.10-532**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board accept the Pension Plan Report for the period ended September 30, 2006 subject to final audit.

3. **Motion 06.10-533**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board ratify Addendum A to the Emergency Medicare GME Affiliated Group Agreement between the Harris County Hospital District and the Medical Center of Louisiana.

4. **Motion 06.10-534**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and Mary Schneider for Intergovernmental Relations in an amount not to exceed \$150,000 (\$100,000 for services and \$50,000 reimbursement for reasonable travel and lodging expenses) for the term November 3, 2006 through November 2, 2007.

5. **Motion 06.10-535**

Moved by Ms. Truesdell, seconded by Mr. Lemond, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and the OneStar Foundation National Service Commission for the provision of AmeriCorps Navigator Program Services and acceptance of \$619,854 in funding.

6. **Motion 06.10-536**

Moved by Mr. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and the City of Houston Harris County Area Agency on Aging (HCAAA) for the provision of caregiver education and caregiver information services and acceptance of \$99,530 in funding.

7. **Motion 06.10-537**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and the City of Houston Harris County Area Agency on Aging

(HCAAAA) for the provision of caregiver education and training and acceptance of \$5,000 in supplemental funding for FY06.

8. The following agenda item did not go to the Fiscal Affairs Committee and comes directly to the Board:

Presentation of June 2006 Financial Statement of Community Health Choice, Inc.

Dr. Glen Johnson presented the September 2006 Financial Statements of Community Health Choice, Inc. High lights include:

- Net income was \$553,588 for the month and \$5,214,7890 year-to-date
- STAR Member months were 8% and 4% above budget for the month and year-to-date, respectively
- CHIP member months were 87% below budget
- Revenue was 31% and 18% above budget for the month and year-to-date
- Currently has 77,000 members

Informational purposes only, requiring no action.

Mr. Attwell called on Mr. Elvin Franklin, Jr. to presented agenda items related to Clinic Committee.

C. Clinic Committee

The Clinic Committee met October 13, 2006 and brings forth the following:

1. Items Related to Contractual Agreements

a. Motion 06.10-538

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board ratify an agreement under Ryan White CARE Act Special Project of National Significance between the Harris County Hospital District and Harris County in the amount of \$192,479.31. This agreement provides outreach, care and prevention to eligible HIV seropositive young minority men at District facilities for the term September 1, 2006 through August 31, 2007.

b. Motion 06.10-539

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board ratify an agreement under Ryan White CARE Act Special Project of National Significance between the Harris County Hospital District and Baylor College of Medicine for the purpose of

providing program evaluation services in the amount of \$32,500 for the term September 1, 2006 through August 31, 2007.

c. **Motion 06.10-540**

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board ratify an amended agreement funded by Ryan White Part F between the Harris County Hospital District and Baylor College of Medicine in the additional amount of \$9,500, for a total funded amount of \$15,000. This amended agreement provides medical director services to the AIDS education and training program conducted by the Harris County Hospital District for the term July 1, 2005 through June 30, 2006.

d. **Motion 06.10-541**

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board ratify a Facilities Use Agreement between the Harris County Hospital District and Harris County Social Services to provide registration for transportation services at Thomas Street Health Center for eligible HIV-infected individuals for the term August 1, 2006 through July 31, 2007.

e. **Motion 06.10-542**

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board ratify an amended agreement funded by Ryan White Title IV between the Harris County Hospital District and Houston Regional HIV/AIDS Resource Group. This amended agreement provides case management and primary care to eligible HIV-infected women, families, and children who are patients of the Harris County Hospital District for the term August 1, 2005 through July 31, 2006.

f. **Motion 06.10-543**

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and Texas Department of State Health Services. The purpose of this agreement is to provide an HIV Perinatal Transmission Prevention Program in selected Hospital Labor & Delivery Units throughout Harris County. The amount of the agreement is \$140,000 for the term January 1, 2007 through December 31, 2007.

2. **Items Related to Reports**

Report regarding Ongoing Activities of the Council-at-Large

Mr. Franklin informed the Board that the Council-at-Large Bylaws will be forthcoming to the Board for adoption.

Mr. Attwell called on Mr. E. Dale Wortham to present agenda items related to Personnel Committee.

D. Personnel Committee

The Personnel Committee met October 13, 2006 and brings forth the following:

1. Items Related to HCHD Pension Plan

Motion 06.10-544

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve the following changes to the Harris County Hospital District's Pension Plan. (1) Current Plan (no employee contributions required) for all current employees; (2) Current employees get one-time choice to elect 401(k) with 5% match instead of current Defined Benefit (DB) Plan; and (3) 401(k) with 5% match for all new hires.

2. Items Related to HCHD Policies

a. Motion 06.10-545

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve the Harris County Hospital District's Workplace Violence Policy to provide guidelines for providing a safe environment for patients, visitors and members of the workforce.

b. Motion 06.10-546

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve modifications to the Harris County Hospital District's Patient/Family Education Policy 7.13 to ensure that education and education resources provided to patients, families, and the community are aligned with the District's vision, mission, and values and meet regulatory and internal standards.

3. Miscellaneous Items

a. Motion 06.10- 547

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify an affiliation agreement between the Harris County Hospital District and The University of Texas Health Science Center at Houston (Nursing Program) at no cost to the District for the term September 1, 2005 through December 31, 2007.

This project is entitled "Workforce Increases in Nurses and Nursing Faculty: Excellence in Resource Collaboration (WINNER)". The model is a precepted student model, where nursing students are placed with experienced RN preceptors.

- b. Discussion and Consideration of Acceptance of the Clarke Consulting Executive Compensation Survey

No action taken.

Mr. Attwell called on Ms. Carolyn Truesdell to present agenda items related to Governmental & Public Affairs Committee.

E. Governmental & Public Affairs Committee

Ms. Carolyn Truesdell called on Mr. King Hillier to present agenda items related to the Governmental & Public Affairs Committee.

The Governmental & Public Affairs Committee did not meet and brings directly to the Board, the following items:

1. Update, Discussion and Possible Action regarding Activities in Austin relating to HCHD and Its Legislative Platform

Mr. King Hillier reported on activities in Austin. He touched on the interim committee hearings that are currently in progress. He informed the Board that he and his staff have been waiting on these hearings to begin developing the District's 80th Legislative Session platform, which will be presented to the Board in December for adoption.

A detailed discussion was held regarding implications of mental health issues and its effects on the Hospital District and the community. Mr. King stated that this policy area would be included in the Legislative Platform.

2. Update, Discussion and Possible Action regarding Pending Federal Legislative, Line Items and Policy Issues Affecting HCHD

Mr. Hillier and Ms. Mary Schneider reported that little activity would occur in Washington, D.C. until after the November mid-term elections.

Finally, Ms. Schneider gave the Board a full briefing on the status of Congress and the current appropriations cycle and line items.

No action taken, presented as information only.

F. Buildings & Properties Committee

Mr. Ronald Johnson presented agenda items related to Buildings & Properties Committee.

The Buildings & Properties Committee did not meet and brings directly to the Board the following:

1. **Motion 06.10-548**

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board authorize the Hospital District to enter into Lease Option 2 of the Lease Agreement with Petereit Investments, Inc., for the

leasing of approximately 14,736 square feet of space for the E.A. Squatty Lyons Health Center at a monthly lease rate of \$1.05 per square foot (14,736 square feet x \$1.05 = \$15,472.80). Lease Option 2, runs from November 1, 2006 to October 31, 2007.

2. **Motion 06.10-549**

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board authorize the Hospital District to enter into Lease Option 2 with Kynto Ventures, LLC for the leasing of approximately 15,000 square feet of office space for the Peoples Health Center. Lease Option 2 is for the period of December 1, 2006 to November 30, 2007, the monthly lease rate is \$17,250. Additionally, it is recommended that the lease agreement be amended to reflect the additional cost of \$2,587.50 per month for common use space.

3. **Motion 06.10-550**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board award the LBJ Structural Parking Deck Repair Project for construction services to Adduddell Industries, based on their best bid of \$362,851. Additionally, it is recommended that a \$54,428 (15% of bid) owner's contingency allowance be established for this project.

4. **Motion 06.10-551**

Moved by Mr. Wortham, seconded by Mr. Truesdell, and unanimously passed, that the Board authorize the Hospital District to enter into an Architectural/Engineering agreement, developed and approved by the County Attorney's Office, with P&W Architects, LLP for the Ben Taub General Hospital Emergency Center Phase III Project for a fee not to exceed \$2,900,000.

Mr. Attwell presented agenda items related to Miscellaneous Agenda items.

VI. Miscellaneous Agenda Items

- A. Discussion and Possible Action regarding Funding of Teen Clinics in County Commissioner's Precincts One, Three, and Four

Motion 06.10-552

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board authorize funding of teen clinics in County Commissioner's Precincts One, Three and Four in an amount not to exceed \$150,000.

- B. Consideration of Approval of Board of Managers Joint Conference Committee Membership Assignment

Motion 06.10-553

Moved by Mr. Lemond, seconded by Mr. Franklin, and unanimously passed, that the Board approve Dr. Brent King or his designee be appointed to the Board of Managers Joint Conference Committee effective immediately.

- C. Consideration of Approval for the Harris County Hospital District to become a Member of the Harris County Healthcare Alliance at an Annual Membership Contribution of \$50,000

Motion 06.10-554

Moved by Mr. Lemond, seconded by Mr. Wortham, and passed, that the Board approve the Hospital District's membership in the Harris County Healthcare Alliance at an annual contribution of \$50,000.

Motion passed five to one with the following vote:

Mr. Attwell, Ms. Truesdell, Mr. Franklin, Mr. Lemond and Mr. Wortham – yea
Dr. Louie abstained.

- D. Discussion of the Harris County Hospital District's Strategic Capital Plan and Approval of Phase I Priorities and Possible Funding Sources

This item was not considered.

At this time Mr. Attwell announced that Executive Session would be taken out of order.

- E. Consideration of Approval of Engagement of Vinson & Elkins, L.L.P. as Special Counsel and the Consulting Firm of Campbell/Wilson L.L.P. in Connection with Reimbursement for Medicaid Graduate Medical Education Payments from the Texas Health and Human Services Commission for Fiscal Years 1997 through 2002.

This item was not considered.

- F. Consideration of Approval regarding Discontinuing New Enrollment in the Communityone Program

This item was not considered.

- G. Consideration of Ratification of a Proposed Agreement between the Harris County Hospital District and the Department of State Health Services for the Second Grant Year of the Texas Youth Suicide Prevention Program

This item was not considered.

- H. Consideration of Ratification of a Proposed Agreement between the Harris County Hospital District and the Department of State Health Services for the Fourth Grant Year of the InSight/SBIRT Program

This item was not considered.

- I. Consideration of Ratification of an Existing Contract with Amendment No. 1 (Contract# 11614) for Grant Year Three of the InSight/Screening and Brief Intervention Referral to Treatment (SBIRT) Program between the Harris County Hospital District and the Department of State Health Services

This item was not considered.

- J. Consideration to Ratify the Medicaid Provider Agreement

This item was not considered.

- K. Consideration of Acceptance of an Agreement between the Harris County Hospital District Foundation, Acting as a Supporting Organization for the Harris County Hospital District and American Diabetes Association to Help Address the Problem of Obesity, Nutrition, and Exercise

This item was not considered.

- L. Discussion and Possible Action related to Outsourcing of Certain Services and Treatments Provided by the Radiology Department

This item was not considered.

- M. Consideration of Approval of the Harris County Hospital District's Medical Capital Committee Policy

This item was not considered.

VII. Executive Session

At 11:32 A.M., Mr. Attwell stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code and Chapter 551 of the Texas Government Code and Section 071. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

VIII. Reconvene

At 12:14 P.M., Mr. Attwell reconvened the meeting and asked if there were further input to the Agenda.

- A. Report by Corporate Compliance Officer regarding Compliance with Medicare, Medicaid, HIPAA, and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations pursuant to Section 161.032 of the Texas Health & Safety Code

Presented as information only, requiring no action.

- B. Consultation with the County Attorney regarding Authorization for Settlement of the Hospital District's Claim related to an Auto Accident on July 18, 2006, and Possible Action regarding this Matter Upon Return to Open Session pursuant to Tex. Gov't Code Ann. §551.071

No action taken.

C. Consultation with the County Attorney regarding Civil Action No. 04-3066; Sanitec Industries, Inc. v. Mirco-Waste Corporation in the U.S. District Court for the Southern District of Texas, Houston Division, and Possible Action regarding this Matter Upon Return to Open Session pursuant to Tex. Gov't Code Ann. §551.071

No action taken.

D. Consultation with the County Attorney regarding Subpoena No. 8783 and Settlement in Connection with Audit by the Department of Health and Human Services Offices of Inspector General, and possible action regarding this matter upon return to open session pursuant to Tex. Gov't Code Ann. §551.071

No action taken.

E. Consultation with the County Attorney regarding Cause No. 816,923 in County Civil Court at Law#2 styled *Harris County Hospital District vs. Textac Partners I, et al.*, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session

No action taken.

IX. Adjournment

Moved by Mr. Franklin, seconded by Mr. Lemond, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 12:14 P.M.

I certify that the foregoing are the Minutes of the Meeting of the Board of Managers of the Harris County Hospital District held at the Administration Building in Houston, Texas on October 26, 2006.

J. Evans Attwell, Chair
Board of Managers

Carolyn Truesdell, Secretary

Recorded by Anne McCowan