

**AMARILLO HOSPITAL DISTRICT
BOARD OF MANAGERS
MINUTES
June 10, 1999**

Members

Ms. Lilia Escajeda, Chairman
Mr. Steve Walton, Chairman Pro Tem
Mr. Rick Jones, Secretary
Mrs. Paula Toland
Mr. John Irwin
Dr. Ronald Fortner
Mr. Stan Harrison

Present

Yes
Yes
Yes
Yes
Yes
No
Yes

Also Present

Mr. Merrill Nunn	City Attorney-City of Amarillo
Mr. Dean Frigo	Director of Finance-City of Amarillo
Ms. Debbie Close	Recording Secretary-City of Amarillo
Mr. David Hilgers	Hilgers and Watkins

ITEM 1: Ms. Escajeda called the meeting to order at 1:30p.m. at City Hall, 509 East 7th Street, Third Floor, Commission Chambers, and welcomed those in attendance.

ITEM 2: Ms. Escajeda presented the Minutes of April 27, 1999. Mrs. Toland stated that she had a couple of changes for those minutes. Mrs. Toland asked that the wording on item 6 be changed to *Mrs. Toland requested that in July Mr. Crider meet first with the board to tell the members what he would tell the former employees, and then meet with the employees.* Mrs. Toland also asked that Item 8 be changed to reflect the detail on the tape. Item 8 has been changed to read: *Executive session to discuss pending litigation. Mr. Nunn reported that no executive session was necessary and that the number of pending lawsuits is decreasing and will continue to decrease until such time as minors become of age and possibly file lawsuits. Mrs. Toland requested that for the next board meeting, Mr. Nunn provide the board with a report regarding the status of pending cases for review during executive session. Mr. Nunn stated that he had been asked to review the Certus Corporation contract on behalf of the board. He stated that this contract had already been executed and questioned whether or not he should still review it and how far the review should go. Mr. Irwin asked if Mr. Nunn had concerns regarding the contract. Mr. Nunn replied yes that he had a number of concerns. Mr. Irwin stated that the board needed to be aware of the concerns. The first concern was that the place of performance is California and that the laws of California apply. AHD is a taxable entity in California and the contract states that AHD agrees to pay taxes due on the amounts that arise out of the contract. Another concern of the contract is a clause to arbitrate disputes under the laws and rules of American Arbitration Association. The contract also includes an indemnification clause. Public entities in Texas are not allowed to indemnify. Mr. Irwin asked if these items were significant enough to require changes to the contract. Mr. Nunn replied yes, that these items were significant. Ms. Escajeda stated that she assumes some of the responsibility for executing the contract because she relies on Mr. Frigo since he receives the contracts and normally runs them by Mr. Nunn. She also stated that Certus has done a good job for the Amarillo Hospital District and to her knowledge does a lot of work in California. Mr. Frigo pointed out to the Board that during the last meeting, the contract had been approved subject to Mr. Nunn's review. Mr. Jones agreed and asked if the contract had been forwarded to Certus. Mr. Frigo stated no the contract had not been forwarded to Certus. Mr. Jones asked if the contract can still be modified. Mr. Irwin requested that Mr. Nunn follow up with Certus Corporation and resolve these concerns. Mrs. Toland requested that in the interest of time if Mr. Nunn could resolve his concerns with the contract by telephone and not get bogged down in a letter*

writing campaign. Mr. Irwin stated that at some point the reservations about the contract would have to be reduced to writing and communicated to Certus Corporation. Motion for approval was made by Mr. Irwin, seconded by Mr. Jones and unanimously carried, to approve the Minutes with the above corrections.

ITEM 3: Approval of Tax Collection Contract with Potter County was brought before the Board. Mr. Frigo stated that the contract is increasing from 9 cents an item to 10 cents an item for an estimated cost of \$613. Ms. Escajeda asked why the tax collections are going down each year? Mr. Frigo replied that Potter County is only collecting delinquent roles which continue to erode as they are paid. Mr. Irwin asked Mr. Nunn if he had looked at the contract. Mr. Nunn replied yes, he had reviewed the contract. Motion was made by Mr. Harrison, seconded by Mr. Jones, and unanimously carried.

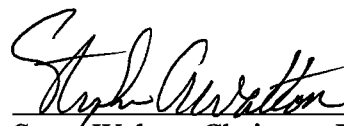
ITEM 4: Status Report on Community Health Survey. Ms. Escajeda stated that Community Health Issues Committee will have a meeting on June 15, 1999. Ms. Escajeda also added that everything is going well, and the committee has had a lot of responses.

ITEM 5: Consideration of Universal Health Services, Inc. Payment for Martin Road Clinic. Mr. Frigo reported that the sales agreement calls for AHD to provide one-third of the development of enhanced medical health care services for children in the City of Amarillo. AHD received an invoice for the improvements made to the Northwest Women and Children's Healthcare Center. Based on a review, the improvements include women's treatment which is primarily OB as well as pediatric treatment. Mr. Frigo asked the board how they would like to handle the invoice for these improvements? Mr. Irwin stated that this is a legitimate concern and there should be some pro-ration of the billing if the facilities are used for other purposes. Mrs. Toland said she thinks it is worth having a discussion with Universal. Mrs. Toland and Mr. Walton volunteered to visit with Universal. Mr. Harrison made a motion to table this item until the board has clarified this concern with Universal Health Services, seconded by Mr. Jones, and unanimously carried.

ITEM 6. The Board convened into Executive Session at 1:50 p.m. to discuss with Attorney for the Amarillo Hospital District the District's rights and duties with respect to the ongoing and future relationship between the Amarillo Hospital District and Healthcare Professional Associates (HPA). The Board reconvened into open session at 2:43 p.m.

ITEM 7: There were no public comments.

ITEM 8: There being no further business, Mr. Irwin made the motion for adjournment at 2:50 p.m. This meeting was recorded and all comments are on file in the City Finance Department.



Steve Walton, Chairman Pro Tem