

**AMARILLO HOSPITAL DISTRICT
BOARD OF MANAGERS
MINUTES
September 27, 1999**

<u>Members</u>	<u>Present</u>
Mr. Steve Walton, Chairman	Yes
Mr. Rick Jones, Secretary & Chairman Pro Tem	Yes
Mrs. Paula Toland	Yes
Mr. John Irwin	Yes
Dr. Ronald Fortner	No
Mr. Stan Harrison	Yes
Ms. Karen O'Hara	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 & Watkins
Ms. Sharron Swann	Hilgers & Watkins
Mr. Mike Callahan	Northwest Texas Healthcare System

ITEM 1: Mr. Walton called the meeting to order at 10:00 a.m. at City Hall, 509 East 7th Street, Third Floor, Commission Chambers, and welcomed those in attendance.

ITEM 2: Mr. Walton presented the Minutes of September 1, 1999. Mr. Irwin stated that he had a change in Item 4 of the September 1, 1999 Minutes. This included changing the sentence "Mr. Irwin replied yes." to "Mr. Irwin replied that the valuation report was accepted on behalf of the Investment Committee." Motion for approval was made by Mr. Jones, seconded by Ms. O'Hara, and unanimously carried, to approve the Minutes with the above correction.

ITEM 3: Approval of Pension Plan Amendment with an Effective Date of September 30, 1999. Mr. Frigo stated that the Pension Plan Amendment was approved at the September 1, 1999 meeting, but failed to include the effective date as of September 30, 1999. Motion for approval was made by Stan Harrison, seconded by Paula Toland, and unanimously carried.

ITEM 4: Consideration of Pediatric Services Contract with Amarillo Area Healthcare Specialists, LLP (AAHS). Mr. David Hilgers of Hilgers & Watkins presented to the board two different contracts with AAHS. One contract is for a time period of one year and the other contract includes an option for renewal for a second year. Mr. Hilgers stated the contract includes a provision for AAHS to provide written reports detailing the volume of specialized pediatric services every six months. Mr. Harrison questioned that there was a 30 day notice requirement on the termination of insurance, but a 60 day notice for termination of the contract. Mr. Hilgers recommended that the

contract change the 30 days' notice of intent to cancel or terminate insurance to 60 days' notice. Mr. Walton asked if both respondents acknowledge that the RFQ for Pediatric Services was for a two year time period. Ms. Swann of Hilgers & Watkins responded that the amendment to the RFQ was included for a two year period and both respondents acknowledged this amendment in their response. Mr. Harrison made the motion to approve the contract for a one year time period. Ms. O'Hara seconded it. Mrs. Toland requested that the board consider a two year contract to avoid an RFQ process in the near future. Mr. Irwin agreed. Mr. Harrison questioned that a two year contract locks out any other agency for making a proposal. Mr. Jones stated that any contract whether one year or two years could be perceived as a lock out, but all parties responding were aware of the two year time period. Mr. Harrison withdrew his motion. Mr. Jones made the motion to approve the Contract for Pediatric Services for the 1999/2000 time period with the option to renew a second year and including the change from 30 days to 60 days required written notice for intent to cancel insurance, seconded by Mrs. Toland, and the motion passed with five in favor and one, Mr. Harrison, voting against.

ITEM 5: Consideration of Sale of Healthcare Professional Associates (HPA) Assets to Amarillo Area Healthcare Specialists, LLP (AAHS). Mr. Hilgers stated that this item completes the original September 1, 1999 board approval of sale of HPA assets to AAHS. Mr. Hilgers stated that the agreements included a guarantee by AHD. This guarantee is to pay amounts that may become due under the assignment to AAHS of the physician's salary agreements for Dr. Hoving and Dr. Wolf with Universal Health Services. Mr. Hilgers also stated that AAHS will not be buying the lab equipment and those items will be included separately. Motion was made by Mr. Irwin to approve the assets sale, seconded by Mr. Jones, and unanimously carried. Motion was made by Mrs. Toland to approve the Resolution regarding the contingent liability for Dr. Wolf and Dr. Hoving's physicians service agreement, seconded by Ms. O'Hara, and unanimously carried.

ITEM 6: Consideration of Selling Remaining Healthcare Professional Associates (HPA) Assets. Mr. Frigo stated that the City of Amarillo Purchasing Department has determined that there are vendors interested in bidding on the lab equipment and the bid tabulation will be delivered to the board for board approval. Motion for approval was made by Mr. Harrison, seconded by Mr. Irwin, and unanimously carried.

ITEM 7: Consent for Northwest Texas Hospital to Lease Property to Developers. Mr. Callahan requested consent from the board for Northwest Texas Hospital to release property to developers. Mr. Nunn stated that at the September 1, 1999 meeting a subordinate agreement had been presented for approval. This subordinate agreement is no longer needed and the board has been asked to give consent for Northwest Texas Hospital to go forward with the contract. Motion for approval was made by Mrs. Toland to grant consent to Northwest Texas Hospital to enter into the agreement that has been presented, seconded by Mr. Irwin, and unanimously carried.

ITEM 8: Executive Session to Discuss Pending Litigation. Mr. Nunn stated that there was one item that could be discussed in Executive Session. Mr. Walton suggested that the board wait until

the next board meeting to convene into Executive Session.

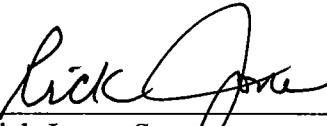
ITEM 9: Public Comments. There were no public comments.

ITEM 10: There being no further business, Mr. Jones made the motion for adjournment at 10:50 a.m. This meeting was recorded and all comments are on file in the City Finance Department.



Steve Walton, Chairman

ATTEST:



Rick Jones, Secretary