

Palomar Pomerado Health
JOINT BOD/STRATEGIC PLANNING COMMITTEE
POMERADO HOSPITAL
May 22, 2007

AGENDA ITEM	DISCUSSION	CONCLUSION/ ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
CALL TO ORDER	Dr. Rivera called the PPH Board meeting to order at 6:04 p.m. There were no requests for public comments. After determination of a quorum, Dr. Rivera turned the Board meeting over to Dr. Larson, Chair of the Strategic Planning Committee.		
ESTABLISHMENT OF QUORUM	Dr. Larson, Nancy Bassett, RN, Michael Covert, Linda Greer, Ted Kleiter, Gary Powers, Dr. Rivera, and Dr. Kanter. Also attending were Gerald Bracht, Dr. Buringrud, Bill Chaffin, Dana Dawson, Steve Gold, Lorie Harmon, Bob Hemker, Marcia Jackson, and Dr. Lilley. Guests: Tom Chessum, Gustavo Friederichsen, George Gigliotti, Joe Hook, Dr. Kung, Craig McInroy, Greg Palmer, Stonish Pierce, Mike Shanahan, Brad Wiscons, and Nick Xenitopoulos.		
NOTICE OF MEETING	The notice of meeting was mailed consistent with legal requirements.		
APPROVAL OF MINUTES – April 17, 2007		Motion by Nancy Bassett, seconded by Dr. Rivera, and carried unanimously for approval.	

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FACILITY MASTER PLAN UPDATE	<p>This agenda item consisted of a periodic Facility Master Plan update. Michael Covert announced that the first half of the meeting would be a follow-up to the last periodic Facility Master Plan update, and the second half would be a look at how we manage finances, and that no action was anticipated.</p> <p>Mike Shanahan presented a Design Update on Palomar Medical Center West, taking up from where we left off at the last Joint BOD/Strategic Planning Committee Facility Update meeting. At that previous meeting, the Board of Directors had requested that the architects come up with a more inspiring building design, something more of an “iconic” or signature building that would represent PPH into the future; something that would be recognizable from both a distance and on-site. Mike showed us a new concept diagram, with a new launching point, extending vertically versus horizontally; a new vertical element that transcends the third-floor terrace, raised in a significant way. In this case, the “significant” refers to the impressive skyline profile of a new glass ellipse, created with two opposing curves, with open ends of double-height. The Community Room on the roof has been enhanced as a glass structure, adding to the skyline profile. On the ends there would be conservatory terraces.</p> <p>Tom Chessum discussed an option of a three-story vertical water feature at the entry to the hospital, which would be visible from anywhere south of the facility. When you arrive, the first thing that you would hear would be the soothing sounds of the water. Other alternatives included a circular glass “drum” entryway, which would provide protection from the wind, as well as add aesthetic value. Alternatives for the entry arcades were also discussed, including two-story windows with frosted glazing. Board member suggestions included softening of the curves of the arcade corners and mid-section.</p>		

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	<p>Impressive computer-rendering photos of the proposed facility at sunset were shown, and it was discussed that it wouldn't be necessary for a person to come to the hospital to be able to recognize it – either by the illuminating “lantern” effects of the light shining through the new glass ellipse and Community Room features, or by the numerous garden terraces.</p> <p>Board and Committee members discussed various options and minor changes, but the overall impression was extremely positive, and the Board thanked Mike Shanahan and the architects for their hard work and success in creating an inspirational signature building that evoked such a positive response by all.</p> <p>Michael Covert then introduced the second phase of the meeting, which dealt with the finances, which he said would be a work in progress, and reiterated that he was not looking for approval tonight, but was looking for feedback on options.</p> <p>Cost escalation continues to be a challenge for our facility projects, and our original estimates in 2004 of \$753 million have now risen to \$1,150 million, due to numerous market factors, including the following:</p> <ul style="list-style-type: none"> • Strong demand for construction services <ol style="list-style-type: none"> 1. Hospital projects are driven by SB 1953 and demographics 2. Concurrent growth in other sectors • Limited supply of qualified labor • Limited number of trade contractors qualified and interested in hospital work • Global competition for construction materials <p>In spite of these challenges, we are still committed to realizing our goals, even if the timelines must be extended out for some of the projects, and alternative sources of funding may be needed to complete</p>		

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	<p>the others.</p> <p>Various options were discussed, including holding off construction of some of the auxiliary buildings at PMC West, as well as some of the renovations at PMC, and parts of the expansion at POM, and it was emphasized that time is a commodity that we can't buy back. We are moving forward, but no one, including PPH, could have anticipated some of the exponential increases in the construction market costs.</p> <p>Ted Kleiter asked to see side-by-side comparisons in the original costs and the current estimates, and what they included, for all facilities, including alternative options.</p> <p>Gary Powers asked for a project timeline. Mike Shanahan will provide project timelines to Board members.</p> <p>Linda Greer expressed concern about additional operating costs associated with landscape and glass at PMC West. She also commented that she would like to see PPH use local labor on our projects</p> <p>At Dr. Rivera's request, Mike Shanahan spoke about the SDG&E grant that PPH recently received. The PPH Design Team worked with SDG&E to achieve a 15% to 18 % energy savings by utilizing a "green" approach to energy conservation, and PPH was awarded approximately \$25,000 for our efforts.</p> <p>Dr. Larson thanked everyone for the enlightening presentation.</p>	<p>M. Covert/M. Shanahan to provide cost comparisons to Board members.</p> <p>Mike Shanahan to provide project timelines to BOD.</p>	<p>M. Covert/M. Shanahan</p> <p>M. Shanahan</p>

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COMMITTEE COMMENTS, SUGGESTIONS	There were no additional Committee comments or suggestions.		
ADJOURNMENT	8:35 p.m.		
SIGNATURES Board Chairperson Committee Chairperson Recording Secretary	_____ Marcelo Rivera, M.D., Board Chair _____ Alan Larson, M.D., Committee Chair _____ Lorie Harmon		