



**NOTES OF GROSSMONT HEALTHCARE DISTRICT  
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE  
Finance & Construction Sub-Committee  
February 1, 2018**

A Finance & Construction Sub-Committee Meeting for the Independent Citizens' Bond Oversight Committee (ICBOC) of the Grossmont Healthcare District was held on Thursday, February 1, 2018, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.

*For purposes of these notes, the listed items will be reflected in the order set forth on the posted Agenda or in the order as amended at the start of the meeting. In some cases, discussion of items may have taken place out of sequence during the course of the meeting. Any documents referred to in these meeting notes are posted on the website under the meeting agenda of the same date.*

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Members Present:	Jeff Olson	GHD:	Barry Jantz
	Glen Sparrow		Tom Saiz
	Charles Fouquette	Gafcon:	Sheryl Castro
	Ken Lavigne		
		GHD Board Member:	Michael Emerson

***The meeting was called to order at 5:38 p.m.***

- A. Approval of the October 5, 2017 Finance & Construction Sub-Committee Meeting Minutes**  
Mr. Jeff Olson called for a motion to approve the October 5, 2017 Finance & Construction Sub-Committee meeting minutes. The motion was approved. Mr. Olson abstained from voting.
- B. Approval of the January 4, 2017 Finance & Construction Sub-Committee Meeting Notes**  
Mr. Olson called for a motion to approve the October 5, 2017 Finance & Construction Sub-Committee meeting notes. The motion was approved. Mr. Olson and Mr. Ken Lavigne abstained from voting.
- C. Review November and December Bond Fund Financial Statements**  
Mr. Tom Saiz reviewed the December Financial Statement. Mr. Saiz noted that the Building Fund is invested and earning interest, but highly liquid due to length of project. Mr. Saiz pointed out that the RBS lease was reduced by an additional \$510,000 in principal on the October 17, 2017 payment from the money received from the State of California for the Co-Gen.  
  
Mr. Barry Jantz stated the \$3.6M shown as "other income" under Building revenue (page 4 of the December 31, 2017 Financial Statement) was from the money received from the Syska settlement.
- D. Monthly Report of Prop G Projects at Grossmont Hospital**  
Mr. Jantz reviewed the January 2018 Monthly Report of Prop G Projects at Grossmont Hospital.



During the month of January:

- There were no safety events to report.
- There were no infection control breaches.
- There was one Notice of Non-Compliance. Swinerton is working with the subcontractor to correct the issue.

Heart & Vascular Level 1 Surgery Floor Build-Out Update:

- Schedule delays are currently at 65 days approved. 9 additional days are anticipated.
- Mechanical installation issues may add time to the schedule.
- Current completion date is June 2018.
- Licensing is scheduled for September 2018.
- Commissioning work may add time to the schedule.

Prop G Budget and Board Approved Budget vs. Worst Case Forecast Update:

- As of January 24, 2018, the remaining Prop G building funds total \$34,775,089 (before Heart & Vascular Level 1 Surgery Floor Build Out project). The potential surplus as of December 20, 2017 is \$1,541,405. There is \$3.7M from the Syska settlement that will not be added to the potential surplus until the Healthcare District Board approves a budget realignment to move funds from one project to another project. The forecasted surplus is \$4,227,049.

Sharp HealthCare Infill Project

- A brief update was provided on this project.

Looking Ahead to Next Month

- Commissioning of the HVAC will begin.
- A resolution for the Helix water line issue has been identified.
- Steam and medical gas lines will be connected to the Infill Project.

#### **E. Memos/Approvals to Board**

Mr. Jantz reviewed the Heart & Vascular Level 1 Buildout Project: Board Memo #381, Consideration of Reimbursement to Sharp HealthCare for additional Prop G Fixed Equipment costs (NTE \$3,073,907), in Accordance with 2016 Prop G Completion Agreement between Grossmont Healthcare District and Sharp HealthCare.

- Mr. Jantz explained how the equipment costs have gone up since the equipment budget was first identified.
- Sharp HealthCare intends to purchase the equipment regardless of the increase in costs or funds remaining in the Prop G budget.
- The memo states that GHD will reimburse Sharp HealthCare at the end of the project when remaining funds have been identified in an amount not to exceed \$3,073,907.
- The subject equipment is Prop G eligible.
- The only other action that could be taken with the remaining funds would be to pay down the debt. However, paying down the debt would not have any impact on the tax rate until the last year, which would be negligible.



**F. Other ICBOC Business**

Prior to the ICBOC Regular meeting on February 22, 2018, the group was reminded that there will be a tour of the Heart & Vascular Level 1 Surgery Floor Build-Out at 5:00 p.m. Additional details will be provided via email. After the tour, photos will be taken for the annual report.

**G. Upcoming ICBOC Meetings**

The next ICBOC Finance & Construction Sub-Committee meeting is scheduled for Thursday, March 1, 2018, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.

*During the February 22, 2018 Regular meeting it was decided to cancel the March 1, 2018 ICBOC Finance & Construction meeting. Therefore, the next ICBOC Finance & Construction Sub-Committee meeting is scheduled for Thursday, April 5, 2018, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.*

**H. Adjournment**

Meeting was adjourned at 6:50 p.m.