



**KANE COUNTY HUMAN RESOURCE SPECIAL SERVICE DISTRICT  
DBA KANE COUNTY HOSPITAL  
REGULAR BOARD MEETING**

**Date:** July 2, 2024

**Place:** KANE COUNTY HOSPITAL AMBULANCE BUILDING  
98 West 300 North  
KANAB, UTAH 84741

**TIME:** 7:10 p.m.

**Members present**

Jeff Mosdell, Chairperson; Dr. Stuart Allan, Board Member; Marybeth Kuntz, Board Member; and Ben Beckstead, Treasurer.

**Ex-Officio Member**

Kurt Loveless, CEO and Dr. Lance Allen

**Staff Present**

Stephen Howells, CFO; Shauna Crosby, EA; Kim Nuttall, HR; Julia Sbragia, CNO; Ben Armstrong, EMS Director; and Kim Jones, Facilities Manager

**Guests Present:** Curtis Leetham; MHTN (Teams) Commissioner Heaton, Dave Shakespear, and Dr. Bruce Goldberger

**Excused:** Mr. Szymanski and Maggie Browning

Mr. Mosdell welcomed everyone to the meeting.

Mr. Mosdell asked for the approval of the consent agenda. Mr. Mosdell asked if anyone has any questions concerning the approval of minutes, nursing report, human resource report, and ambulance transport reports. Mr. Beckstead stated on page 7 to fix appending to pending on the board minutes. Ms. Crosby will make that change.

**Dr. Stuart Allan made a motion to approve the consent agenda seconded by Ms. Kuntz. All in favor-Motion carried.**

**Medical Staff Report**



Mr. Beckstead asked Dr. Lance Allen if he had a conversation with the other providers on how we can assist them. Dr. Allen mentioned that he talked briefly with Dr. Root but has been sick and still needs to talk to Dr. Bowman.

### **Nursing Department Report**

Ms. Sbragia mentioned that the summer season appears to be ramping up with increased patient volume. This morning, we had seven inpatients and a high-volume emergency department. Mr. Mosdell inquired about arranging for the residents to watch the fireworks on the 4th of July. Ms. Sbragia will bring it to the attention of Ms. Van Der Zee.

### **Human Resources**

Ms. Nuttall announced that she has received two letters of interest from candidates for a position on the board. The deadline for receipt of additional applications is July 11th.

Mr. Mosdell suggested that the board convene a special meeting to review the candidate applications. Mr. Beckstead noted that if there are three or four candidates, it may take some time to thoroughly review their credentials and recommended that Ms. Nuttall email their CVs to the board in advance.

Mr. Mosdell further suggested that the board consider making a decision at the August meeting, with a preliminary review taking place at a special meeting later this month. The board agreed to schedule this special meeting for July 30th at 6:30 pm at the ambulance building.

Mr. Mosdell stated that we will need to make some board members new assignments for the vice-chair and replacement on the QA committee.

Commissioner Heaton noted that our county attorney has compiled a summary and conducted research on each special service district, including the hospital, which falls under the 17D category. Given the historical precedent, it was pointed out that the County Commission has traditionally appointed mid-term vacancies. However, Commissioner Heaton suggested that we should consult with the attorney.

Mr. Mosdell clarified that we will continue with the established process for filling vacancies, as we have done in the past. However, if it is deemed necessary to incorporate an additional step, we are more than happy to provide a couple of recommended applicants after the board has reviewed and selected them.

### **New Business**

Mr. Loveless welcomed Mr. Leetham from MHTN and Mr. Jones, the Facilities and Maintenance Director, who is also a licensed electrician. Mr. Jones was actively involved



in the new build project with Stampin UP. Mr. Jones was present at all meetings with the architects. Given his extensive knowledge and expertise, I propose that we designate Mr. Jones as our primary point of contact for this project.

Before we proceed, there are a few items that require our attention. We have received a letter from Mark Anderson at Zions Bank, reiterating their stance that the pledged tax revenue will be utilized towards the current loan and recommending this course of action.

Mr. Loveless stated as we continue to move forward with the project, we have been diligently working with the architects to navigate the RFP process and ensure compliance with state statutes. We need to thoroughly notified relevant parties, including local newspapers and bid sites, to solicit proposals from qualified contractors.

In our discussions with Mr. Leetham, we have determined that we will be adopting a Construction Management General Contractor (CMGC) delivery model. Under this approach, the architects will serve as both designers and construction managers, and their fees have already been agreed upon. The general contractor will then submit a proposal outlining how they intend to meet the established budget of \$26.7 million, including their strategy for handling change orders, timeline, and conflict resolution procedures.

The RFP will also include a qualification section, wherein we seek contractors with a proven track record of successful project delivery. We will carefully evaluate all submitted proposals based on these criteria.

To ensure effective communication and project coordination, we plan to establish a weekly contractor meeting with Mr. Leetham's participation. Additionally, we will assemble a project committee consisting of Mr. Loveless, Mr. Jones, and select board members to actively engage in these meetings.

During the meeting, Mr. Loveless inquired about the discussion regarding the third-floor space and requested that it be noted in the minutes. He asked if we intended to convert the area into an assembly space, and expressed concerns about the estimated additional cost of \$1.5 million. Mr. Beckstead recalled that the consensus was to forgo spending this extra amount on the space, given its intended use. Mr. Loveless then asked if we were comfortable proceeding with the RFP process, which would enable us



to move forward. As a reminder, during our initial engagement with the architects, we agreed to a 2% bidding fee and 20% construction administration fee, totaling approximately \$255,000. This amount will cover the costs associated with the remainder of the construction process, as previously agreed upon.

According to Mr. Leetham, the proposed Request for Proposal (RFP) includes a 2% bidding fee and 20% construction administration fee. Once we have secured a contractor's schedule, which is anticipated to take 18 months, we will break down the construction administration process into manageable tasks. This will involve managing the project, ensuring that the scope of work aligns with the agreed-upon budget, and reviewing all change orders to verify their accuracy and fairness in accordance with market value. The contract documents will outline the exact services provided, and any deviations from these terms will be subject to approval.

Mr. Loveless proposed moving forward with the RFP process for the construction of the new building. The timeline for the RFP publication will commence on July 8th, and all interested parties will have the opportunity to submit bids and ask questions to the architect. The deadline for bid submissions is July 23rd, after which the committee will review and select a shortlist of candidates.

Mr. Mosdell suggested that Ms. Kuntz would like to participate in the committee, to which Mr. Beckstead added that he, Mr. Jones, and Mr. Loveless would also be interested in serving on the committee. Commissioner Heaton noted that changes to the bylaws now permit more than three board members to participate in an administrative capacity, provided that they do not engage in decision-making or approve items.

However, Mr. Loveless emphasized the need for a written resolution regarding the RFP process and its associated resolution to move forward with the building project. He will draft this resolution and present it for adoption at the next meeting.

Mr. Beckstead recalled that during our previous meeting, we had discussed and motioned to accept bids on the surgery building and move forward with financing pending final cost estimates from the architects. Mr. Loveless will bring this information to our next meeting, along with any updates on funding and the shortlisted candidates, at which point we may be able to adopt a final written resolution and proceed with the project.

At our previous meeting, we discussed the concerns of the Revere physician group and reaffirmed our commitment to addressing their needs. In our Medical Staff meeting, Dr.



Bowman mentioned that after a period of years, they have built an equity-based bonus structure in their pay and would forfeit this benefit if they were to switch back. He expressed that he would engage in discussions with the other providers to explore potential alternatives.

Dr. Allen and Dr. Root, being newer to the group, were more open to exploring options. Mr. Mosdell emphasized the importance of regularly bringing this topic to the forefront. Mr. Beckstead noted that bringing the physicians back in-house would be beneficial and preferred, as it aligns us better.

We are willing to review alternative models and align our goals with those of the providers. Dr. Allen will discuss this matter with Dr. Root, and we will continue to keep the conversation open. While Dr. Bowman's situation is unique given his longer tenure at Revere, we believe that exploring options for all providers is important.

I would like to remind you that the Conflict-of-Interest disclosure forms are included in the packet for your review. If you could kindly sign and return them to Ms. Crosby.

Mr. Loveless stated that we received the template for the Ethics of Behavior from Mr. Beckstead. We are seeking board approval. If approved, all staff will be required to sign an acknowledgment form indicating their understanding of the ethics code. This initiative aims to ensure compliance and will help with our Fraud and Risk analysis.

**Dr. Stuart Allan made a motion to approve the Ethics of Behavior for all staff to Sign seconded by Mr. Beckstead. All in favor-motion carried.**

Mr. Mosdell wanted to inform the board that he has a personal connection to the Skilled Nursing unit, as his son is currently employed there. If an issue were to arise within that department, I would exercise prudence and recuse myself from any discussions or decision-making related to that area to maintain objectivity and avoid any perceived conflicts of interest.

Mr. Loveless highlighted the need for adjustments to the board's organizational structure and officer roles in light of Mr. Johnson's resignation as Vice-Chair and Chair of the Planning Committee. Notably, during the last remodel, the Planning Committee was merged with the Building Committee, creating a convergence of responsibilities. The board concurred that it would be prudent to wait until the new board member is appointed before re-evaluating and realigning the roles and responsibilities to ensure optimal functionality and efficiency.



Mr. Loveless stated that we need to work on the final count for the Board Conference for September 7<sup>th</sup> thru 10<sup>th</sup> in Colorado Springs. Mr. Beckstead, Mr. Mosdell, Dr. Stuart Allan, Ms. Kuntz, and Ms. Browning are all planning on going.

Mr. Mosdell, Chairman, requested that Ms. Crosby, research the dates for the upcoming Special Service District (SSD) conference.

### **County Commission Business**

During the recent meeting of the EMS/Fire County Committee, Commissioner Heaton provided an update on the progress of the committee's discussions. Notably, there were concerns raised regarding the size of the group, which has been deliberating on key issues. In order to facilitate more effective decision-making, it was decided that a smaller committee should be established.

Following this decision, the committee extended invitations to Mr. Loveless and Mr. Mosdell. This will be a six- or seven-member committee. Mr. Beckstead asked if this would be a new SSD. Mr. Loveless stated that there is discussion on having an MOU with the existing SSDs. There is still conflict in interest, there is a great desire to make it work. We need to collect all the data then we can make a proposal. Commissioner Heaton stated that we can do different levels of services for different areas.

### **Committee Reports**

#### **Planning:**

The planning meeting was cancelled.

#### **Finance:**

Mr. Howells reported as of the end of May, our organization has shown a significant improvement compared to the same period last year, with notable increases in revenue from Senior Life, Ambulance, and Surgery services. Our financials indicate that we are currently operating with revenue over expenses.

We do acknowledge that Accounts Receivable (A/R) levels have not yet reached our target, but we are diligently working to implement strategies to reduce the outstanding balances.

Mr. Mosdell requested that Mr. Shakespear and Dr. Goldberger share any questions or concerns they may have. Both gentlemen responded, "No, we do not have any questions or concerns at this time."



## **OLD BUSINESS**

None

**Mr. Beckstead moved to adjourn the meeting at 7:57 p.m. at Kane County Hospital Ambulance Building, 98 West 300 North, Kanab, UT 84741 with a second by Dr. Stuart Allan. All in favor-Motion carried.**

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**Mr. Jeff Mosdell, Chairperson**