

A meeting of the Washington Township Health Care District Citizens' Bond Oversight Committee was held on Tuesday, October 1, 2008 in the Conrad E. Anderson, MD Auditorium A, 2500 Mowry Avenue, Fremont, California. Madame Chairperson Wong called the meeting to order at 5:02 p.m. and led those present in the Pledge of Allegiance.

*CALL
TO
ORDER*

Roll call was taken. Committee members present: Al Huezo; Ken Rankin; Jack W. Balch; Susanna Wong

*ROLL
CALL*

Also present: Ed Fayen, Associate Administrator; Chris Henry, Chief Financial Officer; Maria Collier, Committee Clerk

Guests: Neil Marks, Joe Tada, Chris Breitling, Bill Emberly, John Tran

Ms. Wong moved for approval of minutes of June 24, 2008. Ken Rankin seconded the motion. The minutes were approved as submitted. Ms. Wong abstained from voting as she was absent at the June 24, 2008 meeting.

*APPROVAL OF
MINUTES OF June
24, 2008*

Ed Fayen reported the pre-qualification process for the general contractors was completed. Swinerton Builders was chosen as the most responsive, responsible general contractor in June of 2008. Mr. Fayen indicated several months were spent on negotiations and a purchase order was signed to begin pre-construction services.

PROJECT UPDATES

Mr. Fayen reported the Hospital has purchased the McKesson Pathways Financial Management Fixed Asset and Project Accounting System, which is integrated to the Hospital's Pathways Financial Management system including the Materials Management, Accounts Payable, and General Ledger Systems. The McKesson Fixed Asset & Project Accounting System will allow real time access to project costs at a detailed level, timely budget tracking, attachment of electronic back-up invoices and paperwork, automatic reporting into the General Ledger, and enhanced reporting capabilities.

Mr. Fayen reported the LCP Tracker System will be leased for the project. LCP Tracker is a certified payroll system which will be utilized to track contractor hours and will address the requirement to keep records.

Ed Fayen introduced Chris Henry, Chief Financial Officer of Washington Hospital Healthcare System. Mr. Henry has replaced Ms. Cathy Messman as CFO and will also be a regular member of the Citizens' Bond Oversight Committee.

FINANCIAL REPORT

Mr. Henry reviewed the financial reports regarding GO Bonds as well as Project Funding. Mr. Fayen added the Project Funding Report was produced in response to the Committee's request to have budget and variance information reported to the Committee. Mr. Henry spoke briefly about the history of

budgets and it was noted the project is currently running within budget. It was also noted the Central for Joint Replacement Building was not included in the financial reports as it is not being supported by the Measure FF Bond Measure.

Mr. Fayen reported the Architects have completed a value engineering analysis, legal firms reviewed our construction documents and the scope of the project was updated. The tie-in of electrical was not previously included in the project scope and budget but has now been included. Mr. Balch shared his concern regarding the overage in architectural fees.

Mr. Fayen spoke briefly about the Enabling Projects. He shared the City of Fremont is requiring an expansion of our current parking lot project to include beautification of city sidewalks on Bart Way. Also, the City is requiring the installment of a bioswale. Bioswales are landscape elements designed to remove silt and pollution from surface runoff water. They consist of a swaled drainage ditch with gently sloped sides and filled with vegetation and compost. The bioswale, or other type of biofilter, is often found in parking lots where there is automotive pollution. The bioswale treats the runoff before releasing it to the watershed or storm sewer.

Mr. Huezo asked if the current state of the economy will negatively affect the GO Bond. Mr. Henry indicated the funds will be available to us when we call upon it.

Ed Fayen indicated the Committee's Annual Report for the period July 1, 2007 through June 30, 2008 is coming due. He added there has not been much activity to report since the last Annual Update for period ending June 30, 2007. *ANNUAL REPORT*

Mr. Fayen indicated a report will be produced for the Committee's consideration at the next meeting. Mr. Huezo requested the Annual Report be sent to the members in advance.

Maria Collier indicated the next scheduled meeting is on January 7, 2009. The 2009 meeting schedule was also included in the meeting packet. It was noted that every effort will be made to refrain from re-scheduling meetings but if they are unavoidable, will make every effort to notify members of any cancellations or rescheduled meetings. *OTHER ITMES*
MEETING
SCHEUDLE

There being no further business, the meeting adjourned at 5:57 p.m. *ADJOURNMENT*

Susanna Wong
Madame Chairperson
Chairperson, Citizens' Bond Oversight Committee