



**REGULAR AND SPECIAL MEETING OF THE BOARD OF DIRECTORS
 SAN BENITO HEALTH CARE DISTRICT
 911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
 THURSDAY, FEBRUARY 26, 2026 – 5:00 P.M.
 SUPPORT SERVICES BUILDING, 2ND FLOOR, GREAT ROOM
 IN-PERSON AND BY VIDEO CONFERENCE**

Members of the public may participate remotely via Zoom at the following link <https://zoom.us/join> with the following Webinar ID and Password:

**Meeting ID: 991 5300 5433
 Security Passcode: 007953**

TELECONFERENCE LOCATION¹:

**Director Gabriel
 400 W. Mineral King Ave.
 Visalia, CA 93291**

Mission Statement - The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

AGENDA

Presented By:

- 1. **Call to Order / Roll Call** (Johnson)
- 2. **Board Announcements** (Johnson)
- 3. **Public Comment** (Johnson)

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda. This is the appropriate place to comment on items on the Consent Agenda. Board Members may not deliberate or take action on an item not on the duly posted agenda. Written comments for the Board should be provided to the Board clerk or designee for the official record. Whenever possible,

¹ Note: Pursuant to Government Code Section 54953(b), this meeting will include teleconference participation by Director Gabriel from the address shown above. This notice and agenda will be posted at the teleconference location.

Regular and Special Meeting of the Board of Directors, February 26, 2026

written correspondence should be submitted to the Board in advance of the meeting to provide adequate time for its consideration. Speaker cards are available.

4. Consent Agenda – General Business

(Johnson)

The Consent Agenda deals with routine and non-controversial matters. The vote on the Consent Agenda shall apply to each item that has not been removed. A Board Member may pull an item from the Consent Agenda for discussion. One motion shall be made to adopt all non-removed items on the Consent Agenda.

A. Consider and Approve Minutes:

- Regular Meeting of the Board of Directors – January 22, 2026

B. Receive Committee Minutes:

- Patient Satisfaction Committee – August 21, 2025
- Patient Satisfaction Committee - November 20, 2025
- District Bylaws / Policies and Procedures Committee - January, 13, 2026

C. Receive Officer/Director Written Reports

- Physician Services & Clinic Operations
- Skilled Nursing Facilities (Mabie Southside/Northside)
- Laboratory and Radiology
- Foundation
- Public Relations
- PMO Project Summary

D. Consider and Approve Policies:

- Updating Renamed (Board Member Handbook)
- Absence of CEO
- Ethics and Education Training
- Board Member Expenditure Reimbursement Renamed (San Benito Health Care District Board Member Expenditure Reimbursement)
- Meeting of Directors
- Compounding – Personnel Sterile Training and Evaluation – New
- Compounding – Environmental Monitoring: Surface and Air Sampling – Revised
- Compounding – Facility: Sterile Compounding Facility – Revised
- Compounding – Personnel: Competence for Sterile Compounding – Revised
- Alcohol Withdrawal Syndrome Medication Management – New
- Tranexamic Acid Administration Policy and Procedure for Trauma Patients - New
- Post-Exposure Shuttering, Cropping, and Electronic Masking in Diagnostic Imaging Policy – Revised
- Utilization of Contrast Media in Diagnostic Imaging - Revised
- Administration of Gadolinium-Based Contrast Agents – Revised
- Blood and Blood Products Administration – Revised

Regular and Special Meeting of the Board of Directors, February 26, 2026

E. Consider and Approve Archival of Policies:

- District Finance Committee Charter
- District Networking Committee Charter
- District Planning and Facilities Committee Charter
- Joint Conference Committee Charter
- Patient Safety Program

F. Consider and Approve Privileges:

- SNF Medicine Privileges (Revised)
- Physician Assistant Privileges – Clinic Medicine (New)
- Nurse Practitioner Privileges – Clinic Medicine (New)
- Psychiatric Mental Health Nurse Practitioner (PMHNP) (New)

Recommended Action: Approval of Consent Agenda Items (A) through (F).

5. Receive Informational Reports

A. VP, Ambulatory & Physician Services (Verbal Report) (Breen-Lema)

- Community Health and Provider Needs Assessment Update
- Culture of Safety Survey

▶ Public Comment

B. VP, Information & Strategic Services (Verbal Report) (Mays)

- Meditech Expanse Update

▶ Public Comment

C. Chief Financial Officer (Robinson)

- Facilities - Project Dashboard – January, 2026
- Financial Statements – January, 2026
- Finance Dashboard – January, 2026
- Supplemental Payments – January, 2026
- HCAI – Rural Health Transformation Program

▶ Public Comment

6. Action Items

A. Consider and Approve Commercial Lease with Ceglia Properties, LLC – 5-Year Term in the amount of \$10,555.83 with a 2% Increase at Anniversary Date. (Robinson)

Recommended Action: Approval of Commercial Lease with Ceglia Properties, LLC – 5-Year Term in the amount of \$10,555.83 with a 2% Increase at Anniversary Date.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

Regular and Special Meeting of the Board of Directors, February 26, 2026

- B. Consider and Approve Professional Service Agreement with Focus Physical Therapy and Gym Management Services, Inc. – 5-Year Term in the amount of \$42,000.00 per month with a 3% Increase on Anniversary Date.

(Robinson)

Recommended Action: Approval of Professional Service Agreement with Focus Physical Therapy and Gym Management Services, Inc. – 5-Year Term in the amount of \$42,000 per month with a 3% Increase at Anniversary Date.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

- C. Consider and Approve Master Service Agreement with Innova Revenue Group for a 3-Year Term.

(Robinson)

Recommended Action: Approval of Master Service Agreement with Innova Revenue Group for a 3-Year Term.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

- D. Consider and Approve Purchase of Weapons Detection System, Extract One, in the amount of \$138,276.64.

(Ramirez)

Recommended Action: Approval of Weapons Detection System, Extract One, in the amount of \$138,276.64.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

- E. Consider and Approve Architectural Fee for Lab Remodel Phase 3 & 4 in the amount of \$831,315.

(Robinson/Castronuevo)

Recommended Action: Approval of Architectural Fee for Lab Remodel Phase 3 & 4 in the amount of \$831,315.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

Regular and Special Meeting of the Board of Directors, February 26, 2026

- F. Consider and Approve Incentive Goals for the Chief Executive Officer. (Tartala)

Recommended Action: Approval of Incentive Goals for the Chief Executive Officer.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

- G. Consider and Approve District Board Approval Policy. (Robinson)

Recommended Action: Approval of District Board Approval Policy.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

- H. Public Hearing and Consideration of Resolution No. 2026-09 Modifying the NUHW Bargaining Unit at San Benito Health Care District Regarding Security Guards. (Tartala)

Recommended Action: Approval of Resolution No. 2026-09 Modifying the NUHW Bargaining Unit at San Benito Health Care District Regarding the Security Guards.

- ▶ Report
- ▶ Board Questions
- ▶ Public Comment
- ▶ Close Public Hearing
- ▶ Motion/Second
- ▶ Action/Board Vote-Roll Call

7. **Public Comment** (Johnson)

This opportunity is provided for members to comment on the closed session topics, not to exceed three (3) minutes.

8. **Closed Session** (Johnson)

See the Attached Closed Session Sheet Information

9. **Reconvene to Open Session** (Johnson)

10. **Closed Session Report** (Counsel)

11. **Adjournment** (Johnson)

The next Regular Meeting of the Board of Directors is scheduled for Thursday, March 26, 2026 at 5:00 p.m., Great Room.

Regular and Special Meeting of the Board of Directors, February 26, 2026

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting, in the Administrative Offices of the District, and posted on the District's website at <https://www.hazelhawkins.com/news/categories/meeting-agendas/>. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Any public record distributed to the Board less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the District office. Public records distributed during the meeting, if prepared by the District, will be available for public inspection at the meeting. If the public record is prepared by a third party and distributed at the meeting, it will be made available for public inspection following the meeting at the District office.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

Please note that room capacity is limited and available on a first-come, first-served basis.

SAN BENITO HEALTH CARE DISTRICT BOARD OF DIRECTORS

February 26, 2026

AMENDED AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

- LICENSE/PERMIT DETERMINATION**
(Government Code §54956.7)

Applicant(s): (Specify number of applicants) _____

- CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
(Government Code §54956.8)

- CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**
(Government Code §54956.9(d)(1))

Name of case: PERB Case No. SF-CE-1937-M

- CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**
(Government Code §54956.9)

- LIABILITY CLAIMS**
(Government Code §54956.95)

Claimant: (Specify name unless unspecified pursuant to Section 54961):
Agency claimed against: (Specify name): _____.

- THREAT TO PUBLIC SERVICES OR FACILITIES**
(Government Code §54957)

Consultation with: (Specify the name of law enforcement agency and title of officer): _____

- PUBLIC EMPLOYEE APPOINTMENT**
(Government Code §54957)

Title:

- PUBLIC EMPLOYMENT**
(Government Code §54957)

Title:

- PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code §54957)

(Specify position title of the employee being reviewed):

Title:

- PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**
(Government Code §54957)

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

- CONFERENCE WITH LABOR NEGOTIATOR**
(Government Code §54957.6)

Agency designated representative:
Employee organization:

- CONFERENCE WITH LABOR NEGOTIATOR**
(Government Code §54957.6)

Agency designated representative:
Unrepresented employees

- CASE REVIEW/PLANNING**
(Government Code §54957.8)

(No additional information is required to consider case review or planning.)

- REPORT INVOLVING TRADE SECRET**
(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):

1. Trade Secrets, Strategic Planning, Proposed New Programs, and Services.

Estimated date of public disclosure: (Specify month and year):

- HEARINGS/REPORTS**
(Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical executive committee, or report of quality assurance committee):

1. Report – Credentials

- CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW** (Government Code §54956.86)

(No additional information is required to discuss a charge or complaint pursuant to Section 54956.86.)

ADJOURN TO OPEN SESSION



Hazel Hawkins
MEMORIAL HOSPITAL

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
SUPPORT SERVICES BUILDING, 2ND-FLOOR, GREAT ROOM
IN PERSON AND BY VIDEO CONFERENCE**

THURSDAY, JANUARY 22, 2026

5:00 P.M.

MINUTES

Directors Present

Bill Johnson, Board Member
Devon Pack, Board Member
Victoria Angelo, Board Member
Nick Gabriel, Board Member
Josie Sanchez, Board Member

Also Present

Mary Casillas, Chief Executive Officer
Mark Robinson, Chief Financial Officer
Karen Descent, Chief Nursing Officer
Suzie Mays, Vice President, Information & Strategic Services
Heidi A. Quinn, District Legal Counsel

1. Call to Order/Roll Call

Director Johnson called the meeting to order at 5:00 PM. A quorum was present, and attendance was taken by roll call. Directors Johnson, Pack, Gabriel, and Sanchez were present. Director Angelo arrived at 5:06.

2. Public Comment

An opportunity for public comment on the closed session items was provided; no public comment received.

3. Closed Session

President Johnson announced the items to be discussed in the Closed Session, as listed on the posted Agenda:

a) Conference with Legal Counsel – Existing Litigation; Government Code §54956.9(d)(1) (2 PERB cases) and *Savista, LLC vs. Hazel Hawkins Medical Center*, File No. 6337918; b) Conference with Labor Negotiator; Government Code §54957.6 (NUHW); c) Conference with Labor Negotiator; Government Code §54957.6 (unrepresented employees); and d) Hearing/Report, Quality, Credentials, Evidence Code Sections 1156 and 1157.7; Health and Safety Code Section 32106(b).

The members of the Board entered into a closed session at 5:02 pm.

4. Reconvene Open Session/Closed Session Report

The Board of Directors reconvened to open session at 5:29 p.m.

5. Closed Session Report

Counsel reported that the Board met regarding several items:

As to the three matters of existing litigation, the Board received a report and provided direction, but no reportable action was taken.

As to the conference with labor negotiators, for NUHW and the unrepresented employees, the Board received a report and provided direction, but no reportable action was taken.

As to the Credential report, on Motion of Director Angelo, and second by Director Pack, the report was unanimously approved.

6. Board Announcements

Director Angelo provided a summary of the CEOs accomplishments. Director Johnson announced that item 10 (B) will be deferred to next month's meeting.

7. Public Comment

An opportunity for public comment was provided, and individuals were given three minutes to address the Board Members and Administration. Public comment was received by Mr. Bernosky and Mr. Swett.

8. Consent Agenda - General Business

A. Consider and Approve Minutes:

- Special Meeting of the Board of Directors – December 8, 2025.
- Regular Meeting of the Board of Directors – December 18, 2025.

B. Receive Minutes: District Bylaws / Policies and Procedures Committee –

- December 15, 2025

C. Receive Officer/Director Written Reports - No action required.

- Physician Services & Clinic Operations
- Skilled Nursing Facilities (Mabie Southside/Northside)
- Laboratory and Radiology (No report)
- Foundation
- Public Relations
- PMO Project Summary Report

D. Consider and Approve Policies:

- Development of Board Agenda (Revised)
- Fiduciary Responsibility of Board Members (Revised)
- Limit of Authority (Revised)
- Oversight of Safety, Emergency Management, and Disaster Preparedness (Revised)
- Strategic Planning (Revised)
- Board Member Identification, Compensation and Benefits (Compensation & Human Resources Requirements has been integrated) (Revised)
- Life Safety - Fire Watch (Revised)
- Section 1135 Waiver Compliance (New)
- Suicide Assessment/Self-Harm Behavior (Revised)
- Emergency Management Plan (Revised)
- Patient Safety (New)
- Practitioner Code of Conduct (Revised)

E. Consider and Approve Archival of Policies:

- Events Monthly Calendar (direction was to recommend archival)
- Human Resources Requirements (direction was to recommend archival; this was consolidated with Compensation policy; now named Compensation and Benefits)
- Improvements Comments, Suggestions (direction was to recommend archival; this was consolidated with Area of Concern policy)
- Meeting with the Administrator (direction was to recommend archival)
- Office Assistance for Board (direction was to recommend archival)
- Time Lines (direction was to recommend archival of policy; and consolidate terms with the Development of Board Agenda policy)
- Relationship to Management (direction was to recommend archival)
- Use of Letterhead by Directors (direction was to recommend archival)

Director Johnson presented the consent agenda items (A-E) to the Board for action, this information is included in the Board packet.

MOTION: By Director Angelo to approve the Consent Agenda – General Business, Items (A-E); Seconded by Director Johnson.

Moved/Seconded/ Carried. Ayes: Directors Johnson, Pack, Angelo, Gabriel, and Sanchez. Approved 5-0 by roll call.

9. Receive Informational Reports

A. Chief Executive Officer (Verbal Report)

- Community Needs Assessment Update
- Alliance for Aging

Ms. Breen-Lema provided an update on the Community Health Needs Assessment. She said there will be two community listening sessions, one scheduled for Tuesday, February 10, 2026 and Wednesday, February 11, 2026. Information is on the website. Ms. Casillas announced that Jaylee, Davison Interim Director of the Skilled Nursing Facilities (“SNFs”) will be representing the hospital at the Alliance for Aging meetings. Ms. Casillas also thanked Ms. Davison for the job well done with the tranquility room at the SNF. Ms. Casillas also provided an update on BETA HEART and Rural Health Transformation Grant.

An opportunity was provided for public comment; no public comment received.

B. Chief Nursing Officer

- Dashboard – December, 2025

Ms. Descent provided a verbal update on Flu, RSV, and International Dysphagia Diet Standardization Initiative (“IDDSI”). The dashboard is included in the packet.

An opportunity was provided for public comment; no public comment received.

C. Facilities and Finance Committee – October 20, 2025

- Facilities Project Dashboard – December, 2025
- Financial Statements – December, 2025
- Finance Dashboard – December, 2025
- Supplemental Payments – December, 2025
- Update Cashflow Budget FY 2026

Mr. Robinson provided his CFO report, which included an update on Facilities, financial statements, dashboard, supplemental payments, and cashflow budget FY 2026. These reports are included in the Board packet.

An opportunity was provided for public comment; no public comment received.

10. Action Items

A. Consider and Approve Purchase of Digital Mobile Ergo C-Arm ESP (Expanded Surgical Platform), and 1-year Warranty

Ms. Castronuevo provided a verbal report. The total cost of the C-Arm, which includes sales tax is \$205,346.85.

An opportunity for public comment was provided; no public comment received.

MOTION: By Director Sanchez to Approve the Purchase of the Digital Mobile Ergo C-Arm ESP (Expanded Surgical Platform), and 1-year Warranty in the Amount of \$205,346.85; Seconded by Director Gabriel.

Moved/Seconded/ Carried: Ayes: Directors Johnson, Pack, Angelo, Gabriel, and Sanchez. Approved 5-0 by roll call.

B. Consider and Approve Incentive Goals for the Chief Executive Officer.
This item was removed from the agenda and will be brought to next month's meeting.

C. Public Hearing and Consideration of Resolution No. 2026-08 Modifying the NUHW Bargaining Unit at San Benito Health Care District Regarding Laboratory Clerks.

Mr. Tartala, HR Director provided a report.

An opportunity for public comment was provided; no public comment received.

MOTION: By Director Pack to Approve Resolution No. 2026-08 Modifying the NUHW Bargaining Unit at San Benito Health Care District Regarding Laboratory Clerks; Seconded by Director Johnson.

Moved/Seconded/ Carried: Ayes: Directors Johnson, Pack, Angelo, Gabriel, and Sanchez. Approved 5-0 by roll call.

11. Adjournment:

There being no further regular business or actions, the meeting was adjourned at 6:39 p.m.

The next Regular Meeting of the Board of Directors is scheduled for Thursday, February 26, 2026, at 5:00 p.m.



Hazel Hawkins
MEMORIAL HOSPITAL

**BOARD OF DIRECTORS
DISTRICT PATIENT SATISFACTION COMMITTEE
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
MEETING MINUTES
THURSDAY, AUGUST 21, 2025 – 1:00 PM
SUPPORT SERVICES BUILDING, 2ND FLOOR - GREAT ROOM**

San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the community.

Directors Present

Nick Gabriel, Board Member (Teleconference Location)
Bill Johnson, Board Member

Also Present

Karen Descent, Chief Nursing Officer
Shonna Avant, Director of Infection Prevention and Regulatory Accreditation
Kim Pfeiffer, Sr. Administrative Assistant

1. Call to order / Roll Call

Director Gabriel called the meeting of the District Patient Satisfaction Committee to order at 1:04 pm.

2. Review of Minutes

The previous meeting minutes dated April 17, 2025 were read and approved.

3. Old Business

The Daisy and Petal award were discussed to go live by our next meeting in November. Dr. Gabriel also would like to explore the WOW incentive program to recognize non-clinical staff.

4. New Business

The Bylaws Committee Structure regarding the composition and duties were discussed and validated.

The initial planning stage of a Mobile Courtesy Cart for our patients was discussed to include birthday cards, meal vouchers, phone chargers, etc. More to follow.

- Q2 2025 Results

A report on the dashboard was provided and is included in the packet.

5. Adjournment

There being no further business, the meeting was adjourned at 1:33 pm. The next Patient Satisfaction Committee meeting is scheduled for November 20th, 2025, at 1:00 pm.



Hazel Hawkins
MEMORIAL HOSPITAL

**BOARD OF DIRECTORS
DISTRICT PATIENT SATISFACTION COMMITTEE
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
MEETING MINUTES
THURSDAY, NOVEMBER 20, 2025 – 1:00 PM
SUPPORT SERVICES BUILDING, 2ND FLOOR - GREAT ROOM**

San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the community.

Directors Present

Devon Pack substituted for Nick Gabriel, Board Member
Bill Johnson substituted for Josie Board Member

Also Present

Karen Descent, Chief Nursing Officer
Jacqueline Fernandez, Sr. Director of Acute Care Services
Shonna Avant, Director of Infection Prevention and Regulatory Accreditation
Kim Pfeiffer, Sr. Administrative Assistant

1. Call to order / Roll Call

Devon Pack called the meeting of the District Patient Satisfaction Committee to order at 1:03 pm.

2. Review of Minutes

The previous meeting minutes dated August 21, 2025 were read and approved.

3. Old Business

The Daisy and Super Star award were discussed in further detail and is set to go live in January 2026. The Super Star award is an incentive program to recognize non-clinical staff.

4. New Business

• **Q3 2025 Results**

A report on the dashboard was provided and is included in the packet.

- **Mobile Courtesy Cart**

The planning stage of a Mobile Courtesy Cart for our adult and pediatric patients is under way was discussed to include birthday cards, meal vouchers, phone chargers, etc.

5. Adjournment

There being no further business, the meeting was adjourned at 1:27 pm. The next Patient Satisfaction Committee meeting is scheduled for February 19, 2026, at 1:00 pm in the Great Room.



Hazel Hawkins

MEMORIAL HOSPITAL

**DISTRICT BYLAWS / POLICIES AND PROCEDURES COMMITTEE
JANUARY 13, 2026 – 1:00 PM
GREAT ROOM, 2ND-FLOOR, SUPPORT SERVICES BUILDING**

IN PERSON ONLY

MINUTES

Mission Statement - The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

Committee Members Present

Josie Sanchez, Board Member (Chair)
Devon Pack, Board Member
Mary Casillas, Chief Executive Officer
Laura Garcia, Executive Assistant

Also Present

Heidi Quinn, Legal Counsel

1. **Call to Order**

The meeting of the Bylaws/Policies and Procedures Committee was called to order at 1:04 p.m. by Director Sanchez, attendance was taken by roll call.

2. **Consider and Approve Minutes of the District Bylaws/Policies and Procedures Committee – December 15, 2025.**

Motion: By Director Sanchez, to approve the minutes of the District Bylaws/Policies and Procedures Committee – December 15, 2025, Seconded by Director Pack, and unanimously approved.

3. Review of Policies for Review and Recommendation

- Development of Board Agenda – Direction was provided to forward the revised policy to the full Board recommending approval, with the recommended edits.
- Fiduciary Responsibility of Board Members - Direction was provided to forward the revised policy to the full Board recommending approval.
- Limit of Authority – Direction was provided to forward the revised policy to the full Board recommending approval.
- Potential Conflicts of Interest - Policy, with proposed revisions, to be brought to the next scheduled meeting for review.
- Relationship to Management Company – Direction was to archive the policy.
- Oversight of Safety, Emergency Management, and Disaster Plan – Direction was provided to forward the revised policy to the full Board recommending approval.
- Strategic Planning – Direction was provided to forward the revised policy to the full Board recommending approval, with the recommended edits.
- Updating – Policy, with proposed revisions, will be brought to the next scheduled meeting for review.
- Use of Letterhead by Directors – Direction was provided to archive the policy.
- Board Member Identification, Compensation, and Benefits – Direction was provided to forward to the revised policy to the full Board recommending approval, with the recommended edits.
- Compensation of the Chief Executive Officer – Direction was to bring the policy back to the next scheduled meeting for recommendation of approval.

4. Consider and Approve Schedule of Future Meetings (Committee)

The Committee approved to meet on Monday, February 9, 2026 at 1:00 pm.

5. Adjournment

There being no further regular business, the meeting was adjourned at 1:46 p.m.



Hazel Hawkins
MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors
 From: Amy Breen-Lema, Vice President, Clinic, Ambulatory & Physician Services
 Date: February 12, 2026
 Re: All Clinics – January 2026

January 2026 Rural Health and Specialty Clinics' visit volumes

Clinic Location	Total visits current month	Total visits prior month (December 2025)
Orthopedic Specialty	506	504
Multi-Specialty	604	558
Sunset	853	706
Surgery & Primary Care	335	325
San Juan Bautista	311	323
1st Street	666	533
4th Street	1,113	1,006
Barragan	650	523
Total	5,038	4,478

- Provider recruitment activities with anticipated start dates by specialty:

- Urogynecology: Dr. Katherine Volpe – February 2026

- In reflecting on the past year, I want to recognize and thank our providers and clinic staff for their exceptional dedication to patient care and their steadfast support of the hospital District. Last year's success is a direct result of their teamwork, clinical excellence, and daily commitment to our patients and community. Their efforts, often behind the scenes, have made a meaningful difference in both patient experience and operational stability. I am truly grateful for their professionalism, compassion, and continued partnership.



Hazel Hawkins MEMORIAL HOSPITAL

Mabie Southside/Northside Skilled Nursing Facility
Board Report – February 2026

To: San Benito Health Care District Board of Directors

From: JayLee Davison, Interim Director of Nursing, Skilled Nursing Facility

1. Census Statistics: January 2026

Southside	2026	Northside	2026
Total Number of Admissions	15	Total Number of Admissions	10
Number of Transfers from HHH	15	Number of Transfers from HHH	8
Number of Transfers to HHH	6	Number of Transfers to HHH	4
Number of Deaths	1	Number of Deaths	1
Number of Discharges	15	Number of Discharges	13
Total Discharges	16	Total Discharges	14
Total Census Days	1363	Total Census Days	1423

Note: Transfers are included in the number of admissions and discharges. Deaths are included in the number of discharges. Total census excludes bed hold days.

2. Total Admissions: January 2026

Southside	From	Payor	Northside	From	Payor
7	HHMH	Medicare	1	HHH	MEDICARE
2	HHMH	CCA	1	HOME	HOSPICE
2	HHMH	CCA ER	1	GOOD SAM	MEDICARE
2	HHMH	Medicare Re-Admit	1	HHH	CCA
1	HHMH	Medicare Re-Admit Obs.	2	HHH	MEDICARE
1	HHMH	Medicare ER	1	HHH/OBS	CCA
			2	HHH/RE-ADMIT	CCA
			1	HHH/RE-ADMIT	MEDICARE
Total: 15			Total: 10		

3. Total Discharges by Payor: January 2026

Southside	2026	Northside	2026
Medicare	11	Medicare	9
Medicare MC	0	Medicare MC	0
CCA	4	CCA	4
Medical	0	Medical	0
Medi-Cal MC	0	Medi-Cal MC	0
Hospice	1	Hospice	1
Private (self-pay)	0	Private (self ay)	0
Insurance	0	Insurance	0
Total:	16	Total:	14

4. Total Patient Days by Payor: January 2026

Southside	2026	Northside	2026
<i>Medicare</i>	258	<i>Medicare</i>	172
<i>Medicare MC</i>	0	<i>Medicare MC</i>	0
<i>CCA</i>	991	<i>CCA</i>	1056
<i>Medical</i>	31	<i>Medical</i>	68
<i>Medi-Cal MC</i>	0	<i>Medi-Cal MC</i>	0
<i>Hospice</i>	52	<i>Hospice</i>	122
<i>Private (self-pay)</i>	31	<i>Private (self-pay)</i>	0
<i>Insurance</i>	0	<i>Insurance</i>	0
<i>Bed Hold / LOA</i>	16	<i>Bed Hold / LOA</i>	5
Total:	1379	Total:	1423
Average Daily Census	44.48	Average Daily Census	45.90



Hazel Hawkins MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors
 From: Bernadette Castronuevo, Director of Laboratory and Diagnostic Imaging Services
 Date: February 2026
 Re: Laboratory and Diagnostic Imaging

Updates:

Laboratory

1. Quality Assurance/Performance Improvement Activities
 - Update on chemistry analyzer project → Assay validation completed. Interface validation on going.
 - Phase 2A construction update → Phase 2A pending completion. Phase 2B started and estimated to be completed on 4/2026.

2. Laboratory Statistics

	January 2026	2026 YTD
Total Outpatient Volume	4726	4726
Main Laboratory	1398	1398
Mc Cray Lab	1081	1081
Sunnyslope Lab	475	475
SJB and 4 th Street	98	98
ER and ASC	1674	1674
Total Inpatient Volume	130	130

Diagnostic Imaging

1. Quality Assurance/Performance Improvement Activities
 - New C-arm ordered.
 - Multi-purpose trailer pad approved by ELT
 - Imaging space planning to resume

2. Diagnostic Imaging Statistics

	January 2026	2026 YTD
Radiology	2022	2022
Mammography	591	591
CT	1113	1113
MRI	199	199
Echocardiography	105	105
Ultrasound	816	816



TO: San Benito Health Care District Board of Directors
FROM: Liz Sparling, Foundation Director
DATE: February 2026
RE: Foundation Report for February

The Foundation Board of Directors met on February 12 and three presentations:

- Shanell Kerkes, RN, BSN, Director of Emergency Services & House Coordinators and Dr. Bogey presented the need for new ER lobby furniture and an external pacemaker for the ER.
- Mendi Suber-Ventura, RN, HHMH Director of Surgical Services updated the Board on the GE Care-Station Anesthesia Delivery System that was funded in November and brought dessert to thank the Board for all the equipment the Foundation has purchased for the Operating Rooms.
- Kyle Sharp presented an update on our Foundation Edward Jones accounts

Finance Committee

a. Financial Report	February
1. Income	\$ 17,506.24
2. Expenses	\$ 137,126.76
3. New Donors	1
4. Total Donations	185

Allocations:

1. Up to \$18,000 for new Emergency Room Hospital Grade Chairs
2. \$10,000 for WOWs equipment from funds dedicated to this purpose. Additional donations came in after the Dinner Dance for this purpose.
3. Up to \$10,000 for an external pacemaker for the ER

Directors Report:

- I gave our new Board members a tour of the Hospital and went over our Board Orientation. They were very impressed with our Hospital.
- Working on the Tranquility Rooms in the Skilled Nursing Facilities and they are almost complete. We are looking at having an event with our Board, the District Board and the Community Foundation Board soon. Due to flu and RSV season we will keep it small with the hope of having a larger gathering at the SNFs in the spring.
- Our end of year tax letters went out to all our donors. We issued 300 letters, had 2,362 donations totaling over \$572,000 in 2025. This is the most end-of-year tax letters we have every issued.
- Our All for 1 Employee Giving Campaign will run the month of April. This is a campaign where we ask employees to pledge gifts through payroll deduction. Last year we had 78 participants pledging \$ 66,110. Employees can designate to their department too. I am working on new ideas for encouraging new employees to donate.
- I am on the San Benito Leadership Institute Board and we just had a ½ day Board retreat at the St. Francis Retreat. It was amazing and the program is doing great work. I am hoping we send more Hospital employees to the program.

Fundraising/Development Committee

- To date, the Foundation has received 2,733 donations totaling \$1,552,240.88

Scholarship Committee

- We have received a few applications. They are due by April 1, 2026. The Foundation plans to allocate around \$20K this year.

MARKETING

• **Social Media Posts**

FACEBOOK

Preview		Views	Viewers	Interactions
 In honor of Presidents Day, our offsit... Published • Feb 13 at 3:01 PM	...	501	349	1
 HMH is pleased to welcome Katheri... Published • Feb 10 at 2:31 PM	...	8,855	6,153	87
 You can now find us on Nextdoor! ht... Published • Feb 9 at 12:15 PM	...	920	630	1
 We are hosting Public Listening Sessi... What's Going On In Hollister CA. Published • Feb 9 at 9:41 AM	...	1,295	896	0
 We are hosting Public Listening Sessi... Published • Feb 9 at 9:41 AM	...	381	240	4
 Today we had the absolute honor of ... Published • Feb 6 at 2:19 PM	...	9,539	6,399	215
 We are wearing red today in support ... Published • Feb 6 at 2:13 PM	...	13,115	7,756	77
 Today was Jeans and Jerseys Day to c... Published • Feb 5 at 3:01 PM	...	23,042	13,540	86
 We are hosting Public Listening Sessi... Published • Feb 3 at 10:00 AM	...	685	367	4
 Thank you to the Publisher of the Ho... Published • Feb 2 at 2:32 PM	...	1,527	959	14
 Join our community partners in savin... Published • Feb 2 at 3:48 AM	...	573	381	1
 We are hosting Public Listening Sessi... Published • Jan 30 at 2:55 PM	...	928	585	6

Event Invitation on FB



	Look who made it in the Baler News.... Published • Jan 26 at 3:09 PM	...	2,496	1,380	48
	Outpatient lab services in the main h... Published • Jan 26 at 2:27 PM	...	2,349	1,550	4
	It has come to our attention that the ... What's Going On In Hollister CA. Published • Jan 20 at 7:07 PM	...	1,718	1,103	0
	YOUR VOICE MATTERS! Hazel Hawki... Published • Jan 20 at 6:00 PM	...	542	279	3
	It has come to our attention that the ... What's Going On In Hollister CA. Published • Jan 20 at 7:07 PM	...	1,718	1,103	0
	YOUR VOICE MATTERS! Hazel Hawki... Published • Jan 20 at 6:00 PM	...	542	279	3
	It has come to our attention that the ... Published • Jan 20 at 4:02 PM	...	543	310	3
	It has come to our attention that the ... Published • Jan 20 at 3:56 PM	...	3,073	2,379	437
	To clear up confusion in the commun... Published • Jan 16 at 10:27 AM	...	2,977	1,842	18
	HAZEL HAWKINS HOSPITAL AUXILIA... Published • Jan 14 at 2:36 PM	...	1,186	750	5

Hazel Hawkins Hospital
Published by Frankie Gallagher
February 6 at 2:13 PM

We are wearing red today in support of the American Heart Association and their promotion of Early Detection and Prevention of Heart Disease in Women. Even our skilled nursing residents joined the cause! You can learn more by visiting [WearRedDay.org](https://www.wearred.org) #americanheartassociation #WearRedDay



75

1

The two highest viewed posts for the month.

Hazel Hawkins Hospital
Published by Frankie Gallagher
February 5 at 3:01 PM

Today was Jeans and Jerseys Day to celebrate the upcoming Super Bowl. The 49er's were definitely the most popular team of the day!



82

3

NEXTDOOR - Posts and Ads

Hazel Hawkins Memorial Hospital •
9 Feb

Your Voice Matters!
We are hosting Public Listening Sessions for our 2026 Community Health Needs Assessment. Please join us on February 10th at 6:00 pm or February 11th at 3:30 pm to provide valuable input about health care needs in San Benito County.
If you are unable to attend these sessions, please scan the QR code to complete a brief survey online.



YOUR VOICE MATTERS!

2026 Community Needs Assessment
PUBLIC LISTENING SESSIONS

Tuesday
February 10th
6:00 pm

Wednesday
February 11th
3:30 pm

Hazel Hawkins Hospital
Support Services Building - 2nd Floor - Great Room

All community members are welcome.
Your feedback is valuable—and appreciated.

If you cannot attend a listening session, please take our online survey by scanning the QR code or go to <https://forms.office.com/r/ohmBAuKZD>

Like Comment Share

641 Views

Hazel Hawkins Memorial Hospital •
6 days ago



HMMH is pleased to welcome Katherine Volpe, MD!
Dr. Volpe recently joined the HMMH Medical Staff adding th...

38 7 2,217 Views

Impressions
1,363

Women's Health Services



Impressions: **618**
Clicks: **3**

4

Community Health Needs Assessment



Impressions: **745**
Clicks: **3**

3

EMPLOYEE ENGAGEMENT

Employees:

- Hazel's Headlines
- Employee Years of Service Recognition program
- Casual for a Cause - Jeans and Jerseys Day - Celebrating the Super Bowl
- Wear Red - Casual for a Cause - Women's Heart Health Awareness
- Food Trucks and goodie bags for Valentines Day
- Casual for a Cause—Blue Jean Day - Celebrating Valentines Day
- Launching Daisy/ Super Star Employee Recognition Program for Exemplary Service - February 23

MEDIA

Press Release:

- HHMH Welcomes Katherine Volpe, MD, New Urogynecology Specialist
- Hazel Hawkins Memorial Hospital Invites Community to Participate in 2026 Community Health Needs Assessment Survey

COMMUNITY

Public:

- Working with Wipfli on the 2026 Community Needs Assessment
 - ⇒ There are 35 community leaders/stakeholders that have been identified to be interviewed by Wipfli. 25 interviews were completed.
 - ⇒ Promoting Community Needs Assessment questionnaire to the community.
 - ⇒ Hosted two Community Listening Sessions
- Donated 50 first aid kits to Hollister Little League
- Participated in county-wide disaster drill on 2/18

Project Dashboard - February 2026 Board

Project Name	Purpose	Start Date	Go Live	Duration	Status	Priority	HCAI	Key Stakeholder	Role	Update
Innovation	Nurse Scheduling Software	12/6/2024	TBD	0	In Progress	Low		Jac Fernandez	Senior Director of Acute Care Services	Staff/Director training ongoing. Product is live to admin's and house supervisors to refine workflow.
HUGS/Securitas	Infant Security	4/12/2024	5/1/2026	749	In Progress	High		Jac Fernandez	Senior Director of Acute Care Services	Construction is completed. Preparing for location optimization and tuning of devices with Vendor.
BD Installation	New Pyxis Machines	12/4/2024	4/1/2026	483	In Progress	Medium		Naveen Ravela	Pharmacy Director	Team has completed construction, pending BD site visit to turn on machines.
BD Pharmacy Keeper	IV Compounding Verification	11/14/2024	TBD		In Progress	High		Naveen Ravela	Pharmacy Director	Ongoing technical meetings with BD and Meditech
Lab Remodel	Lab Phase 1: Analyzer Validation		2/1/2026		Completed	High		Bernadette Enderez	Lab/Radiology Director	Project is closed out and has been rolled into phase 2.
Lab Remodel	Lab Phase 2: Analyzer Replacement	6/3/2024	4/1/2026	667	Ongoing	High		Bernadette Enderez	Lab/Radiology Director	Phase 2B has started, pending HCAI FLSO and CO to sign off on 2A.
OR Remodel	Updating OR per OSHPD Requirements	11/20/2024	12/31/2026	771	Ongoing	High		Mendi Suber-Ventura	Director of Surgical Services	GDPH waiver has been extended until JAN 2027.
Seismic	Upgrade to Meet HCAI Seismic Compliance & Safety Standards	11/1/2025	1/1/2033		Ongoing	High		Jorge Ramirez	Senior Director Support Services	Compliance plan successfully submitted before the 1/1/26 deadline. HCAI grant application submitted. Pending Geotech proposals and work to aid in the schematic design.
MRI Upgrade	Proposal submitted	TBD	TBD		On Hold	Low		Bernadette Enderez	Lab/Radiology Director	Proposal submitted
*Radiology Masterplan	Assessment of equipment and remodel	11/1/2025	TBD		On Hold	High		Bernadette Enderez	Lab/Radiology Director	Meeting to be scheduled to discuss requirements

Project Dashboard - February 2026 Board

*Imaging Trailer Pod Make Ready	Treanor to help when MP starts	TBD	TBD		On Hold	Medium	Bernadette Enderez	Lab/Radiology Director	Pending proposal approval
•Verkada	Security / SSO + Door Access	3/11/2025	TBD		In Progress	High	Jorge Ramirez	Senior Director Support Services	Contract issued to The Core Group to start construction. Pending HCAI building permit issuance then construction will start apprx week of 2/23. Still will need Safehouse to actually install all devices
Willdan Energy Solutions	GK12 Program: 9 locations where we can have new water heaters at no cost to the district.	8/29/2025	TBD		Cancelled	Medium	Jorge Ramirez	Senior Director Support Services	Demand no longer there.
Sterilizer Replacement	Installation of new AMSCO 400 48 SD equipment for Sterile Processing Department	9/16/2025	11/1/2026	411	In Progress	High	Mendi Suber-Ventura	Director of Surgical Services	Advertisement for bid is posted. Site walk with GC 2/24. Bids due week of 3/16
Focus Sports Therapy	Renovate and expand Focus sports therapy clinic	7/1/2025	TBD		In Progress	Medium	Jorge Ramirez	Senior Director Support Services	Ongoing schematic design with architects and Focus PT team.
Physical Therapy Clinic Remodel	Expanding current location to help with ongoing demand	6/1/2025	TBD		On Hold	High	Jun Estrada	Director of Physical Therapy	Looking to perform feasibility study of the new location
Soleran	Replace current engineering ticketing system	1/1/2025	9/29/2025		In Progress	Medium	Jorge Ramirez	Senior Director Support Services	Go Live was 9/29 for corrective work orders. Preventative and Planned Work Orders in progress.
ED Helipad	System is an AFFF system and no longer allowed in CA. Is required to be phased out due to being a hazardous chemical.	5/27/2025	6/1/2026	370	In Progress	High	Jorge Ramirez	Senior Director Support Services	Regular (S) project has been submitted, construction will start after HCAI approval.
Nurse Call System	Replace	9/10/2024	TBD		On Hold	High	Jac Fernandez	Senior Director of Acute Care Services	Pricing details collected and presented for review.

Project Dashboard - February 2026 Board

Immuware Employee Health Software	Streamline employee health tracking, automate compliance reporting & improve visibility of immunizations, exposures, & health screenings.	6/27/2025	1/15/2026	In Progress	High	Elizabeth Von Urff	Director, Employee Health/WC	Go live was 1/15/26. Currently working on data validation and correction to ensure accuracy.
Tranquility Rooms	Dedicated therapeutic low sensory rooms at William & Inez Mable Northside and Southside Skilled Nursing Facilities.	7/24/2025	TBD	In Progress	High	Liz Sparring	Director Foundation	Tranquility rooms nearing completion.
Meditech Expense MaaS Implementation	Electronic Health Record	9/17/2025	7/1/2026	In Progress	High	Suzie Mays	VP, Information and Strategic Services	Dictionary build and training in progress. Meetings in progress for interfaces. Mock live planned for 5/12-5/14 and 5/19 - 5/21.
CT Scanner	Replace	TBD	TBD	In Progress	High	Bernadette Enderrez	Lab/Radiology Director	Both CT's that we have need repairs.
Northside Flooring	Replace kitchen flooring at the Northside SNF	1/1/2026	TBD	In Progress	High	Jaylee Davison	Interim Director of Nursing - (SNF)	Pending proposal approval for architect and proposal for flooring contractor. Internal team meeting regularly to discuss logistics planning.
Galen Healthcare Solutions	Galen will archive eCW data that cannot be migrated to Meditech Expense.	8/13/2025	TBD	In Progress	Medium	Salomon Mercado	Director Information Technology	Galen team will confirm access and transition to implementation.

Totals								
---------------	--	--	--	--	--	--	--	--

TASK STATUS %	COUNT	%
Not Started	0	0%
In Progress	13	59%
Overdue	0	0%
On Hold	5	23%
Ongoing	3	14%
Completed	1	5%
TOTAL	22	100%

estimated go-live
planned go live
possible new/not started

PENDING ITEMS
Decisions

Project Dashboard - February 2026 Board

High	16	70%	
Medium	5	22%	2
Low	2	9%	
TOTAL	23	100%	

Change Requests

2

San Benito Health Care District
Board of Directors
Policy Manual

SUBJECT	<u>Updating Board Member Handbook</u>		
WRITTEN BY	Board Ad Hoc Committee on Policy & Procedures	POLICY NUMBER	2000 - 26
APPROVED BY	San Benito Healthcare District Board of Directors	EFFECTIVE	May 24, 2001
Resolution#		REPLACES	September 21, 2000
Other			

POLICY

The San Benito Health Care District (District) shall provide each Board member, at the beginning of their term of office, a Board Member Handbook containing the following materials:
The following, updated documents should be available to Board members:

- District Bylaws
- The District's Organizational Chart
- A Department Manager Roster (includes names and extension numbers) (Also see Communication Directory)
- Board Committee Assignments (~~including~~ committee description, names of Board, and staff members, doctors/medical staff representatives (if applicable), and dates/times of meeting schedules)
- The Administrative Policy Manual
- Materials related to continuing education, including seminar information, legislative updates, and relevant training resources.
- ~~Other material for continuing education, seminars, legislative updates, etc.~~
- Reasons for closed session (Quarterly QA Reports in January, April, July and October)
- A copy of the Ralph M. Brown Act.

Updates to the above materials shall be provided to Board members throughout their term.

PROCEDURE

1. Administration will distribute updated materials to Board members as needed. Delivery may occur by email, telephone notification, or other means to ensure timely communication.

~~If necessary, information will be faxed, telephoned or e-mailed to Board members to expedite communication.~~

2. Administration offices are open Monday through Friday, except for holidays, from 7:30 a.m. to 5:30 4:30 p.m. to allow Board members access to mail slots.

3. When timely delivery is necessary, information may also be sent electronically to ensure prompt receipt.



ADMINISTRATIVE POLICY MANUAL

CREATED: 9/2021

Reviewed: NEW

Revised: NEW

LD

Pg. 1 of 1

SUBJECT: ABSENCE OF ~~SBHCD~~ CHIEF EXECUTIVE OFFICER

PURPOSE: The San Benito Health Care District (District) Board of Directors (Board) is responsible for appointing the Chief Executive Officer ~~of the District~~, who is responsible for overall managing management of SBHCDthe District. In the absence of the CEO, it is important that a qualified administrative person leader be available to ensure continuity of operations, provide for decision-making authority, and address urgent operational guidance, and to answer questionsissues.

POLICY: During the absence of the Chief Executive Officer (CEO), or any Interim CEO, of San Benito Health Care District (SBHCD), and in recognition of the SBHCDDistrict Organization Plan, the qualified individuals designated below shall assume responsibility (in the order presented ~~here~~) for all aspects of management of District and Hospital operations, in collaboration with other SBHCDDistrict Senior Executives:

- ~~1. Chief Operating Officer,~~
- 2.1 Chief Financial Officer (CFO);;
- 3.2 Chief Clinical Officer, Chief Nursing Officer (CNO); or
- 3. or, d Designee as appointed by the Chief Executive Officer

- ~~A. Absence of the Chief Executive OfficerCEO includes periods during which the CEO cannot be contacted will mean the inability to contact the CEO~~ due to vacation, illness, incapacity, or other ~~absence from the facilitiescircumstances resulting in unavailability.~~
- ~~B. Executives include Chief Executive Officerthe CEO, Chief Financial OfficerCFO, Chief Operating Officer, and Chief Clinical Officer and Chief Nursing Officer CNO, and VP, Ambulatory and Physician Services.~~

GENERAL INFORMATION

- A. ~~In the eventWhen~~ the CEO is unavailable ~~due to absence~~, the ~~Chief Operating Officer Chief Financial OfficerCFO~~ shall be the Acting CEO responsible for the following, including but not limited to:
 - ~~All~~ Overseeing all operations of SBHCDDistrict and its facilities.
 - Attending Board and committee meetings where the CEO's attendance is required, such as Medical Executive Committee (MEC) and sub-committees of the Board ~~of Directors.~~
 - ~~Be consulted on~~ Addressing regulatory issues normally brought to the attention of the CEO.
 - Representing the SBHCDDistrict at Hospital functions.
- B. Issues relating to medical staff matters shall be reviewed in consultation with the Medical Staff Department prior to taking action. Should answers to questions be difficult to reach or uncertainty exists in making the correct decision, the designees may contact the President of the Board ~~of Directors~~ for appropriate direction, and/or consult District Legal Counsel for assistance.
- C. Whenever possible and practical, matters involving issues with potentially serious ramifications should be deferred until the return of the CEO.

PROCEDURE

- A. In the absence of the ~~Chief Executive Officer according to this policy~~CEO, the ~~Chief Operating Officer~~
~~Chief Financial Officer~~CFO or other Executive Designee is to be contacted as the Acting CEO. Should
the Administrative Supervisor, operator or person initiating the response be unable to contact the ~~Chief~~
~~Operating Officer~~, ~~Chief Financial Officer~~CFO, the above chain of command will apply.



BOARD OF DIRECTORS POLICY MANUAL

Committee Approval:

Board Approval:

Policy #: BOD-

New: 8/24/22

Reviewed: 4/14/23

Revised:

Pg. 1 of 1

SUBJECT: Ethics ~~Training~~ and Education Training ~~Relating to Work Place Harassment Requirements~~

PURPOSE:

To provide establish clear guidelines to ensure the for compliance with AB 1234 for ethics training and sexual harassment training and education for San Benito Health Care District ("District") Board members comply with statutory requirements for ethics training and sexual harassment prevention training.

POLICY:

It is the policy of the San Benito Health Care District ~~!To~~ ensure that District Board members receive complete training in ethics according to California Government Code sections 53234, *et seq.* ~~(AB 1234) training~~ and education regarding sexual harassment prevention and abusive conduct in the workplace.

PROCEDURE:

1. Each District Board member is required to complete a minimum of two (2) hours of ethics training sufficient to meet the legal requirements of AB 1234 Government Code section 53234 within six (6) months of assuming office, and every two (2) years thereafter. Such training must cover responsibilities, conflicts of interest, transparency and new fiscal rules.
2. All District Board members are required to complete at least two (2) hours of training and education relating to workplace harassment, abusive conduct, within six (6) months of assuming office, every and every two (2) years thereafter.

Free online training is offered at through the Institute for Local Government at www.ca-ilg.org/ethics-education-and-training-ab-1234; the California Civil Rights Department at <https://calcivilrights.ca.gov/shpt/> or self-study through District Counsel as a self-serve training program; therefore, there will be no expense reimbursement for this mandatory training.

The District shall maintain ethics training records for five (5) years, and these records are subject to disclosure under the California Public Records Act.

REFERENCE:

AB 1234 (Chapter 700, Statutes of 2005) Government Code; S-sections 53232 and 53235 Health and Safety Code section 32103; and SB 827.



BOARD OF DIRECTORS POLICY MANUAL

Committee Approval:

Policy #: BOD-3

Reviewed: 1/2017, 8/2/22

Revised:

Board Approval: 8/25/22

Pg. 1 of 3

SUBJECT: San Benito Health Care District (District) Board Member Expenditure Reimbursement

POLICY: District Board members are entitled to reimbursement for actual and necessary traveling and incidental expenses incurred in the performance of official business of the District.

PROCEDURE:

1. Authorized Expenses

1.1 Generally Authorized Expenses. District funds, equipment, supplies, titles, and staff time must only be used for authorized District business. Authorized expenses are, generally, expenses incurred in connection with activities including, but not limited to, the following:

1.1.1 Communicating with representatives of regional, state, and national government on District-adopted policy positions;

1.1.2 Attending educational seminars designed to improve Board Member's skills and information levels;

1.1.3 Participating in regional, state, and national organizations whose activities affect the District's interests;

1.1.4 Participating in an event recognizing service to the District; and

1.1.5 Attending District events.

1.2 Prior Approval for Other Expenses. All other expenditures require prior approval by the District Board of Directors (Board) in a public meeting. The following expenses also require prior approval by the District Board of directors:

1.2.1 International and out-of-state travel;

1.2.2 Expenses that exceed the annual limits established for each ~~office holder~~ Board member; and

1.2.3 Expenses exceeding **\$2,500** per trip.

1.3 Personal Expenses. Examples of personal expenses that the District will not reimburse include, but are not limited to:

1.3.1 The personal portion of any trip;

1.3.2 Political or charitable contributions or events;

1.3.3 Family expenses, including partners' expenses when accompanying ~~officials~~ Board members on District-related expenses;

1.3.4 Entertainment expenses;

- 1.3.5 Non-mileage personal automobile expenses, including repairs, traffic citations, insurance, or gasoline; and
- 1.3.6 Personal losses incurred while on District business.
- 1.4 **Questions.** Any question regarding the propriety of a particular type of expense should be resolved by the district board of directors before the expense is incurred.
2. **Cost Control.** To conserve District resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred that exceed these guidelines, the cost borne or reimbursed by the District will be limited to the costs that fall within the guidelines.
- 2.1 **Transportation.** Directors shall utilize the most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Government and group rates should be utilized when available.
- 2.1.1 **Rental Vehicles.** Charges for rental vehicles may be reimbursed under this provision if the expense is economical and reasonable for purposes of conducting the business of the District.
- 2.1.2 **Airfare.** Charges for airfare may be reimbursed under this provision if the expense is economical and reasonable for purposes of conducting the business of the District.
- 2.1.3 **Automobile.** Automobile mileage is reimbursed at Internal Revenue Service (IRS) rates in effect at the time the expense is incurred. The IRS mileage reimbursement rate does not include bridge and road tolls, which are also reimbursable. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. The Internal Revenue Service|IRS rates will not be paid for rental vehicles; only receipted fuel expenses will be reimbursed for rental vehicles.
- 2.1.4 **Taxis/Ride Share/Shuttles.** Taxis, ride share, or shuttle fares may be reimbursed, including a fifteen percent (15%) gratuity per fare, when the cost is economical and reasonable for purposes of conducting the business of the District.
- 2.2 **Lodging.** Lodging expenses will be reimbursed or paid for when travel on official District business reasonably requires an overnight stay.
- 2.2.1 **Conferences/Meetings.** If lodging is in connection with a conference, lodging expenses may shall not exceed the maximum group rate published by the conference or activity sponsor, for the meeting in question, if such rates are available at the time of booking. If the group rate is not available, see the next section.
- 2.2.2 **Other Lodging.** Travelers must request government rates, when available. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy. In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed **\$300** per night or the conference rate are presumed reasonable and hence reimbursable for purposes of this policy.
- 2.3 **Meals.** Reimbursable meal expenses and associated gratuities will not exceed the Internal Revenue Service|IRS rates in effect at the time the expense is incurred. When a meal function is an organized event, the director shall be reimbursed the amount being charged by the event organizer for the meal, regardless of whether the per-person cost exceeds the Internal Revenue Service rates. The District will not pay for alcohol/personal bar expenses.

2.4 Phone/Fax/Internet. Board Members will be reimbursed for actual telephone and fax expenses incurred ~~on for~~ District business. Telephone bills should identify which calls were made on District business. Board Members will be reimbursed for internet access connection and/or usage fees away from home, not to exceed \$25.00 per day, if internet access is necessary for District-related business.

2.5 Airport Parking. Long-term parking must be used for travel exceeding twenty-four (24) hours. Board Members will be reimbursed for airport parking expenses.

~~2.6~~ Personal Responsibility. ~~If a Board member elects to incur expenses that exceed the established rates or allowable amounts under this Policy without first securing prior approval from the Board, the District will reimburse only up to the approved limits. Any costs above those limits must be paid personally by the Board member.~~

3. Expense Reports

3.1 Expense Report. All expense reimbursement requests must be submitted on an expense report form provided by the District, accompanied by receipts documenting each expense. ~~Expense reports must document that the expense in question met the requirements of this policy.~~

3.2 Submission Deadline. Officials must submit their expense reports within a reasonable time and not later than sixty (60) days of an expense being incurred, ~~accompanied by receipts documenting each expense.~~

3.3 Audits. All expenses are subject to verification that they comply with this policy.

4. Director Report. ~~Board members must provide a brief report at the next regular meeting for any meeting or conference attended at District expense.~~

~~5.~~ Compliance With Laws. Board Members understand that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act and other laws.

~~56.~~ Violation Of This Policy. Under state law, the use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: (1) loss of reimbursement privileges; (2) a demand for restitution to the District; (3) the ~~agency's-District's~~ reporting the expenses as income to the ~~elected official~~ Board member to state and federal tax authorities; (4) civil penalties of up to \$1,000 per day and three times the value of the resources used; and (5) prosecution for misuse of public resources.



BOARD OF DIRECTORS POLICY MANUAL

Committee Approval: 1/22

Policy #: BOD-30

Reviewed:

Revised:

Board Approval: 1/22

Pg. 1 of 1

SUBJECT: Meetings of Directors

POLICY:

San Benito Health Care District (District) Board Meetings: Location, Time, Date, and Quorum

PURPOSE:

To establish procedures for meeting notice, scheduling, quorum, and public access to ensure all meetings of the District Board of Directors (Board) comply with the Ralph M. Brown Act (Government Code § 54950 et seq.).

PROCEDURE:

1. Regular Meetings

Regular meetings of the Board shall be held monthly on the fourth (4th) Thursday of each month at 5:00 p.m. at a location on the Hazel Hawkins Memorial Hospital campus. The Board may from time to time, by majority vote, change the time and place of a regular meeting. The District shall post an agenda in a location freely accessible to members of the public and on the District website, which ~~complying~~ complies with the California Government Code Brown Act at least seventy-two (72) hours prior to a regularthe meeting.

2. Special Meetings

Special meetings of the Board may be called by the President of the Board or by three (3) Directors. The District shall deliver written notice of a special meeting to all Board members at least twenty-four (24) hours prior to the time of the meeting as specified in the notice. The District shall post the notice of the special meeting in a location that is freely accessible to members of the public. This 24-hour notice requirement shall not apply in an “emergency situation” as defined in the California Government Code. Written notice must be provided to each Board member (unless waived) and provided to all media outlets that have submitted written requests for notice. The notice must be delivered by personal delivery or any other means that ensures receipt at least twenty-four (24) hours before the time of the meeting.

3. Emergency Meetings

Emergency meetings may be called when prompt action is required due to a work stoppage, crippling activity, or other emergency that severely impairs public health, safety, or the ability to provide essential public services. Notice shall be provided to all news media who have requested notice of special meetings by telephone at least one (1) hour before the meeting. All telephone numbers provided by the media must be attempted. If telephones are not functioning, notice requirements are waived, but the District shall notify the media of the meeting and any action taken as soon as possible.

4. Adjourned and Continued Meetings

A regular, special, or adjourned meeting of the Board may be adjourned to a stated time and place. If the meeting is adjourned to a time not stated in the original order of adjournment, the meeting shall be deemed continued to the time regularly scheduled for Board meetings. Any meeting may be adjourned by the Board members present, even if less than a quorum is in attendance. If no Directors are present, the Clerk or Secretary of the Board may adjourn the meeting. If a meeting is adjourned for less than five (5) calendar days, a new agenda is not required, provided that no new item of business is introduced at the continued meeting. A copy of the order of adjournment shall be posted within twenty-four (24) hours after the meeting is adjourned at or near the door of the place where the meeting was held. If a meeting is continued to a later date, all public notice and agenda requirements applicable to the original meeting shall apply to any new business added to the continued meeting.

4.5. Quorum

For regular and special meetings of the Board, a quorum shall be three (3) members. No action may be taken without a quorum present.

5.6. Public Meetings

All meetings of the Board, whether regular, special, or adjourned, shall be open and public, and all persons shall be permitted to attend any meeting unless otherwise provided by law. Public testimony on a particular issue shall be limited to ~~a maximum of three (3) minutes for each individual speaker for each issue per speaker per agenda item, unless otherwise adjusted by the .~~ The Board may, at its discretion, allow for more time if deemed appropriate or necessary based on the number of speakers or other reasonable considerations consistent with the Brown Act.

7. Closed Session

The Board may meet in closed session only as authorized by the Brown Act. The agenda shall identify the statutory authority for each closed-session item. Before convening in closed session, the Board shall make the required public announcement. Following the closed session, the District must provide an oral or written report of any reportable action taken and the vote of every Board member present, as required by law.

San Benito Health Care District
 Board of Directors
 Committee Charter

SUBJECT	DISTRICT FINANCE COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Recommends to the Board policies regarding business practices, financial systems, and hospital financial performance benchmarks.
- Reviews and makes recommendations to the Board on business development opportunities, and hospital contracts exceeding the authority of the Chief Executive Officer.
- Makes recommendations to the Board concerning capital improvements.
- Reviews and recommends to the District Board for approval, the District budget and financial performance.

**San Benito Health Care District
Board of Directors
Committee Charter**

SUBJECT	DISTRICT PLANNING AND FACILITIES COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Reviews and makes recommendations to the Board regarding the hospital's three- (3) year strategic plan.
- Conducts an annual review of the three- (3) year strategic plan.
- Recommends to the Board a Facility Master Plan and an annual Management Action Plan (MAP).
- Reviews specific business development facility projects in conjunction with the Finance Committee.
- Reviews the Management Action Plan (MAP) and the hospital's overall strategic plan process and performance.
- Serves as a forum for consideration of community concerns and opportunities.

San Benito Health Care District
Board of Directors
Committee Charter

SUBJECT	DISTRICT NETWORKING COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 5/24/01

- Reviews and makes recommendations to the Board on networking opportunities with other facilities/entities that would be beneficial to and enhance the services provided by Hazel Hawkins Memorial Hospital.
- Reviews Management Action Plan (MAP) and Strategic Plan for potential networking opportunities.
- Recommends Board approval to pursue networking actions that would add value to and improve existing District healthcare services.
- Reviews annually all networking agreements and makes recommendations to the Board for renewal, changes or cancellation.

San Benito Health Care District
 Board of Directors
 Committee Charter

SUBJECT	JOINT CONFERENCE COMMITTEE CHARTER
WRITTEN BY	
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Provide a forum for discussion of issues of mutual concern to the Medical Staff, the Board of Directors, and Administration.
- Recommends to the Board and Medical Staff, initiatives, policies and practices to improve and support effective operations and the quality of care.

**JOINT COMMISSION
DOCUMENTS FOCUSED ON IN ASSESSING GOVERNING BODY COMPLIANCE
2009**

Assure that the minutes of the Governing Body clearly reflect evidence that the following documents were reviewed, approved, and – when necessary – acted upon:

Document
<input type="checkbox"/> Organization Policy upon Initiation and Whenever Revised. (simple policy review or procedures do not have to be sent to the governing body)
<input type="checkbox"/>
<input type="checkbox"/> Mission, Vision, and Value Statements upon Development
<input type="checkbox"/> Strategic Plan
<input type="checkbox"/> Document Describing Scope and Degree of Leaders' Involvement, Authority, and Responsibility in Corporate-Level Policy Decisions
<input type="checkbox"/> Hospital Plan for the Provision of Patient Care
<input type="checkbox"/> Annual Operating Budget and Long Term Capital Expenditure Plan
<input type="checkbox"/> Plan to Improve Organizational Performance (PI Plan)
<input type="checkbox"/> Patient Safety Program / Annual Evaluation of the Patient Safety Program
<input type="checkbox"/> Periodic (quarterly) Reports on Performance Improvement Activities (specific data is up to the organization, but at the least should include core measure performance, patient flow measurements)
<input type="checkbox"/> Annual Evaluation of the Safety Program (seven plans)
<input type="checkbox"/> Recommendation for Environment of Care Performance Improvement Project
<input type="checkbox"/> Annual Report on Staffing Effectiveness
<input type="checkbox"/> Annual Evaluation of the Infection Control Program
<input type="checkbox"/> Governing Body Bylaws
<input type="checkbox"/> Medical Staff Bylaws and Rules & Regulations
<input type="checkbox"/> Recommendations of Individuals for Medical Staff Membership / Credentialing
<input type="checkbox"/> Recommendations for Delineation of Physician Clinical Privileges
<input type="checkbox"/> Recommendations for Appointment / Reappointment to the Medical Staff

SAN BENITO HEALTH CARE DISTRICT
HAZEL HAWKINS MEMORIAL HOSPITAL
ADMINISTRATIVE POLICY MANUAL

SUBJECT: PATIENT SAFETY PROGRAM	LEADERSHIP/GOVERNANCE/MANAGEMENT
WRITTEN BY: PATIENT SAFETY OFFICER	NUMBER: LD - 411
APPROVED BY:  CHIEF EXECUTIVE OFFICER	EFFECTIVE: 09/07 REPLACES: 05/04

POLICY:

The San Benito Health Care District is committed to addressing the National Patient Safety Goals through an organizational proactive risk reduction approach.

PROCEDURE

The Governing Board, Medical Staff, and Administration appoint a Patient Safety Officer. The Patient Safety Officer collaborates with departments and Safety Programs within the organization while focusing on continuous compliance with the current National Patient Safety Goals. (National Patient Safety Goals all revised by the Joint Commission on an annual basis.)

The Patient Safety Officer facilitates the Patient Safety Committee members to fulfill the specific expectations related to each goal. Recommendations for change, solutions to problems identified and education feedback to staff are developed within the Committee. Compliance with meeting expectations is measured and reported to the Safety and PI committees on a quarterly basis.



MEMORANDUM

To: Board of Directors
From: Suzie Mays
Vice President, Information & Strategic Services
Date: February 13, 2026
Re: Policies for Approval

Please find below a list of policies with a summary of changes for Board of Directors approval. All revised policies are available for review upon request. New policies are included in the packet.

Blood and Blood Products Administration	Revised procedure based on the 21st edition of AABB Technical Manual, adding the correct Blood Bank extension number, and attaching the Blood Transfusion Record and Emergency Liability Forms.
Administration of Gadolinium-Based Contrast Agents	Revised. Gadolinium-based MR contrast agents (GBMCA) definition added. Added a maximum dose in 24 hours. Minimum GFR changed per Dr. Richard Rupp's recommendation.
Utilization of Contrast Media in Diagnostic Imaging	Revised to explain 1) the patient screening and documentation process for contrast, 2) the roles and responsibilities for distributing contrast, 3) the process, requirements, and qualifications for administering contrast, and 4) guidance on reporting reactions and medication errors, and 5) disposal of contrast.
Post-Exposure Shuttering, Cropping, and Electronic Masking in Diagnostic Imaging Policy	Revised to provide clear guidance for image acquisition to ensure technical factors support both radiation reduction and optimal diagnostic image quality.



Compounding - Personnel Sterile Training and Evaluation	New.
Compounding – Environmental Monitoring: Surface and Air Sampling	Revised since incubating in hospital pharmacy now, and not in lab.
Compounding – Facility: Sterile Compounding Facility	Revised to add "24 hours if refrigerated, or sooner if the manufacturer's instructions require" for BUD.
Compounding – Personnel: Competence for Sterile Compounding	Revised to update frequency of retesting, added references, and affected departments.
Alcohol Withdrawal Syndrome Medication Management	New.
Tranexamic Acid Administration Policy and Procedure for Trauma Patients	New.



Compounding - Personnel Sterile Training and Evaluation

Disclaimer

PDF DISCLAIMER LEGAL NOTICE: This PDF was requested on 2/13/2026. PDFs should not be used as official documentation. Contents of official documents are subject to change without notice. Lucidoc makes no representation or warranty whatsoever regarding the completeness, accuracy, "up-to-dateness", or adequacy of the information or materials contained herein. Please refer to Lucidoc for the most up to date information.

CONFIDENTIALITY LEGAL NOTICE: This PDF may contain confidential information and is intended solely for the addressee. The information may also be legally privileged. This transmission is sent in trust, for the sole purpose of delivery to the intended recipient. If you have received this transmission in error, any use, reproduction, or dissemination of this transmission is strictly prohibited. If you are not the intended recipient, please immediately notify the sender and permanently delete this file.

Approvals

- Committee Approval: Policy Committee approved on 2/5/2026
 - Committee Approval: Infection Control approved on 9/9/2025
 - Committee Approval: Pharmacy & Therapeutics approved on 6/24/2025
-

Revision Insight

Document ID:	12336
Revision Number:	0
Owner:	Edwin Florendo,
Revision Official Date:	No revision official date

Revision Note:
added steps on how steps for aseptic technique

Policy : Compounding - Personnel Sterile Training and Evaluation

PURPOSE

To define the required procedures and standards for garbing competency (including gloved fingertip sampling) and media fill testing used to evaluate sterile compounding personnel in accordance with United States Pharmacopeia (USP) <797>. These assessments verify the ability to maintain aseptic conditions during compounding.

POLICY

All sterile compounding personnel must successfully complete initial and ongoing evaluations of garbing competency (including gloved fingertip sampling) and media fill testing before and during compounding activities. Evaluations are required at specified intervals and must meet defined microbial action limits to be considered passing.

Failures require immediate remediation and retesting before resuming compounding duties.

DEFINITIONS

- Gloved Fingertip Sampling (GFS): Microbiological sampling of the fingertips of both gloved hands to evaluate aseptic garbing and hand hygiene practices.
- Media Fill Testing: A compounding simulation using sterile media to evaluate aseptic technique during sterile preparation.
- CFU (Colony Forming Unit): A measure of viable microorganisms on a culture plate.
- Category 1, 2, 3 CSPs: Levels of sterile compounding risk based on environment and beyond-use dating (BUD), per USP <797>.
- Tryptic Soy Broth (TSB): A nutrient-rich medium used to promote microbial growth.

PROCEDURE

A. Initial Garbing Competency Evaluation

All personnel involved in sterile compounding, including those who directly supervise compounders, must complete a garbing competency evaluation that includes:

- Visual observation of proper hand hygiene and garbing technique
- Gloved fingertip sampling from both gloved hands

B. Initial Gloved Fingertip Sampling

1. When Performed:

- Conducted after full garbing.
2. **Frequency:**
 - Must pass three consecutive GFS tests (Initial)
 - Must pass one GFS test (ongoing)
 3. **Action Limits:**
 - Post-garbing GFS: >0 CFUs (total from both hands) = failure
 4. **Incubation:**
 - At 30–35°C for ≥48 hours, then at 20–25°C for ≥5 additional days.
 5. **Failure & Remediation:**
 - Any failure requires remediation and a repeat of the entire sequence until all samples have successfully passed.
 6. **Ongoing Gloved Fingertip Sampling**
 - Category 1 & 2 Compounding personnel: At least every 6 months
 - Category 3 Compounding personnel: At least every 3 months
 - Supervisors: At least annually

D. Initial Media Fill Testing

1. Must simulate actual or worst-case aseptic manipulations performed by the individual.
 - a. Aseptically attach one sterile filter needle to the sterile syringe.
 - b. Draw up the contents of the GroMed ampule into the syringe.
 - c. Inject the contents into the GroMed sterile vial.
 - d. Shake the vial gently to mix the TSB and indicator dye.
 - e. Using a new sterile needle for each transfer, withdraw 1 mL of TSB from the GroMed vial and inject it into the GroMed sterile minibag.
 - f. Repeat this step 19 additional times (20 total transfers), using a new sterile needle each time, but using the same syringe.
 - g. After the final transfer, the vial should be empty and the minibag should contain approximately 120 mL of TSB.
 - h. Label the minibag with the compounder's name or unique identifier and date of compound
2. Includes:
 - Visual observation of aseptic technique
 - Aseptic transfers using sterile growth media
 - Gloved fingertip sampling
 - Surface sampling
3. **Incubation:**
 - Media fill incubated for at 20–25°C for ≥7 days, then at 30–35°C for ≥7 additional days

- GFS incubated at 30–35°C for ≥48 hours, then at 20–25°C for ≥5 additional days
- Surface sample incubated at 30–35°C for ≥48 hours, then at 20–25°C for ≥5 additional days

4. Pass Criteria:

- No visible contamination in media.
- Post-media fill GFS ≤3 CFUs (total).
- Surface sample ≤3 CFUs (total).

5. Failure:

- Any growth in media or GFS and surface sample >3 CFUs = failure.
- Retraining and full retesting required.

6. Ongoing Media Fill Testing

- Category 1 & 2 Compounding personnel: At least every 6 months
- Category 3 Compounding personnel: At least every 3 months
- Supervisors: At least annually.

REFERENCES

United States Pharmacopeia. USP General Chapter <797>: Pharmaceutical Compounding—Sterile Preparations. In: *USP 46-NF 41*. United States Pharmacopeial Convention; 2023. Accessed June 16, 2025.

QI Medical. IFU014_GM7030: Directions for Use – Personal Aseptic Technique Test (PATT®2) kit. Grass Valley, CA; November 2024. Available at: QI Medical website PDF. Accessed June 16, 2025.

AFFECTED DEPARTMENTS

Pharmacy

Document ID	12336	Document Status	Pending Committee Approval
Department	Pharmacy	Department Director	Ravela, Naveen
Document Owner	Florendo, Edwin	Next Review Date	

Attachments:
(REFERENCED BY THIS DOCUMENT)

Other Documents:
(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<http://hzh-iis.hazelhawkins.com/?returnto=%2Fcgi%2Fdoc-gw.pl%3Fref%3Dhhmh%3A12336%240>.



Alcohol Withdrawal Syndrome Medication Management

Disclaimer

PDF DISCLAIMER LEGAL NOTICE: This PDF was requested on 2/13/2026. PDFs should not be used as official documentation. Contents of official documents are subject to change without notice. Lucidoc makes no representation or warranty whatsoever regarding the completeness, accuracy, "up-to-dateness", or adequacy of the information or materials contained herein. Please refer to Lucidoc for the most up to date information.

CONFIDENTIALITY LEGAL NOTICE: This PDF may contain confidential information and is intended solely for the addressee. The information may also be legally privileged. This transmission is sent in trust, for the sole purpose of delivery to the intended recipient. If you have received this transmission in error, any use, reproduction, or dissemination of this transmission is strictly prohibited. If you are not the intended recipient, please immediately notify the sender and permanently delete this file.

Approvals

- Committee Approval: Pharmacy & Therapeutics approved on 12/16/2025
 - Committee Approval: Policy Committee approved on 2/5/2026
-

Revision Insight

Document ID:	12410
Revision Number:	0
Owner:	Edwin Florendo,
Revision Official Date:	No revision official date

Revision Note:
No revision note

Policy : Alcohol Withdrawal Syndrome Medication Management

PURPOSE

To provide standardized guidelines for the safe and effective medication management of Alcohol Withdrawal Syndrome (AWS), ensuring timely assessment, appropriate pharmacotherapy, and continuous monitoring to prevent complications.

POLICY

It is the policy to provide evidence-based medication management for alcohol withdrawal syndrome, guided by the Clinical Institute Withdrawal Assessment for Alcohol, Revised (CIWA-Ar) scale. This policy aims to prevent complications and ensure timely intervention and physician notification, adhering to institutional guidelines, patient factors, and physician orders

DEFINITIONS

- **IV:** Intravenous. Administered into a vein.
- **PQ:** Administered by mouth (oral administration).
- **CIWA-Ar:** Clinical Institute Withdrawal Assessment for Alcohol, revised. A standardized scoring tool used to assess alcohol withdrawal severity and guide treatment.

PROCEDURE

1. Admission and Initial Assessment

1.1 CIWA-Ar Scoring:

- Utilize the CIWA-Ar scale to assess the severity of alcohol withdrawal. The scale ranges from 0-70.
- Document the initial CIWA-Ar score upon admission.

1.2 Admission to Intensive Care Unit (ICU):

- Patients with an admission CIWA-Ar score greater than 20 should be admitted directly to the ICU for close monitoring and management.

1.3 Medication Choice Considerations:

- Lorazepam: Is the drug of choice for patients with advanced liver disease or the elderly.

- Chlordiazepoxide and Diazepam: Should not be used in the elderly or in patients with hepatic impairment.

2. Ongoing Assessment and Medication Administration

2.1 CIWA-Ar Reassessment Frequency:

- CIWA-Ar Score 0-9: Reassess score every 4 hours and as needed.
- CIWA-Ar Score 10 or greater: Reassess score every 1 hour until the score is less than 10 on 3 consecutive measurements.
- If CIWA-Ar score remains 20 or greater on two consecutive measurements, continue benzodiazepines AND notify the physician immediately to determine if a dose adjustment is needed.

2.2 Benzodiazepine Administration Based on CIWA-Ar Score:

- If CIWA-Ar score 20 or greater - severe agitation - must choose one
 - Diazepam 10mg IV every 1 hour as needed for CIWA-Ar score greater than 19
 - Diazepam 20mg IV every 1 hour as needed for CIWA-Ar score greater than 19
 - OR
 - Lorazepam 2mg IV every 1 hour as needed for CIWA-Ar score greater than 19
 - Lorazepam 4mg IV every 1 hour as needed for CIWA-Ar score greater than 19
- If CIWA-Ar score 10-19 - moderate agitation - must choose one
 - Diazepam 5mg PO/IV every 1 hour as needed for CIWA-Ar score 10-19
 - Diazepam 10mg PO/IV every 1 hour as needed for CIWA-Ar score 10-19
 - OR
 - Lorazepam 1mg PO/IV every 1 hour as needed for CIWA-Ar score 10-19
 - Lorazepam 2mg PO/IV every 1 hour as needed for CIWA-Ar score 10-19

2.3 Respiratory Depression Protocol:

- If respiratory rate is less than 10 breaths per minute, hold all benzodiazepines immediately and notify the physician.

2.4 Discontinuation of CIWA-Ar Assessment:

- After 24 hours, assess the need for ongoing CIWA-Ar assessment. Notify the provider for discontinuation of the protocol if appropriate.

3. Phenobarbital Protocol (for Benzodiazepine Resistance)

3.1 Indications:

- Consider phenobarbital if the patient has received a cumulative dose of 50mg of diazepam or 10mg of lorazepam and continues to exhibit symptoms of severe alcohol withdrawal (suggesting benzodiazepine resistance).
- Phenobarbital has a synergistic effect with benzodiazepines.

3.2 Administration and Monitoring:

- Phenobarbital should only be used in the Intensive Care Unit (ICU).
- Dosage: 130mg IV every 15 minutes as needed for CIWA-Ar score greater than 19.
- Maximum Doses: Repeat for a total of 3 doses.
- Physician Notification: Contact the physician if CIWA-Ar remains greater than 19 after the administration of 3 doses of phenobarbital.

3.3 Contraindications for Phenobarbital:

- Absolute Contraindications:
 - Stevens-Johnson Syndrome
 - Acute Intermittent Porphyria
- Avoid Use With Caution:
 - Patients on retrovirals
 - Hepatic encephalopathy
 - Pregnancy

4. Nutrition and Vitamin Supplementation

4.1 Empiric Prevention of Wernicke's Encephalopathy and Korsakoff's Psychosis:

- Nutrition
 - Dextrose 5% in Water with 100mg of thiamine, 1 mg folic acid and 1 multivitamin IV
- Empiric Prevention of Wernicke's Encephalopathy and Korsakoff's Psychosis in severe alcohol use disorder
 - Administer dextrose first whenever feasible
 - Thiamine 100mg IV daily for 3 days
- Treatment of Wernicke's Encephalopathy
 - 200mg IV every 8 hours for 3 days
- Otherwise
 - Thiamine 100mg PO daily
 - Folic acid daily

- Multivitamin daily

5. Safety and Precautions

5.1 Fall Prevention:

- Conduct a fall prevention risk assessment.

5.2 Seizure Precautions:

- Implement seizure precautions and continuous monitoring.
- Elevate the head of the bed to 30 degrees.

5.3 Restraints:

- Utilize soft mechanical 2-point restraints as indicated by patient condition and physician order.

6. Clinical Communication

- Ensure clear and timely communication with the physician regarding CIWA-Ar scores, medication administration, patient response, and any concerns (e.g., respiratory depression, persistent severe agitation).
- Document all assessments, interventions, and communications thoroughly in the patient's medical record.

REFERENCES

The ASAM Clinical Practice Guideline on Alcohol Withdrawal Management. *J Addict Med.* 2020 May/Jun;14(3S Suppl 1):1-72. doi: 10.1097/ADM.0000000000000668. Erratum in: *J Addict Med.* 2020 Sep/Oct;14(5):e280. doi: 10.1097/ADM.0000000000000731. PMID: 32511109.

AFFECTED DEPARTMENTS

Pharmacy

Nursing

Document ID	12410	Document Status	Pending Committee Approval
Department	Pharmacy	Department Director	Ravela, Naveen
Document Owner	Florendo, Edwin	Next Review Date	

Attachments:
(REFERENCED BY THIS DOCUMENT)

Other Documents:
(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<http://hzh-iis.hazelhawkins.com/?returnto=%2Fcgi%2Fdoc-gw.pl%3Fref%3Dhhmh%3A12410%240>.



Tranexamic Acid Administration Policy and Procedure for Trauma Patients

Disclaimer

PDF DISCLAIMER LEGAL NOTICE: This PDF was requested on 2/13/2026. PDFs should not be used as official documentation. Contents of official documents are subject to change without notice. Lucidoc makes no representation or warranty whatsoever regarding the completeness, accuracy, "up-to-dateness", or adequacy of the information or materials contained herein. Please refer to Lucidoc for the most up to date information.

CONFIDENTIALITY LEGAL NOTICE: This PDF may contain confidential information and is intended solely for the addressee. The information may also be legally privileged. This transmission is sent in trust, for the sole purpose of delivery to the intended recipient. If you have received this transmission in error, any use, reproduction, or dissemination of this transmission is strictly prohibited. If you are not the intended recipient, please immediately notify the sender and permanently delete this file.

Approvals

- Committee Approval: Pharmacy & Therapeutics approved on 12/16/2025
 - Committee Approval: Policy Committee approved on 2/5/2026
-

Revision Insight

Document ID:	12406
Revision Number:	0
Owner:	Edwin Florendo,
Revision Official Date:	No revision official date

Revision Note:
No revision note

Policy : Tranexamic Acid Administration Policy and Procedure for Trauma Patients

PURPOSE

To establish a standardized policy and procedure for the safe and effective administration of Tranexamic Acid (TXA) in the management of hemorrhage in trauma patients, optimizing patient outcomes by reducing blood loss and transfusion requirements.

POLICY

Tranexamic Acid (TXA) shall be administered according to established medical guidelines and within the framework of this policy and procedure. Administration will be based on clinical indication, patient assessment, and consideration of contraindications to ensure patient safety and therapeutic efficacy in trauma patients. This policy applies to all healthcare professionals involved in the care of trauma patients who may require or are receiving Tranexamic Acid (TXA) within San Benito Health Care District

DEFINITIONS

- Creatinine Clearance (CrCl): A measure of renal function used to assess the kidneys' ability to clear creatinine from the blood.
- Intravenous (IV): Pertaining to administration directly into a vein.
- Complete Blood Count (CBC): A blood test used to evaluate overall health and detect a wide range of disorders, including anemia, infection, and leukemia.

PROCEDURE

Patient Assessment and Indications

Prior to TXA administration, a thorough patient assessment must be conducted to identify appropriate indications and contraindications.

Indications: This Protocol addresses treatment of the patient who presents with traumatic, life-threatening, non-compressible bleeding with any of the following:

- Systolic Blood Pressure <90 mmHg
- Heart Rate >110 beats per minute

- Bleeding or presumed bleeding that is NOT controllable by direct pressure, wound packing, or tourniquet application
- Major amputation of any extremity proximal to the wrist or ankle
- Significant Blood Loss (>500 mL)

Contraindications

Do not administer Tranexamic Acid (TXA) if ANY of the following are present:

- Greater than 3 hours from injury
- Patient has an active (within the last 24 hours) thromboembolic event (active stroke, Myocardial Infarction (MI), or Pulmonary Embolism (PE))
- Traumatic Arrest >5 minutes
- Any patient with a known allergy to Tranexamic Acid (TXA)
- Penetrating Cranial injury
- Traumatic Brain Injury (TBI) with exposed brain matter
- Isolated hanging or drowning victims
- Cervical Cord Injury with motor deficits

General Dosage Guidelines

- Adult Dosing Guidelines (≥18 years old):
 - Initial dose: 1 gram in 50 ml Normal Saline IV over 10 minutes.
 - Maintenance dose: 1 gram in 500 ml Normal Saline IV over 8 hours after the initial bolus.
- Pediatric Dosing Guidelines (<18 years old):
 - Initial dose: 15 mg/kg in 50 ml Normal Saline IV over 10 minutes.
 - Maximum dose: 1 gram (1000 mg) per dose
 - Maintenance dose: 1 gram in 500 ml Normal Saline IV with a rate of 1 ml/kg/hr over 8 hours after the initial bolus
 - Maximum rate: 62.5 ml/hr

Monitoring and Documentation

- Monitoring: Continuously monitor patient's vital signs (especially blood pressure), bleeding status, and laboratory parameters (e.g., CBC, coagulation studies) as clinically indicated. Monitor for signs of allergic reaction, thromboembolic events, visual disturbances, and seizures.

REFERENCES

- PATCH-Trauma Investigators and the ANZICS Clinical Trials Group; Gruen RL, Mitra B, Bernard SA, et al. Prehospital Tranexamic Acid for Severe Trauma. *N Engl J Med.* 2023 Jul 13;389(2):127-136. doi: 10.1056/NEJMoa2215457. Epub 2023 Jun 14. PMID: 37314244.
- Chauncey JM, Patel P. Tranexamic Acid. 2025 Apr 26. In: StatPearls [Internet]. Treasure Island (FL): StatPearls Publishing; 2025 Jan-. PMID: 30422504.

AFFECTED DEPARTMENTS

Emergency Department

Nursing

Pharmacy

Document ID	12406	Document Status	Pending Committee Approval
Department	Pharmacy	Department Director	Ravela, Naveen
Document Owner	Florendo, Edwin	Next Review Date	

Attachments:
(REFERENCED BY THIS DOCUMENT)

Other Documents:
(WHICH REFERENCE THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at

<http://hzh-iis.hazelhawkins.com/?returnto=%2Fcgi%2Fdoc-gw.pl%3Fref%3Dhmmh%3A12406%240>.

San Benito Health Care District
Board of Directors
Committee Charter

SUBJECT	DISTRICT FINANCE COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Recommends to the Board policies regarding business practices, financial systems, and hospital financial performance benchmarks.
- Reviews and makes recommendations to the Board on business development opportunities, and hospital contracts exceeding the authority of the Chief Executive Officer.
- Makes recommendations to the Board concerning capital improvements.
- Reviews and recommends to the District Board for approval, the District budget and financial performance.

San Benito Health Care District
Board of Directors
Committee Charter

SUBJECT	DISTRICT NETWORKING COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 5/24/01

- Reviews and makes recommendations to the Board on networking opportunities with other facilities/entities that would be beneficial to and enhance the services provided by Hazel Hawkins Memorial Hospital.
- Reviews Management Action Plan (MAP) and Strategic Plan for potential networking opportunities.
- Recommends Board approval to pursue networking actions that would add value to and improve existing District healthcare services.
- Reviews annually all networking agreements and makes recommendations to the Board for renewal, changes or cancellation.

**San Benito Health Care District
Board of Directors
Committee Charter**

SUBJECT	DISTRICT PLANNING AND FACILITIES COMMITTEE CHARTER
WRITTEN BY	Board Ad Hoc Committee
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Reviews and makes recommendations to the Board regarding the hospital's three- (3) year strategic plan.
- Conducts an annual review of the three- (3) year strategic plan.
- Recommends to the Board a Facility Master Plan and an annual Management Action Plan (MAP).
- Reviews specific business development facility projects in conjunction with the Finance Committee.
- Reviews the Management Action Plan (MAP) and the hospital's overall strategic plan process and performance.
- Serves as a forum for consideration of community concerns and opportunities.

San Benito Health Care District
Board of Directors
Committee Charter

SUBJECT	JOINT CONFERENCE COMMITTEE CHARTER
WRITTEN BY	
APPROVED BY Resolution # Other REVISION APPROVED BY	Board of Directors on 9/21/00

- Provide a forum for discussion of issues of mutual concern to the Medical Staff, the Board of Directors, and Administration.
- Recommends to the Board and Medical Staff, initiatives, policies and practices to improve and support effective operations and the quality of care.

**JOINT COMMISSION
DOCUMENTS FOCUSED ON IN ASSESSING GOVERNING BODY COMPLIANCE
2009**

Assure that the minutes of the Governing Body clearly reflect evidence that the following documents were reviewed, approved, and – when necessary – acted upon:

Document
<input type="checkbox"/> Organization Policy upon Initiation and Whenever Revised. (simple policy review or procedures do not have to be sent to the governing body)
<input type="checkbox"/> Mission, Vision, and Value Statements upon Development
<input type="checkbox"/> Strategic Plan
<input type="checkbox"/> Document Describing Scope and Degree of Leaders' Involvement, Authority, and Responsibility in Corporate-Level Policy Decisions
<input type="checkbox"/> Hospital Plan for the Provision of Patient Care
<input type="checkbox"/> Annual Operating Budget and Long Term Capital Expenditure Plan
<input type="checkbox"/> Plan to Improve Organizational Performance (PI Plan)
<input type="checkbox"/> Patient Safety Program / Annual Evaluation of the Patient Safety Program
<input type="checkbox"/> Periodic (quarterly) Reports on Performance Improvement Activities (specific data is up to the organization, but at the least should include core measure performance, patient flow measurements)
<input type="checkbox"/> Annual Evaluation of the Safety Program (seven plans)
<input type="checkbox"/> Recommendation for Environment of Care Performance Improvement Project
<input type="checkbox"/> Annual Report on Staffing Effectiveness
<input type="checkbox"/> Annual Evaluation of the Infection Control Program
<input type="checkbox"/> Governing Body Bylaws
<input type="checkbox"/> Medical Staff Bylaws and Rules & Regulations
<input type="checkbox"/> Recommendations of Individuals for Medical Staff Membership / Credentialing
<input type="checkbox"/> Recommendations for Delineation of Physician Clinical Privileges
<input type="checkbox"/> Recommendations for Appointment / Reappointment to the Medical Staff

SAN BENITO HEALTH CARE DISTRICT
HAZEL HAWKINS MEMORIAL HOSPITAL
ADMINISTRATIVE POLICY MANUAL

SUBJECT: PATIENT SAFETY PROGRAM	LEADERSHIP/GOVERNANCE/MANAGEMENT
WRITTEN BY: PATIENT SAFETY OFFICER	NUMBER: LD - 411
APPROVED BY:  CHIEF EXECUTIVE OFFICER	EFFECTIVE: 09/07 REPLACES: 05/04

POLICY:

The San Benito Health Care District is committed to addressing the National Patient Safety Goals through an organizational proactive risk reduction approach.

PROCEDURE

The Governing Board, Medical Staff, and Administration appoint a Patient Safety Officer. The Patient Safety Officer collaborates with departments and Safety Programs within the organization while focusing on continuous compliance with the current National Patient Safety Goals. (National Patient Safety Goals all revised by the Joint Commission on an annual basis.)

The Patient Safety Officer facilitates the Patient Safety Committee members to fulfill the specific expectations related to each goal. Recommendations for change, solutions to problems identified and education feedback to staff are developed within the Committee. Compliance with meeting expectations is measured and reported to the Safety and PI committees on a quarterly basis.

Delineation Of Privileges
~~SNF Medical Director~~ **Skilled Nursing Facility Medicine**

Provider Name:

Privilege	
-----------	--

<p>In order to be eligible to request clinical privileges for both initial appointment and reappointment, a practitioner must meet the following minimum threshold criteria:</p> <ul style="list-style-type: none"> • Education: M.D. or D.O. • Formal Training: The applicant must demonstrate successful completion of an ACGME or AOA - approved post-graduate residency program in Internal Medicine, Emergency Medicine, or Family Practice. • Required Clinical Experience: The applicant for initial appointment or reappointment must be able to demonstrate that he/she has satisfactorily performed services as an attending physician in an outpatient setting to at least 200 patients in the past 24 months. 	
---	--

<p>CORE: Privileges include the ability to admit and discharge patients to and from the SNF, order and interpret diagnostic tests, prescribe treatments and medications, and consult with hospital based specialists.</p>	_____
--	-------

<p>Acknowledgement of Practitioner</p> <p>I have requested only those privileges for which by education, training, current experience and demonstrated performance I am qualified to perform and for which I wish to exercise.</p> <p>Signed: _____</p> <p>Date: _____</p> <p>Department Chair Recommendation</p> <p>Allprivilegesdelineatedhavebeenindividuallyconsideredandhavebeenrecommendedbased upon the physician's specialty, licensure, specific training, experience, health status, current competence and peer recommendations</p> <p>I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):</p> <p><input type="checkbox"/> Recommend all requested privileges <input type="checkbox"/> Recommend privileges with the following conditions/modifications: <input type="checkbox"/> Do not recommend the following requested privileges:</p> <p>Department Chair Signature _____</p> <p>Print Name _____</p> <p>Date _____</p>	
---	--

Delineation Of Privileges

Physician Assistant- Clinic Medicine

Provider Name:

Privilege	
<p>In order to be eligible to request clinical privileges for both initial appointment and reappointment, a practitioner must meet the following minimum threshold criteria:</p> <ul style="list-style-type: none"> • License: Hold a current, unrestricted Physician Assistant license issued by the Medical Board of California. The Physician Assistant must also maintain a current, unrestricted Drug Enforcement Administration (DEA) registration when requesting prescriptive authority for controlled substances. • Education: Graduate from an ARC-PA accredited Physician Assistant program. • Certification: Maintain current certification by the National Commission on Certification of Physician Assistants (NCCPA). • Required Clinical Experience: The applicant must demonstrate current clinical competence by providing evidence of having satisfactorily performed Physician Assistant services for a minimum of fifty (50) patients in a primary care setting within the previous twenty-four (24) months. If requesting newborn and/or pediatric privileges, the applicant must additionally provide documentation demonstrating recent clinical experience and competency in the evaluation and management of newborn and/or pediatric patients, defined as: <ul style="list-style-type: none"> ○ A minimum of twenty-five (25) documented newborn patient encounters, and/or ○ A minimum of twenty-five (25) documented pediatric patient encounters. <p>Acceptable documentation may include case logs, training program encounter logs, or verification from a supervising physician or employer. Applicants who do not meet the above minimum encounter requirements must complete a period of proctoring with direct observation by an appropriately privileged physician until the required minimum number of supervised encounters has been achieved and competency is confirmed in accordance with Medical Staff FPPE policy</p> <ul style="list-style-type: none"> • Other Requirements: Current BLS certification. Proof of Hepatitis B Immunity or signed declination (Title 22 compliance). <p>SUPERVISION REQUIREMENT Physician Assistants may exercise clinical privileges ONLY under the supervision of an appropriately privileged supervising physician.</p> <p>A written Supervising Physician Agreement must be:</p> <ul style="list-style-type: none"> • Signed by both the provider and Supervising Physician • Maintained on file in the Medical Staff Office • Approved by the Medical Executive Committee <p>The PA: Must function within the scope of the supervising physician's privileges</p> <ul style="list-style-type: none"> • Must have supervising physician availability consistent with state law and organizational policy • Must follow all co-signature, chart review, and delegation requirements established by the Medical Staff and California regulations <p>Failure to maintain an approved supervising physician automatically suspends the PA's privileges until supervision is re-established. If the applicant meets the above criteria, he/she may request privileges as specified below</p>	
Core Privileges	
Perform physical examinations, obtains medical and family histories	---
Diagnose and manage common acute and chronic conditions	---
Order, perform, and interpret routine diagnostic studies	---
Develop and implement treatment and care plans	---
Provide preventive care and health maintenance	---
THERAPEUTIC PROCEDURES	
Liquid Nitrogen for wart removal	---
Immunization/therapeutic injections and medication administration	---
Splinting of sprains	---

Delineation Of Privileges
Physician Assistant- Clinic Medicine

Provider Name:

Privilege	
Application and removal of sutures/staples	---
Removal of impacted cerumen	---
Removal of superficial foreign bodies from the skin	---
Routine wound infections/abscess care	---
Routine minor wound and dressing care	---
Routine minor burn care	---
Routine epistaxis care	---
Newborn and Pediatric Care	
Newborn Services <ul style="list-style-type: none"> • Perform routine newborn well-baby examinations following hospital discharge • Assess growth, feeding, hydration status, and jaundice risk • Provide parent education, anticipatory guidance, and safety counseling • Order and review newborn screening results and appropriate follow-up • Coordinate referrals to pediatrics or specialty care when indicated • Silver Nitrate to umbilicus 	---
Pediatric Services <ul style="list-style-type: none"> • Perform well-child examinations in accordance with accepted preventive care guidelines • Evaluate and manage common acute pediatric illnesses (e.g., upper respiratory infection, otitis media, fever, minor injuries, rashes, gastrointestinal illness) • Manage chronic pediatric conditions within scope of training and supervision • Immunization/therapeutic injections and medication administration • Provide developmental, behavioral, and other screenings in accordance with regulatory requirements • Order and interpret age-appropriate diagnostic tests 	---
Trigger Point Injection*	---
*Performs trigger point injections for the treatment of myofascial pain after documented training and demonstration of competency (10 direct observation cases) under the supervision of a privileged physician.	
EMERGENCY PROCEDURES: Assist physician in management of acute medical emergencies	
Cardiopulmonary resuscitation	---
External hemorrhage	---
Syncope	---
Seizure	---
Anaphylaxis	---

Delineation Of Privileges

Physician Assistant- Clinic Medicine

Provider Name:

Privilege	
-----------	--

Acknowledgement of Practitioner

I have requested only those privileges for which by education, training, current experience and demonstrated performance I am qualified to perform and for which I wish to exercise.

Signed: _____

Date: _____

Department Chair Recommendation

All privileges delineated have been individually considered and have been recommended based upon the physician's specialty, licensure, specific training, experience, health status, current competence and peer recommendations

I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):

- Recommend all requested privileges**
- Recommend privileges with the following conditions/modifications:**
- Do not recommend the following requested privileges:**

Department Chair Signature _____

Print Name _____

Date _____

Clinic Medical Director Signature _____

Print Name _____

Date _____

Delineation Of Privileges

Family Nurse Practitioner-Clinic Medicine

Provider Name:

Privilege	
<p>In order to be eligible to request clinical privileges for both initial appointment and reappointment, a practitioner must meet the following minimum threshold criteria:</p> <ul style="list-style-type: none"> • License: Hold a current, unrestricted license as a Registered Nurse and Nurse Practitioner in the State of California. The Nurse Practitioner must also maintain a current, unrestricted Drug Enforcement Administration (DEA) registration when requesting prescriptive authority for controlled substances. • Education: Graduation from an accredited Nurse Practitioner program (MSN or DNP) • Certification: Board certification by the American Academy of Nurse Practitioners (or equivalent board) • Required Clinical Experience: The applicant must demonstrate current clinical competence by providing evidence of having satisfactorily performed Nurse Practitioner services for a minimum of fifty (50) patients in a primary care setting within the previous twenty-four (24) months. If requesting newborn and/or pediatric privileges, the applicant must additionally provide documentation demonstrating recent clinical experience and competency in the evaluation and management of newborn and/or pediatric patients, defined as: <ul style="list-style-type: none"> ○ A minimum of twenty-five (25) documented newborn patient encounters, and/or ○ A minimum of twenty-five (25) documented pediatric patient encounters. <p>Acceptable documentation may include case logs, training program encounter logs, or verification from a collaborating physician or employer. Applicants who do not meet the above minimum encounter requirements must complete a period of proctoring with direct observation by an appropriately privileged physician until the required minimum number of supervised encounters has been achieved and competency is confirmed in accordance with Medical Staff FPPE policy.</p> <ul style="list-style-type: none"> • Other Requirements: Current BLS certification. Proof of Hepatitis B immunity or signed declination (Title 22 compliance). 	
<p>SUPERVISION REQUIREMENT</p> <p>Nurse Practitioners may exercise clinical privileges ONLY with approved clinical privileges and standardized procedures.</p> <p>Written standardized procedures must be:</p> <ul style="list-style-type: none"> • Signed by both the provider and collaborating physician • Maintained on file in the Medical Staff Office • Approved by the Medical Executive Committee <p>Failure to maintain an approved collaborating physician automatically suspends the NP's privileges until a collaboration is re-established. If the applicant meets the above criteria, he/she may request privileges as specified below</p>	
<p>Core Privileges</p>	
Perform physical examinations, obtains medical and family histories	—
Diagnose and manage common acute and chronic conditions	—
Order, perform, and interpret routine diagnostic studies	—
Develop and implement treatment and care plans	—
Provide preventive care and health maintenance	—
<p>THERAPEUTIC PROCEDURES</p>	
Liquid Nitrogen for wart removal	—
Immunization/therapeutic injections and medication administration	—
Splinting of sprains	—
Application and removal of sutures/staples	—
Removal of impacted cerumen	—
Removal of superficial foreign bodies from the skin	—
Routine wound infections/abscess care	—

Delineation Of Privileges

Family Nurse Practitioner-Clinic Medicine

Provider Name:

Privilege	
Routine minor wound and dressing care	—
Routine minor burn care	—
Routine epistaxis care	—
Newborn and Pediatric Care	
Newborn Services <ul style="list-style-type: none"> • Perform routine newborn well-baby examinations following hospital discharge • Assess growth, feeding, hydration status, and jaundice risk • Provide parent education, anticipatory guidance, and safety counseling • Order and review newborn screening results and appropriate follow-up • Coordinate referrals to pediatrics or specialty care when indicated • Silver Nitrate to umbilicus 	—
Pediatric Services <ul style="list-style-type: none"> • Perform well-child examinations in accordance with accepted preventive care guidelines • Evaluate and manage common acute pediatric illnesses (e.g., upper respiratory infection, otitis media, fever, minor injuries, rashes, gastrointestinal illness) • Manage chronic pediatric conditions within scope of training and supervision • Immunization/therapeutic injections and medication administration • Provide developmental, behavioral, and other screenings in accordance with regulatory requirements • Order and interpret age-appropriate diagnostic tests 	—
Trigger Point Injection*	—
*Performs trigger point injections for the treatment of myofascial pain after documented training and demonstration of competency (10 direct observation cases) under the supervision of a privileged physician.	
EMERGENCY PROCEDURES: Assist physician in management of acute medical emergencies	
Cardiopulmonary resuscitation	—
External hemorrhage	—
Syncope	—
Seizure	—
Anaphylaxis	—
Acknowledgement of Practitioner I have requested only those privileges for which by education, training, current experience and demonstrated performance I am qualified to perform and for which I wish to exercise. Signed: _____ Date: _____	—
Department Chair Recommendation All privileges delineated have been individually considered and have been recommended based upon the physician's specialty, licensure, specific training, experience, health status, current competence and peer recommendations I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):	

Delineation Of Privileges
Family Nurse Practitioner-Clinic Medicine

Provider Name:

Privilege	
<input type="checkbox"/> Recommend all requested privileges <input type="checkbox"/> Recommend privileges with the following conditions/modifications: <input type="checkbox"/> Do not recommend the following requested privileges:	
Department Chair Signature _____	
Print Name _____	
Date _____	
Clinic Medical Director Signature _____	
Print Name _____	
Date _____	

Delineation Of Privileges

CLINIC- Psychiatric Mental Health Nurse Practitioner

Provider Name:

Privilege	
<p>In order to be eligible to request clinical privileges for both initial appointment and reappointment, a practitioner must meet the following minimum threshold criteria:</p> <ul style="list-style-type: none"> • License: Hold a current, unrestricted license as a Registered Nurse and Nurse Practitioner in the State of California. The Nurse Practitioner must also maintain a current, unrestricted Drug Enforcement Administration (DEA) registration when requesting prescriptive authority for controlled substances. • Education: Graduation from an accredited Nurse Practitioner program (MSN or DNP) with PMHNP program completion • Certification: Board certification by the American Academy of Nurse Practitioners (or equivalent board), or National certification as PMHNP • Required Clinical Experience: The applicant must demonstrate current clinical competence by providing evidence of having satisfactorily performed Psychiatric Mental Health Nurse Practitioner services for a minimum of fifty (50) patients within the previous twenty-four (24) months. Acceptable documentation may include case logs, training program encounter logs, or verification from a collaborating physician or employer. Applicants who do not meet the above minimum encounter requirements must complete a period of proctoring with direct observation by an appropriately privileged physician until the required minimum number of supervised encounters has been achieved and competency is confirmed in accordance with Medical Staff FPPE policy. • Other Requirements: Current BLS certification. Proof of Hepatitis B immunity or signed declination (Title 22 compliance). <p>SUPERVISION REQUIREMENT</p> <p>Nurse Practitioners may exercise clinical privileges ONLY with approved clinical privileges and standardized procedures.</p> <p>Written standardized procedures must be:</p> <ul style="list-style-type: none"> • Signed by both the provider and collaborating physician • Maintained on file in the Medical Staff Office • Approved by the Medical Executive Committee <p>Failure to maintain an approved collaborating physician automatically suspends the NP's privileges until a collaboration is re-established. If the applicant meets the above criteria, he/she may request privileges as specified below</p>	
PSYCHIATRIC MENTAL HEALTH	
Diagnose and treat common acute psychiatric problems, illnesses and crises	___
Psychopharmacologic management	___
Provide individual and family psychotherapy	___
Care for and counsel clients with common identified chronic psychiatric conditions	___
Coordinate and integrate multidisciplinary services for clients with complex psychiatric problems	___
Provide comprehensive family psychiatric-mental health education	___
Work with clients and their families in anticipation of developmental milestones, life cycle events	___
Perform or recommend age-appropriate screening procedures	___
Promote wellness-oriented self-care	___
Advocate for family psychiatric-mental health clients and their families	___
<p>Acknowledgement of Practitioner</p> <p>I have requested only those privileges for which by education, training, current experience and demonstrated performance I am qualified to perform and for which I wish to exercise.</p> <p>Signed: _____</p> <p>Date: _____</p>	

Delineation Of Privileges
CLINIC- Psychiatric Mental Health Nurse Practitioner

Provider Name:

Privilege	
-----------	--

<p>Department Chair Recommendation</p> <p>All privileges delineated have been individually considered and have been recommended based upon the physician's specialty, licensure, specific training, experience, health status, current competence and peer recommendations</p> <p>I have reviewed the requested clinical privileges and supporting documentation for the above-named applicant and make the following recommendation(s):</p> <p><input type="checkbox"/> Recommend all requested privileges <input type="checkbox"/> Recommend privileges with the following conditions/modifications: <input type="checkbox"/> Do not recommend the following requested privileges:</p> <p>Department Chair Signature _____</p> <p>Print Name _____</p> <p>Date _____</p> <p>Clinic Medical Director Signature/or Chair, Interdisciplinary Practice Committee _____</p> <p>Print Name _____</p> <p>Date _____</p>	
--	--



Hazel Hawkins
MEMORIAL HOSPITAL

**REGULAR MEETING OF THE FACILITIES AND FINANCE COMMITTEE
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
MONDAY, FEBRUARY 23, 2026 - 4:30 P.M.
SUPPORT SERVICES BUILDING, 2ND FLOOR – GREAT ROOM**

San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians and the community.

1. Call to Order

2. Update on Current Projects
 - Project Dashboard – January 2026

3. Review Financial Updates
 - Financial Statements – January 2026
 - Finance Dashboard – January 2026
 - Supplemental Payments – January 2026
 - HCAI – Rural Health Transformation Program

4. Consider Recommendation for Board Approval of Commercial Lease with Ceglia Properties, LLC.
 - Report
 - Committee Questions
 - Motion/Second

5. Consider Recommendation for Board Approval of Professional Service Agreement with Focus Physical Therapy and Gym Management Services, Inc.
 - Report
 - Committee Questions
 - Motion/Second

6. Consider Recommendation for Board Approval of Master Service Agreement with Innova Revenue Group.
 - Report
 - Committee Questions
 - Motion/Second

7. Consider Recommendation for Board Approval of Weapons Detection System Xtract One in the amount of \$138,276.64.
 - Report
 - Committee Questions
 - Motion/Second

8. Consider Recommendation for Board Approval of Architectural Fee for Lab Remodel Phase 3 & 4.
 - Report
 - Committee Questions
 - Motion/Second

9. Public Comment

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board **Committee**, which are not on this agenda.

10. Adjournment

The next Facilities and Finance Committee meeting is scheduled for **Monday, March 23, 2026 at 4:30 p.m.**

The complete Facilities and Finance Committee packet, including subsequently distributed materials and presentations, is available at the Facilities and Finance Committee meeting and in the Administrative Offices of the District. All items appearing on the agenda are subject to action by the Facilities and Finance Committee. Staff and Committee recommendations are subject to change by the Facilities and Finance Committee.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

FEB 2026 Project Dashboard - Facilities

Project Name	Purpose	Start Date	Go Live	Duration	Status	Priority	Key Stakeholder	Role	Update
BD Installation	New Pyxis Machines for ICU	12/4/2024	3/1/2026	452	In Progress	Medium	Naveen Ravela	Pharmacy Director	Team has completed construction, pending BD site visit to turn on machines.
Lab Phase 1	Upgrading Analyzers (Validation Only)	6/1/2024	2/1/2026	610	Completed	High	Bernadette Enderez	Lab/Radiology Director	Project is closed out and has been rolled into phase 2.
Lab Phase 2	Analyzer Replacement	6/1/2024	4/1/2026	669	In Progress	High	Bernadette Enderez	Lab/Radiology Director	Phase 2B has started, pending HCAI FLSO and CO to sign off on 2A.
OR Rebuild	Updating OR per OSHPD Requirements	11/20/2024	12/31/2026	771	In Progress	High	Mendi Suber-Ventura	Director of Surgical Services	Pending internal investigation for smaller/cheaper part replacement to see if sufficient fix. CDPH waiver has been extended until JAN 202.
Sterilizer Replacement	Installation of new AMSCO 400 48 SD equipment for Sterile Processing Department	9/16/2025	11/1/2026	411	In Progress	High	Mendi Suber-Ventura	Director of Surgical Services	Advertisement for bid is posted. Site walk with GC 2/24. Bids due week of 3/16
Seismic	Upgrade to Meet HCAI Seismic Compliance & Safety Standards	11/1/2025	1/1/2033		Outgoing	High	Jorge Ramirez	Director of Emergency Management; Security; Life Safety; EVS; Engineering	Compliance plan successfully submitted before the 1/1/26 deadline. HCAI grant application submitted. Pending Geotech proposals and work to aid in the schematic design.
* Imaging Trailer Pad Make Ready	Treanor to help when MP starts	10/1/2025	TBD		In Progress	Medium	Bernadette Enderez	Lab/Radiology Director	Pending decision

FEB 2026 Project Dashboard - Facilities

*Verkada	Security / SSO + Door Access	3/11/2025	TBD	In Progress	High	Jorge Ramirez	Director of Emergency Management; Security; Life Safety; EVS; Engineering	Contract issued to The Core Group to start construction. Pending HCAI building permit issuance then construction will start approx week of 2/23. Still will need Safehouse to actually install all devices
HUGS/Securitas	Infant Security	4/12/2024	5/1/2026	In Progress	High	Jac Fernandez	Senior Director of Acute Care Services	Construction is completed. Preparing for location optimization and tuning of devices with Vendor.
ED Helipad	System is an AFFF system and no longer allowed in CA. Is required to be phased out due to being a hazardous chemical.	5/27/2025	6/1/2026	In Progress	High	Jorge Ramirez	Director of Emergency Management; Security; Life Safety; EVS; Engineering	Regular (\$) project has been submitted. Construction will start after HCAI approval.
Northside SNF Kitchen Flooring	Replace kitchen and storage flooring at the Northside SNF	1/1/2026	TBD	In Progress	High	Jaylee Davison	Interim Director of Nursing - (SNF)	Pending proposal approval for architect and proposal for flooring contractor. Internal team meeting regularly to discuss logistics planning.
Physical Therapy Clinic Remodel	Expanding current location to help with ongoing demand	6/1/2025	TBD	On Hold	Medium	Jun Estrada	Director of Physical Therapy	Looking to perform feasibility study of the new location

FEB 2026 Project Dashboard - Facilities

Focus Sports Therapy	Rennovate and expand Focus sports therapy clinic	7/1/2025	TBD	In Progress	Medium	Jorge Ramirez	Director of Emergency Management; Security; Life Safety; EVS; Engineering	Working with architects on schematic design.
Totals								

estimated go-live
planned go live

TASK STATUS %	COUNT	%
Not Started	0	0%
In Progress	10	77%
Overdue	0	0%
On Hold	1	8%
Ongoing	1	8%
Completed	1	8%
TOTAL	13	100%

PROJECT PRIORITY %	COUNT	%
High	9	69%
Medium	4	31%
Low	0	0%
TOTAL	13	100%



San Benito Health Care District

San Benito Health Care District

A Public Agency
911 Sunset Drive
Hollister, CA 95023-5695
(831) 637-5711

February 23, 2026

CFO Financial Summary for the District Board:

For the month ending January 31, 2026, the District's Net Surplus (**Loss**) is \$1,415,733 compared to a budgeted Surplus (**Loss**) of \$507,787. The District exceeded the budget for the month by \$907,946.

YTD as of January 31, 2026, the District's Net Surplus (**Loss**) is \$8,742,700 compared to a budgeted Surplus (**Loss**) of \$6,473,259. The District is exceeding its budget YTD by \$2,269,441.

Acute discharges were 133 for the month, under budget by 30 discharges, 19%. The ADC was 13.61 compared to a budget of 14.79. The ALOS was 3.17. The acute I/P gross revenue was slightly under budget by **\$121,299** or 2% while O/P services gross revenue exceeded the budget by **\$2.35 million** or 8%. ER I/P visits were 105 and ER O/P visits were under budget by 145 visits or 6%. The RHCs & Specialty Clinics treated 3,928 (includes 650 visits at the Diabetes Clinic) and 1,110 visits respectively.

Other Operating revenue exceeded budget by **\$793,815** due mainly to:

- 1) \$250,000 in recruitment funding from CCAH payments.
- 2) Additional accruals for various supplemental payments.

Operating Expenses exceeded the budget by **\$921,502** due mainly to: overages in Registry of \$206,147, Employee Benefits of \$272,650 and Professional Fees of \$445,803 being slightly offset by savings in Salaries & Wages Expense of \$132,536.

Non-operating Revenue exceeded the budget by **\$79,919** due to the timing of donations from the Foundation.

The SNFs ADC was **89.71** for the month. The Net Surplus (**Loss**) is \$195,150 compared to a budget of \$106,433. YTD, the Net Surplus (**Loss**) is \$1,791,611 exceeding the budget by \$1,074,291.

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
HOLLISTER, CA 95023
FOR PERIOD 01/31/26

	CURRENT MONTH			PRIOR YR			YEAR-TO-DATE			
	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25
GROSS PATIENT REVENUE:										
ACUTE ROUTINE REVENUE	3,645,724	3,497,715	148,009	4	2,991,007	25,356,907	23,695,320	1,661,587	7	23,696,755
SNF ROUTINE REVENUE	2,095,830	2,092,500	3,330	0	2,059,560	14,213,016	14,512,500	(299,485)	(2)	13,934,310
ANCILLARY INPATIENT REVENUE	4,030,056	4,302,153	(272,097)	(6)	4,469,292	27,556,297	30,002,030	(2,445,733)	(8)	30,216,983
HOSPITALIST\PEDS I\P REVENUE	159,333	0	159,333	0	0	1,262,370	0	1,262,370	0	0
TOTAL GROSS INPATIENT REVENUE	9,930,943	9,892,368	38,575	0	9,519,858	68,388,589	68,209,850	178,739	0	67,848,048
ANCILLARY OUTPATIENT REVENUE	33,453,263	31,206,909	2,246,354	7	30,232,303	218,446,571	214,003,783	4,442,788	2	203,943,313
HOSPITALIST\PEDS O\P REVENUE	99,329	0	99,329	0	0	766,424	0	766,424	0	0
TOTAL GROSS OUTPATIENT REVENUE	33,552,592	31,206,909	2,345,683	8	30,232,303	219,212,995	214,003,783	5,209,212	2	203,943,313
TOTAL GROSS PATIENT REVENUE	43,483,535	41,099,277	2,384,258	6	39,752,162	287,601,585	282,213,633	5,387,952	2	271,791,361
DEDUCTIONS FROM REVENUE:										
MEDICARE CONTRACTUAL ALLOWANCES	11,656,446	11,258,928	397,518	4	9,228,619	80,481,673	76,141,513	4,340,160	6	71,163,151
MEDI-CAL CONTRACTUAL ALLOWANCES	12,016,295	10,671,634	1,344,661	13	9,819,433	76,885,506	72,221,901	4,663,605	7	69,686,208
BAD DEBT EXPENSE	334,428	1,040,398	(705,971)	(68)	469,734	5,026,054	7,099,042	(2,072,988)	(29)	5,226,873
CHARITY CARE	29,828	32,303	(2,475)	(8)	1,793	367,043	218,566	148,477	68	170,358
OTHER CONTRACTUALS AND ADJUSTMENTS	5,228,397	4,991,937	236,460	5	5,080,820	35,464,328	33,780,650	1,683,678	5	32,749,109
HOSPITALIST\PEDS CONTRACTUAL ALLOW	(389)	0	(389)	0	0	155,222	0	155,222	0	0
TOTAL DEDUCTIONS FROM REVENUE	29,265,005	27,995,200	1,269,805	5	24,600,398	198,379,825	189,461,672	8,918,153	5	178,995,700
NET PATIENT REVENUE	14,218,531	13,104,077	1,114,454	9	15,151,763	89,221,759	92,751,961	(3,530,202)	(4)	92,795,662
OTHER OPERATING REVENUE	1,929,588	1,135,773	793,815	70	547,380	14,576,283	8,238,469	6,337,814	77	4,935,835
NET OPERATING REVENUE	16,148,119	14,239,850	1,908,269	13	15,699,143	103,798,042	100,990,430	2,807,612	3	97,731,497
OPERATING EXPENSES:										
SALARIES & WAGES	5,527,849	5,681,282	(153,433)	(3)	5,371,967	37,605,153	38,872,195	(1,267,042)	(3)	35,124,116
REGISTRY	752,592	525,384	227,208	43	551,368	4,677,871	3,677,690	1,000,181	27	3,605,053
EMPLOYEE BENEFITS	2,928,285	2,532,635	395,650	16	2,351,635	17,064,827	17,110,547	(45,721)	0	15,276,808
PROFESSIONAL FEES	2,090,297	1,644,784	445,513	27	1,641,756	12,723,669	11,513,108	1,208,561	11	11,054,570
SUPPLIES	1,412,485	1,310,899	101,586	8	1,286,229	9,097,779	8,981,362	116,417	1	7,744,293
PURCHASED SERVICES	1,390,661	1,390,106	555	0	1,492,426	9,424,095	9,543,615	(119,521)	(1)	9,323,215
RENTAL	191,295	169,755	21,540	13	180,689	1,273,285	1,188,285	85,000	7	1,113,733
DEPRECIATION & AMORT	353,506	315,202	38,304	12	303,463	2,375,187	2,206,420	168,767	8	2,219,592
INTEREST	10,225	19,531	(9,306)	(48)	5,105	109,237	137,906	(28,669)	(21)	293,599
OTHER	538,826	526,201	12,625	2	448,609	3,703,232	3,972,055	(270,823)	(7)	3,133,396
TOTAL EXPENSES	15,196,021	14,115,779	1,080,242	8	13,633,247	98,050,335	97,203,183	847,152	1	88,888,374
NET OPERATING INCOME (LOSS)	952,098	1,24,071	828,027	667	2,065,896	5,747,706	3,787,247	1,960,459	52	8,843,122

Date: 02/16/26 @ 1247
 User: SDILAURA

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
 HOLLISTER, CA 95023
 FOR PERIOD 01/31/26

	CURRENT MONTH			PRIOR YR			YEAR-TO-DATE			
	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	106,937	20,000	86,937	435	138,562	459,964	140,000	319,964	229	213,451
PROPERTY TAX REVENUE	248,434	248,434	0	0	241,122	1,739,038	1,739,038	0	0	1,687,854
GO BOND PROP TAXES	181,114	181,114	0	0	175,915	1,267,795	1,267,798	(3)	0	1,231,403
GO BOND INT REVENUE\EXPENSE	(61,114)	(61,114)	0	0	(65,081)	(427,795)	(427,798)	3	0	(455,570)
OTHER NON-OPER REVENUE	16,089	16,399	(310)	(2)	17,852	110,254	114,793	(4,539)	(4)	113,561
OTHER NON-OPER EXPENSE	(29,237)	(22,742)	(6,495)	29	(28,312)	(165,882)	(159,194)	(6,688)	4	(195,183)
INVESTMENT INCOME	1,412	1,625	(213)	(13)	2,092	11,620	11,375	245	2	8,146
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	463,635	383,716	79,919	21	482,149	2,994,994	2,686,012	308,982	12	2,603,663
NET SURPLUS (LOSS)	1,415,733	507,787	907,946	179	2,548,046	8,742,700	6,473,259	2,269,441	35	11,446,785
EBIDA	\$ 1,678,475	\$ 725,731	\$ 952,744	131.28%	\$ 2,766,987	\$ 10,443,770	\$ 7,998,873	\$ 2,444,897	30.56%	\$ 13,085,727
EBIDA MARGIN	10.39%	5.10%	5.30%	103.94%	17.64%	10.06%	7.92%	2.14%	27.03%	13.39%
OPERATING MARGIN	5.90%	0.87%	5.02%	576.69%	13.16%	5.54%	3.75%	1.79%	47.65%	9.05%
NET SURPLUS (LOSS) MARGIN	8.77%	3.57%	5.20%	145.85%	16.23%	8.42%	6.41%	2.01%	31.40%	11.71%

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
HOLLISTER, CA 95023
FOR PERIOD 01/31/26

	CURRENT MONTH			YEAR-TO-DATE			
	ACTUAL 01/31/26	BUDGET 01/31/26	PERCENT VARIANCE	ACTUAL 01/31/26	BUDGET 01/31/26	PERCENT VARIANCE	PRIOR YR 01/31/25
GROSS PATIENT REVENUE:							
ROUTINE REVENUE	3,645,724	3,497,715	148,009	25,356,907	23,695,320	1,661,587	7
ANCILLARY INPATIENT REVENUE	3,480,191	3,908,832	(428,641)	24,461,794	27,346,546	(2,884,752)	(11)
HOSPITALIST I/P REVENUE	159,333	0	159,333	1,262,370	0	1,262,370	0
TOTAL GROSS INPATIENT REVENUE	7,285,248	7,406,547	(121,299)	51,081,071	51,041,866	39,205	0
ANCILLARY OUTPATIENT REVENUE	33,453,263	31,206,909	2,246,354	218,446,571	214,003,783	4,442,788	2
HOSPITALIST O/P REVENUE	99,329	0	99,329	766,424	0	766,424	0
TOTAL GROSS OUTPATIENT REVENUE	33,552,592	31,206,909	2,345,683	219,212,995	214,003,783	5,209,212	2
TOTAL GROSS ACUTE PATIENT REVENUE	40,837,840	38,613,456	2,224,384	270,294,066	265,045,649	5,248,417	2
DEDUCTIONS FROM REVENUE ACUTE:							
MEDICARE CONTRACTUAL ALLOWANCES	11,301,514	10,970,792	330,722	78,305,169	74,228,948	4,076,221	6
MEDI-CAL CONTRACTUAL ALLOWANCES	11,946,929	10,570,882	1,376,047	76,768,722	71,523,137	5,245,585	7
BAD DEBT EXPENSE	390,069	1,035,398	(645,330)	5,045,485	7,064,042	(2,018,557)	(29)
CHARITY CARE	29,828	32,303	(2,475)	362,386	218,566	143,820	66
OTHER CONTRACTUALS AND ADJUSTMENTS	5,149,124	4,956,701	192,423	35,257,266	33,537,296	1,719,970	5
HOSPITALIST\PEDS CONTRACTUAL ALLOW	(389)	0	(389)	155,222	0	155,222	0
TOTAL ACUTE DEDUCTIONS FROM REVENUE	28,817,075	27,566,076	1,250,999	195,894,250	186,571,989	9,322,261	5
NET ACUTE PATIENT REVENUE	12,020,765	11,047,380	973,385	74,399,816	78,473,660	(4,073,844)	(5)
OTHER OPERATING REVENUE	1,823,201	1,135,773	687,428	13,831,574	8,238,469	5,593,105	68
NET ACUTE OPERATING REVENUE	13,843,966	12,183,153	1,660,813	88,231,389	86,712,129	1,519,260	2
OPERATING EXPENSES:							
SALARIES & WAGES	4,426,294	4,558,829	(132,536)	30,202,729	31,165,022	(962,293)	(3)
REGISTRY	682,307	476,160	206,147	4,223,478	3,333,120	890,358	27
EMPLOYEE BENEFITS	2,290,783	2,018,133	272,650	13,312,919	13,571,905	(258,986)	(2)
PROFESSIONAL FEES	2,088,087	1,642,284	445,803	12,706,199	11,495,608	1,210,591	11
SUPPLIES	1,302,509	1,242,531	89,978	8,299,382	8,297,869	1,513	0
PURCHASED SERVICES	1,268,784	1,285,899	(17,115)	8,599,025	8,820,748	(121,723)	(1)
RENTAL	177,797	161,839	15,958	1,147,655	1,130,653	17,002	2
DEPRECIATION & AMORT	312,592	276,161	36,341	2,094,757	1,933,133	161,624	8
INTEREST	10,225	19,531	(9,306)	109,237	137,906	(28,669)	(21)
OTHER	495,539	481,956	13,583	3,254,567	3,530,894	(276,327)	(8)
TOTAL EXPENSES	13,054,825	12,133,323	921,502	84,049,950	83,416,858	633,092	1
NET OPERATING INCOME (LOSS)	789,141	49,830	739,311	4,181,439	3,295,271	886,168	27

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
 HOLLISTER, CA 95023
 FOR PERIOD 01/31/26

	CURRENT MONTH			YEAR-TO-DATE			
	ACTUAL 01/31/26	BUDGET 01/31/26	PERCENT VARIANCE	ACTUAL 01/31/26	BUDGET 01/31/26	PERCENT VARIANCE	PRIOR YR 01/31/25
NON-OPERATING REVENUE\EXPENSE:							
DONATIONS	106,937	20,000	86,937	459,964	140,000	319,964	213,451
PROPERTY TAX REVENUE	211,194	211,194	0	1,478,358	1,478,358	0	1,434,678
GO BOND PROP TAXES	181,114	181,114	0	1,267,798	1,267,798	(3)	1,231,403
GO BOND INT REVENUE\EXPENSE	(61,114)	(61,114)	0	(427,795)	(427,795)	3	(455,570)
OTHER NON-OPER REVENUE	16,089	16,399	(310)	110,254	114,793	(4,539)	113,561
OTHER NON-OPER EXPENSE	(24,189)	(17,694)	(6,495)	(130,547)	(123,858)	(6,689)	(151,866)
INVESTMENT INCOME	1,412	1,625	(213)	11,620	11,375	245	8,146
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	431,443	351,524	79,919	2,769,650	2,460,668	308,982	2,393,804
NET SURPLUS (LOSS)	1,220,583	401,354	819,229	6,951,089	5,755,939	1,195,150	10,501,787

HAZEL HAWKINS SKILLED NURSING FACILITIES
HOLLISTER, CA
FOR PERIOD 01/31/26

-----CURRENT MONTH----- YEAR-TO-DATE -----

	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25	ACTUAL 01/31/26	BUDGET 01/31/26	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/25
GROSS SNF PATIENT REVENUE:										
ROUTINE SNF REVENUE	2,095,830	2,092,500	3,330	0	2,059,560	14,213,016	14,512,500	(299,485)	(2)	13,934,310
ANCILLARY SNF REVENUE	549,865	393,321	156,544	40	311,443	3,094,503	2,655,484	439,019	17	2,514,213
TOTAL GROSS SNF PATIENT REVENUE	2,645,695	2,485,821	159,874	6	2,371,003	17,307,519	17,167,984	139,535	1	16,448,523
DEDUCTIONS FROM REVENUE SNF:										
MEDICARE CONTRACTUAL ALLOWANCES	354,932	288,136	66,796	23	182,451	2,176,504	1,912,565	263,939	14	1,748,933
MEDI-CAL CONTRACTUAL ALLOWANCES	69,366	100,752	(31,386)	(31)	89,012	116,784	698,764	(581,980)	(83)	706,171
BAD DEBT EXPENSE	(55,641)	5,000	(60,641)	(1,213)	(2,033)	(19,431)	35,000	(54,431)	(156)	(59,368)
CHARITY CARE	0	0	0	0	0	4,656	0	4,656	0	0
OTHER CONTRACTUALS AND ADJUSTMENTS	79,272	35,236	44,036	125	66,274	207,062	243,354	(36,292)	(15)	239,259
TOTAL SNF DEDUCTIONS FROM REVENUE	447,929	429,124	18,805	4	335,704	2,485,576	2,889,683	(404,108)	(14)	2,634,995
NET SNF PATIENT REVENUE	2,197,766	2,056,697	141,069	7	2,035,299	14,821,943	14,278,301	543,642	4	13,813,528
OTHER OPERATING REVENUE	106,387	0	106,387	0	0	744,709	0	744,709	0	0
NET SNF OPERATING REVENUE	2,304,153	2,056,697	247,456	12	2,035,299	15,566,652	14,278,301	1,288,351	9	13,813,528
OPERATING EXPENSES:										
SALARIES & WAGES	1,101,555	1,122,453	(20,898)	(2)	1,094,318	7,402,424	7,707,173	(304,749)	(4)	7,246,078
REGISTRY	70,285	49,224	21,061	43	48,814	454,393	344,570	109,823	32	323,088
EMPLOYEE BENEFITS	637,502	514,502	123,000	24	483,641	3,751,907	3,538,642	213,265	6	3,413,637
PROFESSIONAL FEES	2,210	2,500	(290)	(12)	2,210	15,470	17,500	(2,030)	(12)	15,470
SUPPLIES	109,977	98,368	11,609	12	104,928	798,397	683,493	114,904	17	683,464
PURCHASED SERVICES	121,877	104,207	17,670	17	108,434	722,867	722,867	0	0	692,343
RENTAL	13,498	7,916	5,582	71	14,706	125,630	57,632	67,998	118	41,601
DEPRECIATION	41,004	39,041	1,963	5	39,418	280,430	273,287	7,143	3	272,934
INTEREST	0	0	0	0	0	0	0	0	0	0
OTHER	43,287	44,245	(958)	(2)	39,171	446,665	441,161	5,504	1	389,774
TOTAL EXPENSES	2,141,195	1,962,456	158,739	8	1,935,639	14,000,385	13,786,325	214,060	2	13,078,388
NET OPERATING INCOME (LOSS)	162,957	74,241	88,716	120	99,660	1,566,267	491,976	1,074,291	218	735,140
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	0	0	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	37,240	37,240	0	0	36,168	260,680	260,680	0	0	253,176
OTHER NON-OPER EXPENSE	(5,048)	(5,048)	0	0	(6,188)	(35,336)	(35,336)	0	0	(43,318)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	32,192	32,192	0	0	29,980	225,344	225,344	0	0	209,858
NET SURPLUS (LOSS)	195,150	106,433	88,717	83	129,639	1,791,611	717,320	1,074,291	150	944,998

HAZEL HAWKINS MEMORIAL HOSPITAL
 HOLLISTER, CA
 For the month ended 01/31/26

	CURR MONTH 01/31/26	PRIOR MONTH 12/31/25	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/25
CURRENT ASSETS					
CASH & CASH EQUIVALENT	42,518,478	42,001,600	516,877	1	46,670,217
PATIENT ACCOUNTS RECEIVABLE	70,098,341	67,843,853	2,254,488	3	66,556,290
BAD DEBT ALLOWANCE	(6,511,708)	(6,138,977)	(372,732)	6	(7,062,672)
CONTRACTUAL RESERVES	(42,298,564)	(40,510,534)	(1,788,031)	4	(40,404,377)
OTHER RECEIVABLES	6,220,741	9,397,125	(3,176,384)	(34)	4,952,401
INVENTORIES	5,037,902	5,032,572	5,330	0	4,981,471
PREPAID EXPENSES	2,972,992	2,748,231	224,761	8	2,599,584
DUE TO\FROM THIRD PARTIES	(181,860)	(181,860)	0	0	(181,860)
TOTAL CURRENT ASSETS	77,856,322	80,192,012	(2,335,690)	(3)	78,111,054
=====					
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	7,752,213	7,634,354	117,860	2	5,666,884
TOTAL LIMITED USE ASSETS	7,752,213	7,634,354	117,860	2	5,666,884
=====					
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,370,474	3,370,474	0	0	3,370,474
BLDGS & BLDG IMPROVEMENTS	100,124,163	100,124,163	0	0	100,098,374
EQUIPMENT	48,296,262	47,983,561	312,702	1	46,216,122
CONSTRUCTION IN PROGRESS	7,161,891	6,711,255	450,636	7	4,324,809
GROSS PROPERTY, PLANT, AND EQUIPMENT	158,952,791	158,189,454	763,338	1	154,009,779
ACCUMULATED DEPRECIATION	(100,872,712)	(100,504,323)	(368,389)	0	(98,393,920)
NET PROPERTY, PLANT, AND EQUIPMENT	58,080,079	57,685,131	394,948	1	55,615,859
=====					
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	287,023	292,765	(5,742)	(2)	327,215
PENSION DEFERRED OUTFLOWS NET	5,277,892	5,277,892	0	0	5,277,892
TOTAL OTHER ASSETS	5,564,915	5,570,657	(5,742)	0	5,605,107
=====					
TOTAL UNRESTRICTED ASSETS	149,253,530	151,082,153	(1,828,624)	(1)	144,998,904
=====					
RESTRICTED ASSETS	128,806	128,348	459	0	127,208
TOTAL ASSETS	149,382,336	151,210,501	(1,828,165)	(1)	145,126,112

Date: 02/16/26 @ 1246
User: SDILAURA

HAZEL HAWKINS MEMORIAL HOSPITAL
HOLLISTER, CA
For the month ended 01/31/26

	CURR MONTH 01/31/26	PRIOR MONTH 12/31/25	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/25
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	7,149,888	6,841,683	(308,205)	5	6,221,841
ACCRUED PAYROLL	2,096,397	4,141,119	2,044,722	(49)	3,467,229
ACCRUED PAYROLL TAXES	122,703	271,933	149,229	(55)	257,552
ACCRUED BENEFITS	4,348,789	4,624,372	275,584	(6)	5,074,320
OTHER ACCRUED EXPENSES	38,082	37,741	(341)	1	80,907
PATIENT REFUNDS PAYABLE	4,790	4,388	(402)	9	1,310
DUE TO\FROM THIRD PARTIES	3,505,599	4,339,018	833,419	(19)	5,056,186
OTHER CURRENT LIABILITIES	880,287	895,131	14,844	(2)	777,080
TOTAL CURRENT LIABILITIES	18,146,534	21,155,385	3,008,850	(14)	20,936,425
LONG-TERM DEBT					
LEASES PAYABLE	4,750,616	4,757,602	6,986	0	4,799,273
BONDS PAYABLE	28,335,241	28,363,761	28,520	0	28,534,881
TOTAL LONG TERM DEBT	33,085,856	33,121,362	35,506	0	33,334,154
OTHER LONG-TERM LIABILITIES					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	24,488,121	24,688,121	200,000	(1)	25,888,121
TOTAL OTHER LONG-TERM LIABILITIES	24,488,121	24,688,121	200,000	(1)	25,888,121
TOTAL LIABILITIES	75,720,512	78,964,868	3,244,356	(4)	80,158,700
NET ASSETS:					
UNRESTRICTED FUND BALANCE	64,915,019	64,915,019	0	0	64,817,839
RESTRICTED FUND BALANCE	101,285	100,826	(459)	1	149,573
NET REVENUE/(EXPENSES)	8,645,520	7,229,788	(1,415,733)	20	0
TOTAL NET ASSETS	73,661,824	72,245,633	(1,416,191)	2	64,967,412
TOTAL LIABILITIES AND NET ASSETS	149,382,336	151,210,501	1,828,165	(1)	145,126,112

Description	MTD Budget	MTD Actual	YTD Actual	YTD Budget	FYE Budget
Average Daily Census - Acute	14.79	13.61	13.96	14.50	15.00
Average Daily Census - SNF	90.00	89.71	88.01	90.00	90.00
Acute Length of Stay	2.81	3.17	2.85	2.80	2.80
ER Visits:					
Inpatient	132	105	825	977	1,638
Outpatient	2,460	2,315	15,375	15,542	27,053
Total	2,592	2,420	16,200	16,519	28,691
Days in Accounts Receivable	50.0	53.0	53.0	50.0	50.0
Productive Full-Time Equivalents	575.17	534.25	539.77	575.17	575.17
Net Patient Revenue	13,104,077	14,218,531	89,221,759	92,751,961	157,730,532
Payment-to-Charge Ratio	31.9%	32.7%	31.0%	32.9%	32.4%
Medicare Traditional Payor Mix	28.29%	31.36%	30.07%	29.15%	28.71%
Commercial Payor Mix	23.80%	22.65%	22.90%	22.83%	23.36%
Bad Debt % of Gross Revenue	2.50%	0.77%	1.75%	2.50%	2.53%
EBIDA	725,731	1,678,475	10,443,770	7,998,873	13,769,729
EBIDA %	5.10%	10.39%	10.06%	7.92%	7.98%
Operating Margin	0.87%	5.90%	5.54%	3.75%	3.79%
Salaries, Wages, Registry & Benefits %: by Net Operating Revenue	61.37%	57.03%	57.18%	59.08%	59.06%
by Total Operating Expense	61.91%	60.60%	60.53%	61.38%	61.39%
Bond Covenants:					
Debt Service Ratio - 1.25	4.65	10.72	9.57	8.55	7.36
Current Ratio - 1.50	2.00	4.29	4.29	2.00	2.00
Days Cash on hand - 30.00	87.59	95.38	95.38	87.59	110.00
Met or Exceeded Target					
Within 10% of Target					
Not Within 10%					

Statement of Cash Flows
Hazel Hawkins Memorial Hospital
Hollister, CA
Seven month ending January 31, 2026

	CASH FLOW		COMMENTS
	Current Month 1/31/2026	Current Year-To-Date 1/31/2026	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	\$1,415,733	\$8,742,700	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	368,389	2,478,791	
(Increase)/Decrease in Net Patient Accounts Receivable	(93,727)	(2,198,828)	
(Increase)/Decrease in Other Receivables	3,176,384	(1,268,803)	
(Increase)/Decrease in Inventories	(5,330)	(56,431)	
(Increase)/Decrease in Pre-Paid Expenses	(224,761)	(373,409)	
(Increase)/Decrease in Due From Third Parties	0	0	
increase/(Decrease) in Accounts Payable	308,205	928,508	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(2,469,535)	(2,133,755)	
Increase/(Decrease) in Accrued Expenses	341	(42,824)	
Increase/(Decrease) in Patient Refunds Payable	402	3,480	
Increase/(Decrease) in Third Party Advances/Liabilities	(833,417)	(1,550,590)	
Increase/(Decrease) in Other Current Liabilities	(14,844)	5,754	Semi-Annual Int. - 2005 GO & 2021 Revenue Bonds
Net Cash Provided by Operating Activities:	212,107	(4,208,107)	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(763,338)	(4,943,013)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	(117,860)	(2,085,330)	Bond Principal & Int Payment - 2014 (2005) & 2021 Bonds
(Increase)/Decrease in Other Assets	5,742	40,194	Amortization
Net Cash Used by Investing Activities	(875,456)	(6,968,149)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Capital Lease Debt	(6,986)	(48,657)	
Increase/(Decrease) in Bond Mortgage Debt	(28,520)	(199,640)	2014 GO Principal & Refinancing of 2013 Bonds with 2021 Bonds
Increase/(Decrease) in Other Long Term Liabilities	(200,000)	(1,400,000)	Long Term Pension Liability
Net Cash Used for Financing Activities	(235,506)	(1,648,297)	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	(49,886)	
Net Increase/(Decrease) in Cash	516,878	(4,151,739)	
Cash, Beginning of Period	42,001,600	46,670,217	
Cash, End of Period	\$42,518,478	\$42,518,478	\$0

Cost per day to run the District	\$445,769	\$38,992,045	Budgeted Cash on Hand
Operational Days Cash on Hand	95.38	\$3,526,433	Variance

Hazel Hawkins Memorial Hospital
 Supplemental Payment Programs
 YTD as of January 31, 2026
 FYE June 30, 2026

	Payor	Actual FY 2026	Actual FY 2025	Notes:
Intergovernmental Transfer Programs:				
- AB 113 Non-Designated Public Hospital (NDPH)				
- SFY 2023/2024 Final Payment SFY 2024/2025	DHCS	202,500	39,795	Requires District to fund program and wait for matching return.
- SFY 2024/2025 Interim SFY 2025/2026	DHCS	202,500	305,302	IGT due April 2026. Expect payment by June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2025	CCAH	2,160,000	2,407,056	IGT due April 2026. Expect payment by June 2025.
- Rate Range Jan. 1, 2023 through Dec. 31, 2023	Anthem	-	1,339,141	Paid IGT of \$1,067,193 in April. Rec. in May.
- Rate Range Jan. 1, 2024 through Dec. 31, 2024	CCAH	2,911,769	-	Received in February 2025.
- QIP PY 6 Settlement CY 2023	DHCS	-	4,311,260	Received on January 13, 2026. Higher than prior year in place of AB 915.
- QIP PY 7 Settlement "Interim" Payment for CY 2024	CCAH	2,249,573	-	Sent IGT of \$2,342,379 in March. Rec. in May.
- QIP PY 7 Settlement "Final" Payment for CY 2024	CCAH	2,249,573	-	Funded IGT on Aug. 22nd, \$900,434.15. Rec'd in Oct. 2025.
- District Hospital Directed Payments (DHDP) CY 2024	DHCS	643,091	710,853	Funded IGT due Feb/Mar 2026; Rec. funding Apr/May 2026.
- QIP PY 5 Loan Repayment	District	-	(3,090,086)	Funded IGT on Aug. 22nd, \$379,041.08. Expect payment in Oct/Nov '25. Paid on December 9, 2024.
IGT sub-total		10,619,006	6,023,320	
Non-Intergovernmental Transfer Programs:				
- AB 915 SY 2024-25	DHCS	-	1,802,585	Received on March 17, 2025. Based on FFS. County now under CCAH.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	-	1,069,577	Rec. Sep. 4, 2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	-	1,081,621	Expected to Rec. 4th qtr payment by June 30, 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	-	3,244,863	Rec'd 1st, 2nd, & 3rd Qtr payments YTD.
- SB 239 Hospital Quality Assurance Fund (HQAF) IX	DHCS	3,570,006	-	Qtrly Pmts expected March, May, July, & October 2026.
- Distinct Part, Nursing Facility (DP/NF)		-	-	Based on actual cost difference.
- Medi-Cal Disproportionate Share (DSH)	DHCS	1,015,605	1,260,151	H.R. 1 reduction of 60% delayed until FY 2028.
Non-IGT sub-total		4,585,611	8,458,797	
Program Grand Totals		15,204,617	14,482,117	
Total Received		6,820,038	17,572,203	
Total Pending		8,384,579	(3,090,086)	
Total Paid		-	14,482,117	
Net Supplemental Payments		15,204,617	14,482,117	



Rural Health Transformation Program

Overview of California's Rural Health Transformation (CaRHT) Proposal for
District Hospital Leadership Forum

Hovik Khosrovian, Senior Advisor *Workforce*

Lemeneh Tefera MD MSc, Chief Medical Officer, Deputy Director for Clinical Innovation

Peggy Broussard Wheeler, Senior Policy Advisor-*Stakeholder Relations*

February 12th, 2026

Our Mission



HCAI expands equitable access to quality, affordable health care for all Californians through resilient facilities, actionable information, and the health workforce each community needs.

HCAI Program Areas

Facilities: Monitor the construction, renovation, and seismic safety of California's hospitals and skilled nursing facilities.

Financing: Provide loan insurance, seismic grants and capital for nonprofit healthcare facilities to develop or expand services.

 **Workforce:** Promote a culturally competent and linguistically diverse health workforce.

 **Data:** Collect, manage, analyze and report information about California's healthcare landscape.

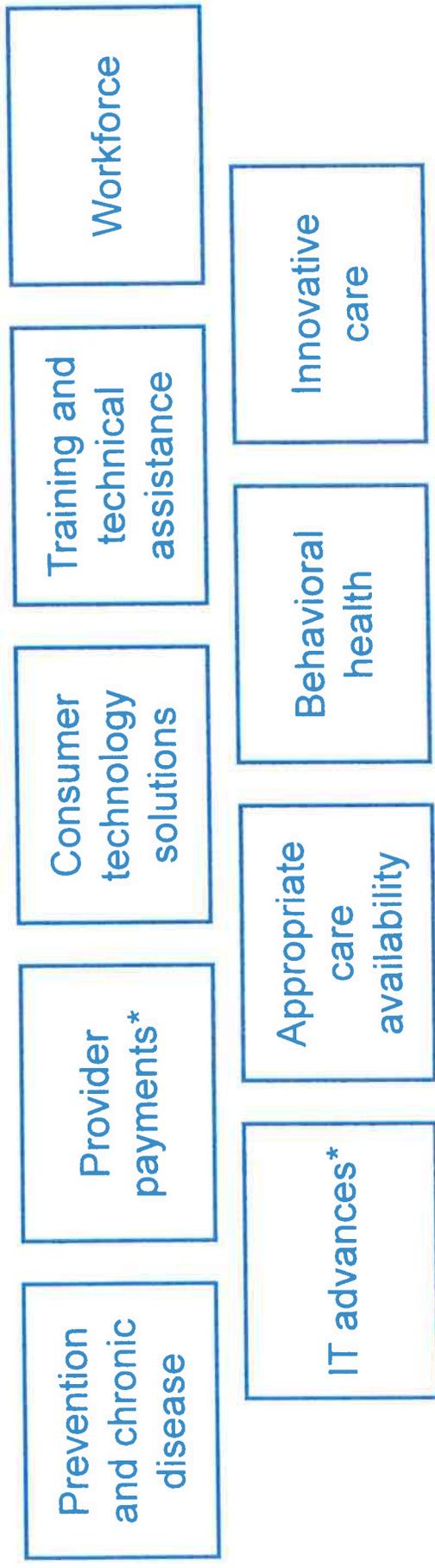
 **Affordability:** Improve health care affordability through data analysis, spending targets, and measures to advance value. Enforce hospital billing protections, and provide generic drugs at a low, transparent price.

Overview

- California's Rural Health Transformation (CaIRHT)
- Program funding
- Stakeholder engagement
- CaIRHT grant proposal

Permissible use of funds

Funds must be used for at least three of the CMS-designated categories:



*restrictions apply

CMS RHTP Award for California

- California was awarded the 3rd highest award in the nation
- **\$233,639,308** for Budget Period 1 (2026) of the RHTP

Restriction on using funds until CMS has approved budget revision

On **Nov 4**
CA RHTP grant application submitted

On **Dec 29**
California awarded **\$233.6MM**

By **Jan 30**
State recipients must **submit budget revision**

CMS Review

By **March 16**
CMS to approve, amend, or deny review the budget revision

Near Term Timeline
2025 - 2027

Budget Period 1
Dec 29, 2025 – Oct 30, 2026

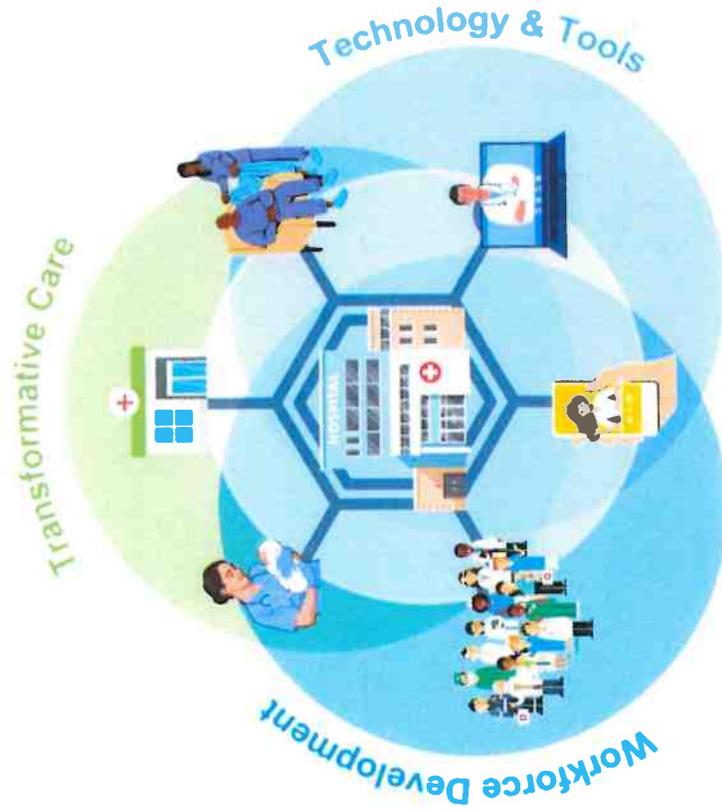
Spending Period 1
Dec 29, 2025 – Oct 30, 2027

Annual Reporting Period
Dec 29, 2025 – Jul 31, 2026

Continuation Application Due
Aug 30, 2026

Budget Period 2
Oct 31, 2026 – Sep 30, 2027

CaIRHT Proposal



The California Rural Health Transformation (CaIRHT) program vision is a **connected, resilient rural health system** in which every rural and frontier Californian can access timely, person-centered primary, maternity, specialty, chronic disease management, and behavioral health care close to home, **supported by a sustainable workforce, modern technology and data infrastructure.**

CaIRHT will develop rural regional care coordination collaboratives, networks, and partnerships; apply evidence-based care; deploy tools that work in low resource settings; and align sustainable payment to fund local readiness and health care services.

Initiative: Transformative Care Model



Establish regional hub-and-spoke networks

To create rural primary and maternity regional care collaboratives, networks, and partnerships that elevate rural health care by connecting regional hospital hubs with local clinics and other providers to improve both quality and care coordination

Leverage technology

That will expand telehealth primary, maternity, specialty access; e-Consults; remote patient self-monitoring; workforce extension; and implementing evidence-based models¹

Expand and support rural workforce capacity

To reduce rural bypass by offering obstetrics training fellowships, supporting development of CHWs, LVNs, doulas, midwives, and other allied health professions.

Transformation payments

To financially distressed rural hospitals that have the potential to meaningfully engage in feasible TCM components.

¹ Evidence based models include, but are not limited to: Extension for Community Healthcare Outcomes (Project ECHO), OB Nest, California Child and Adolescent Mental Health Access Portal (CAL-Map), and Perinatal Psychiatry Access Program (PPAP)

Initiative: Transformative Care Model



Option 1

District Hospital will respond to the Request for Application (RFA) and submit a novel program initiative that enhances rural care and extends their services to local clinics and other providers. The program will expand telehealth primary, maternity, specialty access; e-Consults; remote patient self-monitoring; workforce extension; and implementing evidence-based models¹

Option 2

District Hospital in a HRSA defined tract will apply for RFA funding to improve electronic health records, optimizing interoperability, and improving revenue cycle management.

Option 3

District Hospital will join a regional collaborative network engaged in multiple TCM activities.

Option 4

CaRHT will fund Transformative Payments to financially distressed rural hospitals that have the potential to meaningfully engage in feasible TCM components.

Option 5

District Hospital will apply for RFA funding for retention and relocation grants.

¹ Evidence based models include, but are not limited to: Extension for Community Healthcare Outcomes (Project ECHO), OB Nest, California Child and Adolescent Mental Health Access Portal (CAL-Map), and Perinatal Psychiatry Access Program (PPAP)

Initiative: Workforce Development



Establish a rural workforce mapping and planning tool

To identify demand trends and pinpoint county-level capacity gaps across clinicians and team-based care support roles.

Strengthen training pathways and clinical placement networks

To create a sustainable pipeline of rural students pursuing careers in health professions and build pathways for them to train, stay, and practice in rural communities.

Recruitment and Retention

To keep talent in rural communities and make recruitment practical when needed through incentives and wrap around supports that strengthen stability and fit.

Initiative: Technology & Tools

Infrastructure enhancement

to assess and support rural health entities meet baseline technology to participate effectively in regional care networks.



Grant funding

To support providers in a variety of needs including modernizing electronic health records, practice management, screening tools, population health systems, telehealth and e-consult platforms, optimizing interoperability, and improving revenue cycle management.

Expand regional collaboration

By leveraging the Rural Technical Assistance Center to coordinate efforts to reduce technology costs and staffing burden for rural providers and create opportunities for group purchasing and shared management of tech services.

Technical assistance

Through a Rural Technical Assistance Center that provides expert advice and hands-on support to TCM participants and other grantees.

Technology & tools to empower consumers

By promoting development of accessible digital tools and technologies and educating consumers on self-monitoring and reporting.

Cal RHT Rural Health Policy Council (RHPC)

The RHPC will be established as a statewide advisory body to HCAI. Meeting quarterly, the Council will **review CalRHT program progress, ensure policy alignment, and guide financing reform efforts.** The RHPC will act as a convener and facilitator, **fostering collaboration among state and local partners,** promoting open dialogue, and supporting successful implementation.

RHPC Participants

HCAI

Sibling Departments
Rural Hospitals
Rural Clinics
Tribal Leaders
Provider Offices
Health Plans

Community-Based Organizations
and other community stakeholders

What's next for CalRHT?

- Complete discussions with CMS to gain approval on the use of funds
- Program design and standing up grants administration
- Convene the Rural Health Policy Council



CalRHT Program Key Dates

- FAQs published online- February 2026
- Spring webinar – TBD
- Request for Application release date- TBD
- First grantee announcements – TBD
- Summer webinar – TBD
- Fall webinar – TBD

Questions ?

Please email
CalRHT@hcai.ca.gov

COMMERCIAL LEASE

THIS COMMERCIAL LEASE (“**Lease**”) is made effective as of March 1, 2026 (“**Effective Date**”) by and between CEGLIA PROPERTIES, LLC (“**Lessor**”), and SAN BENITO HEALTH CARE DISTRICT, a local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code (“**Lessee**”), upon the following facts and circumstances. Lessor and Lessee may be collectively referred to as the “**parties**” or each may be referred to individually as a “**party**.”

RECITALS

A. Lessor is the owner of those certain parcels of real property consisting of approximately 0.643 acres, located at 101 McCray Street, #E-7 and #E-8, in the City of Hollister, County of Monterey, State of California, designated as Assessor’s Parcel Numbers 054-340-021 and 054-340-022, as more particularly described in Exhibit A attached hereto, incorporated by reference (“**Property**”). The Property is improved with a strip mall building consisting of multiple suites (“**Building**”).

B. Subject to the terms and conditions set forth herein, Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee, a portion of the Building commonly known as Suite 108 consisting of approximately Three Thousand Five Hundred Ninety Six square feet (3,596 sq. ft. +/-) of medical office space (“**Premises**”). The Premises are illustrated on the diagram attached hereto as Exhibit B, incorporated by reference.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained in this Lease, the parties agree as follows:

1. PREMISES. Subject to the terms, covenants and conditions set forth in this Lease, Lessor hereby leases to Lessee and Lessee leases from Lessor the Premises subject to all recorded covenants, conditions and restrictions, utility easements, other recorded private easements, reciprocal easement agreements and any other recorded instruments affecting the use of the Premises or Property as they may exist as of the date of this Lease.
2. CONDITION OF PREMISES. Lessee acknowledges that Lessee has occupied the Premises for six (6) years under terms and provisions of an earlier lease, is fully familiar with the condition of and has fully inspected the Premises. Lessee is satisfied with its physical condition and accepts the Premises in its AS-IS condition. Except as expressly provided herein, Lessor makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use or purpose.
3. TERM. The term of this Lease shall be five (5) years (“**Term**”), commencing on March 1, 2026 (“**Commencement Date**”) at 12:01 AM and terminating on February 28, 2031 at 11:59 PM. Notwithstanding anything else herein, Lessee shall have the unilateral right to immediately terminate this Lease by written notice to Lessor upon the expiration or earlier termination of that certain Professional Services Agreement of even date herewith by and between

Lessee and Focus Physical Therapy and Gym Management Services, Inc., a California professional physical therapy corporation.

4. POSSESSION. Lessee is currently in possession of the Premises.

5. RENT.

5.1 Base Rent. Lessee shall pay in advance to Lessor a monthly base rent (“**Base Rent**”) of Ten Thousand Five Hundred Fifty-Five and 83/100 Dollars (\$10,555.83). Base Rent shall be increased by two percent (2%) on each anniversary of the Commencement Date during the Term. Base Rent is payable and due on the first day of each month during the Term, without notice, demand, counterclaim, setoff, deduction or defense. Base Rent shall be prorated for any partial calendar month during the Term.

5.2 Additional Rent. In addition to the Base Rent, Lessee also agrees to pay to Lessor as additional rent (“**Additional Rent**”), all other amounts and obligations Lessee assumes or agrees to pay under this Lease; provided that, if under the terms and conditions set forth in this Lease, Lessee is to satisfy such obligation to someone other than Lessor, Lessor shall have no claim to said amount as Additional Rent unless a claim is made against Lessor for such amount or if Lessor has satisfied such obligation in order to protect its rights and has demanded reimbursement from Lessee.

5.3 Rent Payments. Base Rent and Additional Rent shall collectively be referred to herein as “**Rent**.” All Rent payable to Lessor in accordance with this Lease shall be paid to Lessor at the address set forth in Section 20.7 or such other address as the Lessor shall instruct the Lessee in writing. All Rent and any other amounts due under this Lease shall be payable in lawful currency of the United States of America.

5.4 Late Payment Obligations. Lessee acknowledges that the late payment by Lessee of any monthly installment of Base Rent or Additional Rent will cause Lessor to incur additional costs and expenses, the exact amounts of which are extremely difficult or impractical to fix at the time. Therefore, if any Rent is not received by Lessor from Lessee within ten (10) days after the same becomes due, Lessee shall immediately pay to Lessor a late charge equal to five percent (5%) of such delinquent rent.

6. USE.

6.1 Permitted Uses. Subject to the terms, covenants and conditions of this Lease, Lessee shall use the Premises as a medical office and related healthcare purposes (“**Permitted Uses**”). Lessee’s use of the Premises shall be subject to all Laws pertaining to the use and occupancy of the Property. “**Law**” or “**Laws**” as used in this Lease shall include any judicial decision, statute, constitution, ordinance, resolution, regulation, rule, administrative order, or other requirement of any municipal, county, state, federal or other governmental agency or authority having jurisdiction over the parties hereof, in effect either at the Effective Date hereof or at any time during the Term.

6.2 Nuisance; Waste. All noise or odors generated by Lessee’s use of the Premises shall be contained or muffled as much as possible so as not to create a public or private

nuisance or to interfere with the quiet enjoyment of any other tenant of the Property or persons residing on neighboring properties. Lessee shall keep the Premises in a neat, clean, attractive and orderly condition, free of any objectionable noises, odors, dust, debris, weeds, rodents or nuisances which may disturb adjacent property. Lessee shall not use the Premises in any manner that will constitute waste or cause damage to the Property.

7. PARKING. The Property shares a parking lot with other occupants of the Building. Lessee shall have shared access and use of the parking lot subject to the rules applicable to the shared parking lot.

8. UTILITIES. Lessee shall provide for the Premises, at its sole expense, sewer, water, and garbage services. Lessee shall also provide, at its sole expense all other costs of occupying and operating the Premises, including but not limited to, electricity, telephone, cable, janitorial, and window cleaning.

9. ALTERATIONS OR IMPROVEMENTS; LIENS.

9.1 Permitted Alterations and Improvements. Lessee shall make no alterations to the Building or the Premises or construct any structure or make any other improvements on or to the Premises without the prior written consent and approval of Lessor which may be withheld at Lessor's reasonable discretion. Any and all alterations, changes, and/or improvements built, constructed or placed on the Premises or made to the Building by Lessee shall, unless otherwise provided by written agreement between Lessor and Lessee, be and become the property of Lessor and remain on the Premises at the expiration or sooner termination of this Lease.

9.2 Liens. Lessee shall keep the Property free from any liens and shall pay when due all bills arising out of any work performed, materials furnished or obligations incurred by Lessee, its agents, employees or contractors. If any claim of lien is recorded against the Property as a result of or arising from Lessee or Lessee's agent or employee's actions, Lessee shall bond against or discharge the same within twenty (20) days after the same has been recorded against the Property. Should any lien be filed against the Property or any action commenced affecting title thereto, the party receiving notice of such lien or action shall immediately give the other party written notice thereof.

10. TRADE FIXTURES. Throughout the Term, Lessee shall, at its sole expense, provide, install and maintain in good condition all trade fixtures required in the conduct of its business on the Premises. Lessee shall own and may remove the trade fixtures upon expiration or sooner termination of this Lease provided such removal is done without materially damaging the Premises. Any trade fixtures not removed at the expiration or sooner termination of this Lease shall, at Lessor's election, either become Lessor's property or be removed from the Premises at Lessee's sole expense.

11. TAXES.

11.1 Real Property Taxes. Lessor shall pay all real property taxes and special assessments on the Property.

11.2 Personal Property Taxes. Lessee shall pay before delinquency any and all taxes, assessments, license fees and any other charges levied, assessed or imposed upon Lessee's personal property or Lessee's business property.

12. INSURANCE.

12.1 Lessee's Insurance. Lessee shall procure, pay for and keep in full force and effect during the Term the following policies of insurance:

(a) Commercial general liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate limit insuring against all liability of Lessee and its authorized representatives arising out of and in connection with Lessee's use or occupancy of the Premises. Lessee's general liability insurance shall insure performance by Lessee of the indemnity provisions of this Lease;

(b) A policy or policies of fire and property damage insurance with standard extended coverage endorsement on all of Lessee's fixtures, equipment, leasehold improvements, merchandise and personal property situated in or on, or about the Premises ("**Lessee's Property**"), with limits of not less than the full replacement value of Lessee's Property. So long as this Lease is in effect, the proceeds from any such fire insurance policy shall be used for the repair or replacement of the fixtures, equipment or other personal property so insured; and

(c) Workers' compensation coverage and any other employee benefit insurance or equivalent for Lessee's employees sufficient to comply with all Laws.

12.2 Lessor's Insurance. Lessor shall procure, pay for and keep in full force and effect during the Term the following policies of insurance:

(a) Commercial property insurance written on a special form or "all-risk" basis covering Lessor's portion of the Building and other improvements of which the Premises form a part (excluding Lessee's furniture, equipment, trade fixtures and other personal property), in an amount not less than the full replacement cost thereof, together with ordinance or law, demolition, and increased cost of construction coverage to the extent required by Lessor's lender or reasonably carried by prudent institutional owners of comparable properties in San Benito County. Such property insurance shall insure against risk of direct physical loss or damage, including fire and other customary perils, subject only to such deductibles and exclusions as are commercially reasonable.

12.3 Protection of Policy. Lessee shall not use or permit any person or entity to use the Premises in any manner that is likely to cause a cancellation of any insurance policy covering the Premises. Lessee shall comply with all requirements of any insurance company, insurance underwriter, or Board of Fire Underwriters which are necessary to maintain the insurance coverage carried by either Lessor or Lessee pursuant to this Lease.

13. REPAIRS; MAINTENANCE.

13.1 Lessor's Responsibilities. Except as otherwise provided herein, Lessor agrees to maintain in good condition and repair the Premises at its sole cost and expense, except for:

(i) reasonable wear and tear; and (ii) repairs, maintenance and replacements which are required as a result of Lessee's (or Lessee's employees, agents, customers, invitees, licensees or other visitors) negligent or willful misuse of or damage to the Premises; each of which shall be repaired, maintained or replaced at the sole cost and expense of Lessee. Lessee agrees to immediately give Lessor written notice of any defect or need for repair, after which Lessor shall have a reasonable opportunity to repair the same or cure the problem.

13.2 Lessee's Responsibilities. Lessee shall (i) maintain the Premises in approximately the same or better condition as existed on the Effective Date, reasonable wear and tear excepted; (ii) pay at its own expense, all repairs, maintenance, and alterations of Lessee-installed fixtures or improvements; and (iii) immediately notify Lessor of any condition on the Premises requiring repair, maintenance, or replacement.

14. LIMITS ON LIABILITY; INDEMNIFICATION.

14.1 Limitation on Lessor's Liability and Actions. Lessor shall not be liable to Lessee, nor shall Lessee be entitled to terminate this Lease under any circumstances, except as expressly stated in this Lease. Further, Lessee shall not be entitled to any abatement of rent for any injury to Lessee, its agents, employees, contractors or invitees, for any damage to Lessee's property or for any loss to Lessee's business resulting from any cause, including without limitation (i) any failure, interruption of any utility system or service, labor disturbances of any character or other incidents or conditions beyond the reasonable control of Lessor or by the making of repairs or improvements to the Premises or Property; (ii) any limitation, curtailment, rationing or restriction on use of water, gas, diesel, propane or electricity or on any other form of energy or any other service or utility serving the Premises or provided by Lessee's business; or (iii) any fire, flood, or other natural disaster. In no event shall Lessor be liable to Lessee for special, consequential, punitive or exemplary damages.

14.2 Indemnification. Each party hereto (the "**Indemnifying Party**") shall indemnify and hold harmless the other party and such party's employees, directors, officers, subcontractors, agents and affiliates from and against all claims, actions, damages, losses, liabilities, fines, penalties, costs or expenses (including, without limitation, reasonable attorneys' fees) ("**Losses**") suffered by such party arising from or in connection with (i) the Indemnifying Party's negligence or willful misconduct, and (ii) any breach by the Indemnifying Party of this Lease, in each case to the extent caused by the Indemnifying Party or its contractors, invitees, licensees, or agents. The foregoing obligations shall apply to third-party claims and, as between the parties, to claims asserted by the Indemnified Party(ies) to the extent resulting from the matters described in the preceding sentence; provided, however, that no party shall be required to indemnify the other to the extent any Losses result from the negligence or willful misconduct of the party seeking indemnification or its contractors, invitees, licensees, or agents. The indemnification obligations set forth herein shall not apply to claims to the extent covered by property or general liability insurance carried by either party under this Lease, and each party hereby waives and releases claims against the other to the extent of insurance proceeds actually received (or that would have been received had the required insurance been maintained) and agrees to obtain from its insurers waivers of subrogation consistent with this Lease.

14.3 Survival. The provisions of this Section 14 shall survive the expiration or sooner termination of this Lease with respect to any claim or liability occurring prior to such expiration or sooner termination.

15. ASSIGNMENT AND SUBLETTING.

15.1 By Lessee. Except as otherwise provided herein, Lessee shall not assign, sublet, sell or otherwise transfer (“**Transfer**”) this Lease (by operation of law or otherwise) without the prior written consent and approval of Lessor which shall not be unreasonably withheld.

15.2 By Lessor. Lessor shall have the right to Transfer its interest in the Premises at any time and to any person or entity, provided that Lessor shall promptly notify Lessee in writing of such Transfer. For a period of ninety (90) days following receipt of notice of such Transfer, Lessee shall have the option to terminate this Lease without further obligation.

16. LESSEE DEFAULT.

16.1 Events of Default. Lessee shall be in default of its obligations under this Lease if any of the following events occurs: (i) Lessee shall have failed to pay Rent within fifteen (15) days after such payment is due; (ii) Lessee shall have failed to perform any term, covenant or condition of this Lease except those requiring the payment of Rent, and Lessee shall have failed to cure such breach within thirty (30) days after written notice from Lessor specifying the nature of such breach; or (iii) Lessee shall have abandoned the Premises.

16.2 Lessor’s Remedies. In the event of a default by Lessee, Lessor shall have the right to (i) immediately terminate this Lease upon written notice to Lessee and enter and take possession of the Premises; and/or (ii) pursue all remedies at law and/or in equity. Notwithstanding, nothing in this Section 16 shall waive any Lessee rights pursuant to California Code of Civil Procedure sections 1174 and 1179 and California Civil Code section 3275.

17. LESSOR DEFAULT.

17.1 Events of Default. Lessor shall be in default of its obligations under this Lease if Lessor shall have failed to perform any term, covenant or condition of this Lease and Lessor shall have failed to cure such breach within thirty (30) days after written notice from Lessee specifying the nature of such breach; provided, however, that if such failure cannot reasonably be cured within such thirty (30) day period, Lessor shall not be deemed in default so long as Lessor commences to cure such failure within such period and thereafter diligently and continuously prosecutes such cure to completion.

17.2 Lessee’s Remedies. In the event of a default by Lessor, Lessee shall have the right to (i) immediately terminate this Lease upon written notice to Lessor and abandon the Premises; and/or (ii) pursue all remedies at law and/or in equity, including California Civil Code section 1942.

18. CERTIFIED ACCESS SPECIALIST INSPECTION. Neither the Premises nor the Property has undergone an inspection by a Certified Access Specialist (“**CASp**”). Pursuant to California Civil Code section 1938, Lessor hereby advises Lessee as follows: *A Certified Access*

Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

19. ESTOPPEL CERTIFICATE. Lessee shall, within ten (10) business days after receipt of written notice from Lessor, execute, acknowledge and deliver to Lessor or to any party designated by Lessor, a certificate of Lessee stating: (a) that Lessee has accepted and is in possession the Premises, (b) the Term of this Lease, (c) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that same is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of the obligations of Lessee under this Lease (and, if so, specifying same), (e) whether or not there are then existing any defaults by Lessor in the performance of its obligations under this Lease (and, if so, specifying same), (f) the dates through which the Rent have been paid, and (g) any other factual information relating to the rights and obligations under this Lease that may reasonably be required by any of such persons.

20. MISCELLEANOUS.

20.1 Recitals. The preamble and recitals are hereby incorporated into this Lease as if set forth herein in full.

20.2 Holding Over. This Lease shall terminate without further notice at the expiration or sooner termination of the Term. Any holding over by Lessee after expiration or sooner termination of the Term shall not constitute a renewal or extension of this Lease or give Lessee any rights in or to the Premises except as expressly provided in this Lease. Any holding over after such expiration or sooner termination shall be construed to be a tenancy from month-to-month on the same terms and conditions herein specified insofar as applicable except that monthly Base Rent shall be increased to an amount equal to one hundred five percent (105%) of the Base Rent due the last month of the Term.

20.3 Number; Gender; Headings. Whenever appropriate in this Lease, terms in the singular form shall include the plural (and vice versa) and any gender form shall include all others. Section headings in this Lease are for the convenience of the parties only and do not form a part of this Lease, nor should such headings be used to interpret any provision of this Lease.

20.4 Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assigns, and any reference to a party hereto shall also be a reference to a permitted successor or assign.

20.5 Complete Agreement. This instrument, any attached exhibits, and the documents expressly described or referred to in the Lease constitute all of the understandings and

agreements existing between the parties concerning this Lease and the rights, interest, understandings, agreements and obligations created by this Lease. Any prior discussions or documents relating to this Lease and the subject matter hereof are fully and completely integrated herein, and no such prior discussion or document outside of this Lease shall be considered or used in any way to interpret any provision of this Lease.

20.6 Severability. If any one or more of the provisions contained in this Lease is held by a court of competent jurisdiction (or by an arbitrator who adjudicates any dispute or interprets this Lease) for any reason to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability of any such provision shall not affect any other provisions hereof, and this Lease shall be construed as if it did not contain any invalid, illegal or unenforceable provision.

20.7 Notices. All notices, requests, demands and other communications under this Lease shall be in writing and shall be deemed to have been duly given on the date of service if served personally, the date transmitted by email to the party to whom notice is to be given, or on the second day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and properly addressed as follows:

If to Lessee:

San Benito Health Care District
Attention: Chief Financial Officer
911 Sunset Drive
Hollister, CA 95023
E-mail: mrobinson@hazelhawkins.com

If to Lessor:

Ceglia Properties, LLC
Attention: John Ceglia
154 Stony Brook Dr.
Hollister, CA 95023
E-mail: _____

With a required copy to:

Noland, Hamerly, Etienne & Hoss
Attn: Danny Little
P.O. Box 2510
Salinas, CA 93902-2510
E-mail: dlittle@nheh.com

Any party may change their or its address for purposes of this section by giving the other party written notice of the new address in the manner set forth above.

20.8 Amendments. The exclusive method to change or modify this Lease shall be by a written amendment, signed by the parties, and shall be effective from the date specified in such amendment unless the parties agree to another effective date of amendment in such writing. No oral agreement conflicting in any manner with the terms hereof shall be effective, whether or not partially performed, unless and until embodied in such an amendment to this Lease and signed by the parties to this Lease.

20.9 Controlling Law. This Lease has been negotiated, drafted and executed in San Benito County, California. The parties agree that this Lease and the rights and remedies of the parties hereunder shall be governed by California law. Each party consents to the exclusive

jurisdiction of the Superior Court of California in and for the County of San Benito with respect to any dispute which is not otherwise resolved as herein provided and for the enforcement hereof.

20.10 Preparation of Agreement. The parties acknowledge that the law offices of Noland, Hamerly, Etienne & Hoss, a professional corporation (“NHEH”), has prepared this Lease on behalf of Lessee, and that NHEH has not provided legal representation or given legal advice to Lessor in connection with negotiating, drafting or executing this Lease. Lessor acknowledges that Lessor has been given a reasonable opportunity to obtain independent legal advice in connection with his negotiation, drafting and executing of this Lease.

20.11 Time of the Essence. Time is of the essence of this Lease and failure to comply strictly with this provision and the time periods specified herein (unless waived or extended by written agreement) shall be a material breach of this Lease.

20.12 Cumulative Rights. All rights and remedies of any party under this Lease or under applicable law shall be separate and cumulative, and no right or remedy, whether or not exercised, shall preclude a party from exercising any other right or remedy it may have.

20.13 Interpretation/Construction of Agreement. The parties acknowledge that this Lease was drafted after negotiations between the parties. The parties agree that any ambiguities or uncertainties shall be resolved by giving effect to the ascertained intent of the parties pursuant to California Civil Code section 1654 without any presumption against either party.

20.14 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the undersigned have executed this Lease as of the date first above written.

LESSEE
SAN BENITO HEALTH CARE DISTRICT

LESSOR
CEGLIA PROPERTIES, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

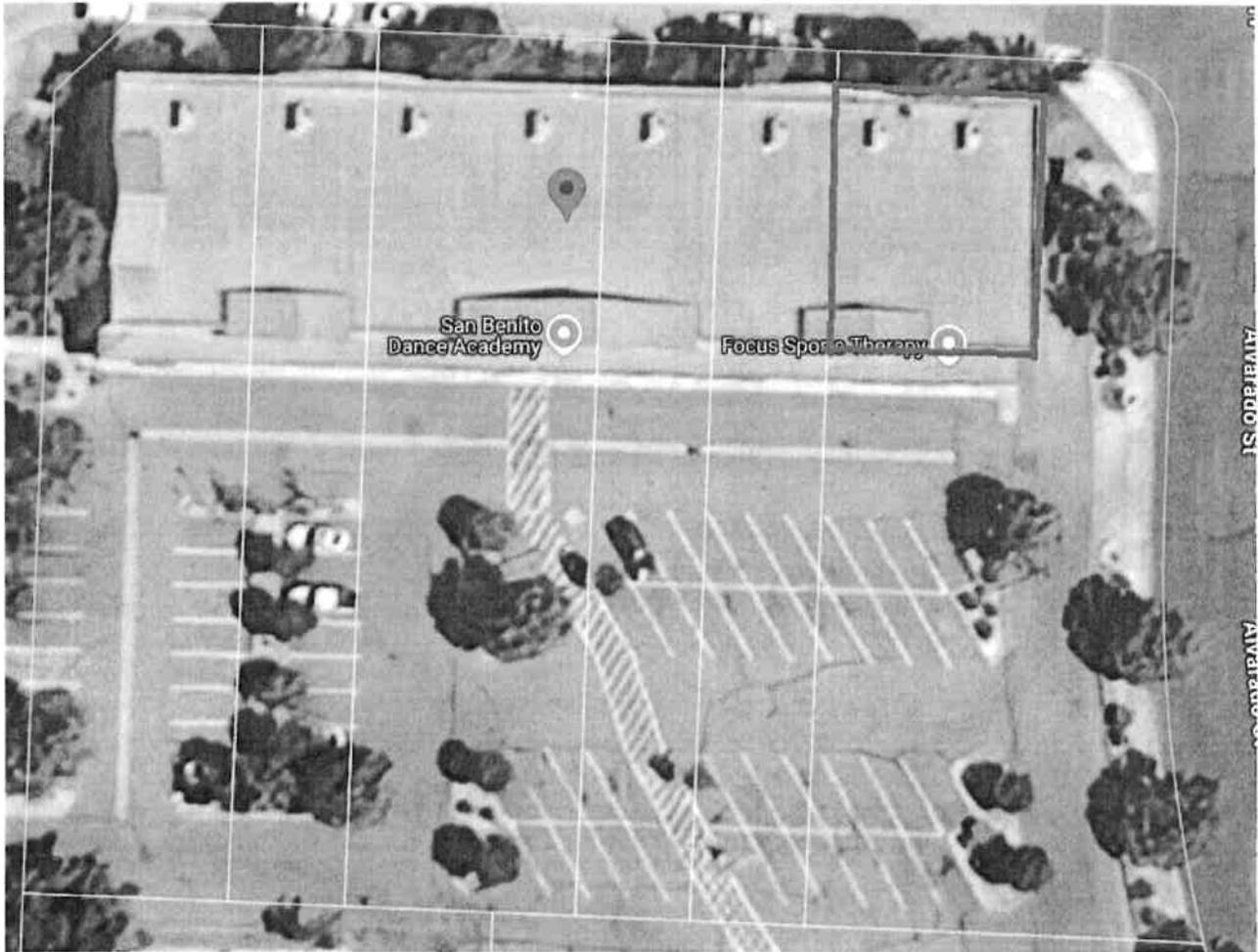
Property Legal Description

All that real property located in the City of Hollister, County of San Benito, State of California described as follows:

PARCEL 2 AND PARCEL 3 AS IS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD OCTOBER 17, 2007 IN BOOK 10 OF PARCEL MAPS, AT PAGE 49, RECORDER'S FILE NO. 2007-0012755, SAN BENITO COUNTY RECORDS OF THE STATE OF CALIFORNIA

EXHIBIT B

Illustration of the Premises



Approximate location of the Premises identified in red ink.

4910-0514-2665, v. 3

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“**Agreement**”) is made, entered into and effective as of March 1, 2026 (“**Effective Date**”), by and between San Benito Health Care District, a local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code (“**SBHCD**”), FOCUS PHYSICAL THERAPY AND GYM MANAGEMENT SERVICES, INC., a California professional physical therapy corporation (“**Corporation**”).

RECITALS

- A. SBHCD owns and operates Hazel Hawkins Memorial Hospital, a licensed general acute care facility located at 911 Sunset Drive, Hollister, California (“**Hospital**”). Hospital provides inpatient and outpatient services to residents of the San Benito Health Care District and surrounding communities which constitute the Hospital’s service area (“**Hospital Service Area**”).
- B. SBHCD owns and operates a physical therapy clinic provide services to patients in the Hospital Service Area (“**Clinic**”). Clinic operates under the name “Focus Sports Therapy” at 101 McCray Street, Ste. 108, Hollister, CA 95023.
- C. Corporation is a California professional physical therapy corporation organized under the Moscone-Knox Professional Corporation Act (“**Act**”), duly licensed and authorized to practice physical therapy in California.
- D. Corporation’s physical therapists (each a “**PT**” and collectively the “**PTs**”) are licensed to practice physical therapy in the State of California, and experienced and qualified to provide physical therapy services. The term “**PTs**” includes all physical therapists who own shares in, employed by, contracted with, or serving as director or officer of Corporation on the Effective Date and at any time during the Term of this Agreement.
- E. Section 32129 of the California Health and Safety Code provides that a health care district may contract with physicians and health care provider groups to render professional health services in order to ensure that adequate health care is available to all residents within its service area.
- F. SBHCD has determined that entering into this Agreement with Corporation is in the best interests of SBHCD and the public health of the residents of the Hospital Service Area and is an appropriate way to assure availability of skilled physical therapy services to patients in the Hospital Service Area.
- G. The parties desire to enter into this Agreement to set forth their respective responsibilities in connection with the Services provided by Corporation through PTs at the Hospital and Clinic during the term of this Agreement.

The parties hereby agree as follows:

ARTICLE 1 - DUTIES AND OBLIGATIONS OF CORPORATION

- 1.1 Services. Beginning on March 1, 2026 (“**Commencement Date**”), Corporation shall provide Services (as defined in Exhibit A) to patients at Clinic and/or Hospital and on the schedule more fully described in Exhibit A, which is attached to this Agreement and incorporated by this reference. Services include Medicare services, Medi-Cal services, services pursuant to any other federal health care program or a state health care financial program (“**Governmental Programs**”), workers’ compensation services, and charity care. Corporation shall ensure PTs cooperate to enable Clinic’s and Hospital’s participation in Medicare, Medi-Cal, Governmental Programs, workers’ compensation services and commercial payor programs. PTs shall provide Services to all patients, including Medicare, Medi-Cal, Governmental Program, and workers’ compensation beneficiaries, in a non-discriminatory manner and in accordance with all applicable laws and SBHCD policies and procedures, as developed and implemented in collaboration with leadership of Hospital and Clinic.

1.2 Qualifications.

- 1.2.1 Corporation shall: (i) be duly organized, validly existing and in good standing under the laws of California; (ii) meet all licensure and registration requirements to practice physical therapy as a professional corporation; (iii) not be excluded from participation in any governmental healthcare program; and (iv) have no shareholders or directors other than “licensed persons” as defined in the Act.
- 1.2.2 Each PT shall: (i) be duly licensed to practice physical therapy by the State of California; (ii) be qualified to perform the Services by having adequate levels of competency and experience; (iii) have skill comparable to those prevailing in the community; (iv) not be excluded from participation in any governmental healthcare program; and (v) be certified as a participating providers in the Medicare and Medi-Cal programs.

1.3 Compliance. In connection with the operation and conduct of the Clinic and Hospital and rendition of Services, Corporation and PTs shall, at all times and as applicable, comply with the applicable terms of this Agreement and with all applicable federal, state and local laws, rules and regulations, including requirements for participation in the Medicare and Medi-Cal programs, SBHCD rules and regulations, and applicable policies and procedures, and will at all times be aware of and participate in meeting the SBHCD Corporate Compliance program goals and objectives.

1.4 Credentialing. In order to be efficiently credentialed with payors contracted with SBHCD, PTs shall participate in the Council for Affordable Quality Healthcare (“CAQH”) credentialing program (as applicable) and shall timely comply with requests from CAQH or SBHCD personnel for (i) credentialing information regarding each PT, and (ii) documents necessary for the credentialing of each PT.

1.5 Use of Premises. No part of the SBHCD premises shall be used at any time by Corporation or PT as an office for the general or private practice of physical therapy (other than Services pursuant to this Agreement).

1.6 Patient Records/Chart Notes. Each PT shall provide appropriate and necessary documentation for each patient’s record for all patient encounters in the Clinic and Hospital in compliance with the Hospital’s and Clinics’ policies and procedures.

1.7 Coding. PTs shall properly code all professional services rendered to patients. PTs’ coding shall be used for purposes of billing for Services provided by Corporation. All such coding shall be subject to review and audit by an independent auditing company mutually agreed upon by the parties.

1.8 Professional Standards. In performing Services, Corporation and PT shall comply with the principles and ethics of the American Physical Therapy Association, the California Physical Therapy Association and any federal, state or municipal law, statute or ordinance dealing with the practice of physical therapy by PTs. Each PT shall further abide in all respects with the Code of Conduct applicable to professional health care providers of any hospital, outpatient clinic or surgery center, including but not limited to SBHCD, at which Corporation provides professional services. Corporation and PTs shall provide services to all SBHCD patients on a courteous and prompt basis, be available and accessible to patients, provide them with full and meaningful information and render services in a manner which assures continuity of care.

ARTICLE 2 - DUTIES AND OBLIGATIONS OF SBHCD

2.1 Duties. SBHCD agrees to furnish at its own cost and expense, for the operation of the Clinic and Hospital, the following:

- 2.1.1 Space and Equipment. Space and Equipment as may be reasonably required for the operation of the Clinic and Hospital as determined by SBHCD. SBHCD shall provide Corporation office space sufficient to perform the administrative and management services rendered as part of the Services.

- 2.1.2 Services and Supplies. Maintenance, repair, and replacement of equipment as are reasonably required; all utilities, including telephone, power, light, gas, and water; and all supplies that may be reasonably required for the operation of the Clinic and Hospital.
- 2.1.3 Non-physician Personnel. All non-physician personnel with appropriate education, training and experience required to operate the Clinic and Hospital, including qualified administrative personnel (except as required of Corporation as part of the Services). SBHCD shall have the sole right and responsibility for the hiring and termination of all its employees. SBHCD shall be responsible for the scheduling of non-physician Clinic and Hospital personnel.
- 2.2 Eligibility. At all times during the term of this Agreement, Clinics and Hospital shall remain eligible to participate in the Medicare and Medi-Cal programs.
- 2.3 Contracts. SBHCD shall be solely responsible for negotiating all contracts for the reimbursement of Services provided in the Clinic and Hospital. SBHCD in its sole and absolute discretion shall determine the negotiation parameters for the terms, conditions, and rates for such contracts.
- 2.4 Access to Records. Corporation and PT shall have access to the SBHCD patient medical and business records for quality of care and compliance purposes.

ARTICLE 3 - BILLING AND ASSIGNMENT OF REVENUE

- 3.1 Billing and Collection. SBHCD shall perform billing and collection services under this Agreement for all professional services rendered by PTs. Corporation and PTs shall cooperate with SBHCD and shall use its/his/her best efforts to furnish appropriate documentation of patient care services provided by PTs to enable SBHCD to timely and accurately bill and collect for such services.
- 3.2 Assignment of Professional Service Revenues. Corporation and PTs hereby assign to SBHCD the right to all revenue from any and all patients, third-party payors, and Governmental Programs for all professional services rendered as part of the Services by Corporation and PTs at the Hospital and the Clinic under this Agreement. The parties intend that SBHCD may bill and collect directly from the Medicare carrier for PT's services to Medicare beneficiaries in compliance with Medicare Publication 100-04, Chapter 1, Sec. 30.2.7.

ARTICLE 4 - COMPENSATION FOR SERVICES BY CORPORATION

- 4.1 Compensation. As compensation for the provision of Services in the Clinic and Hospital, SBHCD shall pay Corporation as outlined in Exhibit A to this Agreement and in accordance with the normal SBHCD contract payment process for Services provided hereunder. Neither Corporation nor any PT shall not bill for facility fees, administrative, supervisory, medical director, or similar services.
- 4.2 Schedule of Charges. SBHCD, in its sole and absolute discretion, shall decide upon the schedule of charges for the Clinic and Hospital. Pursuant to California Health and Safety Code Section 32129, the SBHCD Board of Directors may review the fees and charges for Services provided at the Clinic and Hospital to ensure such fees and charges are reasonable, fair, and consistent with the basic commitment of SBHCD to provide adequate health care to all residents within the Hospital Service Area.

ARTICLE 5 - TERM AND TERMINATION

- 5.1 Term. The term of this Agreement shall commence on the Commencement Date and continue for a period of five (5) years, unless terminated earlier as provided in this Agreement, and shall automatically renew for successive one (1) year periods thereafter unless (i) either party gives written notice of nonrenewal not less than sixty (60) days prior to renewal, or (ii) the Agreement is earlier terminated as set forth herein.
- 5.2 Termination. Either party shall have the right to terminate this Agreement without stating a cause or reason and without cost or penalty upon ninety (90) days' prior written notice to the other party.

Notwithstanding, either party shall have the right to terminate the Agreement for cause upon written notice to the other party as set forth below.

- 5.3 Definition of Cause. For purposes of this Agreement, “cause” shall include, but not be limited to, the occurrence of any of the following events:
- 5.3.1 SBHCD, Corporation, or any PT is in breach of any material term or condition of this Agreement and such breach has not been cured within thirty (30) days following written notice of such breach.
 - 5.3.2 SBHCD or Corporation becomes insolvent or declares bankruptcy.
 - 5.3.3 Corporation fails to meet any licensure or registration requirement promulgated by the Physical Therapy Board of California.
 - 5.3.4 Any PT’s license to practice physical therapy is revoked or suspended.
 - 5.3.5 SBHCD fails to carry or reinstate the insurance required in ARTICLE 8 of this Agreement or such coverage is cancelled or revoked within fifteen (15) days following notice of revocation from its insurance carrier.
 - 5.3.6 SBHCD’s determination, in its sole discretion, that Corporation or any PT has violated a material term of ARTICLE 9 of this Agreement.
 - 5.3.7 The performance by either party of any term, condition, or provision of this Agreement which jeopardizes the licensure of Hospital, Hospital’s participation in Medicare, Medi-Cal or other reimbursement or payment program, or Hospital’s full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or the tax-exempt status of Hospital’s bonds, or if for any other reason such performance violates any statute, ordinance, or is otherwise deemed illegal, or is deemed unethical by any recognized body, agency, or association in the healthcare fields, and the jeopardy or violation has not been or cannot be cured within sixty (60) days from the date notice of such jeopardy or violation has been received by the parties.
 - 5.3.8 Any PT being charged with or convicted of a crime other than an infraction, traffic citation, or similar charge.
 - 5.3.9 Any PT’s engagement in: (i) willful misconduct (which means the knowing and intentional failure to exercise ordinary care to prevent material injury to SBHCD or the commission of an intentional act with knowledge that it is likely to result in material injury to the SBHCD), (ii) fraudulent activities, (iii) crimes or acts of moral turpitude, (iv) any breach of a duty to SBHCD, a patient, or any third party payor, (v) sexual harassment or abuse, or (vi) or any other action or omission that could materially affect SBHCD’s business or reputation in an adverse manner.
 - 5.3.10 Termination or expiration of the Commercial Lease for the Clinic by and between SBHCD and Ceglia Properties, LLC of even date herewith.
- 5.4 Termination/Expiration Not Subject to Fair Hearing. It is agreed between the parties that should either party exercise its right to terminate this Agreement such decision to terminate, and the actual termination or expiration of this Agreement, shall apply to rights under this Agreement only and not to any PT’s medical staff privileges or membership on the medical staff of Hospital (if applicable). The termination or expiration of this Agreement shall not be subject to the Fair Hearing Plan of the Medical Staff Bylaws, the hearing procedures provided by Healthcare District Law, or any other fair hearing procedure regarding medical staff appointments or privileges.

ARTICLE 6 - INDEPENDENT CONTRACTOR

- 6.1 Independent Contractor Status. Corporation is engaged in an independent contractor relationship with SBHCD in performing all work, services, duties, and obligations pursuant to this Agreement. Neither SBHCD nor Hospital shall exercise any control or direction over the methods by which Corporation or any PT performs work and functions, except that each PT shall perform at all times in strict accordance with then currently approved methods and practices of PT's professional specialty. SBHCD's sole interest is to ensure that PT performs and renders services in a competent, efficient, and satisfactory manner in accordance with high physical therapy standards.
- 6.2 Independent Contractor Responsibilities. The parties expressly agree that no work, act, commission, or omission of Corporation pursuant to the terms and conditions of this Agreement shall be construed to make or render Corporation or any PT the agent or employee of SBHCD. No PT shall be entitled to receive from SBHCD vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or any other employee benefit. Corporation shall be solely responsible for paying when due all income, employment and withholding taxes and employment benefits, if any, including estimated taxes, incurred as a result of the compensation paid by (i) SBHCD to Corporation, and (ii) Corporation to any PT for Services under this Agreement. Corporation is responsible for providing, at its sole own expense, disability, unemployment, workers' compensation and other insurance (if applicable), training, permits and licenses.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES

- 7.1 SBHCD Representations and Warranties. SBHCD for itself, and its board of directors, officers, employees, and agents (collectively, "Agents"), represents and warrants to SBHCD, upon execution and while this Agreement is in effect, as follows:
- 7.1.1 SBHCD has all requisite power and authority to enter into this Agreement and to perform its obligations under this Agreement;
- 7.1.2 This Agreement has been duly authorized, executed, and delivered by SBHCD and is a legal, valid, binding obligation of SBHCD, enforceable in accordance with its terms;
- 7.1.3 The parties have bargained at arms' length to determine Corporation's compensation under this Agreement, the compensation is fair market value for the Services; and the compensation is consistent with fair market value for similar services in the community; and
- 7.1.4 The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by SBHCD will not violate and provisions of, or constitute a default under, and contract or other agreement to which SBHCD is a party or by which it is bound, other than violations, defaults or conflicts that would not materially and adversely affect the ability of SBHCD to perform the its obligations pursuant to this Agreement.
- 7.2 Corporation Representations and Warranties. Corporation, for itself, each PT, and its Agents, represents and warrants to SBHCD, upon execution and while this Agreement is in effect, as follows:
- 7.2.1 Corporation: (i) is a duly organized professional physical therapy corporation, validly existing and in good standing under the laws of California, (ii) is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, and (iii) has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement, including all required licensure and registration with the Physical Therapy Board of California;
- 7.2.2 No PT's license to practice physical therapy in California or in any other jurisdiction has ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way;

- 7.2.3 No PT's medical staff privileges at any health care facility have ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction;
- 7.2.4 No PT has in the past conducted, and is presently not conducting, his/her physical therapy practice in such a manner as to cause said PT to be suspended, excluded, barred or sanctioned under Medicare or Medi-Cal, or any government licensing agency, nor have they every been convicted of a criminal offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation;
- 7.2.5 Each PT has, and shall maintain throughout the term of this Agreement, an unrestricted license to practice physical therapy in California and privileges at the Hospital/Clinic;
- 7.2.6 This Agreement has been duly authorized, executed, and delivered by Corporation and is a legal, valid, binding obligation of Corporation, enforceable in accordance with its terms; and
- 7.2.7 The parties have bargained at arms' length to determine Corporation's compensation under this Agreement, the compensation is fair market value for the Services; and the compensation is consistent with fair market value for similar services in the community; and
- 7.2.8 The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by Corporation will not violate any provisions of, or constitute a default under, and contract or other agreement to which Corporation or any PT is a party or by which it is bound, other than violations, defaults or conflicts that would not materially and adversely affect the ability of Corporation or any PT to perform the Services required under this Agreement.

ARTICLE 8 - LIABILITY/MALPRACTICE INSURANCE COVERAGE

- 8.1 Coverages. At all times during the Term of this Agreement, Corporation shall maintain general and professional liability insurance coverage for Corporation and PTs for the Services provided hereunder to SBHCD patients during the term of this Agreement in a minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate. In the event the coverage that Corporation obtains to comply with this Section of this Agreement is a "claims made" policy, and Corporation, as applicable, changes insurance carriers or terminates coverage upon or after termination of this Agreement, Corporation shall immediately obtain and shall maintain "tail" coverage in the amounts otherwise required under this Section for at least seven (7) years following termination of this Agreement.

ARTICLE 9 - PROTECTED HEALTH INFORMATION

- 9.1 Protected Health Information. Corporation and the PTs shall maintain the confidentiality of all Protected Health Information ("PHI") in accordance with all applicable federal, state, and local laws and regulations, including, but not limited to, the California Confidentiality of Medical Information Act and the Federal Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder ("HIPAA"). Without limiting the foregoing, Corporation agrees to maintain PHI, as defined from time to time under HIPAA, which may be made available to or received by Corporation or any PT pursuant to this Agreement, in accordance with the requirements of HIPAA. Corporation and the PTs shall:
 - 9.1.1 Not use or further disclose PHI in a manner that would violate HIPAA if done by Hospital or violate the requirements of applicable laws or this Agreement;
 - 9.1.2 Use appropriate safeguards to prevent use or disclosure of PHI except as permitted by law and the terms of this Agreement, and report to Hospital any use or disclosure of PHI not permitted by law or by this Agreement of which any PT becomes aware;
 - 9.1.3 Comply with the elements of any compliance program established by Hospital that applies to the use or disclosure of PHI and ensure that any subcontractors or agents to whom Corporation

provides PHI agree to the same restrictions and conditions that apply to Corporation and PT with respect to such PHI;

- 9.1.4 In accordance with HIPAA, (i) make available PHI to the subject patient; (ii) make available PHI for amendment and incorporate any amendments to PHI; and (iii) make available the information required to provide an accounting of disclosures of PHI to the subject patient;
- 9.1.5 Make Corporation's internal practices, books, and records relating to the use and disclosure of PHI available to the Secretary of the United States Department of Health and Human Services for purposes of determining Hospital's and Corporation's compliance with HIPAA;
- 9.1.6 At termination of this Agreement, return or destroy all PHI received from or created by SBHCD and retain no copies of such PHI or, if return or destruction is not permissible under law or the terms of this Agreement, continue to maintain all PHI in accordance with the provisions of this Section and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

- 9.2 Electronic Protected Health Information ("EPHI"). Corporation will: (i) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the EPHI that each PT creates, receives, maintains, or transmits on behalf of SBHCD; (ii) report to SBHCD any security incident with respect to EPHI of which Corporation or any PT becomes aware; and (iii) ensure that any agent, including a subcontractor, to whom Corporation or any PT provides EPHI agrees to implement reasonable and appropriate safeguards to protect such information.

ARTICLE 10 - REQUIRED DISCLOSURES

- 10.1 Required Disclosures. Corporation shall notify SBHCD in writing within three (3) days after any of the following events occur:
 - 10.1.1 Any PT's license to practice physical therapy in California or any other jurisdiction lapses or is denied, suspended, revoked, terminated, voluntarily relinquished (under threat of disciplinary action) or made subject to terms or probation or other restriction;
 - 10.1.2 Any PT's medical staff membership and/or privileges at any health care facility or entity are denied, suspended, revoked, terminated, voluntarily relinquished (under threat of disciplinary action), or made subject to terms of probation or other restriction;
 - 10.1.3 Any PT is required to pay damages in any malpractice action by way of judgment or settlement, except that Corporation and PT shall not be required to breach a settlement or confidentiality agreement;
 - 10.1.4 Receipt of notice of the commencement of any investigation into PT's physical therapy license or PT's physical therapy practice by the Physical Therapy Board of California, California Attorney General, the Department of Health and Human Services Office of Inspector General, the Department of Justice, or any other entity of federal, state, or local government;
 - 10.1.5 An event occurs that (i) substantially interrupts all or a portion of Corporation's or any PT's professional practice, including the termination of any PT's shareholder, director, or employee/contractor relationship with Corporation, (ii) materially adversely affects Corporation's or PT's ability to perform their obligations hereunder, including the Services, or (iii) could likely cause Corporation to be in breach of this Agreement;
 - 10.1.6 Any PT's conviction of a criminal offense related to health care or any PT's listing by a federal agency as being debarred, excluded or otherwise ineligible for federal program participation; or
 - 10.1.7 The occurrence of any event that would constitute cause pursuant to Section 5.3.

ARTICLE 11 - GENERAL PROVISIONS

- 11.1 Notices. Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage paid, and addressed to the party for which intended, at the addresses set forth in the signature block, or to such other address or addresses as the parties may hereafter designate in writing to each other.
- 11.2 No Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 11.3 Governing Law and Venue. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California. Venue shall be in the County of San Benito, California.
- 11.4 Ownership of Patient Records. All Clinic and Hospital patient records shall be maintained by SBHCD and are the property of SBHCD. Corporation shall have the right to access such records during normal business hours.
- 11.5 Patient Choice. Notwithstanding anything herein to the contrary, all compensation paid to Corporation pursuant to this Agreement is solely for the purpose of obtaining the services of Corporation, through PTs, for patients of the SBHCD community. The parties recognize and affirm the importance of individual patient choice in selection of medical services. Nothing contained in this Agreement shall be interpreted to obligate, encourage, or solicit, in any way, the referral of any individual patient to any health care facility, including the Hospital, contrary to that patient's choice of another provider of medical services. Further, nothing in this Agreement shall be interpreted to prevent, restrict, or discourage the PT from referring patients to any other provider of health care services.
- 11.6 Exclusive Property of SBHCD. All data, files, records, documents, promotional materials, and similar items relating to the business of SBHCD, whether prepared by or with the assistance of Corporation or any PT or otherwise coming into Corporation's or any PT's possession shall remain the exclusive property of SBHCD and shall not be removed from SBHCD's facilities under any circumstances without the prior written consent of SBHCD.
- 11.7 Confidentiality. The parties acknowledge and agree that during the term of this Agreement and in the course of the discharge of Corporation's duties hereunder, Corporation and PTs shall have access to and become acquainted with information concerning the operation of SBHCD, and information which, pursuant to applicable law and regulation, is deemed to be confidential, including, but not limited to, trade secrets, medical records, patient medical and personal information, and personnel records. Corporation agrees that such information shall not be disclosed either directly or indirectly to any other person or entity or used by Corporation or its Agents in any way either during the term of this Agreement or at any other time thereafter, except as is required herein. Corporation understands breach of this article will be an irreparable breach of this Agreement. Such breach will result in immediate termination of this Agreement, and SBHCD shall be entitled to pursue any available at remedies at law or equity resulting from such breach.
- 11.8 Binding Agreement; No Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties to it and their respective legal representatives, successors, and permitted assigns. No party may assign this Agreement or any rights hereunder, or may they delegate any of the duties to be performed hereunder without the prior written consent of the other party.
- 11.9 Indemnification. Each party hereto shall indemnify, defend and hold harmless the other party and such party's employees, directors, officers, subcontractors, agents and affiliates from and against all claims, actions, damages, losses, liabilities, fines, penalties, costs or expenses (including, without limitation, reasonable attorneys' fees) suffered by such party arising from or in connection with (i) any breach of this Agreement or any applicable law, or (ii) any negligent or wrongful acts or omissions in connection with the performance of this Agreement by the party or its employees, directors, officers, subcontractors, agents or representatives.

- 11.10 Dispute Resolution. If any dispute, controversy, or claim arises out of this Agreement, for a period of thirty (30) days following written notice of the dispute, controversy or claim from one party to the other, the parties will use their good faith efforts to resolve the dispute, controversy, or claim. If the matter cannot be resolved by the parties in this fashion, then such dispute, claim or controversy shall be heard in San Benito County, California, pursuant to the provisions of California Code of Civil Procedure Sections 638 through 645.1, inclusive. The hearing shall be final and binding to the greatest extent permitted by law, and the cost thereof, including reasonable attorneys' fees, shall be borne by the losing party in such proportions as the referee may decide. Judgment on the award may be entered in any court having jurisdiction thereof.
- 11.11 Section 952 of Omnibus Budget Reconciliation Act of 1980. In accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (PL 96-499), Corporation agrees that the books and records of Corporation will be available to the Secretary of Department of Health and Human Services and the Comptroller General of the United States, or their duly authorized representatives, for four (4) years after termination of this Agreement. In the event that any of the services to be performed under this Agreement are performed by any subcontractor of Corporation at a value or cost of \$10,000 or more over a twelve (12) month period, Corporation shall comply and assure that such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. If not applicable to this Agreement, this Section shall automatically be repealed.
- 11.12 Entire Agreement; Amendment. This Agreement, its exhibits, and all referenced documents constitute the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties which relate to the subject matter of this Agreement. No supplement, amendment or modification of this Agreement shall be binding unless executed in writing by all of the parties.

****Signatures follow on the next page****

The parties hereby executed this Agreement as of the Effective Date first set forth above.

SBHCD
SAN BENITO HEALTH CARE DISTRICT

CORPORATION
FOCUS PHYSICAL THERAPY AND GYM
MANAGEMENT SERVICES, INC.

By: _____

By: _____
John L. Ceglia, CEO

Name: _____

Title: _____

Address for Notices:

Address for Notices:

San Benito Health Care District
Attn: Chief Executive Officer
911 Sunset Dr.
Hollister, CA

EXHIBIT A
SERVICES AND COMPENSATION

A. Services. Beginning on the Commencement Date, Corporation shall provide the following services (the “**Services**”):

A.1 Administrative and Management Services. All administrative and management (non-professional) services required to operate the Clinic, including but not limited to patient scheduling and PT coverage. Corporation shall also provide input on business matters as requested by SBHCD, *e.g.*, marketing, business development, etc. (“**Administrative and Management Services**”). Notwithstanding, SBHCD shall retain sole authority to direct the medical, professional, ethical, and business aspects of the Clinic.

A.2 Professional Physical Therapy Service. Corporation, through the PTs, shall provide professional physical therapy services to SBHCD patients at the Clinic as directed by SBHCD (“**Professional Services**”). Corporation shall provide Professional Services at the Clinic at the rate of not less than 2.7 full time equivalent PTs each month.

B. Schedule.

B.1 Full Time Basis. Corporation shall provide Services and operate the Clinic on a full-time basis, which shall mean five days per week (Monday through Friday) for eight hours per day, or during such other period as the parties may agree.

B.2 Holidays. Corporation may close the Clinic on SBHCD recognized holidays.

C. Compensation.

C.1 Fees.

C.1.1 Management Fee. SBHCD shall pay Corporation a monthly flat fee of \$63,194.00 to provide the Administrative and Management Services (“**Management Fee**”). Each year on the anniversary of the Effective Date, the Management Fee shall be increased by three percent (3%).

C.1.2 Professional Services Fee. SBHCD shall pay Corporation the following amounts as compensation for the Professional Services: \$42,000.00 per month (“**Professional Services Fee**”). Each year on the anniversary of the Effective Date, the Professional Services Fee shall be increased by three percent (3%).

C.1.3 Proration. If Corporation fails to provide the minimum level of Services required by Section A.2 or B.1, compensation shall be reduced to reflect such variance.

C.2 Timing. The Management Fee and the Professional Services Fee shall be paid on the first day of each calendar month.

C.3 Payment on Termination. On termination of this Agreement, which is not extended, renewed or superseded by another agreement, SBHCD shall pay to Corporation any amounts due to Corporation within thirty (30) days after the termination of this Agreement.

D. Services and Activities in Support of SBHCD. SBHCD and Corporation acknowledge and agree that certain services and activities may be required of Corporation and PTs in support of SBHCD to ensure a continuing high level of patient care. To that end, SBHCD may request Corporation or PTs participate in functions or events from time to time, in support of SBHCD. Corporation agrees PTs will

perform such services or participate in such activities at SBHCD's reasonable request and such services are Administrative and Management Services and are compensated as part of the Management Fees.

E. Practice Guidelines/Best Quality Practices. PTs shall demonstrate cooperative work arrangements with the Medical Staff, Quality and Safety Leadership and SBHCD Administration to achieve mutually accepted practice guidelines and the best quality practices.

4918-3268-1099, v. 3



Hazel Hawkins
MEMORIAL HOSPITAL



Innova
REVENUE GROUP

INNOVA Revenue Group and Hazel Hawkins Memorial Hospital Statement of Work ("SOW")

This Statement of Work ("SOW") is entered into by and between San Benito Health Care District, a local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code d/b/a Hazel Hawkins Memorial Hospital ("Client") and INNOVA Revenue Group ("Consultant") pursuant to the existing Master Services Agreement ("MSA") between the parties on the following date March 1, 2026 ("Effective Date").

1. Recitals

WHEREAS, Consultant has expertise in revenue cycle management, coding, clinical documentation improvement, utilization management, billing, and credentialing services; and

WHEREAS, Client desires to retain Consultant to provide such services under the terms of the MSA and this SOW;

NOW, THEREFORE, the parties agree as follows:

2. Purpose and Supersession

This SOW supersedes and replaces all prior Statements of Work between Client and Consultant related to the services described herein. This SOW amends the MSA only to the extent expressly stated and is subject to all other terms and conditions of the MSA.

3. Term

The term of this SOW shall be three (3) years, commencing on the date of last signature below ("Effective Date"), unless earlier terminated as provided in the MSA or in Section 3.1 below.

3.1 Termination for Convenience

Either party may terminate this SOW for convenience upon ninety (90) days' written notice to the other party. Upon termination, Consultant shall deliver all work in progress and submit a final invoice for services rendered through the effective date of termination. Termination shall otherwise be governed by the applicable provisions of the MSA.

4. Annual Rate Adjustment

All rates outlined in this SOW shall increase by two percent (2%) annually on each anniversary of the Effective Date, calculated based on the immediately preceding year's rates.

5. Scope of Services

Consultant shall provide the services described below, as requested by Client in writing. Services outside this scope require a mutually agreed written amendment or change order.

Service Area	Scope / Tasks	Rate
5.1 Revenue Cycle Oversight	RCAT participation; SME support across revenue cycle functions; collaboration with department leadership and providers; workflow/process optimization support; oversight and guidance of hospital and clinic coding teams	\$75/hour
5.2 Hospital Coding & Charging	ICD-10-CM diagnosis and applicable procedure coding; infusions/injections; facility E/M leveling (CPT or PCS); encounter types: IN, INO, ED, SDC, REC, REF, SNF	\$75/hour
5.3 Clinic Coding & Charging	ICD-10-CM diagnosis coding; review and leveling of E/M services and procedures; primary care and specialty clinics (e.g., Orthopedics, OB/GYN)	\$75/hour
5.4 Chargemaster (CDM) Specialist Services	CDM build, maintenance, and charge mapping support; identification and resolution of charge capture issues; compliance-focused charge guidance	\$75/hour
5.5 Utilization Management (UM) & Clinical Documentation Improvement (CDI)	Medical necessity review using MCG guidelines; CDI support to improve documentation accuracy and completeness; provider education related to medical necessity and documentation	\$125/hour
5.6 Hospitalist Coding & Billing	Review of hospitalist documentation; charge review and corrections; claim submission and post-submission follow-up	\$75/hour
5.7 Hospitalist Credentialing	Credentialing and re-credentialing of hospitalist providers; enrollment and maintenance with Medicare, Medicaid, and commercial payers; follow-up with payers to ensure timely activation. Additional providers may be added upon request and mutual agreement.	\$65/hour

All coding shall be at least 95% accurate as determined by the audit described in Section 6, below.

Consultant hereby represents, warrants, and covenants as follows: (i) Consultant is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, and has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement, and that its execution, delivery, and performance will not breach the terms of any existing agreement to which it is a party; and (ii) Consultant shall perform the services required pursuant to this Agreement consistent with generally accepted industry standards and all applicable laws and performed by trained and qualified individuals in a professional, timely, skillful, and workman-like manner, exercising care, skill, and diligence consistent with industry standards and in accordance with this Agreement.

Consultant shall provide to Client, upon written request by Client, the credentials of each employee and contractor of Consultant performing services pursuant to this SOW which shall include a summary of the credentials, curriculum vitae, and the location (city and state) of said employee or contractor.

6. Project Management and Communication

Consultant shall provide ongoing coordination, reporting, and communication with Client leadership throughout the term of this SOW. Reports may be provided monthly or as otherwise agreed in writing. In addition to and not in lieu of such communications, Consultant shall conduct quarterly audits of coding with a minimum sample

size of thirty (30) records per coder. The results of each audit shall include the audit findings in the template mutually agreed to by the parties, which shall include coding references. For inaccurate or miscoded records, Consultant shall conduct further education and training with a written plan of correction for any Coders failing to meet the 95% accuracy requirement set forth in Section 5 above.

7. Compliance

Consultant shall perform all services in accordance with applicable federal and state laws, CMS regulations, payer guidelines, and Client policies, including HIPAA and other privacy regulations. Consultant shall maintain all necessary licenses and certifications and notify Client immediately (within forty-eight (48) hours) if Consultant becomes in violation of this Section 7. If any coder fails to meet the requirements of this Section 7, Consultant shall, within forty-eight (48) hours, prevent said coder from working on any Client matter until such breach is cured. Additionally, Consultant shall conduct a HIPAA security risk analysis and risk assessment annually as set forth in the BAA (defined below). Consultant shall report the results of all assessments, findings, and training that occurred in the previous quarter to the Client within thirty (30) days following the end of each calendar quarter.

8. Invoicing, Payment, and Travel Expenses

Invoices: Consultant shall submit itemized invoices bi-weekly (every two (2) weeks), in arrears, unless otherwise agreed in writing. Each invoice will include dates of service, service category, hours worked, applicable hourly rate(s), and a brief description of work performed. Invoices are due within thirty (30) days of receipt (Net 30). Late payments may accrue interest as provided in the MSA. Payment terms and other invoicing obligations shall be governed by the MSA unless otherwise specified herein.

Travel Expenses: Client shall reimburse Consultant for pre-approved, reasonable, and necessary travel expenses incurred in connection with the performance of services under this SOW. Such expenses may include airfare, lodging, ground transportation, and meals. All travel expenses must be documented with receipts and submitted with the corresponding invoice. Travel arrangements should be made in accordance with Client policies whenever feasible.

9. Confidentiality

Consultant shall treat all information received from Client as confidential, including patient data, business information, and operational processes, and shall not disclose such information except as required by law or with Client's prior written consent. Consultant shall implement reasonable safeguards to protect confidential and sensitive information. In the event of a conflict between the terms of this SOW, the MSA and/or the Business Associate Agreement ("BAA") entered into by the parties on or around the Effective Date, priority shall be given first to the terms of the BAA, then this SOW, then the MSA.

10. Limitation of Liability

Consultant's liability for any claims arising under this SOW shall be limited as provided in the MSA. Nothing in this SOW shall be construed as waiving any rights or defenses under applicable law. Notwithstanding, each party hereto shall indemnify, defend and hold harmless the other party and such party's employees, directors, officers, subcontractors, agents and affiliates from and against all claims, actions, damages, losses, liabilities, fines, penalties, costs or expenses (including, without limitation, reasonable attorneys' fees) suffered by such party arising from or in connection with (i) any breach of this Agreement or any applicable law, or (ii) any negligent or wrongful acts or omissions in connection with the performance of this Agreement by the party or its employees, directors, officers, subcontractors, agents or representatives.

11. Offshore Services

Consultant shall not permit any (i) Protected Health Information (“PHI”) to be stored outside of the United States, nor (ii) workforce member or subcontractor located outside the United States or its territories to access, receive, maintain, process, transmit, or store PHI unless the Consultant has first:

- a. Provided written notice to Client identifying each offshore country location and the services performed;
- b. Completed and submitted all offshore disclosures and attestations required by the applicable Medicare Advantage Organization or Part D Sponsor, consistent with guidance issued by the Centers for Medicare & Medicaid Services (CMS);
- c. Implemented and documented appropriate administrative, technical, and physical safeguards to protect PHI, consistent with HIPAA, Medicare program requirements, and CMS audit and oversight expectations;
- d. Ensured that each offshore subcontractor is bound by written agreement imposing obligations at least as protective as those set forth in this Agreement, including audit, breach notification, record retention, and cooperation with CMS and Client oversight; and
- e. Obtained Client’s written consent to do so.

To the extent offshoring activities are restricted or prohibited by applicable state law, including state privacy, data localization, or health information protection laws, Consultant and its subcontractors shall comply with the most restrictive applicable requirement up to and including prohibitions on offshore access to or storage of PHI.

12. Signatures

IN WITNESS WHEREOF, the parties have executed this SOW as of the dates set forth below.

INNOVA Revenue Group

Hazel Hawkins Memorial Hospital

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Signature: _____



5860 W Las Positas Blvd, Pleasanton, California 94588
Phone Mobile 4083108417
jesse.ramos@convergint.com

February 6, 2026

Hazel Hawkins Hospital
Hazel Hawkins Hospital ED

Quotation: JR32885686P
RFP#:
License/Cert

Attention: Hazel Hawkins Hospital

Reference: S-Weapons Detection HHH ED XtractOne HW,
SW, Labor

On behalf of Convergent's global network of colleagues, I would like to personally thank you for providing Convergent with the opportunity to present this proposal addressing your electronic security needs.

Convergent's reputation for service excellence is backed by a foundational commitment to our core value of service, and we have been recognized as the #1 Systems Integrator by SDM Magazine. This recognition reflects the strong relationships Convergent has developed with the industry's top technology manufacturers, and our history of success with providing exceptional service to our customers.

Our guiding principle has always been to be our customers' best service provider. Our dedicated and certified team of professionals strives to uphold our customer-focused, service-based mission to make a daily difference for our customers. After achieving a successful on-time and on-budget project installation, Convergent will provide you with the industry's best ongoing service, including our 24/7 customer portal iCare, designed to track service work orders, project progress, and provide you with detailed metric reporting for continuous improvement.

The following security proposal is specifically designed to meet your needs. As your single point of contact, please feel free to contact me with any additional questions you may have. Thank you again for trusting Convergent as your partner.



Scope of Work

Convergent is providing the materials identified below only. Convergent is not providing, and will not be responsible or liable for, any services related to the weapons detection products being purchased. All services, including installation, programming, training, and maintenance, are being provided by Xtract One in accordance with Xtract One policies, procedures, and terms.

Materials

Line	Qty	Part	Description	Unit Price	Extended Price
1			Xtract One Smart Gateway, 4-Year License		
2	0.00	S00-MSG-00007	SmartGateway	\$ 51,294.81	\$ 0.00
3	0.00	OM-303016	Initial Gateway Art Wrapping	\$ 0.00	\$ 0.00
4	0.00	L01-MSG-00007	View Gateway License Per Lane	\$ 1,800.00	\$ 0.00
5	0.00	L01-MSG-00006	View License Base	\$ 1,200.00	\$ 0.00
6	0.00	T01-MSG-0001	General Onsite Training Per Visit	\$ 6,493.51	\$ 0.00
7	0.00	P01-PAT-00002	Installation Base	\$ 5,844.16	\$ 0.00
8	0.00	P01-PAT-00001	Installation Per Lane	\$ 2,337.66	\$ 0.00
9	1.00		Hardware & Software	\$ 55,356.93	\$ 55,356.93
10	1.00		Maintenance, 4 years	\$ 42,128.92	\$ 42,128.92
11	1.00		Installation Per Lane	\$ 15,976.50	\$ 15,976.50
Equipment Total				\$	113,462.35
Total Labor				\$	2,457.00
Other Costs				\$	0.00
Freight/Warranty				\$	11,862.02
Tax if applicable				\$	10,495.27
Total Project Price				\$	138,276.64

Clarifications and Exclusion

1. All work proposed herein, shall be performed during normal business hours Monday through Friday 8:00 am - 5:00 pm.
2. Low voltage wiring shall be installed via open air code approved methods.
3. Provision or installation of conduit, wire, boxes, fittings or other electrical installation materials unless specifically listed under Inclusions or Bill of Materials.
4. Permits or associated fees are not included.
5. Customer to provide static IP addresses and network connections at panel locations.
6. Customer to provide a secured staging & storage area for project related materials.
7. Pricing assumes that electronic Auto CAD files are available from customer for our use in creating submittal drawings.
8. Fifty percent (50%) of the proposed sell price shall be payable to Convergent for project mobilization. Mobilization shall be invoiced and due upon customer acceptance of this proposal.
9. Proposal does not include sales tax unless otherwise noted.
10. Anything in the Contract Documents notwithstanding, in no event shall either Contractor or Subcontractor be liable for special, indirect, incidental or consequential damages, including commercial loss, loss of use, or lost profits, even if either party has been advised of the possibility of such damages.
11. Convergent reserves the right to negotiate mutually acceptable contract terms and conditions with customer by making mutually agreeable changes to the formal contract included in the Bid Documents.
12. Supply Chain Delays & Price Adjustments: Customer acknowledges that supply chain disruptions and shipping delays may occur for reasons beyond Convergent's reasonable control and agrees to grant reasonable extensions for such delays. Pricing is based on current market conditions and excludes increases due to tariffs, duties, manufacturer-imposed surcharges, or other cost increases arising from trade policy, regulatory actions, or external factors beyond Convergent's control. If such cost increases arise, Convergent will submit a formal change order, and Customer agrees to approve reasonable adjustments. Convergent will use commercially reasonable efforts to minimize such increases.

REVIEW IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION PRIOR TO USING A CONVERGENT-INSTALLED SYSTEM: See the "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION" documentation, available at convergent.com/terms.

IMPORTANT NOTICE

You requested that Convergint provide you with certain security and safety products and services.

By using these products and services, you acknowledge that:

- **Under no circumstances should Convergint-provided products and services be your sole method of security or safety.** Effective security and safety require a multi-layered approach involving people, processes, and technologies. Convergint-provided products and services do not guarantee security or safety, will not detect or prevent all threats or risks all the time (including threats they are designed to detect), and will not ensure overall safety and security. You are ultimately responsible for your people, premises, and property, including for maintaining an effective response plan and promptly implementing your response plan in response to alarms or threats.
- **All security products and services have limitations.** No product or service can guarantee safety or security. It is your responsibility to ensure you are informed about product or service limitations and that you regularly test and validate the products and safety plans. Reach out to your Convergint account executive to learn how our support services can help. And if you have a service plan, you are responsible for promptly notifying Convergint in the event of any defect, malfunction, or performance issue with the products and services.
- **Various factors can impact product performance.** Selecting products and settings may involve tradeoffs between the level of security and safety on the one hand and speed, convenience, and cost on the other hand. Convergint can give you guidance, but you are ultimately responsible for selecting products and settings based on your organization's risk profile and tolerance.
- **The products are made by third-party manufacturers, not Convergint.** You are bound by and must use, test, and maintain the products in accordance with the manufacturer's terms and instructions. Convergint does not independently validate the accuracy of claims or statements made by manufacturers, and makes no assurances regarding their accuracy. You are responsible for using the products and services in compliance with laws and regulations applicable to you or as permitted in your jurisdiction.
- **All products and services are governed exclusively by a final agreement.** No advertisement, literature, brochure, website, or statements made during the sale process or otherwise (whether orally or in writing) should be interpreted as a promise, warranty, or other assurance.
- **You have reviewed the "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION" documentation, available at convergint.com/terms.**

Performance Items

	Items Included
Applicable Taxes	Freight (prepaid)
Material (listed in the BOM)	Owner Training
Project Management	
	Items Excluded
120 VAC Power and Fused Disconnect Switch	120 VAC Power Receptacles
Additional Lighting Requirements for Cameras	Attend General Contractor Project Meetings
Attend Owner Project Meetings	Authority having Jurisdiction permit drawing (requires customer CAD)
Cable	Ceiling Tiles and Ceiling Grid Repairs
Connection to Building Fire Alarm Panel	Correction of Wiring Faults Caused by Others
Door wiring typical connections	Electrical Installation Permit
Electrified Door Locking Hardware	Engineering and Drawings
Equipment rack layout drawing	FA Permit and Plan Review Fees
Fire Stopping (Excludes Existing Penetrations)	Fire Watch
Floor Coverings for Lifts	Floor plan with device placement and numbering (requires customer CAD)
Horizontal Core Drilling	Installation of Bridle Rings
Installation of CCTV Cameras	Installation of Conduit, Boxes and Fittings
Installation of Control Equipment Enclosures	Installation of Control Panels
Installation of Intercom Systems	Installation of Intrusion Panels
Installation of Low Voltage Wire	Installation of Network Cabling to Card Readers
Installation of Network Cabling to IP Cameras	Installation of Network Cabling to IP Intercoms
Installation of Specialty Backboxes	Installation of Terminal Cabinets
Installation of Video Recorders (DVR/NVR)	Installation of Wire and Cable
Installation of Wire Hangars	Lifts
Loading Software on Customer Provided Computer	Low Voltage Permits
Mounting/Termination of Proposed Devices	On-Site Lockable Storage Facility
One-Year Warranty on Labor	One-Year Warranty on Parts
Operations & Maintenance Manuals	Owner to Provide DHCP Lease Reservations for Network Connected Devices
Owner to Provide Static IP Addresses	Panel Wall Elevation drawing (may require customer CAD)
Panel wiring with point to point connections	Patch and Paint
Payment & Performance Bonds	Record Documentation (As-Built)
Riser drawing with home run wiring	Servers by Convergent
Servers by Others	Specialty Backboxes
Submittal Drawings	System Engineering
System is Design-Build	System Meets Plans/Drawings
System Programming	Terminal Cabinets
Termination of Control Equipment Enclosures	Testing of all Proposed Devices
Vertical Core Drilling	Wire
Workstations by Convergent	Workstations by Others



Total Project Investment:

\$ 138,276.64

Thank you for considering Convergent for your Security needs. If you have any questions or would like additional information, please don't hesitate to contact me immediately. If you would like to proceed with the scope of work as outlined in this proposal, please sign below and return to my attention.

Sincerely,

Jesse Ramos

Convergent
Jesse Ramos

By signing below or accepting the services described in this proposal, Customer accepts and agrees to this proposal, including the enclosed Terms and Conditions, along with any addendums or exhibits that may be attached or referenced therein. Any additional or contrary terms, including on a Customer PO, are expressly rejected. By signing, you represent and warrant that you have authority to accept this proposal on behalf of Customer.

_____	February 6, 2026
Customer Name (Printed)	Date
_____	_____
Authorized Signature	Title

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergent" refers to the Convergent Technologies affiliate operating in the state/province in which the Work is being performed and "Convergent Related Parties" means Convergent and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE WORK

This Agreement takes precedence over and supersedes all prior proposals, correspondence, and oral or written agreements or representations relating to the work set forth in the attached scope of work ("Work"). This Work commences on the start date and will be performed pursuant to the schedule specified in the attached scope of work and, subject to any change orders or addendums, represents the entire agreement between Convergent and Customer. This Agreement applies to the exclusion of any other terms that the Customer seeks to impose or incorporate (such as Customer's purchase order form) which are in addition to or inconsistent with the terms and conditions of this Agreement, or which are implied by trade, custom, practice or course of dealing, all of which are deemed expressly rejected and will not be binding.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergent reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergent is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") purchased by Customer and certain services are delivered to Customer by such OEM.

Convergent agrees in accordance with the mutually agreed project schedule:

- a. To submit shop drawings, product data, samples and similar submittals if required in performing the Work;
- b. To pay for all labor, materials, equipment, tools, supervision, programming, testing, startup and documentation required to perform the Work in accordance with the Agreement;
- c. Secure and pay for permits and governmental fees, licenses, and inspections necessary for proper execution and completion of the Work, unless local regulations provide otherwise; and
- d. Hire subcontractors and order material to perform part of the Work, if necessary, while remaining responsible for the completion of the Work.

Customer agrees in accordance with the mutually agreed project schedule, and at no cost to Convergent:

- a. To promptly approve submittals provided by Convergent.
- b. To provide access to all areas of the site which are necessary to complete the Work;
- c. To supply suitable electrical service as required by Convergent;
- d. To remove site obstacles and job safety hazards;
- e. To promptly participate and approve acceptance testing, if applicable;
- f. Upon completion of commissioning or agreed to acceptance criteria, to promptly provide sign-off establishing job closeout; and
- g. That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergent is first notified of the emergency or failure and until such time that Convergent notifies the Customer that the systems are operational or that the emergency has cleared.

THE WORK AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO PEOPLE, PREMISES OR PROPERTY. THE AMOUNTS BEING CHARGED BY CONVERGENT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a multi-layered approach of people, processes, safety and technologies. The Work, including Third Party Products, provided by Convergent is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergent by written agreement) and training of its personnel. Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any Third Party Product comprising the Work, shall pass to Customer as the Work is completed and the materials are incorporated into the Work at Customer's site subject to any end user license agreements. If or Third Party Products are earlier stored on Customer's site pursuant to agreement between Customer and Convergent, risk of loss with respect to such or Third Party Product shall pass to Customer upon delivery to Customer's site.

Applicable to Monitoring Services Only: If Monitoring Services are identified in the Proposal, the parties agree that (a) these Terms and Conditions are not applicable, and (b) Monitoring Services are governed by the Monitoring Services Terms and Conditions effective on the Effective Date of the Proposal and available at <https://www.convergent.com/terms>, which is incorporated by reference as if set forth herein in full. "Monitoring Services" is defined as "Services" in the Monitoring Services Terms and Conditions.

SECTION 2. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. Price includes only the Third Party Products listed based on Convergent's interpretation of plans and specifications unless noted otherwise. Additional Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the price upon invoice to Customer.

SECTION 3. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay Convergent fifty (50%) percent of the total price as a mobilization fee at the time of executing this Agreement.

If the Work is performed over more than one month, Convergent will invoice Customer each month for the Work performed during the previous month. Customer agrees to pay the amount due to Convergent as invoiced, within thirty (30) days of the date of such invoice. If the Work is

completed in less than one month, Customer agrees to pay Convergent in full after the Work has been completed within thirty (30) days of the date of invoice. Invoices shall not be subject to a project retention percentage and payment to Convergent shall not be conditioned on payment by an upstream party. If Customer is overdue in any payment, Convergent shall be entitled to suspend the Work without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergent costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 4. WARRANTY

Warranties for Convergent's services and Third Party Products are described in the Limited Warranty for Products and Services available at <https://www.convergent.com/terms>, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 5. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergent may request changes in the Work with a change order signed by both parties. If Customer orders (i) any changes to the Work (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (extension or acceleration), or (iii) causes any material interference with Convergent's performance of the Work, Convergent shall be entitled to an equitable adjustment in the time for performance and in the Price, including a reasonable allowance for overhead and profit.

SECTION 6. FORCE MAJEURE

Neither Customer nor Convergent shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority, riot, insurrections, and civil disturbances, war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes, embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies, laws, statutes, regulations, and other legal requirements, orders or judgments; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergent shall be entitled to an equitable adjustment of the Price.

SECTION 7. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergent shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 per occurrence/aggregate
Commercial General Liability	\$1,000,000 per occurrence
	\$2,000,000 general aggregate
Automobile Liability	\$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	\$3,000,000 per occurrence/aggregate

Commercial General Liability policy shall name the Customer as "additional insured" on a primary/noncontributory basis with respect to liability arising out of the Services, as applicable, but only to the extent of liabilities falling within the indemnity obligations of Convergent pursuant to the terms of this Agreement. Convergent shall not provide loss runs or copies of its insurance policies. Convergent shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergent shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergent's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 8. INDEMNIFICATION

To the fullest extent allowed by law, Convergent shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergent or Convergent's employees or subcontractors while on Customer's site.

If Convergent is providing products or services for intrusion detection, detection of specific threats to people or property (including gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergent's indemnification obligations under the Agreement do not apply whatsoever and Convergent Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergent Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergent, except to the extent of Convergent's gross negligence installing such Special Offerings. Any waiver of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

Applicable to Weapons Detection Only: If Convergent provides Weapons Detection Systems or Services, then such Systems and Services are further governed by the Weapons Detection Addendum effective on the Effective Date of this Proposal and available at <https://www.convergent.com/terms>, which is incorporated by reference as if set forth herein in full. "Weapons Detection Systems or Services" means any "Systems" and/or "Services" as each are defined in the Weapons Detection Addendum.

SECTION 9. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW (A) IN NO EVENT SHALL EITHER CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 10. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergent agrees to comply with all laws, rules, and regulations applicable to its provision of the Work. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Work. Convergent shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergent prior to beginning Work.

If during the course of its Work, Convergent encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergent shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergent discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Work is to be performed, Convergent is obliged to stop the Work at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergent. Convergent in its sole discretion shall determine when it is "safe" to return to perform the Work at Customer's site. Convergent shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergent from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 11. PERSONAL DATA & SECURITY

Convergent's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergent's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergent may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergent is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergent from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Convergent's obligations and liabilities regarding information security and Processing of customer information or data, including Personal Data, are limited to Processing performed by Convergent (if any). OEM and Third Party Product Information security and Processing is governed by applicable OEM end user licensing agreements or terms, "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergent accesses Customer's information systems, Convergent will not be responsible or liable for losses or harms caused by following Customer's instructions caused by Third Party Products, caused by third party or Customer-specified remote access software, or that are otherwise not due to the fault of Convergent. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 12. INTELLECTUAL PROPERTY

Convergent shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergent for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 13. PRICE ADJUSTMENT

Convergent may automatically adjust the price, with five (5) days prior written notice, if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be delivered and/or labor costs related to personnel responsible for performing the Work, (b) macroeconomic conditions such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergent's control that impact the cost of performing the Work. The adjustment shall be consistent with applicable market indexes, where available, third-party sources or other evidence. Convergent reserves the right to add periodic surcharges including without limitation, adjustments for the then current price of

fuel, such surcharges to be specified and invoiced by Convergent.

SECTION 14. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days, if the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergent notifies Customer of a material breach pursuant to this paragraph, Convergent may temporarily suspend its work without liability until Customer cures the breach.

SECTION 15. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Work is located, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergent and Customer, Convergent and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 16. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergent.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergent arising from or related to suspension of work pursuant to this Agreement.

Customer and Convergent are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergent may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergent; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergent, or a sale of all or substantially all of the assets of Convergent to which this Agreement relates.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergent be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergent. No waiver by Customer or Convergent shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, limitation of liability, confidentiality and disputes shall survive the termination of this Agreement.

Convergent provides additional product safety and service information at <https://www.convergent.com/terms/> (see "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION") which it encourages Customer to review prior to use.

Customer Support Program Opt-Out

PLEASE REVIEW THIS DOCUMENT CAREFULLY. It relates to the safe and proper operation of the products, including hardware and software, being installed for your organization Hazel Hawkins Hospital.

Customer has been advised of Convergent's Customer Support Program, which includes services such as product testing, preventative maintenance (including system verification and validation), and software updates. While no security system can be completely effective all of the time, the Customer Support Program services may prevent system malfunctions, downtime, and performance issues.

CUSTOMER HAS DECLINED THE CUSTOMER SUPPORT PROGRAM SERVICES. CUSTOMER ACKNOWLEDGES IT IS SOLELY RESPONSIBLE FOR PERFORMING THESE SERVICES AND FOR THE ONGOING MAINTENANCE, TESTING, AND UPDATING OF THE PRODUCTS BEING PROVIDED.

Mr. Mark Robinson, CFO
Hazel Hawkins Memorial Hospital
911 Sunset Dr.
Hollister, CA 95023

January 28, 2026 Rev 1

Re: HMMH Clinical Lab Full Remodel – Design Services Fee Proposal
HC0978.2404.00 ASR06

Dear Mark:

Treanor is pleased to submit this proposal to provide Architectural and Engineering services to complete the full remodel of the Clinical Lab at Hazel Hawkins Memorial Hospital.

1. Project Parameters

The Treanor team has been engaged in the installation of chemistry analyzers for validation, known as Phase 1, the permanent installation of the chemistry analyzers, referred to as Phase 2, and the conceptual design for the subsequent phases to fully remodel the clinical lab, previously identified as Phases 3 and 4.

The general intent of this project is to provide full design services in a phased construction manner to complete the clinical lab remodel. The scope of work included in this proposal is outlined in the feasibility report dated 3/7/2025. Any subsequent phases will be identified and defined within Phases 3 and 4, for example Phases 3A, 3B, 3C, 4A, or 4B as required.

Please note that the existing blood draw and lab reception need to be relocated prior to the work started in the lab as referenced in the feasibility report for Phase 3A. The design of the temporary location is NOT included in this proposal and will be performed under additional services since the location has not been determined at this time.

This proposal includes coordination efforts for the SPC retrofit work. The goal is to complete the remodel and seismic retrofit simultaneously when construction occurs in the same area.

This proposal includes equipment planning assistance, covering the inventory of existing equipment, preparation of an equipment plan and schedule, gathering information on hospital-selected equipment, and coordination with the equipment vendor. At the time of this proposal, decisions on which existing equipment will remain, be replaced, or be removed have not yet been made.

1 round of cost estimate at 100% DD is included in this proposal.

The preliminary timeline is outlined in the work plan and fee schedule. Construction is expected to take approximately 3 years due to its multi-phase approach, which includes time for setup, cleanup, and closeout between each phase while keeping the existing lab remains operational. Our fee includes the extended construction administration period required to support this prolonged schedule.

2. Work Plan

A. Project Management

- Update Project Charter and Project Management Manual which includes project goals, assumptions, constraints, criteria, design parameters and other high-level information defining the project success, when moving forward.
- Submit weekly project progress report.
- Conduct weekly project planning and coordination meetings with design team.
- Conduct regular project monitor and control tasks.
- Conduct regular Quality Control measures.

B. Schematic Design (6 weeks):

- Implement the conceptual design and advance the drawing to Schematic Design.
- Request preliminary information and coordinate with equipment vendors.
- Collaborate with users on equipment selection and specifications. (Equipment planning)
- Prepare SD design and documents for Stakeholder review, comment, and approval: 100% SD. **(1 submittal)**
- Conduct SD user review meetings and collaborate design with Stakeholders. **(4 virtual meetings)**
- Revise selected SD design based on Stakeholder feedback for Stakeholder approval to proceed.
- Request and attend pre-application meeting with AHJ to review proposed work and seeking official interpretation on code related issues.

C. Design Development (10 weeks):

- Conduct User review meetings and collaborate design with Users on design. **(6 meetings)**
- Collaborate with users on finalizing equipment selection and specifications.
- Request final drawing and coordinate with equipment vendors. (Equipment planning)
- Collaborate with vendor and specify lab furniture.
- Prepare DD drawings based on approved Schematic Design.
- Prepare and submit design documents for Stakeholder review: 100% DD. **(1 submittals)**
- Coordinate with Cost Estimator for construction cost estimate at 100% DD. **(1 round)**
- Revise selected DD design based on Stakeholder feedback for Stakeholder approval to proceed.

D. Construction Documents (8 weeks):

- Conduct User review meetings and collaborate design with Users on design. **(4 meetings)**
- Prepare construction drawings based on approved design development documents.
- Incorporate equipment selection and specifications to construction documents.
- Prepare project manual and technical specifications.
- Prepare functional program.
- Prepare and submit CD for Stakeholder review: 100% CD. **(1 submittal)**
- Prepare plan review submittal drawings and documents.

E. Agency Review (12 weeks):

- Prepare submittal packages seeking agency approval.
- Respond to plan review comments. **(2 backchecks)**
- Prepare required post-approval paperwork (Building Permit, TIO field review, Notice of Start of Construction).

F. Bidding and Negotiation (8 weeks):

- Prepare bid documents and coordinate with Owner on bidding requirements.
- Attend bid walk-through. **(1 meeting)**
- Answer bidder questions (RFI) and prepare addendums as required. **(1 addendum)**
- Assist the Owner evaluate bids and contractor selection. **(1 round)**

G. Contract Administration (144 weeks):

The approximate construction start date is to be determined and the construction time is anticipated to be approximately 36 months. Total number of CA hours, meetings, site visits, Facility Impact Study (FIS's) and milestone sign-off coordination are included and listed below as allowances during the construction. When the total number of CA hours, meetings, site visits, FIS's or milestone sign-off coordination are reached, Treanor will notify the Owner. Additional services may be submitted for review and approval if the listed services below extend beyond general project expectation. CA services are listed under each phase below.

- Provide CA services: review submittals, respond contractor RFI, and other services as denoted in AIA Document B201, 2017 edition, unless excluded herein.

- Coordinate and conduct HCAI on site construction kick-off meeting. **(1 meeting)**
- Attend Owner-Architect-Contractor on site construction kick-off meeting. **(1 meeting)**
- Visit construction as required during the construction period. **(12 visits)**
- Attend Owner-Architect-Contractor virtual meetings once per week during the construction period. **(144 virtual meetings)**
- Prepare NMA and ACD for HCAI review as required. Changes due to unforeseen conditions or initiated by the Owner shall be considered additional services.
- Conduct milestone walk-through and review; prepare compliance verify reports as required for HCAI sign-off at milestones. **(10 milestones)**
- Prepare amendments to construction documents for local AHJ review is not included in this proposal.
- Review contractor MOP for mechanical tie-in and interruption; prepare Facility Impact Study for HCAI ACO review; engage HCAI ACO and facilitate review meetings seeking approval of proposed work sequence and contingent measures. **(5 FISs.)**
- Conduct punch-list walk-through and prepare punch-list. **(10 punch-list walk-through)**

H. Project Close-out Phase

- Prepare project close-out documents as required by AHJ.
- Coordinate efforts with stakeholders and the contractor for HCAI sign-off of project.
- Conduct a project close-out walk-through with HCAI ACO.

3. Compensation

A. Fee Schedule:

This project will be billed for a lump-sum fee of **\$831,315 (Eight Hundred Thirty-One Thousand Three Hundred and Fifteen Dollars, excluding reimbursable expenses mentioned below)** broken down as follows.

Architectural Fees:

A. Schematic Design (6 Weeks)	\$	39,050
B. Design Development (10 Weeks)	\$	51,650
C. Construction Document (8 Weeks)	\$	46,110
D. Bidding / Negotiation (8 Weeks)	\$	9,715
E. Permitting (12 Weeks)	\$	14,960
F. Contract Administration (144 Weeks)	\$	310,790
G. Project Close-out (8 Weeks)	\$	1,640
Subtotal Treanor	\$	473,915

Consultants Fees:

Structural	Buehler	\$	139,800
Mechanical / Plumbing	ColeBreit Engineering	\$	150,000
Electrical	Aurum Consulting Engineers	\$	54,950
Cost Estimating	Cumming Group	\$	12,650
Subtotal Consultant		\$	357,400

Total Fees **\$ 831,315**

B. Exclusions

The following scope and services are currently excluded from this proposal, but could subsequently be added as Add Services:

- Signage/Way Finding
- Building accessibility upgrade work beyond the scope of work
- Structural, mechanical, electrical, plumbing and related infrastructure upgrades

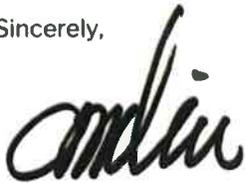
- Furniture selection and specifications
- Value engineering
- 3rd Party Plan Review
- 3-D rendering for public or Stakeholder presentation purposes
- Detailed analysis of existing Structural, Mechanical, Electrical Plumbing systems not associated with the project as defined
- Detailed analysis of Civil engineering and site planning issues
- Documentation of existing building systems or characteristics requiring destructive removal have not been included in this proposal
- Detailed analysis or testing of potential hazardous materials
- Development of as-built or record drawings after construction

C. Reimbursable not to exceed \$20,000.

These expenses are not included in the total fee above. The reimbursable expenses for Treanor and our consultants will cover the costs associated with shipping, printing/plotting (including construction related printing) and other miscellaneous costs incurred by Treanor. Expenses will be invoiced at a multiple of 1.1 times the actual cost of expenses incurred and will not exceed the total estimated amount without prior authorization.

We greatly appreciate the opportunity to provide these services to Hazel Hawkins Memorial Hospital. If you have any questions, comments, or concerns about this fee estimate, please do not hesitate to contact me. If this proposal is deemed acceptable, please sign and return one copy to our office.

Sincerely,



Chuang-Ming Liu, AIA, ACHA, EDAC, LEED AP
PRINCIPAL
Treanor

Accepted By:
Hazel Hawkins Memorial Hospital

Mark Robinson
CFO

Date

351 California Street, Suite 800
San Francisco, CA 94104

cliu@treanor.design
c 415.465.2776

Enclosures

1. Consultants' Proposals
2. Feasibility Study Report, dated March 2025

2025/2026 CEO Incentive Goals

FY 26 EBIDA %

EBIDA %	INCENTIVE %
8.0	1.00%
10.0	2.00%
12.0	3.00%

HCAHPS IP RATE 1-10 TOP BOX

12-MONTH ROLLING PERCENTILE RANK OCTOBER 2026	INCENTIVE %
64%	1.00%
65%	2.00%
66%	3.00%

SNF AVERAGE DAILY CENSUS

SNF Average Daily Census	INCENTIVE %
87 Patients	1.00%
88 Patients	2.00%

PROVIDER RECRUITMENT

	INCENTIVE %
4	2.00%



Administrative Policy Manual

Reviewed: 08/26/2021, 8/2/2022

Revised: 08/27/2021, 8/2/2022

Finance

Page 1 of 2

SUBJECT: District Board Approval

PURPOSE: To provide guidelines for the San Benito Health Care District (District) Board Members for when their approval is required in addition to ~~the CEO, COO, or CFO of the organization~~ District administration or executive staff in-for contracting with ~~the entities needed in order to operate the District~~ third parties.

POLICY:

The policy covers clinical and non-clinical service agreements including direct patient care and support service agreements.

A. ContractsAgreements:

1. **Purchased Service Agreements** are for services that the District does not provide with ~~its own~~ District employees. Examples ~~of these agreements would include~~ the Pharmacy, HIM, and Security departments.
2. **Operational Leases** are for equipment ~~that~~ the District does not own. Examples ~~of these agreements would be~~ include the E.H.R. systems such as MediTech and eCW, and copier machines.
3. **Maintenance Service Agreements** are for service coverage for equipment (whether ~~it is owned or leased by the District~~). Examples ~~would~~ include but are not limited to the MRI, CT ~~S~~scanners, and other ~~machines~~ equipment used in the ~~R~~radiology department.
4. **Property Rental Leases** are for property the District does not own. Examples include the ~~L~~ab ~~D~~draw station on McCray and the ~~clinics on~~ 4th Street, San Juan Bautista, and the Multi-Specialty and Barragan Rural Healthcare Clinics facilities.

~~For all agreements and leases listed under Section A. Contracts, only~~ Agreements and leases in this Section that those that have a term ~~of~~ greater than one (1) year and a cost in excess of ~~\$100,000~~ \$150,000 annually ~~are required to~~ shall be presented to the Finance Committee ~~for recommendation and~~ and recommended to the District Board for approval.

The CEO, ~~COO,~~ and CFO are authorized to approve ~~the~~ agreements and leases in this Section that do not meet the aforementioned criteria, ~~including agreements with a term of one (1) year or less, and an annual cost of less than \$150,000.~~

B. Capital Expenditures:

1. **Budgeted Capital Expenditures** ~~that are~~ included in the annual Capital Budget, ~~which have been~~ presented to the District Board with the annual Operational Budget ~~for approval and approved, will shall~~ be considered approved throughout the fiscal year. The CEO, ~~COO,~~ and CFO ~~will be~~ authorized to execute ~~the such capital~~ expenditures when the timing is deemed appropriate and the cost is within ~~fifteen percent~~ 15% ~~in excess~~ of the approved budgeted cost.
2. **Non-Budgeted Capital Expenditures** ~~will shall~~ be brought to the Finance Committee ~~for recommendation~~ and District Board for approval if the cost exceeds \$100,000 ~~\$150,000. This~~ ~~These expenditures~~ includes equipment ~~that is~~ required for new services and functions, ~~to replacement of~~ obsolete units, and ~~add~~ addition ~~of at~~ units.

C. Physician Agreements:

1. **Group Contracts** include ~~agreements with~~ physician groups that provide medical coverage for the Emergency Department, Hospitalists program, and Pediatric on-call for the OB ~~D~~ department.
2. **Individual Physician Agreements** include ~~agreements with the~~ physicians contracted as primary care, surgeons, orthopedists, and the various specialists who are based in the District's clinics and ~~may or may not~~ have privileges to perform services in the hospital.
3. Extension of agreements without any ~~increases in the changes to~~ compensation ~~or a decrease in the compensation~~ may be approved by the CEO, ~~COO,~~ or CFO with ~~only~~ notification to the District Board. ~~The e~~ Extensions should not exceed one (1) year.
4. New agreements with ~~out any no~~ financial ~~compensation or~~ impact to the facility may be approved by the CEO, ~~COO,~~ or CFO with only notification to the District Board. This type of agreement ~~would~~ includes a physician having privileges to provide medical services to the Skilled Nursing ~~F~~ facility residents.
5. **Office Leases** ~~refer to the are~~ agreements ~~where in which~~ the District is the landlord and the physician is the tenant, or the District is the ~~tenant~~ tenant, and the physician is the landlord. A Fair Market Assessment for comparable rental units in the area will be completed ~~by the District~~ prior to the agreement being presented to the District Board.

Prior to being presented to the Finance Committee for a recommendation ~~to the Board,~~ all Physician Agreements will comply with the ~~Fair Market Value Policy and Physician Services Contract Policy and Procedure~~ policies included in the Administrative Policy Manual.

Resolution No. 2026-09

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN BENITO HEALTH CARE DISTRICT MODIFYING THE NATIONAL UNION OF
HEALTHCARE WORKERS UNIT AT SAN BENITO HEALTH CARE DISTRICT**

WHEREAS, the San Benito Health Care District, a California Local Health Care District (“District”), is governed by the Health Care District Law (Health & Safety Code sections 32000 et seq.);

WHEREAS, the District Board of Directors (“Board”) approved Ordinance 2004-06 Regarding Employee Election of Labor Organizations (“Ordinance 2004-06”) in accordance with Government Code section 3507(a);

WHEREAS, the Ordinance 2004-06 authorizes the Board to assess the appropriateness of a bargaining unit requested by an employee organization and to determine the appropriate unit based on specified criteria;

WHEREAS, on February 10, 2026, the National Union of Healthcare Workers (“NUHW”) submitted a written request to modify the existing bargaining unit it represents to include an additional classification for Security Guards;

WHEREAS, upon receipt of a request to modify an existing and recognized unit of employees, the Board, pursuant to California Government Code Section 3507.1 and Ordinance 2004-06, has the responsibility to determine whether the modification to include a new classification of employees would result in an appropriate unit of employees;

WHEREAS, on February 26, 2026, the Board held a public hearing to review the proposed modification to NUHW, and consider the relevant criteria set forth in Section 2 of Ordinance 2004-06;

WHEREAS, the Board determined the proposed classification meets the criteria set forth in Section 2 of Ordinance 2004-06;

WHEREAS, pursuant to Government Code 3507.1(c), NUHW has requested recognition to represent employees in certain specified classifications pending the results of a secret ballot election;

WHEREAS, the District, pursuant to Government Code 3507.1(c) and Ordinance 2004-06, has agreed to recognize NUHW representing certain recognition to represent employees in certain specified classifications pending the results of a secret ballot election, which will be overseen by State Mediation-Conciliation Service; and

WHEREAS, this Resolution is exempt from review under the California Environmental Quality Act (Public Resources Code section 21000 *et seq.*) (“CEQA”) pursuant to 14 Cal. Code of Regulations, section 15061(b)(3), because it can be seen with certainty that there is no possibility that modifying a bargaining unit may have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the San Benito Health Care District Board of Directors as follows:

SECTION 1. The District Board of Directors hereby finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Board, based upon the request filed by NUHW, finds and determines that NUHW is the appropriate bargaining unit for the following classification of Security Guards.

SECTION 3. The Board directs District Administration to take any and all actions, including executing relevant documents, to carry out the intent of this Resolution in accordance with Ordinance 2004-06.

PASSED AND ADOPTED this 26th day of February, 2026 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

William Johnson, President

Attested: _____
Nick Gabriel, Secretary

RESOLUTION NO. 2004-06
OF THE BOARD OF DIRECTORS OF
SAN BENITO HEALTH CARE DISTRICT
CREATING AN ORDINANCE PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 3507

WHEREAS, the Meyers-Milius-Brown Act, California Government Code Section 3500 and following, empowers the Hospital District to adopt reasonable rules and regulations regarding administration of employer-employee relations; and

WHEREAS, the Board of Directors believes it is in the best interest of the Hospital District to adopt such an ordinance.

NOW, THEREFORE, IT IS HEREBY ORDERED AND DECREED AS FOLLOWS:

1. The Ordinance attached hereto as Exhibit A is adopted as the official Ordinance governing employer-employee relations pursuant to California Government Code Section 3500 and following.
2. The appropriate officers of the District and the Chief Executive Officer are hereby authorized and directed to take all steps necessary to carry out the full intent of this Resolution.

This Resolution was adopted by the Board of Directors on June 24, 2004 by the following votes:

AYES: McCullough, Ivey, VerVaecke, Scagliotti, Machado

NOES: None

ABSTENTIONS: None

ABSENT: None

SAN BENITO HEALTH CARE DISTRICT

By Janet VerVaecke
Secretary, Board of Directors

EXHIBIT A

ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 3507

SAN BENITO HEALTH CARE DISTRICT ORDINANCE REGARDING EMPLOYEE ELECTION OF LABOR ORGANIZATIONS

San Benito Health Care District is a hospital district organized and operated pursuant to California Hospital District Law (California Health and Safety Code Section 32000 and following). As a public agency, the hospital district is governed by the Meyers-Milias-Brown Act (California Government Code Section 3500 and following).

California Government Code Section 3507 empowers the governing body of a public agency to adopt reasonable rules and regulations.

This Ordinance is adopted by the Board of Directors of San Benito Health Care District pursuant to Section 3507 of the California Government Code in order to recognize the right of employees to determine whether or not they wish to be represented by an employee organization.

It is within the Board of Directors' jurisdiction to authorize and approve the holding of any election regarding representation by an employee labor organization. Any election so authorized and approved by the Board will be conducted by the State Mediation-Conciliation Division of the Department of Industrial Relations.

REGULATIONS

1. SHOWING OF INTEREST. Prior to filing a Petition for Certification, the employee organization must obtain a showing of interest in the form of authorization cards signed by 30% of the employees in the desired unit who are eligible to vote.
2. APPROPRIATE UNIT. The Board of Directors will decide the extent of the appropriate unit. The hospital has historically recognized two employee organizations who represent approximately 40% of the employees in the hospital. Any additional units must take into account the appropriateness of the unit in relation to the organizational structure of the hospital, the possibility of proliferation of units, the history of labor relations in the hospital, community of interest, as well as other relevant factors as determined by the Board of Directors. In the event of a dispute in the appropriateness of the bargaining unit, the matter, upon request of any party, will be referred to the State Mediation-Conciliation Division of the State Industrial Relations Department for recommendation to the Board of Directors for the Board's final decision.

3. INTERVENING ORGANIZATION. If there are two employee organizations vying for the same unit, the second organization may intervene within twenty (20) days of the final determination of the appropriate unit. The second organization must make a showing of interest of at least 10%.
4. VERIFICATION OF SHOWING OF INTEREST. Any showing of interest as provided in these Regulations shall be submitted to the State Mediation-Conciliation Service for verification.
5. EMPLOYEE LIST. Within seven days from the State Mediation-Conciliation Service issuing a Notice and Direction of Election, the employer will provide to the labor organization an alphabetical list of those employees' names, addresses and positions in the unit.
6. AGENCY DUTIES. The agency conducting the election will compare the employee organization authorization cards against the employer's payroll list to determine if the cards are current and sufficient in number.
7. DATE OF ELECTION. An election will be held on a date when it is most likely that the greatest number of eligible employees will be present.
8. TIME OF ELECTION. The election shall be held on the employer's time. In a multi-shift situation, the polls shall be kept open long enough to give each employee sufficient opportunity to vote, or reopened later so that another shift may vote. Employees not scheduled on the day of the election may vote on the employer's time.
9. LOCATION. The location of the polling place shall be easily accessible and convenient to the employees.
10. NOTICE. The agency conducting the election will issue a Notice of Direction of Election. The employer must then prepare a list of eligible voters and their addresses, and file it with the agency within seven days of the Notice of Direction of Election. That list is made available to all parties prior to the election. The Notice will be posted in several places to advise the employees of the election.
11. ELIGIBILITY. All employees in the unit found appropriate who were employed during the payroll period immediately preceding the date of the Notice and Direction of Election are eligible to vote. Probationary employees are eligible to vote if their duties are substantially the same as those of regular employees and they have reasonable expectation of regular employment. Laid off employees are eligible to vote if they have a reasonable expectation of reemployment in the foreseeable future. Employees on sick leave or leave of absence are eligible to vote if they are to be automatically restored to their duties when ready to resume work. Employees who have quit or been discharged for cause are ineligible to vote. Employees who have given notice of their intention to quit are eligible to vote provided they are actually working on the established eligibility date.

12. OBSERVERS. Any party may be represented at the voting by observers of its own selection. The number of observers allowed by each side depends on the number of employees and will be determined by the agency conducting the election. The purpose of the observers is to identify the voters, check the names on the eligibility list, and watch the ballot box and the voting booth.
13. CHALLENGE. An employee's ballot may be challenged by the observers for the following reasons: the employee's name is not on the eligibility list, the employee is a supervisor, the employee is not within the designated unit, the employee was hired after the eligibility date, or the employee was discharged or quit prior to the date of the election, or the employee cannot be identified as the person he or she claims to be. The challenge must be made before the employee votes, usually at the time the employee approaches the observer's table to give his or her name and obtain a ballot. The representative of the State Mediation-Conciliation Service will make a decision as to the challenged ballot based on the employee list, description of the unit, and employee identification when the employee arrives to vote. If the challenge cannot be resolved based on those criteria, the official shall allow the individual to vote and the individual's ballot shall be sealed and set aside. That ballot will not be opened unless it becomes outcome determinative. The State Mediation-Conciliation Service will hold a hearing and make recommendations to the Board of Directors regarding the unresolved challenged ballots.
14. NO CAMPAIGNING. There will be no campaigning, electioneering, or long conversations around the ballot booth.
15. TALLY OF BALLOTS. After the election, the ballots will be tallied by the agent. If the employee organization obtains a majority of the votes of employees voting, it will be certified as the recognized employee organization of the employees in the unit. A majority is defined as one or more greater than half. If the election results in a tie vote, the unit remains non-union.
16. CHALLENGED BALLOTS. If the challenged ballots are sufficient to affect the outcome of the election, they will be opened by the agent conducting the election. If the challenges can be cured at that time, they will be either excluded or included in the final count. If they cannot be cured, a hearing will be held.
17. OBJECTIONS. If a party to the election believes that the conduct of the election was inappropriate or that the polling place was tainted, that party may file objections to the conduct of the election within five days from the date of the election (excluding Saturdays, Sundays and legal holidays). Said objections will be filed with the State Mediation-Conciliation Division of the Industrial Relations Department who will make recommendations to the Board of Directors.