



**Hazel Hawkins**  
MEMORIAL HOSPITAL

**REGULAR MEETING OF THE FINANCE COMMITTEE  
SAN BENITO HEALTH CARE DISTRICT  
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA  
MONDAY, FEBRUARY 24, 2025 - 4:30 P.M.  
SUPPORT SERVICES BUILDING, 2<sup>ND</sup> 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. Review Financial Updates
  - Financial Statements – January 2025
  - Finance Dashboard – January 2025
  - Supplemental Payments – January 2025
3. Consider Recommendation for Board Approval of Lease Amendment with Ceglia Properties, LLC in the amount \$10,348.85 per month for one year extension.
  - Report
  - Committee Questions
  - Motion/Second
4. Consider Recommendation for Board Approval of Proposal for Verkada Door Access Control in the amount of \$250,004.80 .
  - Report
  - Committee Questions
  - Motion/Second
5. Consider Recommendation for Board Approval of Proposal for Meditech Expanse Software Upgrade in the amount of \$2,437,900.00.
  - Report
  - Committee Questions
  - Motion/Second



6. Consider Recommendation for Board Approval to Award Bid to The Core Group (Chemistry Analyzer phase 2) in the amount of \$1,019,900.00.
  - Report
  - Committee Questions
  - Motion/Second
  
7. Consider Recommendation for Board Approval for Print Services Agreement with Wizix in the amount of \$16,926.00 per month.
  - Report
  - Committee Questions
  - Motion/Second
  
8. 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.
  
9. Adjournment

The next Finance Committee meeting is scheduled for **Monday, March 24, 2025 at 4:30 p.m.**

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



*San Benito Health Care District*

## San Benito Health Care District

A Public Agency

911 Sunset Drive

Hollister, CA 95023-5695

(831) 637-5711

February 24, 2025

### **CFO Financial Summary for the District Board:**

For the month ending January 31, 2025, the District's Net Surplus **(Loss)** is \$2,548,046 compared to a budgeted Surplus **(Loss)** of \$860,702. The District exceeded its budget for the month by \$1,687,344.

YTD as of January 31, 2025, the District's Net Surplus **(Loss)** is \$11,446,785 compared to a budgeted Surplus **(Loss)** of \$3,688,693. The District is exceeding its budget YTD by \$7,758,092.

Acute discharges were 171 for the month, exceeding budget by 5 discharges or 3%. The ADC was 14.48 compared to a budget of 16.68. The ALOS was 2.63. The acute I/P gross revenue was under budget by **\$461,957 (6%)** while O/P services gross revenue exceeded budget by **\$1.73 million** or 6% over budget. ER I/P visits were 129 and ER O/P visits were over budget by 250 visits or 12%. The RHCs & Specialty Clinics treated 3,615 (includes 772 visits at the Diabetes Clinic) and 1,002 visits respectively.

The District received notice that the CY 2023 Rate Range program will provide an additional **\$683,073** in funding.

**Other Operating** revenue was slightly under budget by **\$501**.

**Operating Expenses** were over budget by **\$870,671** due mainly to: Registry of \$302,554, Supplies of \$248,807 and Purchase Services of \$321,657. These overages are partly attributable to an increase in orthopedic surgeries (implants) and other medical supplies. In addition, an increase for the month in repairs and maintenance.

**Non-operating Revenue** was exceeded budget by **\$37,051** due to the Foundation's donations.

The SNFs ADC was **88.35** for the month. The Net Surplus **(Loss)** is \$129,639 compared to a budget of \$124,993. YTD, the Net Surplus **(Loss)** is \$944,998 exceeding its budget by \$308,325.

EZEL HAWKINS MEMORIAL HOSPITAL - COMBINED  
HOLLISTER, CA 95023  
FOR PERIOD 01/31/25

	CURRENT MONTH				YEAR-TO-DATE			
	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/24	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE
GROSS PATIENT REVENUE:								
ACUTE ROUTINE REVENUE	2,991,007	3,856,433	(865,426)	(22)	3,856,434	23,696,755	23,083,932	612,823
SNF ROUTINE REVENUE	2,059,560	2,027,302	32,258	2	2,057,580	13,934,310	13,640,558	293,752
ANCILLARY INPATIENT REVENUE	4,469,292	4,088,889	380,403	9	4,018,365	30,216,983	27,931,613	2,285,370
HOSPITALIST\PEDS I/P REVENUE	0	0	0	0	210,023	0	0	0
TOTAL GROSS INPATIENT REVENUE	9,519,858	9,972,624	(452,766)	(5)	10,142,402	67,848,048	64,656,103	3,191,945
ANCILLARY OUTPATIENT REVENUE	30,232,303	28,499,815	1,732,488	6	27,941,002	203,943,313	192,684,179	11,259,134
HOSPITALIST\PEDS O/P REVENUE	0	0	0	0	81,692	0	0	0
TOTAL GROSS OUTPATIENT REVENUE	30,232,303	28,499,815	1,732,488	6	28,022,694	203,943,313	192,684,179	11,259,134
TOTAL GROSS PATIENT REVENUE	39,752,162	38,472,439	1,279,723	3	38,165,096	271,791,361	257,340,282	14,451,079
DEDUCTIONS FROM REVENUE:								
MEDICARE CONTRACTUAL ALLOWANCES	9,228,619	10,469,946	(1,241,327)	(12)	11,233,292	71,163,151	69,918,069	1,245,082
MEDI-CAL CONTRACTUAL ALLOWANCES	9,819,433	10,326,827	(507,394)	(5)	9,843,477	69,686,208	69,121,680	564,528
BAD DEBT EXPENSE	469,734	547,792	(78,058)	(14)	776,991	5,226,873	3,664,298	1,562,575
CHARITY CARE	1,793	40,852	(39,059)	(96)	40,879	170,358	273,158	(102,800)
OTHER CONTRACTUALS AND ADJUSTMENTS	5,080,820	4,509,294	571,526	13	4,342,167	32,749,109	30,262,653	2,486,456
HOSPITALIST\PEDS CONTRACTUAL ALLOW	0	0	0	0	35,746	0	0	0
TOTAL DEDUCTIONS FROM REVENUE	24,600,398	25,894,711	(1,294,313)	(5)	26,272,552	178,995,700	173,239,858	5,755,842
NET PATIENT REVENUE	15,151,763	12,577,728	2,574,035	21	11,892,544	92,795,662	84,100,424	8,695,238
OTHER OPERATING REVENUE	547,380	547,881	(501)	0	559,861	4,935,835	3,835,167	1,100,668
NET OPERATING REVENUE	15,699,143	13,125,609	2,573,534	20	12,451,405	97,731,497	87,935,591	9,795,906
OPERATING EXPENSES:								
SALARIES & WAGES	5,371,967	5,282,544	89,423	2	4,880,068	35,124,116	36,007,478	(883,362)
REGISTRY	551,368	229,839	321,529	140	362,880	3,605,053	1,606,949	1,998,104
EMPLOYEE BENEFITS	2,351,635	2,422,063	(70,428)	(3)	1,889,684	15,276,808	16,189,951	(913,143)
PROFESSIONAL FEES	1,641,756	1,656,213	(14,457)	(1)	1,631,360	11,054,570	11,486,923	(432,353)
SUPPLIES	1,286,229	1,029,585	256,644	25	1,147,096	7,744,293	6,951,474	792,819
PURCHASED SERVICES	1,492,426	1,151,622	340,804	30	1,097,789	9,323,215	7,987,070	1,336,145
RENTAL	180,689	150,183	30,506	20	142,252	1,113,733	1,041,599	72,134
DEPRECIATION & AMORT	303,463	318,477	(15,014)	(5)	310,541	2,219,592	2,229,339	(9,747)
INTEREST	5,105	27,867	(22,762)	(82)	216,362	293,599	196,137	97,462
OTHER	448,609	441,612	6,997	2	470,274	3,133,396	3,065,664	67,732
TOTAL EXPENSES	13,633,247	12,710,005	923,242	7	12,148,305	88,888,374	86,762,584	2,125,790
NET OPERATING INCOME (LOSS)	2,065,896	415,604	1,650,292	397	303,100	8,843,122	1,173,007	7,670,115

HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED  
HOLLISTER, CA 95023  
FOR PERIOD 01/31/25

	CURRENT MONTH				PRIOR YR				YEAR-TO-DATE			
	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 01/31/24	PRIOR YR 01/31/24	PERCENT VARIANCE	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/24
NON-OPERATING REVENUE\EXPENSE:												
DONATIONS	138,562	105,000	33,562	32	49,966			213,451	135,000	78,451	58	196,488
PROPERTY TAX REVENUE	241,122	241,122	0	0	205,711			1,687,854	1,687,854	0	0	1,439,977
GO BOND PROP TAXES	175,915	175,915	0	0	170,388			1,231,403	1,231,405	(2)	0	1,192,714
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	0	(68,721)			(455,570)	(455,567)	(3)	0	(481,048)
OTHER NON-OPER REVENUE	17,852	15,908	1,944	12	16,987			113,561	111,356	2,205	2	125,030
OTHER NON-OPER EXPENSE	(28,312)	(27,766)	(546)	2	(32,700)			(195,183)	(194,362)	(821)	0	(230,169)
INVESTMENT INCOME	2,092	0	2,092	0	0			8,146	0	8,146	0	(4,209)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0			0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	482,149	445,098	37,051	8	341,630			2,603,663	2,515,686	87,977	4	2,238,784
NET SURPLUS (LOSS)	2,548,046	860,702	1,687,344	196	644,730			11,446,785	3,688,693	7,758,092	210	7,574,460
EBIDA	\$ 2,768,987	\$ 1,096,111	\$ 1,672,876	152.61%	\$ 886,305			\$ 13,085,727	\$ 5,336,556	\$ 7,749,171	145.20%	\$ 9,371,903
EBIDA MARGIN	17.64%	8.35%	9.29%	111.20%	7.12%			13.39%	6.07%	7.32%	120.63%	10.71%
OPERATING MARGIN	13.16%	3.17%	9.99%	315.58%	2.43%			9.05%	1.33%	7.71%	578.33%	6.10%
NET SURPLUS (LOSS) MARGIN	16.23%	6.56%	9.67%	147.51%	5.18%			11.71%	4.19%	7.52%	179.21%	8.66%

HAZEL EANKINS MEMORIAL HOSPITAL - ACUTE FACILITY  
HOLLISTER, CA 95023  
FOR PERIOD 01/31/25

	CURRENT MONTH				PRIOR YR				YEAR-TO-DATE			
	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 01/31/24	BUDGET 01/31/24	POS/NEG VARIANCE	PERCENT VARIANCE	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE
GROSS PATIENT REVENUE:												
ROUTINE REVENUE	2,991,007	3,856,433	(865,426)	(22)	3,856,434	23,696,755	23,083,932	612,823	3	23,083,926		
ANCILLARY INPATIENT REVENUE	4,157,848	3,754,379	403,469	11	3,754,384	27,702,769	25,680,871	2,021,898	8	25,680,878		
HOSPITALIST I/P REVENUE	0	0	0	0	210,023	0	0	0	0	1,110,093		
TOTAL GROSS INPATIENT REVENUE	7,148,855	7,610,812	(461,957)	(6)	7,820,841	51,399,524	48,764,803	2,634,721	5	49,874,897		
ANCILLARY OUTPATIENT REVENUE	30,232,303	28,499,815	1,732,488	6	27,941,002	203,943,313	192,684,179	11,259,134	6	188,906,078		
HOSPITALIST O/P REVENUE	0	0	0	0	81,592	0	0	0	0	433,692		
TOTAL GROSS OUTPATIENT REVENUE	30,232,303	28,499,815	1,732,488	6	28,022,594	203,943,313	192,684,179	11,259,134	6	189,339,770		
TOTAL GROSS ACUTE PATIENT REVENUE	37,381,158	36,110,627	1,270,531	4	35,843,535	255,342,838	241,448,982	13,893,856	6	239,214,667		
DEDUCTIONS FROM REVENUE ACUTE:												
MEDICARE CONTRACTUAL ALLOWANCES	9,046,168	10,251,788	(1,205,621)	(12)	11,061,424	69,414,218	68,450,207	964,011	1	67,348,357		
MEDI-CAL CONTRACTUAL ALLOWANCES	9,730,420	10,199,423	(469,003)	(5)	9,771,922	68,980,037	68,264,451	715,586	1	67,212,398		
BAD DEBT EXPENSE	471,767	542,792	(71,025)	(13)	716,099	5,286,241	3,629,298	1,656,943	46	4,667,352		
CHARITY CARE	1,793	40,852	(39,059)	(96)	40,879	170,358	273,158	(102,800)	(38)	311,288		
OTHER CONTRACTUALS AND ADJUSTMENTS	5,014,546	4,476,125	538,421	12	4,301,282	32,509,850	30,039,473	2,470,377	8	30,843,248		
HOSPITALIST PEDIATRIC CONTRACTUAL ALLOW	0	0	0	0	35,746	0	0	0	0	48,177		
TOTAL ACUTE DEDUCTIONS FROM REVENUE	24,264,694	25,510,980	(1,246,286)	(5)	25,927,352	176,360,704	170,656,587	5,704,117	3	170,430,819		
NET ACUTE PATIENT REVENUE	13,116,464	10,599,647	2,516,817	24	9,916,183	78,982,134	70,792,395	8,189,739	12	68,783,848		
OTHER OPERATING REVENUE	547,380	547,881	(501)	0	559,861	4,935,835	3,835,167	1,100,668	29	4,026,652		
NET ACUTE OPERATING REVENUE	13,663,844	11,147,528	2,516,316	23	10,475,044	83,917,969	74,627,562	9,290,407	12	72,810,500		
OPERATING EXPENSES:												
SALARIES & WAGES	4,277,649	4,246,854	30,795	1	3,943,741	27,878,039	28,952,544	(1,074,505)	(4)	26,278,155		
REGISTRY	502,554	200,000	302,554	151	313,603	3,281,966	1,400,000	1,881,966	134	1,885,303		
EMPLOYEE BENEFITS	1,867,994	1,890,379	(22,385)	(1)	1,501,985	11,863,171	12,555,848	(692,677)	(6)	11,012,083		
PROFESSIONAL FEES	1,639,546	1,653,831	(14,285)	(1)	1,629,150	11,039,100	11,470,405	(431,305)	(4)	11,454,956		
SUPPLIES	1,181,301	932,494	248,807	27	1,044,907	7,060,829	6,278,146	782,683	13	6,661,941		
PURCHASED SERVICES	1,383,993	1,062,336	321,657	30	1,002,066	8,630,872	7,367,826	1,263,046	17	6,848,359		
RENTAL	165,983	149,089	16,894	11	141,233	1,072,133	1,034,011	38,122	4	948,929		
DEPRECIATION & AMORT	264,045	278,940	(14,895)	(5)	270,764	1,946,658	1,952,580	(5,922)	0	2,002,321		
INTEREST	5,105	27,867	(22,762)	(82)	216,362	293,599	196,137	97,462	50	405,689		
OTHER	409,437	385,147	24,290	6	410,111	2,743,622	2,673,871	69,751	3	2,605,296		
TOTAL EXPENSES	11,697,608	10,826,937	870,671	8	10,473,922	75,809,987	73,881,368	1,928,619	3	70,103,031		
NET OPERATING INCOME (LOSS)	1,966,237	320,591	1,645,646	513	1,122	8,107,982	746,194	7,361,788	987	2,707,469		

HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY  
HOLLISTER, CA 95023  
FOR PERIOD 01/31/25

	CURRENT MONTH				YEAR-TO-DATE			
	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/24	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE
NON-OPERATING REVENUE\EXPENSE:								
DONATIONS	138,562	105,000	33,562	32	49,966	213,451	135,000	78,451
PROPERTY TAX REVENUE	204,954	204,954	0	0	174,854	1,434,678	1,434,678	0
GO BOND PROP TAXES	175,915	175,915	0	0	170,388	1,231,403	1,231,405	(2)
GO BOND INT REVENUE\EXPENSE	(65,081)	(65,081)	0	0	(68,721)	(455,570)	(455,567)	(3)
OTHER NON-OPER REVENUE	17,852	15,908	1,944	12	16,987	113,561	111,356	2,205
OTHER NON-OPER EXPENSE	(22,124)	(21,578)	(546)	3	(25,412)	(151,866)	(151,046)	(820)
INVESTMENT INCOME	2,092	0	2,092	0	(25,412)	8,146	0	8,146
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	452,170	415,118	37,052	9	318,061	2,393,804	2,305,826	87,978
NET SURPLUS (LOSS)	2,418,406	735,709	1,682,697	229	319,183	10,501,787	3,052,020	7,449,767

HAZEL HAWKINS SKILLED NURSING FACILITIES  
HOLLISTER, CA  
FOR PERIOD 01/31/25

	CURRENT MONTH				YEAR-TO-DATE			
	ACTUAL 01/31/25	BUDGET 01/31/25	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 01/31/24	ACTUAL 02/31/25	BUDGET 01/31/25	POS/NEG VARIANCE
GROSS SNF PATIENT REVENUE:								
ROUTINE SNF REVENUE	2,059,560	2,027,302	32,258	2	2,057,580	13,934,310	13,640,558	293,752
ANCILLARY SNF REVENUE	311,443	334,510	(23,067)	(7)	263,981	2,514,213	2,250,742	263,471
TOTAL GROSS SNF PATIENT REVENUE	2,371,003	2,361,812	9,191	0	2,321,561	16,448,523	15,891,300	557,223
DEDUCTIONS FROM REVENUE SNF:								
MEDICARE CONTRACTUAL ALLOWANCES	182,451	218,158	(35,707)	(16)	171,868	1,748,933	1,467,862	281,071
MEDI-CAL CONTRACTUAL ALLOWANCES	89,012	127,404	(38,392)	(30)	71,555	706,171	857,229	(151,058)
BAD DEBT EXPENSE	(2,033)	5,000	(7,033)	(141)	60,892	(59,368)	35,000	(94,368)
CHARITY CARE	0	0	0	0	0	0	0	0
OTHER CONTRACTUALS AND ADJUSTMENTS	66,274	33,169	33,105	100	40,885	239,259	223,180	16,079
TOTAL SNF DEDUCTIONS FROM REVENUE	335,704	383,731	(48,027)	(13)	345,200	2,634,995	2,583,271	51,724
NET SNF PATIENT REVENUE	2,035,299	1,978,081	57,218	3	1,976,361	13,813,528	13,308,029	505,499
OTHER OPERATING REVENUE	0	0	0	0	0	0	0	0
NET SNF OPERATING REVENUE	2,035,299	1,978,081	57,218	3	1,976,361	13,813,528	13,308,029	505,499
OPERATING EXPENSES:								
SALARIES & WAGES	1,094,318	1,035,690	58,628	6	936,327	7,246,078	7,054,934	191,144
REGISTRY	48,814	29,839	18,975	64	49,277	323,088	206,949	116,139
EMPLOYEE BENEFITS	483,641	531,584	(48,043)	(9)	387,699	3,413,637	3,634,103	(220,466)
PROFESSIONAL FEES	2,210	2,382	(172)	(7)	2,210	15,470	16,518	(1,048)
SUPPLIES	104,928	97,091	7,837	8	102,189	683,464	673,328	10,136
PURCHASED SERVICES	108,434	89,286	19,148	21	95,723	692,343	619,244	73,099
RENTAL	14,706	1,094	13,612	1,244	1,019	41,601	7,588	34,013
DEPRECIATION	39,418	39,537	(119)	0	39,778	272,934	276,759	(3,825)
INTEREST	0	0	0	0	0	0	0	0
OTHER	39,171	56,465	(17,294)	(31)	60,163	389,774	391,793	(2,019)
TOTAL EXPENSES	1,935,639	1,883,068	52,571	3	1,674,384	13,078,388	12,881,216	197,172
NET OPERATING INCOME (LOSS)	99,660	95,013	4,647	5	301,978	735,140	426,813	308,327
NON-OPERATING REVENUE\EXPENSE:								
DONATIONS	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	36,168	36,168	0	0	30,857	253,176	253,176	0
OTHER NON-OPER EXPENSE	(6,188)	(6,188)	0	0	(7,288)	(43,318)	(43,316)	(2)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	29,980	29,980	0	0	23,569	209,858	209,860	(2)
NET SURPLUS (LOSS)	129,639	124,993	4,646	4	325,547	944,998	636,673	308,325



HAZEL HAWKINS MEMORIAL HOSPITAL  
HOLLISTER, CA  
For the month ended 01/31/25

	CURR MONTH 01/31/25	PRIOR MONTH 12/31/24	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT ASSETS					
CASH & CASH EQUIVALENT	27,314,301	29,830,048	(2,515,747)	(8)	35,145,624
PATIENT ACCOUNTS RECEIVABLE	65,766,315	65,148,849	617,466	1	67,848,785
BAD DEBT ALLOWANCE	(7,750,215)	(8,470,932)	720,717	(9)	(9,487,617)
CONTRACTUAL RESERVES	(44,058,764)	(44,358,384)	299,620	(1)	(46,279,766)
OTHER RECEIVABLES	6,255,337	5,134,377	1,120,960	22	5,931,344
INVENTORIES	4,490,095	4,494,817	(4,722)	0	4,496,070
PREPAID EXPENSES	2,288,168	2,275,693	12,476	1	1,775,026
DUE TO\FROM THIRD PARTIES	272,832	272,832	0	0	200,709
TOTAL CURRENT ASSETS	54,578,069	54,327,301	250,769	1	59,630,175
ASSETS WHOSE USE IS LIMITED					
BOARD DESIGNATED FUNDS	7,914,767	7,748,688	166,078	2	3,512,919
TOTAL LIMITED USE ASSETS	7,914,767	7,748,688	166,078	2	3,512,919
PROPERTY, PLANT, AND EQUIPMENT					
LAND & LAND IMPROVEMENTS	3,370,474	3,370,474	0	0	3,370,474
BLDGs & BLDG IMPROVEMENTS	100,098,374	100,098,374	0	0	100,098,374
EQUIPMENT	45,577,697	45,097,074	480,624	1	44,435,024
CONSTRUCTION IN PROGRESS	2,920,360	2,656,105	264,254	10	1,393,964
GROSS PROPERTY, PLANT, AND EQUIPMENT	151,966,904	151,222,026	744,878	1	149,297,836
ACCUMULATED DEPRECIATION	(96,731,822)	(96,413,715)	(318,107)	0	(94,409,166)
NET PROPERTY, PLANT, AND EQUIPMENT	55,235,082	54,808,312	426,771	1	54,888,670
OTHER ASSETS					
UNAMORTIZED LOAN COSTS	356,770	362,681	(5,911)	(2)	398,148
PENSION DEFERRED OUTFLOWS NET	7,038,149	7,038,149	0	0	7,038,149
TOTAL OTHER ASSETS	7,394,919	7,400,830	(5,911)	0	7,436,297
TOTAL UNRESTRICTED ASSETS	125,122,837	124,285,131	837,706	1	125,468,061
RESTRICTED ASSETS	128,754	128,273	481	0	127,119
TOTAL ASSETS	125,251,591	124,413,404	838,187	1	125,595,180

HAZEL HAWKINS MEMORIAL HOSPITAL  
HOLLISTER, CA  
For the month ended 01/31/25

	CURR MONTH 01/31/25	PRIOR MONTH 12/31/24	POS/NEG VARIANCE	PERCENTAGE VARIANCE	PRIOR YR 06/30/24
CURRENT LIABILITIES					
ACCOUNTS PAYABLE	6,797,957	5,965,117	(832,840)	14	8,572,685
ACCRUED PAYROLL	1,582,525	3,355,825	1,773,301	(53)	5,824,977
ACCRUED PAYROLL TAXES	1,252,455	488,797	(763,658)	156	1,608,471
ACCRUED BENEFITS	5,350,807	6,446,551	1,095,744	(17)	6,695,829
OTHER ACCRUED EXPENSES	51,854	63,497	11,643	(18)	89,559
PATIENT REFUNDS PAYABLE	1,470	1,310	(160)	12	12,920
DUE TO\FROM THIRD PARTIES	(974,028)	(800,454)	173,574	22	2,355,584
OTHER CURRENT LIABILITIES	554,184	771,552	217,368	(28)	611,755
TOTAL CURRENT LIABILITIES	14,617,224	16,292,195	1,674,972	(10)	25,771,780
LONG-TERM DEBT					
LEASES PAYABLE	4,669,706	4,676,553	6,848	0	5,107,486
BONDS PAYABLE	31,542,481	31,571,001	28,520	0	31,742,121
TOTAL LONG TERM DEBT	36,212,186	36,247,554	35,368	0	36,849,607
OTHER LONG-TERM LIABILITIES					
DEFERRED REVENUE	0	0	0	0	0
LONG-TERM PENSION LIABILITY	23,814,514	23,814,514	0	0	23,814,514
TOTAL OTHER LONG-TERM LIABILITIES	23,814,514	23,814,514	0	0	23,814,514
TOTAL LIABILITIES	74,643,924	76,354,263	1,710,339	(2)	86,435,901
NET ASSETS:					
UNRESTRICTED FUND BALANCE	39,064,686	39,064,686	0	0	39,064,686
RESTRICTED FUND BALANCE	96,228	95,747	(481)	1	94,593
NET REVENUE/(EXPENSES)	11,446,753	8,898,708	(2,548,046)	29	0
TOTAL NET ASSETS	50,607,667	48,059,141	(2,548,526)	5	39,159,279
TOTAL LIABILITIES AND NET ASSETS	125,251,591	124,413,404	(838,187)	1	125,595,180



San Benito Health Care District  
Hazel Hawkins Memorial Hospital  
JANUARY 2025

Description	MTD Budget	MTD Actual	YTD Actual	YTD Budget	FYE Budget
Average Daily Census - Acute	16.68	14.48	14.33	14.70	14.90
Average Daily Census - SNF	85.95	88.35	86.19	83.42	85.00
Acute Length of Stay	3.12	2.63	2.65	2.99	2.90
<u>ER Visits:</u>					
Inpatient	129	129	958	799	1,444
Outpatient	2,162	2,412	15,237	14,705	25,269
Total	2,291	2,541	16,195	15,504	26,713
Days in Accounts Receivable	50.0	53.1	53.1	50.0	50.0
Productive Full-Time Equivalents	521.33	509.43	510.70	521.33	521.33
Net Patient Revenue	12,577,728	15,151,763	92,795,662	84,100,424	144,649,605
Payment-to-Charge Ratio	32.7%	38.1%	34.1%	32.7%	32.7%
Medicare Traditional Payor Mix	27.73%	27.24%	28.03%	28.86%	28.51%
Commercial Payor Mix	21.94%	24.46%	23.52%	21.71%	21.88%
Bad Debt % of Gross Revenue	1.42%	1.18%	1.92%	1.42%	1.42%
EBIDA	1,096,111	2,768,987	13,085,727	5,336,556	9,671,943
EBIDA %	8.35%	17.64%	13.39%	6.07%	6.40%
Operating Margin	3.17%	13.16%	9.05%	1.33%	1.72%
Salaries, Wages, Registry & Benefits %:					
by Net Operating Revenue	60.45%	52.71%	55.26%	61.19%	61.10%
by Total Operating Expense	62.43%	60.70%	60.76%	62.01%	62.15%
<u>Bond Covenants:</u>					
Debt Service Ratio	1.25	12.01	12.01	1.25	5.18
Current Ratio	1.50	3.73	3.73	1.50	2.00
Days Cash on hand	30.00	67.61	67.61	30.00	100.00
Met or Exceeded Target					
Within 10% of Target					
Not Within 10%					

# Statement of Cash Flows

Hazel Hawkins Memorial Hospital

Hollister, CA

Seven months ending January 31, 2025

	CASH FLOW		COMMENTS
	Current Month 1/31/2025	Current Year-To-Date 1/31/2025	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	\$2,548,046	\$11,446,785	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	318,108	2,322,658	
(Increase)/Decrease in Net Patient Accounts Receivable	(1,637,803)	(1,875,934)	
(Increase)/Decrease in Other Receivables	(1,120,960)	(323,993)	
(Increase)/Decrease in Inventories	4,722	5,975	
(Increase)/Decrease in Pre-Paid Expenses	(12,476)	(513,144)	
(Increase)/Decrease in Due From Third Parties	0	(72,123)	
Increase/(Decrease) in Accounts Payable	832,840	(1,774,728)	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(2,105,386)	(5,943,490)	
Increase/(Decrease) in Accrued Expenses	(11,643)	(37,706)	
Increase/(Decrease) in Patient Refunds Payable	160	(11,449)	
Increase/(Decrease) in Third Party Advances/Liabilities	(173,574)	(3,329,612)	
Increase/(Decrease) in Other Current Liabilities	(217,368)	(57,570)	
<b>Net Cash Provided by Operating Activities:</b>	<b>(4,123,380)</b>	<b>(11,611,116)</b>	Semi-Annual Int. - 2005 GO & 2021 Revenue Bonds
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(744,878)	(2,669,069)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	(166,078)	(4,401,847)	Bond Principal & Int Payment - 2014 (2005) & 2021 Bonds
(Increase)/Decrease in Other Assets	5,911	41,377	Amortization
<b>Net Cash Used by Investing Activities</b>	<b>(905,045)</b>	<b>(7,029,539)</b>	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Capital Lease Debt	(6,848)	(437,781)	
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	0	0	
<b>Net Cash Used for Financing Activities</b>	<b>(35,368)</b>	<b>(637,421)</b>	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	(32)	
<b>Net Increase/(Decrease) in Cash</b>	<b>(2,515,747)</b>	<b>(7,831,323)</b>	
Cash, Beginning of Period	29,830,048	35,145,624	
<b>Cash, End of Period</b>	<b>\$27,314,301</b>	<b>\$27,314,301</b>	\$0

Cost per day to run the District

\$404,015

\$29,556,444

Budgeted Cash on Hand

Operational Days Cash on Hand

67.61

(\$2,242,143)

Variance

Hazel Hawkins Memorial Hospital  
Supplemental Payment Programs  
As of January 31, 2025, FYE June 30, 2025

	Payor	Actual FY 2025	Actual FY 2024	Notes:
<b>Intergovernmental Transfer Programs:</b>				
- AB 113 Non-Designated Public Hospital (NDPH)				
- SFY 2022/2023 Final Payment SFY 2023/2024	DHCS	425,000	407,785	Requires District to fund program and wait for matching return.
- SFY 2023/2024 Interim SFY 2024/2025	DHCS	389,100	434,472	Paid on 04/17/24, \$156,525.63, funds rec'd in June. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2022	Anthem	-	2,405,548	Paid on 04/24/24, \$506,883.51, funds rec'd in June. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2023	Anthem	-	2,432,278	Net amount rec'd on November 1, 2023 check for CY 2022.
- SB 239 Hospital Quality Assurance Fund (HQAF) CY 2024	CCAH	2,425,000		IGT by March 22, 2024 of \$1,257,738, funds expected in May/June.
- Rate Range Jan. 1, 2022 through Dec. 31, 2022	Anthem	-	1,025,179	Expected in May 2025.
- Rate Range Jan. 1, 2022 through Dec. 31, 2023	Anthem	1,339,141		IGT by Feb. 23, 2024 of \$472,508, funds expected in April/May.
- QIP PY 5 Settlement	Anthem	-	3,459,757	Received in February 2025.
- QIP PY 6 Settlement	Anthem	3,450,000		IGT by Feb. 16, 2024 of \$1,891,350.65, funds expected in April/May.
- QIP PY 4 1st Loan Repayment	District	-	(1,253,000)	Expected in May 2025.
- QIP PY 4 2nd Loan Repayment	District	-	(1,222,438)	Paid on 02/26/2024.
- QIP PY 5 Loan Repayment	District	(3,090,086)		Paid on 04/08/2024.
				Due January 3, 2025. Paid on December 9, 2024.
<b>IGT sub-total</b>		<b>4,938,155</b>	<b>7,689,581</b>	
<b>Non-Intergovernmental Transfer Programs:</b>				
- AB 915	DHCS	4,100,000	4,143,717	Direct Payments.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	1,069,577	1,069,577	Received on March 11, 2024. Exp. June 2025.
- SB 239 Hospital Quality Assurance Fund (HQAF)	DHCS	-	3,208,731	Rec. Sep. 4, 2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	1,081,621		1st, 2nd & 3rd Qtrs rec'd on 03/19/2024, 05/23/2024 & 06/27/2024.
- SB 239 Hospital Quality Assurance Fund (HQAF) VIII	DHCS	3,244,863		Expected to Rec. 4th qtr payment by June 30, 2025.
- Distinct Part, Nursing Facility (DP/NF)		-	-	Rec'd 1st, 2nd, & 3rd Qtr payments YTD.
- Medi-Cal Disproportionate Share (DSH)	DHCS	624,162	1,452,877	Based on actual cost difference.
				Expected quarterly through June 30, 2025.
<b>Non-IGT sub-total</b>		<b>10,120,223</b>	<b>9,874,903</b>	
<b>Program Grand Totals</b>		<b>15,058,378</b>	<b>17,564,484</b>	
Total Received		4,938,602	18,970,344	
Total Pending		13,209,862	1,069,577	
Total Paid		(3,090,086)	(2,475,438)	
Net Supplemental Payments		15,058,378	17,564,484	

**AMENDMENT TO LEASE AGREEMENT BETWEEN SAN BENITO  
HEALTH CARE DISTRICT AND CEGLIA PROPERTIES, LLC**

This Amendment to the Lease Agreement (“**Amendment**”) is effective \_\_\_\_\_, 2025 (“**Effective Date**”), by and between San Benito Health Care District, a local health care district (“**Lessee**”), and Ceglia Properties, LLC, a California limited liability company (“**Lessor**”), collectively referred to as the “**Parties**,” upon the following facts and circumstances:

**RECITALS**

**A.** Lessee and Lessor executed a Lease Agreement effective March 1, 2020 (“**Lease**”) for certain premises located at 101 McCray Street, Hollister, California (“**Premises**”);

**B.** The current term of the Lease expires February 28, 2025 (“**Expiration Date**”);

**C.** Lessee desires to continue to occupy the Premises following the Expiration Date and Lessor desires to consent to such continued occupancy as provided in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree the Lease is amended as follows:

**1. Term.** Commencing on the day following the Expiration Date (“**Start Date**”), the term of the Lease shall be for one (1) year, or until this Lease is terminated as otherwise provided in the Lease.

**2. Base Rent.** The Base Rent, beginning on the Start Date, and continuing for the Term shall be ten thousand three hundred forty-eight dollars and eighty-five cents (\$10,348.85) per month payable on the first (1<sup>st</sup>) day of each and every month.

**3. No Other Changes.** All terms and conditions of the Lease not altered, amended or otherwise affected by this Amendment are reaffirmed by the Parties and shall remain in full force and effect between them.

**4. Entire Agreement.** This Amendment supersedes and replaces the provisions of the Lease as described herein. Except as set forth in this Amendment, if there is any conflict or inconsistency between this Amendment and the Lease, this Amendment shall control and govern in the interpretation and construction of the Agreement.

**5. Counterparts.** This Amendment may be executed in multiple counterparts, and counterpart signature pages may be assembled to form a single, fully executed document. Electronic signatures will have the same binding effect as wet signatures.

**In witness whereof**, by their duly authorized representatives, the Parties have executed this Amendment to be effective as set forth above.

**Lessee:**  
San Benito Health Care District

**Lessor you just:**  
Ceglia Properties, LLC

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



# Verkadda

DOOR ACCESS PROGRAM





# Comparison

## Current Program

- ▶ Hub Manager
- ▶ 2008 Initial Program
- ▶ 2017 Last Update to Program
- ▶ Only 1 user can be logged on
- ▶ Runs on a single desktop –Engineering
- ▶ Parts for Card readers difficult to locate

## Proposed Program-Verkada

- ▶ Cloud based
- ▶ Modern technology
- ▶ Can integrate with cameras
- ▶ Has many additional features

# Door Access Quotes and Comparisons

## ▶ Verkada –

▶ Hardware - \$130,453.80

▶ Install "Professional Services" - \$119,551.00

**Total - \$250,004.80 Recommend**

## ▶ Paxton –

▶ Hardware - \$212,452.30

▶ Install – TBD

▶ Total - Unknown

## ▶ Monarch – Valid till 2/14/25

▶ Hardware - \$154,173.35

▶ Install "Professional Services" - \$157,718.75

**Total - \$311,892.10**

## ▶ PixaBytes Solutions, Inc.

▶ Hardware - \$169,576.78

▶ Shipping - \$2,575.00

▶ Install - \$92,718.75

▶ Programming - \$9,525.00

**Total w/tax - \$274,395.53**



## **Verkada Access Control**

**Quote # QUO-CTSUS025099**

**Version 2**

### **Prepared by:**

**Converge Technology Solutions**

Andrew Post

[andrew.post@convergetp.com](mailto:andrew.post@convergetp.com)

### **Prepared for:**

**Hazel Hawkins Memorial Hospital**

Doug Mays

[dmays@hazelhawkins.com](mailto:dmays@hazelhawkins.com)



## Verkada Access Control

Quote #: QUO-CTSUS025099

Version: 2

Date: 02/10/2025

Expiration Date: 03/11/2025

Payment Terms: Prepaid

Andrew Post

Account Executive

andrew.post@convergetp.com

Converge Technology Solutions

130 Technology Parkway

Ste 100

Norcross, GA 30092

### Bill To:

#### Hazel Hawkins Memorial Hospital

911 Sunset Dr

Hollister, CA 95023

Doug Mays

(831) 636-2633

dmays@hazelhawkins.com

### Ship To:

#### Hazel Hawkins Memorial Hospital

911 Sunset Dr Lbby

Hollister, CA 95023

Doug Mays

(831) 636-2633

dmays@hazelhawkins.com

### Products

Qty	Product	Product Description	Price	Ext. Price
23	AC42-HW	AC42 4 Door Controller	\$1,259.30	\$28,963.90
4	AC12-HW	AC12 1 Door Controller	\$489.30	\$1,957.20
3	AX11-HW	AX11 IO Controller	\$1,119.30	\$3,357.90
26	ACC-BAT-4AH	4AH Backup Battery	\$90.30	\$2,347.80
94	AD34-HW	AD34 Multi-format Card Reader	\$244.30	\$22,964.20
94	LIC-AC-5Y	5-Year Door License	\$699.30	\$65,734.20
1	TD53-HW	TD53 Video Intercom Reader	\$1,259.30	\$1,259.30
1	LIC-TD-5Y	5-Year Intercom License	\$874.30	\$874.30
1	FREIGHT CHARGE	FREIGHT CHARGE	\$2,995.00	\$2,995.00

Subtotal: **\$130,453.80**

## Quote Summary

Description	Amount
Products	\$130,453.80

Total (USD): **\$130,453.80**

- Payment Terms, as established or upon credit approval.
- FOB Destination.
- Taxes, freight and other fees not included unless otherwise stated.
- Returns or exchanges are at the discretion of the Manufacturer.
- Order may be delivered in multiple shipments, and customer agrees to pay partial payments as product is delivered.
- Supplier is acting as a reseller of the Original Equipment Manufacturer (OEM). The products sold under this quotation are subject to the terms and conditions provided by the OEM.
- This Quote, including the Vendor's terms and conditions therein, represent the complete and final agreement and supersedes all prior understandings, including but not limited to, any negotiations, representations, and terms listed on a Customer's purchase order.
- To the extent that this Quote is a multi-year commitment, this quote cannot be cancelled or terminated unless agreed to, in writing, by the Vendor.

### Hazel Hawkins Memorial Hospital

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

PO Number: \_\_\_\_\_



Converge Technology Solutions

130 Technology Parkway, Peachtree Corners, GA 30092 | 770-300-4700 | [www.convergetp.com](http://www.convergetp.com)

# Statement of Work

for

Hazel Hawkins Memorial Hospital

## Access Control Complete Hospital

February 14, 2025

**Presented By:**

Andrew Post  
[andrew.post@convergetp.com](mailto:andrew.post@convergetp.com)  
408-649-0299

**Prepared For:**

Salomon Mercado  
[smercado@hazelhawkins.com](mailto:smercado@hazelhawkins.com)  
831-636-2633

Document ID #: 013097v4

Offer is valid for ninety (90) days from the date shown above.

**Confidentiality Notice:** This Statement of Work ("SOW") may contain non-public, confidential information and shall neither be disclosed outside of Hazel Hawkins Memorial Hospital nor be duplicated, used, or disclosed in whole or in part by Hazel Hawkins Memorial Hospital except to evaluate the services described herein. This restriction does not limit the right to use the information contained in this SOW if it is obtained from another source without confidentiality restrictions.

## 1. SOW Revision History

Date	By	Description of Revision
9/23/24	Melanie Michaelson/ Dustin Bateman	SOW Creation
12/31/24	Melanie Michaelson/ Dustin Bateman	v2 Scope, Price
1/9/25	Melanie Michaelson/ Dustin Bateman	v3 Scope, Price
2/14/25	Melanie Michaelson/ Dustin Bateman	V4 Scope, Price

## 2. Summary

Hazel Hawkins Memorial Hospital ("Client") has engaged Converge Technology Solutions US, LLC ("Converge") to install cabling and Verkada equipment for Access Controls on doors throughout the hospital (the "Services").

Site Address: 911 Sunset Dr., Hollister, CA 95023

This SOW shall be governed by the terms and conditions of the Master Services Agreement which can be found at: [https://convergetp.com/converge-msa-online\\_1\\_2023/](https://convergetp.com/converge-msa-online_1_2023/) (the "Agreement"). By signing this SOW, Client agrees to be bound by the aforementioned online terms and conditions. Any third-party products, software, or subscription services applicable to the Services under this SOW are subject to the terms and conditions of the third-party manufacturer or licensor.

## 3. Scope of Work

### Access Control Scope Tasks:

1. Provide labor to install (23) Verkada AC42 door controllers.
2. Provide labor and materials to install (1) Cat 6 Data Cable from Hazel Hawkins network switch to (23) AC42 Door Access Control Modules.
3. Provide labor to install (23) backup batteries for the AC42 door controllers.
4. Provide labor to install (3) Verkada AC12 door controllers.
5. Provide labor and materials to install (1) Cat 6 Data Cable from Hazel Hawkins network switch to (3) AC12 Door Access Control Modules.
6. Provide labor to install (3) Verkada AX11 IO controllers.
7. Provide labor to install (94) AD34 Verkada Multi-format Card Readers.
8. Provide labor to install (1) TD53 Video Intercom Reader
9. Provide labor and materials to install (1) Cat 6 Data Cable from Hazel Hawkins network switch to (1) TD53 Video Intercom Reader

### Project Management

A project manager will be assigned to facilitate project success through planning, coordination, tracking, reporting, communication, and escalation as needed. In alignment with Converge's proven project management process, the project manager will complete the following tasks:

- Conduct project kick-off meeting
- Follow up on completion of project prerequisites
- Develop workplan and timeline for in-scope activities
- Manage project communications and resource scheduling
- Distribute project status dashboard
- Conduct project status meetings
- Identify and track project risks and issues



- Facilitate any necessary project change requests
- Ensure project deliverables are completed and meet expectations
- Conduct closeout meeting

## 4. Deliverables

Deliverables	Description
Test Results	PDF Copies of Category Compliant Test Results for new Cat 6 data cables installed.
As-Built	PDF Floorplan with Cable ID's and Access Control Locations including Serial #'s if acceptable drawings are provided by the hospital.
Pictures	Digital Pictures of Access Control Unit and Intercom installations.

Unless otherwise stated, any documentation deliverables shall be provided in electronic format.

## 5. Acceptance Procedure

- Passing Cat 6 Cable Test Results and Digital Pictures showing proper installation and workmanship.
- All Verkada Access Control devices active in Command Portal.

Client shall have fourteen (14) business days from the date that work ceases in which to notify Converge that (i) the Services provided meet Client's satisfaction or (ii) the Services do not conform with the Scope of Work, in which event, Client shall describe the specific basis for such non-conformity. If Client indicates nonconformance, the parties shall promptly meet and use good faith to resolve the issues. If Client indicates satisfaction with the Services or does not respond within the fourteen (14) day period, this engagement shall be considered complete, and the Services accepted.

## 6. Exclusions

Converge is only responsible for completing the Services listed in the above Scope of Work. Services requested outside the Scope of Work may be subject to additional charges. The following are expressly excluded from the scope of this SOW:

- Any elevator work aside from installing the proximity card reader. Converge will work with HHMC's elevator contractor to determine any supplemental work not included within this SOW.
- Any High Voltage or Electrical work.
- Any Badges, Cards or Fobs for Access Control.
- Any proximity card readers and door hardware.
- Any import or set-up of users in Verkada Command.
- Any Network Switches or additional network devices not outlined in Scope of work.
- Any Keys for Access Control Doors. Converge is not responsible for maintaining master key systems.
- Any patching or Painting of walls penetrated for equipment installation.
- Any cost of bond if applicable.
- Any Special/Extra Insurance Certificate Requirements requested by a 3<sup>rd</sup> party.
- Importing all users in the Command Portal. This can be done by customer via CSV bulk upload.
- Asbestos or any other Hazardous Material Abatement.



- m) Installation of any new Doors or Door Frames.
- n) Any Ceiling Repair or Replacement.
- o) Pricing excludes any applicable permit fees or taxes.
- p) Data wipe/erasure
- q) Hardware disposal
- r) Documentation outside any explicitly included within the Deliverables section herein
- s) Configuration, upgrades, or troubleshooting of third-party applications
- t) Network and/or firewall configuration

## 7. Client Responsibilities

- a) Client shall facilitate coordination of their elevator contractor for system integration that falls outside of this scope of work.
- b) Client shall provide drawings of facilities/buildings for use in as-builts.
- c) Client shall assign designated Point of Contact for schedule coordination, site access and scope acceptance.
- d) Site Access for Converge Technicians to all in scope site areas on scheduled days. Delays to areas in scope outside of Converge Technician control may result in additional charges.
- e) Identifying a primary point of contact with overall responsibility for the project who will assist with managing Client's obligations under this SOW and to whom project communications can be addressed.
- f) Obtaining all necessary consents from third parties for Converge Affiliate's technician(s) to perform the Services, especially if the Client's facility is leased or otherwise shared with a third party.
- g) Supplying timely access to Client's subject matter experts and business stakeholders as may be required for Converge to obtain sufficient information pertaining to the Services. Failure of Client to provide timely responses to requests for information may result in delays to the Services.
- h) Providing a safe and suitable workspace, security clearance, building access, parking accommodation, and office supplies (such as furniture, telephone, and internet connectivity) for any Services performed at Client's premises. If necessary, Client shall provide a tour of Client's facility and inform the Converge engineer(s) of facility safety requirements.
- i) Notifying Converge Affiliate of any known hazardous conditions (e.g., asbestos, radon) relevant to the Client's facility prior to the arrival of the Converge Affiliate technician(s). Converge Affiliate reserves the right to decline any Services which Converge Affiliate reasonably believes will jeopardize the health or safety of its technician(s).
- j) Providing sufficient access to Client's environment as necessary, including VPN access where appropriate for any Services provided remotely.
- k) As applicable, validating that a full backup of the affected system(s) is completed prior to commencement of the Services. Converge cannot be held responsible for loss of data on Client's systems due to Client's failure to maintain sufficient backups.
- l) Insuring any/all Client-owned equipment and verifying any effects to their insurance coverage/policy which may result from the Services contemplated herein.
- m) Maintaining active maintenance contracts for deployed hardware, software, and subscription services.
- n) Compliance with all applicable laws, rules, and regulations pertaining to Client with respect to the Services, including any import/export laws and tax requirements.
- o) Fulfilling its obligations in this section at no charge to Converge.

## 8. Project Assumptions

- a) Facility has active and operational wiring and door hardware on the (93) doors within scope.
- b) Existing door hardware will remain in place and in use.
- c) Existing wire terminations and door controllers are grouped in quantities of (4, 8, and 16).
- d) Network switch ports are available for each Verkada controller.
- e) Elevator car and traveler cable has adequate spare cabling to suit the needs of the system.

- f) All electrical and data racks are existing. All data and/or electrical installations will have ample and available pathway. Any overhead cabling route will be easily accessible via drop or open ceiling(s).
- g) Some Services (e.g., project management/coordination) will be provided remotely. Any onsite Services will be performed at Client's Hollister, CA location.
- h) Services under this SOW shall commence on a mutually agreeable date after this SOW is fully executed and Client has delivered a Purchase Order ("PO"), if required, to Converge.
- i) Where feasible, Services shall be provided during standard business hours, defined as Monday through Friday, 8:00 am-5:00 pm in Client's time zone, excluding nationally observed holidays.
- j) Any knowledge transfer provided under this SOW does not constitute formal product training and shall not result in certifications of any kind.
- k) The pricing listed in this SOW is for the Services only and is not inclusive of any hardware, software, or subscription services costs. Client shall be responsible for payment, fees, and applicable tax pertaining to any hardware, software, and subscription services necessary for this engagement, excluding the industry-standard equipment Converge provides to its own engineers.
- l) Converge engineers are not licensed electrical contractors and, as such, all advisory information should be evaluated by appropriately licensed professionals. Any electrical advice provided is for informational/consultative purposes and is in no way intended to replace the recommendations of a licensed electrical contractor or facilities engineer.
- m) Converge reserves the right to use its affiliates and subcontractors in any role within this SOW as it may deem appropriate, and Client hereby consents to such use. However, Converge shall remain fully responsible for the acts and omissions of any affiliates and subcontractors it retains hereunder.
- n) Converge cannot be responsible for the acts, omissions, or timeliness of responses from third parties, nor can Converge be liable for any defects, incompatibility, or performance issues resulting from any technology solutions designed by, or purchased from, a third party.
- o) Delays caused by highly restricted environmental security and controls including air-gapped architecture and security review approvals may require a PCR to account for the additional effort needed to complete the SOW tasks.

## 9. Protected Information Disclosure

Converge does not expect to create, receive, maintain, store, or transmit any regulated or personally identifiable information (PII) during the course of the Services. Client agrees not to place or allow any regulated data or content within the Services that require or impose any legal or regulatory compliance by Converge.

## 10. Security Systems Disclosure

Client shall be responsible for the ongoing governance and security of their environment without limitation and shall be responsible for applying appropriate security controls required to protect and maintain their infrastructure. Client acknowledges that they are accountable for compliance with any regulations or industry standards that may be applicable to Client and may not transfer associated risk to Converge.

## 11. Pricing and Payment Terms

**Fixed Price:** Client is invoiced a fixed fee inclusive of project management and expenses for the Services. Pricing is exclusive of, and Client shall be responsible for, applicable tax. All pricing is quoted in USD. Client shall be invoiced by Converge upon completion of the milestones reflected below. Net payment term is thirty (30) days.

Services Description	Price
Professional Services	\$119,551.00
<b>Services Total</b>	<b>\$119,551.00</b>

Client shall be invoiced in accordance with the following milestones:

Milestone	Amount
Upon SOW Execution	50%
Upon Project Completion	50%

### **Delay Charges**

Should Services need to be postponed at no fault of Converge after Converge engineer(s) arrive onsite as scheduled, Client shall be invoiced for actual onsite standby hours of the Converge engineer(s) at \$125.00/hr. Delays extending longer than eight (8) business hours may require Services to be rescheduled.

## **12. Project Change Procedure**

The following steps provide a detailed process to follow if a change to this SOW is required:

- a) A Project Change Request (PCR) will be the vehicle for communicating the change. The PCR must describe the change, the rationale for the change, and the effect the change will have on the project.
- b) Client's point of contact will review the proposed change with Converge and approve it for further investigation or reject it. The investigation will determine the effect that the implementation of the PCR change will have on price, schedule, and other terms and conditions of this SOW.
- c) The PCR must be signed by both parties prior to the implementation of the changes.

## **13. Term and Termination**

This SOW shall be considered complete upon the earlier of the following:

- a) All tasks set forth within the Scope of Work have been provided and the Acceptance Procedure has been fulfilled.
- b) This SOW has been terminated by Converge or Client pursuant to the terms of the Agreement. In absence of such SOW termination provisions within the Agreement, the following shall apply:
  - i. Either party may terminate this SOW for convenience upon written notice.
  - ii. Either party may terminate this SOW upon written notice in the event the other party has failed to fulfill their material obligations as specified herein and has not cured such breach within thirty (30) days of the non-breaching party's request.
  - iii. All Services properly provided, and costs incurred (e.g., travel expenses) by Converge up to and including the date of termination shall be due and payable.
- c) This SOW reaches its one (1) year anniversary from the last date of signature unless the parties agree in writing to extend the term of the SOW.

#### 14. Acceptance

This SOW and any PCRs, shall upon execution by both parties below, together with the Agreement, constitute the complete and exclusive understanding between Converge and Client with respect to the Services described herein. Converge hereby expressly rejects all additional or different terms, including but not limited to those which may be listed on Client's PO (if any). Unless and until the mutual execution of this SOW, neither party shall have any obligation to the other hereunder. The commitments, including pricing, offered by Converge herein are predicated on such execution prior to the expiration of the offer as designated on the cover page hereof. In the event this SOW is signed by Client after said offer expiration, Converge reserves the right to (i) reject the signed SOW, (ii) present an updated SOW version for Client's signature, or (iii) execute the signed SOW at its sole discretion.

The parties hereby acknowledge that they have read and accepted this SOW and all attachments hereto. The undersigned further represent that they are duly authorized to sign on behalf of the respective entities.

**Converge Technology Solutions US, LLC**  
130 Technology Parkway  
Peachtree Corners, GA 30092

**Hazel Hawkins Memorial Hospital**  
911 Sunset Dr  
Hollister, CA  
95023

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

PO Number: \_\_\_\_\_





**Hazel Hawkins**  
MEMORIAL HOSPITAL

# Meditech Expanse Upgrade





# Hazel Hawkins

## MEMORIAL HOSPITAL

### **Introduction – Current EHR**

- ❑ Meditech Client Server 5.67
- ❑ Implemented in 2008 – 17 years ago
- ❑ Upgrade needed to align with modern healthcare demands and regulatory requirements
- ❑ Sent out 3 RFP's – Meditech, Epic, Cerner





# Hazel Hawkins

## MEMORIAL HOSPITAL

### Why Upgrade Now?

- ☐ Compliance with healthcare regulations
- ☐ Improved patient care and safety
- ☐ Increased operational efficiency
- ☐ Reduction in maintenance costs of outdated technology





# Hazel Hawkins

## MEMORIAL HOSPITAL

### Current System Challenges

- ❑ Limited interoperability with new systems
- ❑ MT not capturing country or homeless status – (required reporting for OSHPD/HCAI)
- ❑ Order entry process & order sets
- ❑ Missing tool kits to assist with sepsis, fall risk, suicide risk, etc.
- ❑ Charge capture for accurate billing, more automation and less manual entry
- ❑ Lack of features required for modern medical practices (e.g., telemedicine, evidence based decision support)





# Hazel Hawkins

## MEMORIAL HOSPITAL

### **Benefits of Upgrading to Meditech Expanse**

- ❑ Enhanced streamlined workflows for physicians and staff - improving patient experience
- ❑ Improved data security and compliance (HIPAA, Office of the National Coordinator for Health Information (ONC), etc.)
- ❑ Better integration with billing and the Ambulatory setting
- ❑ Reduced administrative burden for staff





# Hazel Hawkins

MEMORIAL HOSPITAL

## Key Features of Meditech Expense

- ❑ Cloud-based vs. On-premise options
- ❑ Interoperability with other systems, including Ambulatory setting
- ❑ Evidence based decision support and billing analytics
- ❑ User-friendly interface and mobile accessibility
- ❑ Customizable templates for different specialties





# Hazel Hawkins

## MEMORIAL HOSPITAL

### Cost Analysis & Return On Investment

- ❑ Initial investment (software, support, implementation)
- ❑ Savings from discontinuing IT software and consulting services
- ❑ Projected return on investment (ROI) within 5 years





# Hazel Hawkins

## MEMORIAL HOSPITAL

### Cost Analysis

	Monthly	Annually
Expense Subscription Fee	178,000	2,136,000
Less IT Services - Discontinuing	155,177	1,862,128
Less Savings from Discontinuing Consulting Services:		
- Innova Revenue Group	69,738	836,850
Total Net Estimate	(46,915)	(562,984)





# Hazel Hawkins

## MEMORIAL HOSPITAL

### Cost Analysis - Go LIVE Implementation Costs

#### \*\*\*\*\*Go-Live Cost:

- Initial Fixed Payment (Implementation Fee)
- Patient Record (Archive)- Meditech
- Patient Record (Archive) - Other Vendor
- Patient Record (Archive) - eClinicalWorks
- Consulting
- Hardware/Peripherals
- Backfilling for training
- Backfilling for staff to build
- 10% Contingency Fund
- Future Appointment Scheduling

#### \*\*\*\*\*TOTAL GO LIVE COST

\*\*\*\*\*Go-Live Cost will be capitalized (depreciated) over 10 years.

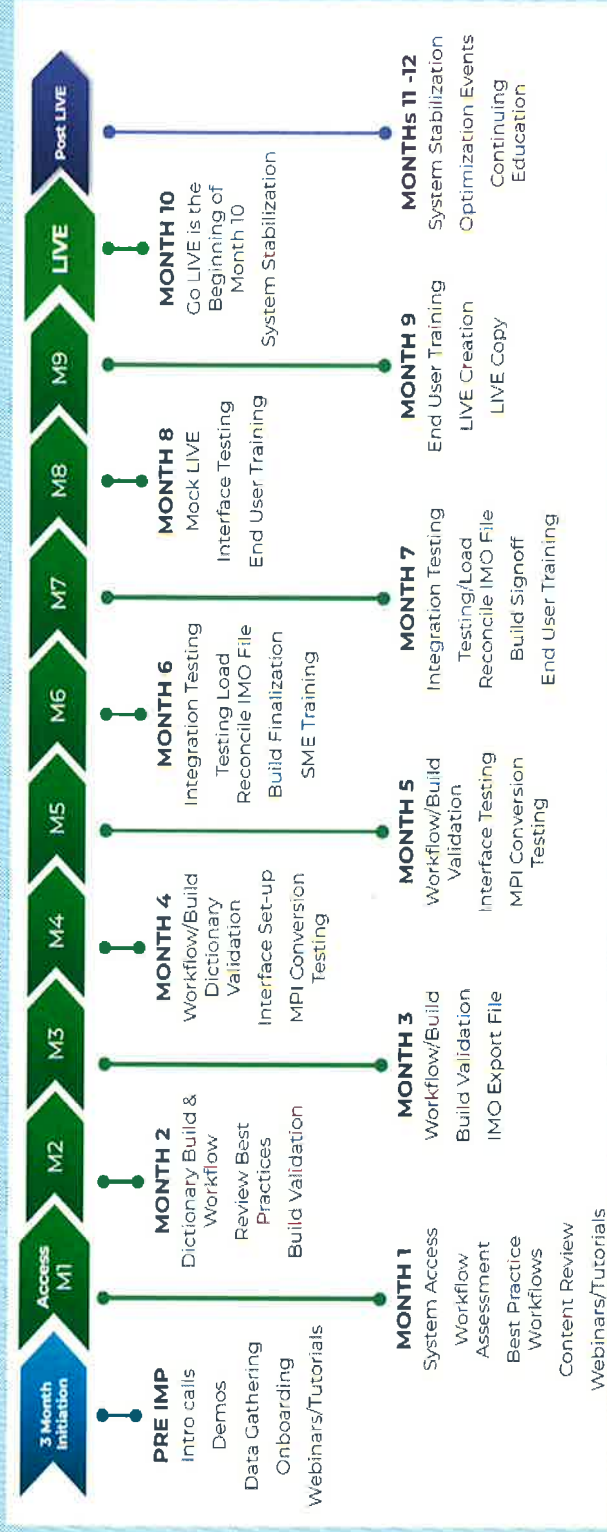
\$430,000
\$60,000
\$100,000
\$10,000
\$1,212,900
\$100,000
\$200,000
\$100,000
\$200,000
\$50,000
\$2,437,900





# Hazel Hawkins MEMORIAL HOSPITAL

## Implementation Plan



Proposal by:  
**The Core Group**  
1510 S. Winchester Blvd.  
San Jose, CA 95128

Project:  
**Hazel Hawkin Memorial Hospital Lab Phase 2**  
911 Sunset Drive  
Hollister, CA 95023

**Date: February 19<sup>th</sup>, 2025**



*Prepared by:*  
Ashlin Braddock, Project Executive  
Mobile: 408-582-4840  
Email: [ashlinb@tcgbuilders.com](mailto:ashlinb@tcgbuilders.com)

Rob Arago, Senior Estimator  
Mobile: 408-228-2509  
Email: [roba@tcgbuilders.com](mailto:roba@tcgbuilders.com)

## ***Cost Proposal & Bid Bond***



## BID PROPOSAL

TOTAL BID	\$ 1,010,000
ADD FOR PAYMENT & PERFORMANCE BOND	+ \$ 9,900
<b>TOTAL BID PLUS P&amp;P BOND</b>	<b>\$ 1,019,900</b>

*Allowance for Fire Alarm is included \$13,700*

## \*EXCLUSIONS\*

1. Architect/Structural Design Fees.
2. City, County or State Permits and fees.
3. City Planning fees.
4. Our price is based upon the Owner purchasing Builder's Risk Coverage equivalent to AIA A102-2017 Exhibit A insurance requirements. This policy shall include the Owner, General Contractor and Subcontractors of every tier as insureds. The Owner is responsible for all loss caused by Acts of God including earthquake and flood. Owner is responsible for all deductibles unless expressly agreed otherwise in this Agreement.
5. Payment and Performance bond and cost of is excluded.
6. Third Party Testing (i.e. chlorination) and inspections.
7. Premium Time or Overtime.
8. Reproduction and Blueprinting Costs.
9. Cost of security / guard service and badging.
10. Structural / Seismic Upgrades to existing structure other than what is indicated.
11. Identification, handling, Mitigation of all Contaminated and hazardous materials and work related with them (Including contaminated soil, asbestos, lead paint, mold, testing, fees and permits).
12. Un-foreseeable subsurface concealed conditions or any other conditions not shown on the drawings.
13. Repairs or modifications to existing code violations.
14. We assume existing Site and Building are ADA compliant. Improvements to existing accessibility (Site, Restrooms, and Access etc.) are not included.
15. Master Keying of Door Hardware.
16. Interior Signage & Graphics.
17. Furniture, partitions, fixtures and equipment and their associated installation cost.
18. Window Coverings/Treatment unless specifically noted.
19. Removal or relocation of existing owner furniture, fixtures and equipment is not included.
20. Survey and repair of existing HVAC equipment.
21. Voice and data cabling and terminations, equipment or devices.
22. Security wiring & equipment
23. AV Wiring & Equipment
24. Consumption costs for power & water.
25. Relocation or moving of equipment and owner items.

- END BASIS OF ESTIMATE -

## Bid Bond

**CONTRACTOR:**

(Name, legal status and address)

TCG Builders, Inc. dba The CORE Group  
1510 S. Winchester Blvd.  
San Jose, CA 95128

**SURETY:**

(Name, legal status and principal place of business)

Fidelity and Deposit Company of Maryland  
1299 Zurich Way, 10th Floor  
Schaumburg, IL 60196-1056

**OWNER:**

(Name, legal status and address)

San Benito Health Care District  
911 Sunset Drive  
Hollister, CA 95023

**BOND AMOUNT:** Ten Percent of Amount Bid (10% of amount bid)

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.  
Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

**PROJECT:**

(Name, location or address, and Project number, if any)

Analyzer Replacement Phase 2

Project Number, if any: S241633-35-00

Hazel Hawkins Memorial Hospital, 911 Sunset Drive, Hollister CA 95023

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 11th day of February, 2025.

  
(Witness)

TCG Builders, Inc. dba The CORE Group

(Principal)

(Seal)

(Title)

Fidelity and Deposit Company of Maryland

(Surety)

(Seal)

(Witness)

  
(Title) Elizabeth Collodi, Attorney-in-Fact



By arrangement with the American Institute of Architects, the National Association of Surety Bond Producers (NASBP) ([www.nasbp.org](http://www.nasbp.org)) makes this form document available to its members, affiliates, and associates in Microsoft Word format for use in the regular course of surety business. NASBP vouches that the original text of this document conforms exactly to the text in AIA Document A310-2010, Bid Bond. Subsequent modifications may be made to the original text of this document by users, so careful review of its wording and consultation with an attorney are encouraged before its completion, execution or acceptance.

**ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), Thomas O. McClellan, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Samantha Watkins, Steven L. Williams, Phil Watkins, Jennifer Lakmann, Brad Espinosa, Paula Senna, Pam Sey, Breanna Boatright, Kathleen Le, Cassandra Medina, John Hopkins, Sara Walliser, Renee Ramsey, Sharon Smith, Jessica Monlux, Elizabeth Collodi, John Weber, Deanna Quintero, Joseph H. Weber, Matthew Foster, all of Chico, California**, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICHAMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland, in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

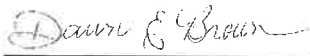
IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND**, this 3rd day of February, A.D. 2025.



**ATTEST:**  
**ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: **Thomas O. McClellan**  
Vice President

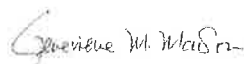


By: **Dawn E. Brown**  
Secretary

**State of Maryland  
County of Baltimore**

On this 3rd day of February A.D. 2025, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Thomas O. McClellan, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



**Genevieve M. Maison**  
Notary Public  
My Commission Expire January 27, 2029



**Authenticity of this bond can be confirmed at [bondvalidator.zurichna.com](http://bondvalidator.zurichna.com) or 410-559-8790**

## EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

### CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,  
this 11th day of February, 2025.



*MJ Pethick*

Mary Jean Pethick  
Vice President

**TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:**

Zurich Surety Claims  
1299 Zurich Way  
Schaumburg, IL 60196-1056  
[reportsfclaims@zurichna.com](mailto:reportsfclaims@zurichna.com)  
800-626-4577

Authenticity of this bond can be confirmed at [bondvalidator.zurichna.com](http://bondvalidator.zurichna.com) or 410-559-8790



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_ Butte \_\_\_\_\_

On \_\_\_\_\_ February 11, 2025 \_\_\_\_\_ before me, \_\_\_\_\_ Deanna Quintero, Notary Public  
(insert name and title of the officer)

personally appeared \_\_\_\_\_ Elizabeth Collodi  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

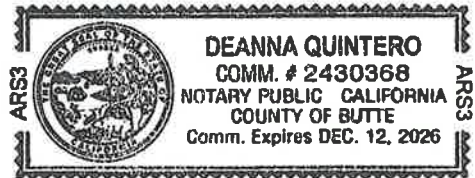
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



## *Qualifications*

## ***Qualifications***

Founded in 2004, The Core Group quickly established a solid reputation as the contractor of choice for an array of clients and projects throughout the Bay Area. With a seasoned team of professional builders, they are the ideal match for mission critical projects in healthcare, senior living, high tech, bio-pharma, corporate office, and higher education.

### **Experience/Similar projects:**

- Canterbury Woods Skilled Nursing Facility Fire Alarm
- Canterbury Woods Building E Interior Renovations – *in preconstruction*
- LPCH Nurse Call Replacement
- LPCH Endoscopy/OR Renovation
- Spring Lake Village Hot Water Repair & Interior refresh – *in preconstruction*
- Stanford Healthcare Omnicell Project
- Stanford Healthcare F1/F2 Infant Security WiFi
- Stanford Healthcare G1/H1 Refresh
- Stanford Healthcare ValleyCare MRI Trailer/Canopy
- Stanford Healthcare ValleyCare Flex Exam Room
- Stanford Healthcare ValleyCare TDR1C
- Stanford Healthcare ValleyCare TDR1B
- Stanford Healthcare ValleyCare ER Renovation
- Stanford Healthcare ValleyCare Fire Alarm Upgrade

Our team has completed similar projects successfully!

*Most of these projects were **multi-phase** and in **occupied facilities**. We understand the importance of HCAI projects and the level of detail required for infection control and communication to the team. Partnership with the client, design team, and IOR are critical to make each project a success.*

These are just a few and we'd love the opportunity to chat more about what we can do and how we can contribute value to this project.





**Tim Tempel**  
Principal / President



**Jill Dressel**  
Principal / CFO



**Lauren Dong**  
Project Executive



**Ashlin Braddock**  
Project Executive



**Rob Arago**  
Sr. Engineer



**Jose Salazar**  
Project Manager



**Ravi Reddy**  
Project Manager



**Suraj Belgum**  
Project Manager



**Chrys Garcia**  
Project Manager



**Kim Tanguay**  
Sr. Project Manager



**Sergio Alguera**  
Project Engineer



**Jesus Corona**  
Project Engineer



**Marcos Hernandez**  
Sr. Project Engineer



**Eddie Rocha**  
Project Engineer



**Scott Napper**  
Sr. Superintendent



**Carlos Delgadillo**  
Sr. Superintendent



**Steve Warr**  
Sr. Superintendent



**Chris Breuner**  
Sr. Superintendent



**Gabe Kilby**  
Superintendent



**Jose Alcazar**  
Superintendent



**Bill Naismith**  
Superintendent

## FIELD TEAM



## *Schedule*

### **\*IMPORTANT\***

***Bid assumes TWO phases of work with the completion of Phase 2A and then the start of Phase 2B – duration can be shortened, and GC savings can be offered if we do not need to complete Phase 2A prior to starting Phase 2B and are able to perform them concurrently***

# HMMH Analyzer Replacement - Phase 2

## Prelim Schedule

### Phases 2A and 2B

ID	Task Name	Duration	Start	Finish	2025	2026
1	HMMH Analyzer Replacement - Phase 2	226 days	Mon 2/3/25	Mon 12/22/25	Qtr 1	Qtr 4
2	Pre Construction	124 days	Mon 2/3/25	Mon 7/28/25	Qtr 1	Qtr 2
3	HCAI TIO Approval	0 days	Wed 1/22/25	Wed 1/22/25	1/22	
4	Bid Submission	1 day	Wed 2/19/25	Wed 2/19/25	2/19	
5	Client Approval	10 days	Thu 2/20/25	Wed 3/5/25	2/20	
6	Notice of Award	0 days	Wed 3/5/25	Wed 3/5/25	3/5	
7	Contract in Hand	5 days	Thu 3/6/25	Wed 3/12/25	3/6	
8	Submittals and Coordination	20 days	Thu 3/13/25	Wed 4/9/25	3/13	
9	Approved Submittals	10 days	Thu 4/10/25	Wed 4/23/25	4/10	
10	Long Lead Items	50 days	Thu 4/24/25	Thu 7/3/25		
11	Exhaust Fans	8 wks	Thu 4/24/25	Thu 6/19/25	4/24	
12	FSD's	10 wks	Thu 4/24/25	Thu 7/3/25	4/24	
13	Condensing Unit	6 wks	Thu 4/24/25	Thu 6/5/25	4/24	
14	Light Fixtures	8 wks	Thu 4/24/25	Thu 6/19/25	4/24	
15	Plumbing Fixtures	6 wks	Thu 4/24/25	Thu 6/5/25	4/24	
16	DFH	8 wks	Thu 4/24/25	Thu 6/19/25	4/24	
17	Floor Covering	8 wks	Thu 4/24/25	Thu 6/19/25	4/24	
18	Tile	8 wks	Thu 4/24/25	Thu 6/19/25	4/24	
19	Construction	97 days	Thu 5/1/25	Wed 9/17/25		
20	Phase 2A	47 days	Thu 5/1/25	Tue 7/8/25		
21	Mobilize	1 day	Thu 5/1/25	Thu 5/1/25	5/1	
22	Infection Control Barriers	1 day	Fri 5/2/25	Fri 5/2/25	5/2	
23	Pre Air Balance	1 day	Fri 5/2/25	Fri 5/2/25	5/2	
24	MEP Safe-Off	2 days	Mon 5/5/25	Tue 5/6/25	5/5	
25	Demo	5 days	Wed 5/7/25	Tue 5/13/25	5/7	
26	Overhead MEP	10 days	Wed 5/14/25	Wed 5/28/25	5/14	
27	Saw Cut	2 days	Wed 5/14/25	Thu 5/15/25	5/14	
28	Underground MEP	3 days	Fri 5/16/25	Tue 5/20/25	5/16	
29	IOR Inspection	1 day	Wed 5/21/25	Wed 5/21/25	5/21	
30	Patch Concrete	2 days	Thu 5/22/25	Fri 5/23/25	5/22	
31	Frame Walls	3 days	Tue 5/27/25	Thu 5/29/25	5/27	
32	Rough-In	5 days	Fri 5/30/25	Thu 6/5/25	5/30	

# HHMH Analyzer Replacement - Phase 2

## Prelim Schedule

### Phases 2A and 2B



ID	Task Name	Duration	Start	Finish	2025	2026
					Qtr 1	Qtr 2
33	IOR Inspection	1 day	Fri 6/6/25	Fri 6/6/25		Qtr 3
34	Drywall Tape & Finish	3 days	Mon 6/9/25	Wed 6/11/25		Qtr 4
35	Roof Work	9 days	Thu 6/12/25	Tue 6/24/25		Qtr 1
36	Layout	1 day	Thu 6/12/25	Thu 6/12/25		
37	Demo	1 day	Thu 6/12/25	Thu 6/12/25		
38	Blocking	2 days	Fri 6/13/25	Mon 6/16/25		
39	Rough-In	3 days	Fri 6/13/25	Tue 6/17/25		
40	Curb Install	1 day	Wed 6/18/25	Wed 6/18/25		
41	Exhaust Fan	1 day	Fri 6/20/25	Fri 6/20/25		
42	IOR Inspection	1 day	Mon 6/23/25	Mon 6/23/25		
43	Patch Roof	1 day	Tue 6/24/25	Tue 6/24/25		
44	Paint	3 days	Thu 6/12/25	Mon 6/16/25		
45	DFH	2 days	Fri 6/20/25	Mon 6/23/25		
46	Floor Covering	3 days	Tue 6/24/25	Thu 6/26/25		
47	Wall Tile	4 days	Fri 6/27/25	Wed 7/2/25		
48	Ceiling Grid	2 days	Tue 6/17/25	Wed 6/18/25		
49	Overhead IOR Inspection	1 day	Thu 6/19/25	Thu 6/19/25		
50	Close Ceilings	2 days	Fri 6/20/25	Mon 6/23/25		
51	MEP Trim / Connections	4 days	Tue 6/24/25	Fri 6/27/25		
52	Misc Finishes	2 days	Tue 6/24/25	Wed 6/25/25		
53	Storage Shelving Install	2 days	Tue 6/24/25	Wed 6/25/25		
54	Air Balance	1 day	Thu 6/26/25	Thu 6/26/25		
55	Pre-Test	1 day	Fri 6/27/25	Fri 6/27/25		
56	HCAI Test & Inspect	3 days	Mon 6/30/25	Wed 7/2/25		
57	Punch & Accept	2 days	Thu 7/3/25	Mon 7/7/25		
58	Turn Over	1 day	Tue 7/8/25	Tue 7/8/25		
59	Phase 2B	50 days	Wed 7/9/25	Wed 9/17/25		
60	Infection Control Barriers	2 days	Wed 7/9/25	Thu 7/10/25		
61	Pre Air Balance	1 day	Wed 7/9/25	Wed 7/9/25		
62	MEP Safe-Off	2 days	Thu 7/10/25	Fri 7/11/25		
63	Relocate Refrigerators	1 day	Wed 7/9/25	Wed 7/9/25		
64	Shoring	1 day	Mon 7/14/25	Mon 7/14/25		

updated: Tue 2/18/25

# HHMH Analyzer Replacement - Phase 2

## Prelim Schedule

### Phases 2A and 2B



ID	Task Name	Duration	Start	Finish	2025	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2026	Qtr 1
65	Demo	3 days	Mon 7/14/25	Wed 7/16/25				7/14 Demo			
66	Steel Post / Framing	3 days	Thu 7/17/25	Mon 7/21/25				7/17 Steel Post / Framing			
67	IOR Inspection	1 day	Tue 7/22/25	Tue 7/22/25				7/22 IOR Inspection			
68	MEP Overhead	15 days	Thu 7/17/25	Wed 8/6/25				7/17 MEP Overhead			
69	In Wall Rough In	6 days	Tue 7/22/25	Tue 7/29/25				7/22 In Wall Rough In			
70	Scan & Core	1 day	Wed 7/30/25	Wed 7/30/25				7/30 Scan & Core			
71	Patch Concrete	2 days	Thu 7/31/25	Fri 8/1/25				7/31 Patch Concrete			
72	IOR Inspection	1 day	Mon 8/4/25	Mon 8/4/25				8/4 IOR Inspection			
73	Drywall Tape & Finish	3 days	Tue 8/5/25	Thu 8/7/25				8/5 Drywall Tape & Finish			
74	Roof Work	16 days	Tue 7/22/25	Tue 8/12/25							
75	Layout	1 day	Tue 7/22/25	Tue 7/22/25				7/22 Layout			
76	Demo	2 days	Wed 7/23/25	Thu 7/24/25				7/23 Demo			
77	Blocking	2 days	Fri 7/25/25	Mon 7/28/25				7/25 Blocking			
78	Rough-In	4 days	Tue 7/29/25	Fri 8/1/25				7/29 Rough-In			
79	Curb Install	1 day	Mon 8/4/25	Mon 8/4/25				8/4 Curb Install			
80	Condensing Unit and Exhaust Fan	3 days	Tue 8/5/25	Thu 8/7/25				8/5 Condensing Unit and Exhaust Fan			
81	IOR Inspection	1 day	Fri 8/8/25	Fri 8/8/25				8/8 IOR Inspection			
82	Patch Roof	2 days	Mon 8/11/25	Tue 8/12/25				8/11 Patch Roof			
83	Paint	2 days	Fri 8/8/25	Mon 8/11/25				8/8 Paint			
84	Ceiling Grid	2 days	Tue 8/12/25	Wed 8/13/25				8/12 Ceiling Grid			
85	Floor Covering	3 days	Thu 8/14/25	Mon 8/18/25				8/14 Floor Covering			
86	Overhead IOR Inspection	1 day	Tue 8/19/25	Tue 8/19/25				8/19 Overhead IOR Inspection			
87	Drop Tile	1 day	Wed 8/20/25	Wed 8/20/25				8/20 Drop Tile			
88	MEP Trim / Connections	6 days	Wed 8/20/25	Wed 8/27/25				8/20 MEP Trim / Connections			
89	Start Up / Commissioning	3 days	Thu 8/28/25	Tue 9/2/25				8/28 Start Up / Commissioning			
90	Equipment Install	2 days	Wed 9/3/25	Thu 9/4/25				9/3 Equipment Install			
91	Connections at Equipment	3 days	Fri 9/5/25	Tue 9/9/25				9/5 Connections at Equipment			
92	Air Balance	2 days	Wed 9/3/25	Thu 9/4/25				9/3 Air Balance			
93	Pre-Test	1 day	Fri 9/5/25	Fri 9/5/25				9/5 Pre-Test			
94	HCAI Test & Inspect	3 days	Wed 9/10/25	Fri 9/12/25				9/10 HCAI Test & Inspect			
95	Punch & Accept	2 days	Mon 9/15/25	Tue 9/16/25				9/15 Punch & Accept			
96	Project Completion	1 day	Wed 9/17/25	Wed 9/17/25				9/17 Project Completion			

updated: Tue 2/18/25



## *Subcontractor List*



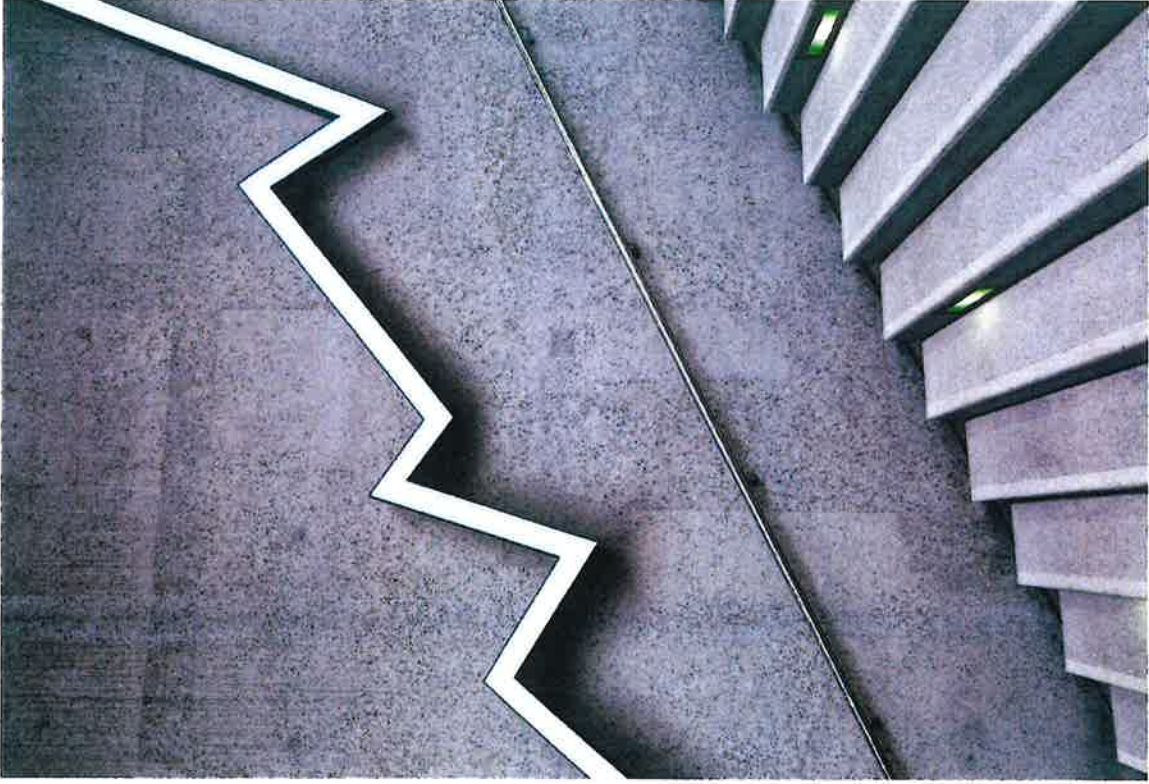
Trade	Subcontractor Company	Address
Demolition	MGR	2135 Warm Springs Ct, Fremont, CA 94539
Rough Carpentry	Magnum Drywall	2030 Fortune Drive, Suite 200, San Jose, CA 95131
Roof Patch	Alliance Roofing	630 Martin Ave, Santa Clara, CA 95050
Doors, Frame, Hardware	Paradise Door and Service	123 Wright Brothers Avenue, Livermore, CA 94551
Drywall & Framing	Eric Stark Interiors	2284 Paragon Dr, San Jose, CA 95131
Ceramic Tile	De Anza Tile	45755 Northport Loop W, Fremont, CA 94538
Acoustical Ceilings	Creative Ceilings	5121 Port Chicago Highway, Suite A, Concord, CA 94520
Flooring	RE Cuddie	1751 Junction Ave, San Jose, CA 95112
Painting	Premier PaintWerx	P.O. Box 1360, Hollister, CA 95024
Misc Specialties	Magnum Drywall	2030 Fortune Drive, Suite 200, San Jose, CA 95131
Fire Sprinklers	Seamless Fire Protection	190 Oak Wood Court, Copperopolis, CA 95228
Plumbing	Aqualine Piping	2108 Bering Drive Unit C, San Jose, CA 95131
HVAC	Kevin M. Sullivan & Associates	Kevin M. Sullivan 431 N Buchanan Cir #2, Suite 2, Pacheco, CA 94553
Electrical	RK Electric	49211 Milmont Drive, Fremont, CA 94538



# Print Services Agreement

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MFD'S/COPIERS & PRINTERS



# KBA-Current Vendor Situation

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2015 Had RFP and KBA Docusys was selected as a local company. This resulted in significant savings and increased service and reliability.

KBA Docusys was acquired by Kyocera Intl. and they formed KBA Document Solutions.

Once this happened we began to face numerous problems, most significantly was being invoiced for service calls and supplies that are covered by contract.

The district's account manager worked for several years personally to review each and every invoice that was sent.

Late last year our account manager left KBA and so has a large number of their sales staff and executive leaders. We have just been introduced to our 5 account person in the past 7 months.



# Cancellation & RFP Print Services

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The district sent to the lease company Canon Financial Services (CFS) our intent to cancel and return leased machines. This is my notice that we are terminating the contract and we intend on returning the equipment at the lease end.

Confirmation of receipt of notice was sent on Jan 22<sup>nd</sup> 2025 Case#02396589

We also informed KBA of our intent to cancel and take business to Request for Proposal (RFP)

“Hazel Hawkins has faced challenges in obtaining copier credit approval in the past. Before proceeding with the acceptance of any proposal, please secure a Fair Market Value (FMV) credit approval for \$500,000 for 4-year term with no personal guarantee. If the approval is successful, kindly provide a copy of the approval along with the banking details used to secure it, including the bank name, email, phone number, and the contact person at the bank for verification. This is time sensitive. Please respond with any approval by January 24th. Our official business name is San Benito Health Care District, and our tax ID number is 946034863. Thank you

# Proposals

Kyocera Document Solutions America, Inc. formerly KBA -

No Financing RFP Requirement

Current Costs \$11,979.65 per month

Proposed Situation (18 Month Rental)

36 used machines for \$5,858.94 per month

B/W Print @ .0125 pp \*419,070 = \$2,663.38

Color Print @ .075 pp \*57,782 = \$3,913.65

Total \$12,436.39

Negative of (\$456.74)

UBEO

Current Costs \$31,587.31/Mo

Proposed Spend \$16,615.93/Mo

Saving \$14,971.38

This is for a 63 month term, for 173 machines without knowing where they recommend removing. They replace every machine with Ricoh MFP and HP Printers

# Proposals - Continued

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## Global Office -Canon

36 Month - \$12,987/month

48 Month Lease - \$10,763/month

eGoldFax Monthly \$421.00 vs \$2,000

Simple maintenance agreement for all

150,000 B/W @.01

25,000 Color @.06    Total \$3,000/month

Actual total \$18,770.76/month

## Wizix - Recommend

Current \$22,873.00 per month

Proposed \$16,926 pw

Savings \$5,947 per month

Total Savings Over 48 month \$285,456

Added Security with Follow me Print

Color reduced costs



# Summation Details

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Print Services is a very competitive industry. Each RFP has pros and cons. The biggest issue is to compare accurate numbers to what we are currently doing.

UBEO came through and did an review and provided a proposal that replaces everything we have and reduces machines without saying where, and did the director agree?

GlobalOffice had limited time and information, but did not show the print numbers we actually use now. Efax is inaccurate numbers based upon what we use.

KBA came in last minute with someone new, to provide used machines because they cannot get financing. Requirement for RFP

Wizix is the only one that has provided accurate proposal compared to what we currently have, replace the machines that need to be replaced. Additionally using our actual print numbers. Adding Follow Me Print with badge readers and tiered color print costs, which will reduce color costs.