



MEMORANDUM

Date: September 21, 2016

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Facility Investments in County-leased Property Banner-University Medical Center South Campus**

As the Board of Supervisors knows, the County has leased the former Kino Community Hospital to a private medical provider since 2004. Other than the bond-funded capital improvements, which were primarily building expansion, we have not made any significant capital investment in our facilities since they were originally leased.

To retain full accreditation of the hospital for continued use, the County has made and will make several capital investments before the end of Fiscal Year 2016/17. These investments relate primarily to improvements to fixed building assets belonging to the County, including an upgraded fire alarm system, air handlers, electrical systems, building energy management system and other HVAC systems. Improvements are already underway for the upgraded fire alarm and air handling system, which are critical. Additional improvements will be made before the end of this fiscal year that total approximately \$1.5 million; these will be funded by our Facilities Renewal Fund with transfers from the anticipated unbudgeted surplus in the FY 2015/16 ending fund balance. As the details of the improvements are determined, I will bring to the Board additional information and a lease amendment to reflect the proposed work.

It is important to realize Banner is also making capital investments to the South Campus. Attached is a memorandum dated September 19, 2016, along with a companion September 12, 2016 memorandum from Deputy County Administrator Jan Leshar, summarizing their capital improvements to the Banner Campus, primarily for medical equipment, which can be extraordinarily costly. For Calendar Years 2015 and 2016, Banner will invest in excess of \$10 million primarily for medical equipment, as contained in the itemized list of capital acquisitions.

Our investments, primarily in facilities maintenance of County-owned assets and Banner's investments in medical equipment, ensure Banner-University Medical Center South Campus remains an accredited hospital offering both emergency and psychiatric services.

CHH/lab

Attachments

c: Jan Leshar, Deputy County Administrator for Community and Health Services
Tom Burke, Deputy County Administrator for Administration
Lisa Josker, Director, Facilities Management



MEMORANDUM

Community and Health Services

Date: September 19, 2016

To: C.H. Huckelberry
County Administrator

From: Jan Leshner 
Deputy County Administrator

Re: **Update to September 12, 2016 Memorandum regarding Banner University Medical Center – South Campus Request for Capital Investments**

In a Memorandum to you dated September 12, 2016 I responded to your August 9 Memorandum in which you forwarded to me a letter from Mr. Tom Dickson and asked that I inquire what additional medical service investments will be made by Banner in the South Campus facility.

The September 12, 2016 Memorandum included a spreadsheet that delineated a total of \$7,787,984 spent by BUMC – South Campus during 2015 and to date in 2016 in capital and related equipment expenditures. On September 14, I was informed that the list provided did not include magnetic resonance imaging (MRI) equipment recently purchased for \$2,300,000. This brings the total capital and related equipment expenditures made by BUMC-South Campus during 2015 and 2016 to \$10,087,984.

As noted in the September 12, 2016 Memorandum, Banner's capital investment addressed a myriad of issues related to surgery, radiology, cardiology, physician based clinic and general hospital operations. (Two line items totaling \$196,841 are listed as "expenses to a different facility". The expense for this dialysis related equipment was charged to a different facility – the Foundation – but remain at the South Campus.)

JL/cbc

Attachments

c: Tom Burke, Deputy County Administrator for Administration
Lisa Josker, Director, Facilities Management



MEMORANDUM

Community and Health Services

Date: September 12, 2016

To: C.H. Huckelberry
County Administrator

From: Jan Lester 
Deputy County Administrator

Re: **August 9, 2016 Memorandum regarding Banner University Medical Center – South Campus Request for Capital Investments**

In a letter to you dated August 5, Banner University Medical Center (BUMC) – Tucson & South Campus CEO Tom Dickson acknowledged the mutual interest BUMC and Pima County have in maintaining the South Campus facility in a manner that allows us to guarantee the highest standard of care. He noted the recent provision of the fire alarm system and air handlers by Pima County and noted that we also discussed providing an additional approximately \$1.5 million for additional equipment repair and/or replacement.

Your August 9 Memorandum forwarded to me the letter from Mr. Dickson and asked that I inquire what additional medical service investments will be made by Banner in the South Campus facility. The attached spreadsheet delineates the \$7,787,984 spent by BUMC – South Campus during 2015 and to date in 2016 in capital and related equipment expenditures. Banner's capital investment addressed a myriad of issues related to surgery, radiology, cardiology, physician based clinic and general hospital operations. (Two lines items totaling \$196,841 are listed as "expenses to a different facility". The expense for this dialysis related equipment was charged to a difference facility – the Foundation – but remain at the South Campus.)

I believe this list of expenditures clarifies that the capital investment made by Banner Health at the South Campus indicates a commitment to the long term viability of that facility.

JL/cbc

Attachment

c: Tom Burke, Deputy County Administrator for Administration
Lisa Josker, Director, Facilities Management

Year	Total \$'s Spent SC
2015	\$ 5,645,259.00
2016	\$ 2,142,725.00
Grand Total	\$ 7,787,984.00

Proposal #	Proposal	Department	SC Spend
18913	0484-2015-Wheelchairs	1196100 Undesignated-Hosp	\$ 3,307
19011	0484-2015-SC Ventilators	1196100 Undesignated-Hosp	\$ 481,631
19036	0484-2015-BHS Platform Beds and Geriatric Beds	1196100 Undesignated-Hosp	\$ 122,900
19105	0484-2015-Replace Cooling Tower for Kitchen Equipment- 2015 R	1196100 Undesignated-Hosp	\$ 38,000
19167	0484-2015-Alaris Pumps and Brains	1196100 Undesignated-Hosp	\$ 499,846
19171	0484-2015-Nurse Call Light System	1196100 Undesignated-Hosp	\$ 505,959
19395	0484-2015-Pneumatic Tube for South Campus ED	1120100-Emergency Ctr-Hosp	\$ 40,000
19408	0484-2015-Stryker - Cordless Driver 4	1112150-Surg-Hosp	\$ 387,561
19422	0484-2015-Philips V60 (BIPAPS)	1125235-Respiratory Thrpy-Hosp	\$ 121,958
19457	0484-2015-ECT	2033651-PBC Psych-Clinic	\$ 16,495
19459	0484-2015-CT machine	1123100-Radiology-Diagnostic-H	\$ 1,524,860
19464	0484-2015-ABG Machines	1125235-Respiratory Thrpy-Hosp	\$ 40,794
19466	0484-2015-C-Arm in GI Lab	1126200-Endoscopy-Hosp	\$ 157,658
19597	0484-2015-CO2 Endoscopic Insufflator	1126200-Endoscopy-Hosp	\$ 8,525
19614	0484-2015-SC Symphony Plus ₈ , c ice and water dispe	1196100 Undesignated-Hosp	\$ 14,707
19633	0484-2015-Digital Radiography - South Campus	1123100-Radiology-Diagnostic-H	\$ 328,023
19637	0484-2015-Bird Netting	1174340-Building Maint/Grounds	\$ 56,336
19868	0484-2015-Lucas Chest Compr. System - Physio Control - SC	1126270-Cardiac Cath Lab-Hosp	\$ 16,905
19880	0484-2015-Med/Surg Over Bed Tables	1104120-SC-Med/Surg South-Hosp	\$ 11,917
19882	0484-2016-ICU Cadillac Chair	1102100-ICU/CCU-Hosp	\$ 16,862
19920	0484-2016-OB GYN South Campus PBC Ultrasound	2030461-PBC-OB/Gyn-Clinic	\$ 38,327
19941	0484-2015-PBC Admin Central Service Lobby Chairs	2088175-PBC Admin-Clinic	\$ 250,291
19944	0484-2015-Karl Storz Tower - South	1112150-Surg-Hosp	\$ 499,869
19967	0484-2015-Surgery Clinic ENT SCOPES (3)	2034801-PBC-Surgery-Clinic	\$ 16,964
19968	0484-2015-Surgery Clinic ENT PED SCOPE(1)	2034801-PBC-Surgery-Clinic	\$ 6,471
19969	0484-2016-Surgery Clinic CYSTOSCOPE (3)	2034801-PBC-Surgery-Clinic	\$ 52,926
19970	0484-2015-Surgery Clinic Urodynamics	2034801-PBC-Surgery-Clinic	\$ 70,860
19972	0484-2016-SC Family Medicine Fetal Monitor	2030158-PBC-Family Practice-CI	\$ 7,079
20012	0484-2015-EMG/Botox Movement Disorders and Neuromuscula	2032423-PBC-Neuro-Gen-Clinic	\$ 30,745
20074	0484-2015-EPICenter Grant Capital	2033651-PBC Psych-Clinic	\$ 20,589
20129	0484-2015-Farnam Lighting Lease Equipment Purchase	1112150-Surg-Hosp	\$ 144,642
20309	0484-2015-Laminar Flow Hood	1122100-Pharmacy-Hosp	\$ 7,186
20430	0484-2016- SC Philips Echo Modality	1124100-Cardio Non-Invasive	\$ 233,195

20481	0484-2015-HIMS Relocation to BUMCT South Campus	1196100 Undesignated-Hosp	\$	220,260
20779	0484-2016-Sports Medicine - Sonosite Edge Ultrasound	2032791-PBC-Sports Medicine-CI	\$	36,270
20838	0484-2016-Printers / Scanners for Nursing Units	1188100-Admin-Hosp	\$	14,265
20839	0484-2016-Surgery Urology Clinic 3D Bladder Scanner	2034874-PBC-Urology-Clinic	\$	13,416
21074	0484-2016-South Campus REPLACEMENT OF ATS # 6	1174260-Plant Operations-Hosp	\$	13,849
21089	0484-2016-nova Glucometers BUMCS	1121100-Laboratory-Hosp	\$	12,800
21140	0484-2016-South Campus Med Surg Beds	1104120-SC-Med/Surg South-Hosp	\$	493,116
21468	0484-2016-BUMCS Dialysis	Expenses to a diff facility	\$	165,395
21689	0484-2016-SC Peds TEE Probe	1124100-Cardio Non-Invasive	\$	26,500
21881	0484-2016-OR tables x 2 SC Berchtold Operon	1112150-Surg-Hosp	\$	91,970
21897	0484-2016-Dialysis Pyxis	Expenses to a diff facility	\$	31,446
22048	0484-2016-Infusion Chairs	2032527-PBC-Medical Oncology-C	\$	37,688
22100	0484-2016-South campus ED Emergent Stretcher need	1120100-Emergency Ctr-Hosp	\$	29,843
22234	0484-2016-BUMCS SCD Machine Buyout and New Purchase	1128100-Supply Chain Svcs-Hosp	\$	152,250
22492	0484-2016-BUMCTS Culinary Transition- Tucson and South Campus	1174130-Culinary & Nutrition-H	\$	145,863
22575	0484-2016-Olympus GI scopes-South campus	1126200-Endoscopy-Hosp	\$	529,665