

MINUTES FOR THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WINNIE-STOWELL HOSPITAL DISTRICT

The meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act three (3) business days prior to the opening of said meeting for 6:00 p.m., November 19, 2025 at the District’s Offices located at 520 Broadway, Winnie, Texas 77665 (a copy of said Notice being placed amongst the files of the District). An electronic copy of this meeting is available upon request.

At approximately 6:03 p.m., the meeting was convened, and roll was called of the members of the Board, to wit:

Mr. Ed Murrell	President
Mr. Anthony Stramecki	Vice-President
Robert “Bobby” Way	Treasurer
Jeff Rollo	Secretary

All said Board Members were present, thus constituting a quorum. In addition, to the above-named Board Members, also present at the meeting were:

Mrs. Victoria Carlo	District Administrator
Mrs. Tina Davis	Indigent Care Director
Ms. Kiela Barron	Office Assistant
Mr. Scott Johnson	Nursing Home Coordinator
Mr. Hubert Oxford, IV	General Counsel for the District
Mrs. MaKayla Vidal	District’s CPA
Ms. Kaley Smith	Coastal Gateway Health Clinic (“Clinic”)
Dr. Michael Lyons	Clinic
Mr. Mo Danishmund	CFO, Riceland Hospital
Mr. Saad Javed	CEO, Riceland Hospital (“Hospital”)
Mrs. Michelle Mendoza	Community Health Worker
Mr. Chris Rutledge	New Light/LTC
Mrs. Kacy Vratis	Resident/Former Board Member
Mr. Wade Thibodeau	Hometown Press
Mrs. Andrea Smith	Superintendent, East Chambers Independent School District (“ECISD”)
Mrs. Christy Ridgeway	ECISD
Mr. Kaleb Norris	Clinic

Mr. Richie Smith	Oak Grove Nursing Facility
Mr. Daniel Duplechin	Oak Grove Nursing Facility
Mr. Frank Marques	THR3E Design
Mrs. Jennifer Higgins	THR3E Design

Following the Pledge of Allegiance; and introduction of guests, President Murrell invited public comment. During Public Comment, Andrea Smith, Superintendent of East Chambers Independent School District, and Christy Ridgway appeared before the Board and presented the District with the Rising Tide Recognition Award in recognition of the District’s efforts and collaboration with the school district in assisting with funding for healthcare needs of residents within the District. (*See Exhibit “A”*).

5. Review and approve Minutes of October 2, 2025 Special Meeting and the October 22, 2025 Regular Meeting.

President Murrell then asked the Board to review and approve the minutes from the October 2, 2025 Special Meeting and the October 22, 2025 Regular Meeting.

Director Stramecki made a motion to approve the minutes from the October 2, 2025 Special Meeting and the October 25, 2025 Regular Meeting. This motion was seconded by Director Rollo, and unanimously approved by all the Board Members.

6. Review and approve financials report; Treasurer’s Report; payment of invoices; and amend budget, if necessary.

Following the review and approval of the minutes, President Murrell called on Mrs. MaKayla Vidal, the District’s CPA, to present the District’s Income Statement and Balance Sheet for October 2025 and to present the Treasurer’s Report for November 19, 2025. Mrs. Vidal then reviewed the balance sheet and income statement. (*See Exhibit “B-1”*).

Following the presentation of the financial statements, Mrs. MaKayla Vidal reviewed Budget Amendment No. 1 for the District’s 2025 fiscal year. She explained that interest income was decreased due to the timing of Quality Incentive Payment Program (“QIPP”) related loan payments, which causes the District to miss approximately one and a half (1½) months of interest earnings with each payment, rendering the original interest estimate inaccurate. Mrs. Vidal further advised that

nursing home QIPP program revenues were increased from \$123,000,000.00 to \$128,000,000.00 based on updated Health and Human Services Commission (“HHSC”) files and scorecards received from LTC for Year 9. On the expense side, she explained that retirement expenses were increased slightly to reflect the administrative assistant’s full-time participation; that the meals line item was increased because Board meeting meals had reached the prior budgeted amount; and that the Technology Solutions line item was increased by \$500.00 to reflect higher monthly charges associated with the new phone system, while overall phone costs remain essentially neutral. Mrs. Vidal also reviewed larger adjustments within indigent care, including increases for Riceland due to higher than budgeted activity; a significant increase in UTMB indigent care costs driven by multiple high-cost surgeries and cancer treatments and several patients maxing out benefits; and additional Riceland IGT expense resulting from two (2) unbudgeted IGT payments during the year. She noted smaller increases to indigent care payroll taxes due to earlier calculation variances and reviewed grant-related changes, including increases for the Riceland grant related to computers and a chiller, the addition of a Chambers County grant line for a vehicle, and a modest increase for EMS to account for Rice Festival support not included in the original budget. Mrs. Vidal further explained that the Coastal Gateway grant line was increased because the use of prior-year grant funds combined with current-year catch-up payments will cause total payments to exceed the original allocation unless the final 2 months are withheld. Adjustments were also made within the nursing home programs to reflect higher IGT fees, management fees, IGT expense, and LTC fees due to updated IGT amounts and the addition of several homes in QIPP Year 9. Finally, Mrs. Vidal reviewed building-related expenses, including increased amounts for property taxes and insurance on the Tony’s building properties and the addition of a Seabreeze property line item to cover the geotechnical survey, lawn maintenance, and utilities. She concluded by noting that, overall, the amendment increases projected net income by approximately \$172,000.00, as increases in revenue are largely offset by corresponding increases in expenses. (See **Exhibit “B-2”**).

After the review of the District’s financials, Mrs. Vidal then directed the Board to the Treasurer’s Report, beginning with a review of the invoices to be paid as outlined below and in **Exhibit “B-3”**.

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Pending Expenses	For	Amount
Bayside Dental	SP Program	\$1,633.00
Brookshire Brothers	Indigent Care	\$1,742.10
CABA Therapy Services dba Physio	SP Program	\$1,246.80
Coastal Gateway Health Center	Indigent Care	\$1,148.98
D & Co LLP	Auditor Inv# 13448	\$38,407.74
Kalos Counseling	Youth Counseling	\$425.00
Thompson Outpatient Clinic, LLC	Indigent Care	\$1,298.41
UTMB at Galveston	Indigent Care	\$42,534.21
UTMB Faculty Group Practice	Indigent Care	\$6,478.66
Wilcox Pharmacy	Indigent Care /Charity Care	\$1,928.76
Function4	INV1249101	\$135.00
Benckenstein & Oxford	Invoice No 51598	\$7,490.00
Graciela Chavez	Invoice 965991	\$140.00
US Department of Education	Acct# 1778777782 - Benjamin Odom	\$1,078.34
3Branch & More	Inv # 45974	\$9,324.41
Technology Solutions	Inv # 1997	\$165.55
Indigent Healthcare Solutions	Indigent Care Inv# 80861	\$2,023.00
Vidal Accounting Services	Invoice 00116	\$7,367.50
Winnie Family Dental	SP Program	\$378.00
Hubert Oxford	Retainer	\$1,000.00
Curtis Scott Johnson	Inv WSHD202509 & WSHD202510	\$2,920.00
Coastal Gateway Health Center	Grant Pmt	\$68,644.50
	Total Expenses	\$197,509.96

Once the Board reviewed the invoices and asked staff questions about the invoices, Mrs. Vidal referred the Board to the Funds Summary section of the Treasurer's report, which is set forth below.

Funds Summary	Totals
Prosperity Operating (Unrestricted)	\$327,529.64
First Financial DACA (Unrestricted)	\$472,075.17
First Financial DACA (Restricted)	\$272,681.22
First Financial Money Market	\$21,288,241.64
TexStar (Restricted)	\$7,143,290.42
FFB CD Balance	\$0.00
Total District Funds	\$29,503,818.09
Less First Financial (Restricted)	(\$272,681.22)
Less TexStar Restricted Amount	(\$500,000.00)
Less LOC Outstanding	\$0.00
Less First Financial Money Market	\$0.00
Less Committed Funds (See Total Commitment)	(\$93,717.37)
Cash Position (Less First Financial Restricted)	\$28,637,419.50
Pending Expenses	(\$197,509.96)
Ending Balance (Cash Position-Pending Expenses)	\$28,439,909.54
*Total Funds (Ending Balance+LOC Outstanding+QIPP Funds Outstanding+Outstanding Chow Loans)	\$29,943,331.69

According to Mrs. Vidal, the District's total funds available as of the reporting period were \$28,439,909.54 and the District's Total Funds, per the Treasurer's Report, were \$29,943,331.69.

Regarding the remainder of the Treasurer's Report, Mrs. Vidal updated the Board on the District's Committed Funds; Advance to Hospital for the DY-8 Repayment and IRS Advance Repayment; Interim Working Capital advances ("CHOW Advance"); and outstanding loan balances. A summary of each is as follows:

- Committed Funds: To date, the District approved Committed Funds for the Coastal Gateway, Clinic Marketing Grant, WSVEMS, and the East Chambers ISD grant. As of the end of the meeting, the District has paid \$1,549,624.71 of the \$1,643,342.08 in budgeted Committed Funds, leaving a remaining balance of \$93,717.37 to be paid before the end of the year.
- Advance to Hospital for DY-8 and IRS Advance: The total advanced to the Hospital for the DY-8 Repayment demand by the Texas Health and Human Services Commission and the recent IRS Payment Advance was \$2,116,861.95 but the balance owed is now \$507,600.82 after taking into account the IRS Payment Advance in the amount of \$490,432.95.
- CHOW Advances: As of the meeting, the District has one (1) outstanding CHOW Advance outstanding with the Oak Grove nursing facility. The total advanced was \$1,194,133.90 and the current balance owed is \$877,288.10. Mrs. Vidal then announced that the Board will need to discuss this advance further discussed in more detail once the Board addresses Agenda Item No. 14.
- Outstanding Short-Term Working Capital Loans: Mrs. Vidal reported that the second (2nd) payment for Loan 26 for the second (2nd) half of QIPP Year 8 is due on November 25, 2025 in the amount of \$14,644,894.33. Mrs. Vidal further reported that upon payment of this amount, Loan 26 will be fully paid. Ms. Vidal then advised that the next scheduled payment on Loan 27 will be due on April 25, 2026 in the amount of \$15,835,050.00.

Following the review of the Treasurer's Report, Mrs. Vidal asked the Board to review the bank reconciliations, which also include the invoices previously listed and discussed. (See **Exhibit "B-4"**).

Upon the completion of the discussion of the financials and the budget amendment discussion, President Murrell then called for a motion to approve the financials, Treasurer's Report, payment of invoices and budget amendment. In

response, Director Stramecki made a motion to approve: (i) the October 2025 financials (ii) the Treasurer's Report; (iii) pay the outstanding invoices; (iv) approve the Check Register as read; and the Amended Budget. (See Exhibit "B-1", "B-2", "B-3", and "B-4"). This motion was seconded by Director Rollo and unanimously approved by all the Board members.

7. Discuss and take-action on Committee Reports:

- a. **Finance Committee: Dir. Way and Dir. Stramecki;**
- b. **Indigent Healthcare Committee: Dir. Rollo and Dir. Way;**
- c. **Personnel Committee: Dir. Rollo and Dir. Stramecki; and**
- d. **Hospital Liaison: Kacy Vratis.**

President Murrell asked the Committees if there were any reports. There were none other than what was to be discussed during the remainder of the meeting.

8. Receive reports, by:

a. Administrator's Report

Administrator Victoria Carlo provided an update on administrative matters, including a property tax notice received from the appraisal district. She advised that the District has until January to remit payment and is awaiting confirmation of reimbursement and noted that prior-year tax payments were reviewed for comparison purposes, with staff continuing to follow up with the appraisal district regarding discrepancies. Ms. Carlo also updated the Board on the Opioid Abatement Fund Council, confirming that all required documentation has been completed, a new resolution has been executed, and an account has been designated for the receipt and use of those funds through the Prosperity account. In addition, Ms. Carlo reported on the status of the Spring Branch account, explaining that the account cannot yet be closed due to pending payments from managed care organizations and the State, and that the District may be required to cover minimal account fees until the remaining funds are received, with the timing of such payments remaining uncertain. Finally, Ms. Carlo reported on her attendance at a recent conference, noting that the event provided valuable information and networking opportunities, including engagement with representatives from Jefferson County and other organizations.

b. District Indigent Care Director Report

Mrs. Davis was called on next to present the Indigent Care report for October 2025. A summary of the Indigent Care Report is set forth in **Exhibit “C”** for the Indigent Care Report.

c. District General Counsel Report

Attorney Oxford informed the Board that he had nothing to report other than matters to be discussed under Agenda Items Nos. 9 through 14.

d. Grant Report

Following, Mrs. Carlo then presented the Grant Report. During her report, Mrs. Carlo reviewed the status of all the various outstanding grants. A summary of her report can be found in **Exhibit “D”**.

e. Coastal Gateway Report

Turning to the Coastal Gateway report, Ms. Smith presented the Coastal Gateway’s monthly report. A summary of the report is found in **Exhibit “E”**.

f. LTC Report

The Board was then directed to the October 2025 District Nursing Facility Report. (*See Exhibit “F”*). Mr. Scott Johnson presented the Long-Term Care report and advised the Board that the Quarter 1 Active Partnership training information for QIPP Year 9 had been distributed to participating facilities. Mr. Johnson explained that the focus of the training was pain management, emphasizing the importance of ensuring residents do not experience unmanaged or unnecessary pain and that quality-of-life standards are maintained. He reported that routine calls and meetings with facilities during the month were otherwise uneventful. Mr. Johnson further advised that, following recent communications with the District’s General Counsel, facilities will be reminded of the requirement to provide immediate notice to the District upon receipt of any lawsuits or legal claims, noting that this issue arose during due diligence involving one facility. In addition, Mr. Johnson reported that a payroll issue at a facility in Texarkana had been addressed and resolved, with corrective payment scheduled to be issued promptly.

Mr. Chris Rutledge then provided an update regarding Long-Term Care matters, including a recent inquiry from a private nursing facility seeking a potential partnership beginning in QIPP Year 10. Mr. Rutledge explained that the facility is

currently eligible only for certain QIPP components and may be required to affiliate with a non-state governmental organization due to anticipated changes in cost report eligibility. Staff and the Board discussed that the District is not currently pursuing CHOW Advance arrangements and that any potential partnerships would proceed without such financing. Mr. Rutledge also updated the Board on anticipated timing for upcoming QIPP scorecards and related payments, noting efforts to align IGT timing with loan repayment schedules. No action was taken on this item.

g. Hospital Report

Thereafter, President Murrell called on Mr. Saad Javed to discuss the Hospital’s report. Mr. Javed thanked President Murrell for the opportunity to present the Hospital’s October 2025 monthly report, which is summarized in the charts below:

2025												
Census	2024 YTD	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	YTD Monthly Average
ER Visits	262	273	237	281	311	326	304	302	333	307	294	297
Conversion to Inpatient/observation	26	30	28	26	35	35	27	22	30	25	21	28
Percentage	10%	11%	12%	9%	11%	11%	9%	7%	9%	8%	7%	9%
Transferred out of ER	11	21	9	12	17	6	9	6	11	9	14	11
Percentage Transferred out to ER	4%	8%	4%	4%	5%	2%	3%	2%	3%	3%	5%	4%
ER shifts covered by doctors	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Number Inpatient days	73	59	69	43	51	70	50	43	60	39	43	53
Number Hospice days	0	0	0	2	0	0	0	0	0	0	0	0
Number Swingbed days	17	11	11	6	13	6	14	20	11	28	0	12
Number Observation days	34	36	23	34	34	37	29	17	18	51	30	31
Total All Inpt. Days	123	106	103	85	98	113	93	80	89	118	73	96
Average Inpatient days per day	4	3.42	3.68	2.74	3.27	3.65	3.10	2.58	2.87	3.93	2.35	3.16
CTs (# tests)	95	96	96	104	119	115	125	97	115	100	130	110
Xrays (# tests)	239	270	238	232	216	262	263	281	256	245	288	255
Ultrasounds (# tests)	25	17	20	24	27	13	30	33	20	34	32	25
Labs-Covid (#encounters)	43	29	34	38	23	24	32	22	61	56	27	35
Labs-RPP (#encounters)	46	53	40	27	19	21	10	14	22	78	106	39
Labs-All Other (# encounters)	600	647	743	717	657	714	716	725	721	838	916	739
Encounters - Adult Clinic	200	217	256	264	298	300	278	346	265	252	245	272
Encounters - Pediatric Clinic	138	78	94	93	134	146	108	128	190	142	126	124
Behavioral Health patients	44	47	50	49	49	44	44	47	49	45	46	47
Physical Therapy	1	2	6	3	2	1	1	0	0	1	3	2
Labs from FQHQ (# tests)		7	0	0	0	0	0	2	0	0	12	2
Radiology from FQHQ (# tests)		28	32	29	24	16	13	26	27	30	30	26
Labs from Physician 1 (# tests)		2261	2769	2040	2,175	2457	1700	1479	856	1534	4472	2,174
Radiology from Physician 1 (# tests)		0	0	0	0	0	0	0	0	0	0	0
Labs from Physician 2 (# tests)		1129	1437	1381	1,158	865	974	1254	927	1080	1779	1,198
Radiology from Physician 2 (# tests)		0	0	0	0	0	0	0	0	0	0	0
Labs from Physician 3 (# tests)		424	959	520	507	834	851	1035	856	934	983	790
Radiology from Physician 3 (# tests)		14	14	7	6	0	0	0	0	0	0	4

A chart comparing the Hospital’s prior year end services to the current year is as follows:

Yearly Averages								
Census	2019	2020	2021	2022	2023	2024	2025-YTD	Average
ER Visits	190	174	220	229	249	262	297	232
Conversion to Inpatient/observation	10	13	21	20	26	26	28	20
Percentage of Converted Patients	5%	7%	9%	9%	10%	10%	9%	9%
Transferred out of ER	10	12	11	11	10	11	11	11
Percentage Transferred out of ER	5%	7%	5%	5%	4%	4%	4%	5%
ER shifts covered by doctors	79%	65%	56%	4%	2%	1%	0%	29%
Number Inpatient days	58	115	191	154	81	73	53	103
Avg. Inpatient Days	4.84	9.55	15.94	12.86	6.74	6.04	4.39	8.62
Number Hospice days	12	5	9	4	2	0	0	5
Number Swingbed days	16	47	48	65	22	17	12	32
Average No. of Swingbed	1.34	3.94	4.01	5.38	1.85	1.38	1.00	2.70
Number Observation days	18	23	25	33	39	34	31	29
Total All Inpt. Days	104	190	273	255	144	123	96	169
Average Inpatient days per day	3.42	6.23	8.96	8.41	4.76	4.05	3.16	5.57
CTs	42	57	64	67	80	95	110	74
Xrays	204	228	287	249	211	239	255	239
Ultrasounds	23	16	37	35	20	25	25	26
Labs-Covid (#encounters)	0	0	0	460	47	43	35	84
Labs-RPP (#encounters)	0	0	0	120	77	46	39	40
Labs-All Other (# encounters)	0	0	0	331	633	600	739	329
Encounters - Adult Clinic	576	479	486	294	230	200	272	362
Encounters - Pediatric Clinic	283	209	225	252	208	138	124	206
Behavioral Health patients	57	11	13	38	43	44	47	36
Physical Therapy	5	0	0	1	3	1	2	2

Upon completion of the Hospital Report, Mr. Mo Danishmund thanked the Board for the District’s continued support and advised that the Hospital will host its annual Christmas party on December 19, 2025 at 7:00 p.m. at the Event Center in Beaumont, Texas.

9. Discuss and take-action, if necessary, on grant requests.

Staff advised that no action needed to be taken during this meeting. Therefore, staff recommended that the Board table this Agenda Item until the December 17, 2025 Regular Meeting.

Director Stramecki moved table this Agenda Item. This motion was seconded by Director Rollo and then unanimously approved by the Board.

10. Discuss and take-action, if necessary, on approving the Quality Improvement Payment Program second half Intergovernmental Transfer.

Chris Rutledge, with LTC, was then called on to discuss the upcoming Intergovernmental Transfer (“IGT”) for the QIPP program. Mr. Rutledge informed the Board that he anticipated that the amount of the IGT was expected to be approximately \$32,000,000.00.

After discussion, Director Stramecki made a motion to authorize the District

to proceed with the upcoming Intergovernmental Transfer for the QIPP program in an amount not to exceed \$32,000,000.00, as discussed. This motion was seconded by Director Rollo, and it was unanimously approved by the Board.

11. Discuss and take-action, if necessary, on authorizing a nursing home operations loan.

Attorney Oxford then reviewed the proposed short-term working capital loan with First Financial Bank for nursing home operations, including the funding of Intergovernmental Transfers for the Quality Incentive Payment Program. The proposed loan would be in a principal amount of up to \$32,000,000, with a 12-month maturity, bearing interest at the WSJ Prime Rate minus 0.25%, floating daily, subject to a 5.00% floor. Accrued interest would be payable monthly, with two equal principal payments due on October 1, 2026 and January 1, 2027, and no penalty for early repayment. The loan would be secured by a pledge of the District's IGT and QIPP revenues, together with customary deposit account control and sweep arrangements, and would include customary reporting requirements and financial covenants, including minimum liquidity and current ratio requirements.

Attorney Oxford further advised the Board that, as of the time of the meeting, the District had not yet received the final loan documents from First Financial Bank and was expecting to receive them in the near future. Attorney Oxford also stated that he intended to review the loan documents in greater detail once received to confirm that the terms do not impair or restrict the District's ability to obtain separate financing for the health clinic's building. The Board acknowledged the update.

After the discussion, Director Stramecki made a motion to approve the proposed working capital loan with First Financial Bank in a principal amount of up to \$32,000,000, subject to receipt and review of the final loan documents by the District's General Counsel and confirmation that the documents do not impair the District's ability to obtain financing for the Coastal Gateway building. Director Rollo seconded the motion, and it was unanimously approved by the Board.

12. Discuss and take-action, if necessary on approving the DY10 Post Audit Redistribution Payment and IGT Call for the Winnie Community Hospital.

President Murrell then called on staff to discuss the Hospital's request for an additional "IGT" in connection with the Uncompensated Care ("UC") Demonstration Year 10 post-audit redistribution. Staff explained that the Texas

Demonstration Year 10 post-audit redistribution. Staff explained that the Texas Health and Human Services Commission (“HHSC”) recently identified additional UC funds available due to recoupments from overpaid providers, and that Riceland Medical Center was included in the DY10 redistribution round. Staff then explained that the Hospital was eligible to receive approximately \$3,392.99 in UC funds, which would require the District to provide an IGT in the amount of approximately \$1,085.42. Staff further advised that HHSC required the IGT to be scheduled and settled through TexNet no later than November 25, 2025, in order for the Hospital to receive the redistribution payment.

Subsequently, Director Stramecki made a motion to authorize the District to make an Intergovernmental Transfer in the amount of approximately \$1,085.42 in connection with the Uncompensated Care Demonstration Year 10 post-audit redistribution, with the IGT to be scheduled and settled through TexNet no later than November 25, 2025. This motion was seconded by Director Rollo, and it was unanimously approved by the Board.

At 7:01 p.m., the Board entered into executive session pursuant to the Texas Open Meetings Act, Texas Government Code Section 551.072, to deliberate the purchase, exchange, lease, or value of real property, and Section 551.085, to discuss matters concerning medical or healthcare services of the District. Members present in Executive Session included Directors Murrell, Stramecki, Way, Rollo, and Vratiss, along with District General Counsel and the District Administrator.

Furthermore, during Executive Session, the Board permitted certain non-Board individuals to attend portions of the closed session as necessary to the matters under consideration. Mr. Richie Smith and Mr. Daniel Duplechin of Oak Grove Nursing Facility were called into Executive Session to discuss matters pursuant to Section 551.085, Texas Government Code. Mr. Frank Marques and Mrs. Jennifer Higgins of THR3E Design, together with Ms. Kaley Smith, Dr. Michael Lyons, and Mr. Kaleb Norris of Coastal Gateway Health Clinic, were called into Executive Session to discuss matters pursuant to Sections 551.085 and 551.072, Texas Government Code.

At 9:19 p.m., the Board returned to open session. No action was taken in executive session. Any action resulting from the deliberations held in executive session will be taken, if at all, in open session.

13. Discuss and take-action, if necessary on architectural plans for the proposed new facility on Highway 124.

After reconvening in Open Session, the Board turned to Agenda Item No. 13, which was to discuss and take action, if necessary, on architectural plans for the proposed new facility on Highway 124. As no formal proposal was presented by the architects at the meeting, staff recommended that this agenda item be tabled. The Board requested that this item be placed on the agenda for the next regular meeting for further consideration, including potential engagement of THR3E Design to assist the District with the planning, preparation, and oversight of construction for the proposed health clinic.

Director Stramecki moved to table this Agenda Item. Director Rollo seconded the motion, and it was unanimously approved by the Board.

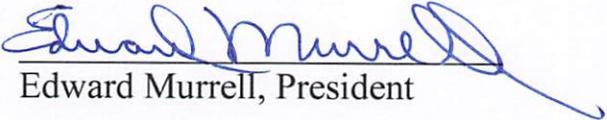
14. Discuss and take-action, if necessary on Oak Grove facility's Change of Ownership advance.

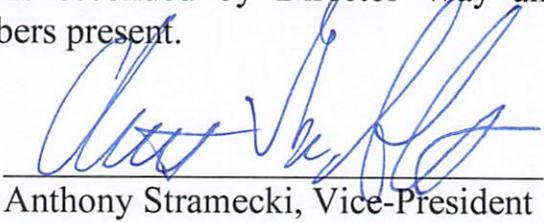
Turning to Agenda Item No. 14, to discuss and take action, if necessary, on the Oak Grove facility CHOW Advance, the Board considered this matter following Executive Session.

Director Stramecki made a motion to approve the following actions: (i) that Oak Grove remit \$500,000.00 to the District by the end of the week to be applied toward the CHOW Advance; (ii) upon receipt of which the District will release \$171,871.21 in previously withheld revenues; (iii) thereafter, the District will resume releasing 100 percent of the weekly transfers; and (iv) that the District approves the proposed sale of the Oak Grove facility from the current managers to the prospective purchaser, Pure Health Investments, subject to the District being repaid in full the balance owed of \$377,288.10. In the event the facility is not sold on or before February 1, 2026, the District will retain all amounts otherwise withheld and will exercise all rights and remedies available to it under the First Amended and Restated Management Agreements. The motion was seconded by Director Way, and it was unanimously approved by the Board.

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Lastly, President Murrell called for any other such matters before the Board. Thereafter, the Board then confirmed the date for the next Regular Meeting to be on December 17, 2025. There being none, a motion was made by Director Stramecki at 9:23 p.m. to adjourn. This motion was seconded by Director Way and unanimously approved by all the Board members present.


Edward Murrell, President


Anthony Stramecki, Vice-President