

CHIEF EXECUTIVE OFFICER'S REPORT

JULY 2019

Monte Vista Expansion – I will be reviewing a second set of draft drawings and will turn them over to staff for their input this week. The Architect is asking to engage a contractor as he finalizes the blueprints. This is not uncommon in our history where we did not go out to bid once we knew what the construction cost per square foot is. I told him that if the board approved this strategy we would go with Eric Van Iwarrrden. The Architect has estimated out need to be about 200 sq. ft. at the going rate of \$150.00 per sq. Ft. (commercial construction) for an overall estimate of \$300,000. Given the size of the project I would support this type of approach.

South Fork Property – We will be closing this by August 1st. There is a need to do very small renovations to a couple of rooms and the building can be open for business the 3rd week in August. The pharmacy idea is still in the works and the information and related data has been sent for consideration. We hope to hear if there is an interest to gamble with us.

Crossroads – Leroy Lucero is officially retired and Charles Davis is the interim CEO. After having a great meeting with him I have not heard back from him yet. I am still hoping that we can have a much better relationship going forward.

Health Colorado – Not much happening with Cathy. She continues to do the business of the day and has hired one of three positions that were vacant.

Sale of Beacon Option – We have been researching of the sale of Beacon Options is problematic and in violation of our agreement. It appears that we have very little leverage and the most we can do is have a frank conversation of our concerns with them. We have leased that Anthem is laying off Beacon folks because they already have resources in place to handle the work that Beacon has been doing. We are not sure of the middle management like Myron will be able to hold on to his position.

Hill Day in Washington DC – September 17 and 18 – Is when this event happens. It is the week before the CBHC Annual Conference in Breckenridge. We are in the early planning of this event and want to take at least one board member to have this experience. There will be one other staff who will be attending with me yet to be determined.