

Appendix XLIII

SUMMARY OF ACTIONS TAKEN

February 20, 2019 - Wexner Medical Center Board Meeting

Voting Members Present:

Leslie H. Wexner
Michael J. Gasser
Abigail S. Wexner
Cheryl L. Krueger
Hiroyuki Fujita

John W. Zeiger
Janet Porter
Stephen D. Steinour
Robert H. Schottenstein
Cindy Hilsheimer

Michael V. Drake (ex officio)
Bruce A. McPheron (ex officio)
Michael Papadakis (ex officio)

Non-Voting, Ex-Officio Members Present:

K. Craig Kent
L. Arick Forrest
David P. McQuaid
Mark E. Larmore

Andrew M. Thomas
Elizabeth O. Seely
Susan D. Moffatt-Bruce
Mary A. Howard

William B. Farrar
Thomas Ryan
Amanda N. Lucas

Members Absent:

W.G. "Jerry" Jurgensen

PUBLIC SESSION

The Wexner Medical Center Board convened for its 29th meeting on Wednesday, February 20, 2019, in the Ross Auditorium of the Richard M. Ross Heart Hospital. Board Secretary Jeff M.S. Kaplan called the meeting to order at 9:02 a.m.

Item for Action

1. **Approval of Minutes:** No changes were requested to the November 14, 2018, meeting minutes; therefore, a formal vote was not required and the minutes were considered approved.

Items for Discussion

2. **Time and Change Strategic Plan Update:** For the first time ever, the medical center's strategic plan is a prominent pillar in the overall strategic plan of the university. Gail Marsh gave an update on the progress made in the past year. The medical center is leading the way in patient satisfaction, clinical outcomes and creating high-impact translational research that benefits not only faculty and students from an academic perspective, but also the community from a healthcare perspective.
3. **Cancer Program Update:** Dr. Raphael Pollock shared an interim progress report on the Cancer Center's immuno-oncology efforts, an ambitious undertaking that involves collaboration with many of the colleges across the university. It is anticipated that, when the immuno-oncology efforts are up and running, it will be one of the best-funded efforts of its kind in the nation.
4. **College of Medicine Report:** Dr. Craig Kent introduced three new recruits — Ben Polouse, chief of the Division of Gastrointestinal Surgery and the Robert Zollinger Memorial Endowed Chair; Allan Tsung, director of the Division of Surgical Oncology; and Ben Segal, chair of the Department of Neurology. The board then heard a presentation from Dr. Tom Ryan and the directors of the cardiovascular service line. They talked about a one-of-a-kind innovation that can only be found at Ohio State called Transcatheter Aortic Valve Replacement, which is a minimally invasive, nonsurgical alternative for treating severe aortic stenosis.
5. **Wexner Medical Center Operations Report:** David McQuaid announced that the American Association of Critical-Care Nurses has awarded gold and silver Beacon Awards for Excellence to the Medical Intensive Care Units at the James Cancer Hospital and the Wexner Medical Center, respectively. He also discussed a variety of ways the medical center is responding to patients' needs for differentiated services. For example, the Upper Arlington ambulatory facility has become very popular in the community, averaging 825 patient visits per day compared to last year's average of 767 patients per day.
6. **Wexner Medical Center Financial Summary:** Mark Larmore shared that there are a few areas in the financial summary that are not growing at the predicted rate, but that is expected to change. Admissions are 2.6 percent behind budget and flat compared to the prior year, partially due to the closure of a floor during renovations at Harding Hospital and a change to the reimbursement methodology for inpatient drug rehab at Talbot Hall. While there is a decline on the admissions metric, year-over-year it is still growing at 1.3 percent. Length of stay has increased about 5 percent above budget.

Items for Action

7. Resolution No. 2019-53, Approval for Acquisition and Potential Sale of Real Property

Synopsis: Authorization to purchase real property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, and authorization to sell real property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, is proposed.

WHEREAS The Ohio State University seeks to purchase approximately 34 +/- acres of unimproved real property located along U.S. 33 and Shier Rings Road in Dublin, Ohio; and

WHEREAS the property is strategically important in supporting the objectives of the Wexner Medical Center ambulatory care strategy; and

WHEREAS the city of Dublin will be responsible for the installation and construction of public infrastructure improvements identified in a separate Economic Development Agreement; and

WHEREAS as partial consideration for the city of Dublin's agreement to transfer and convey ownership of the property to the university, Dublin and The Ohio State University have agreed that under certain limited circumstances following the closing of the sale and conveyance of the property from Dublin to the university, Dublin may elect to have the university reconvey the property to Dublin after payment of the original purchase price by Dublin to the university, all upon such terms and conditions as outlined in the Property Reconveyance Escrow Agreement (PREA) to be signed simultaneously with the Economic Development Agreement (EDA) and the Real Estate Purchase and Sale Agreement; and

WHEREAS the PREA will require the university to obtain state of Ohio legislative approval for a potential sale with the resulting Governor's Deed to be held in escrow and released only in accordance with the terms and conditions of the PREA; and WHEREAS the Wexner Medical Center will provide funding for the acquisition and subsequent development of the property: NOW

THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the purchase and potential sale of said property be recommended to the University Board of Trustees for approval; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to effect the purchase of the referenced property in the name of the state of Ohio for the use and benefit of The Ohio State University upon terms and conditions deemed to be in the best interest of the university and at a purchase price determined to be fair market value for the property; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to effect the sale of the referenced property upon terms and conditions deemed to be in the best interest of the university and pursuant to the terms of the PREA.

(See Attachment IX for background information, page 973)

8. Resolution No. 2019-54, Approval of the Execution of an Economic Development Agreement

Synopsis: Authorization to enter into an Economic Development Agreement related to property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, is proposed.

WHEREAS The Ohio State University seeks to enter into an Economic Development Agreement (EDA) for development of approximately 34 +/- acres of real property located along U.S. 33 at Shier Rings Road in Dublin, Ohio; and

WHEREAS the property is strategically important in meeting the objectives of the Wexner Medical Center ambulatory care strategy; and

WHEREAS the EDA will memorialize, among other items, agreements regarding certain public infrastructure work to be performed by the city of Dublin and municipal income tax incentives to be paid to the university:

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the execution of said Economic Development Agreement be recommended to the University Board of Trustees for approval; and

February 22, 2019, Board of Trustees Meeting

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to enter into the Economic Development Agreement upon terms and conditions deemed to be in the best interest of the university.

(See Attachment X for background information, page 976)

9. Resolution No. 2019-55, Approval to Enter Into/Increase Professional Services and Construction Contracts

Synopsis: Authorization to increase professional services and construction contracts, as detailed in the attached materials, is proposed.

WHEREAS in accordance with the attached materials, the university desires to increase professional services and construction contracts for the following projects:

	Prof.Serv. Approval Requested	Construction Approval Requested	Total Requested	
Wexner Medical Center Inpatient Hospital – Central Sterile Supply	\$11.8M	\$33.9M	\$45.7M	Auxiliary Funds
Wexner Medical Center Inpatient Hospital – Garage (Infrastructure and Road Work)	\$19.7M	\$54.3M	\$74.0M	Auxiliary Funds

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the professional services and construction contracts for the projects listed above be recommended to the University Board of Trustees for approval; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to enter into professional services and construction contracts for the project listed above in accordance with established university and state of Ohio procedures, with all actions to be reported to the board at the appropriate time.

(See Attachment XI for background information, page 979)

Action: Upon the motion of Mr. Zeiger, seconded by Mrs. Wexner, the board adopted the foregoing motions by unanimous voice vote with the following members present and voting: Mr. Wexner, Mr. Gasser, Mrs. Wexner, Ms. Krueger, Dr. Fujita, Mr. Zeiger, Dr. Porter, Mr. Steinour, Mr. Schottenstein, Ms. Hilsheimer, Dr. Drake, Dr. McPheron and Mr. Papadakis. Mr. Jurgensen was absent.

All three of the above resolutions were recommended by the Wexner Medical Center Board and forwarded to the University Board of Trustees for review and approval.

EXECUTIVE SESSION

It was moved by Dr. Porter, and seconded by Ms. Krueger, that the board recess into executive session to consider business-sensitive trade secrets required to be kept confidential by federal and state statutes, to discuss quality matters which are required to be kept confidential under Ohio law, to consult with legal counsel regarding pending or imminent litigation, and to discuss the purchase of real property and personnel matters regarding the employment, appointment, compensation, discipline and dismissal of public officials.

A roll call vote was taken and the board unanimously voted to go into executive session, with the following members present and voting: Mr. Wexner, Mr. Gasser, Mrs. Wexner, Ms. Krueger, Dr. Fujita, Mr. Zeiger, Dr. Porter, Mr. Steinour, Mr. Schottenstein, Ms. Hilsheimer, Dr. Drake, Dr. McPheron and Mr. Papadakis. Mr. Jurgensen was absent.

The board entered executive session at 10:50 a.m. and the board meeting adjourned at 1:05 p.m.

Attachment IX

The Ohio State University
Wexner Medical Center Board

February 20, 2019

**RECOMMEND FOR APPROVAL THE ACQUISITION
AND POTENTIAL SALE OF REAL PROPERTY**

SHIER RINGS ROAD
DUBLIN, FRANKLIN COUNTY, OHIO

Synopsis: Authorization to purchase real property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, and authorization to sell real property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, is proposed.

WHEREAS The Ohio State University seeks to purchase approximately 34 +/- acres of unimproved real property located along U.S. 33 and Shier Rings Road in Dublin, Ohio; and

WHEREAS the property is strategically important in supporting the objectives of the Wexner Medical Center ambulatory care strategy; and

WHEREAS the city of Dublin will be responsible for the installation and construction of public infrastructure improvements identified in a separate Economic Development Agreement; and

WHEREAS as partial consideration for the city of Dublin's agreement to transfer and convey ownership of the property to the university, Dublin and The Ohio State University have agreed that under certain limited circumstances following the closing of the sale and conveyance of the property from Dublin to the university, Dublin may elect to have the university reconvey the property to Dublin after payment of the original purchase price by Dublin to the university, all upon such terms and conditions as outlined in the Property Reconveyance Escrow Agreement (PREA) to be signed simultaneously with the Economic Development Agreement (EDA) and the Real Estate Purchase and Sale Agreement; and

WHEREAS the PREA will require the university to obtain state of Ohio legislative approval for a potential sale with the resulting Governor's Deed to be held in escrow and released only in accordance with the terms and conditions of the PREA; and

WHEREAS the Wexner Medical Center will provide funding for the acquisition and subsequent development of the property:

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the purchase and potential sale of said property be recommended to the University Board of Trustees for approval; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to effect the purchase of the referenced property in the name of the state of Ohio for the use and benefit of The Ohio State University upon terms and conditions deemed to be in the best interest of the university and at a purchase price determined to be fair market value for the property; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to effect the sale of the referenced property upon terms and conditions deemed to be in the best interest of the university and pursuant to the terms of the PREA.

**APPROVAL FOR PURCHASE AND POTENTIAL SALE OF
UNIMPROVED REAL PROPERTY**

**SHIER RINGS ROAD
DUBLIN, FRANKLIN COUNTY, OHIO**

Background

The Ohio State University's Wexner Medical Center (WMC) seeks to acquire vacant land for development of an additional ambulatory care facility in Franklin County, Ohio. Acquisition of this land supports the WMC's ambulatory care strategy, which is in turn a key component of the WMC Strategic Plan and its mission to improve health in Ohio and across the world through innovation in research, education and patient care.

As partial consideration for the city of Dublin's (Dublin) agreement to transfer and convey ownership of the property to the university pursuant to the Real Estate Purchase and Sale Agreement, Dublin and the university have agreed that under certain limited circumstances following the closing of the sale and conveyance of the property from Dublin to the university, Dublin may elect to have the university reconvey the property to Dublin after payment of the original purchase price by Dublin to OSU. This agreement will be memorialized in a Property Reconveyance Escrow Agreement (PREA) to be signed simultaneously with the Economic Development Agreement (EDA) and the Real Estate Purchase and Sale Agreement.

Location and Description

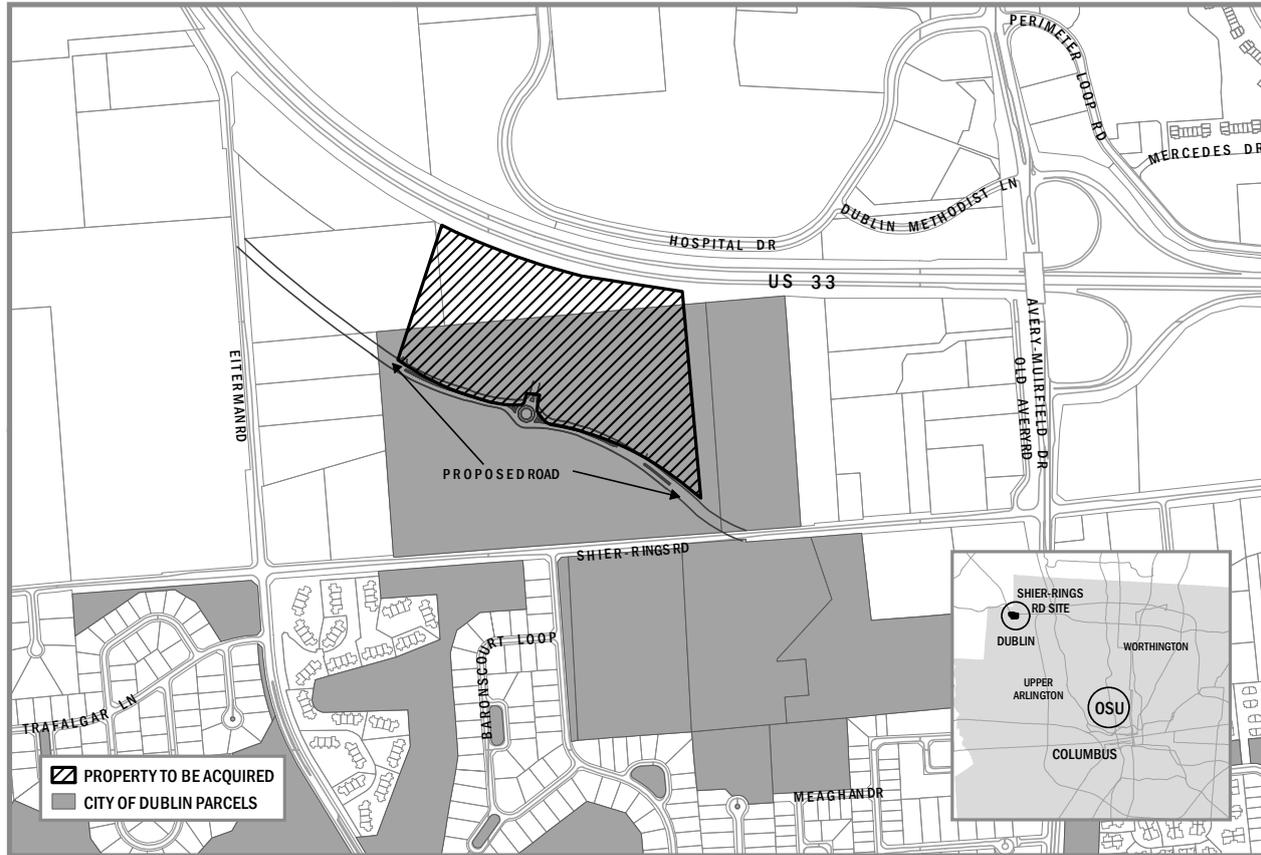
The property is located along U.S. 33 and Shier Rings Road in Dublin, Ohio. The site consists of approximately 34 +/- acres located within the city of Dublin (Dublin). Dublin will be responsible for installation and construction of public infrastructure improvements identified in the Economic Development Agreement, which is the subject of an additional board resolution request.

Property History

The 34 +/- acre undeveloped site is comprised of three parcel numbers owned by Dublin. Upon acquisition by The Ohio State University, the property will be titled to the state of Ohio and will require state legislative approval for sale. After the execution and delivery of the Real Estate Purchase and Sale Agreement and the EDA, the university will seek state legislative approval for the sale, will obtain an executed Governor's Deed, and the Governor's Deed will be held in escrow pursuant to the terms of the PREA.

Purchase of Property and Potential Sale

WMC recommends that the 34 +/- acres of unimproved real property described above be acquired on terms and conditions that are in the best interest of the university and at a price determined to be fair market value for the property. The source of funding for the acquisition and subsequent development of the property will be the Wexner Medical Center. WMC further recommends authorization to sell the land under terms and conditions outlined in the PREA.



Attachment X

The Ohio State University
Wexner Medical Center Board

February 20, 2019

**RECOMMEND FOR APPROVAL THE EXECUTION OF AN
ECONOMIC DEVELOPMENT AGREEMENT**

SHIER RINGS ROAD
DUBLIN, FRANKLIN COUNTY, OHIO

Synopsis: Authorization to enter into an Economic Development Agreement related to property located along U.S. 33 at Shier Rings Road in Dublin, Franklin County, Ohio, is proposed.

WHEREAS The Ohio State University seeks to enter into an Economic Development Agreement (EDA) for development of approximately 34 +/- acres of real property located along U.S. 33 at Shier Rings Road in Dublin, Ohio; and

WHEREAS the property is strategically important in meeting the objectives of the Wexner Medical Center ambulatory care strategy; and

WHEREAS the EDA will memorialize, among other items, agreements regarding certain public infrastructure work to be performed by the city of Dublin and municipal income tax incentives to be paid to the university;

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the execution of said Economic Development Agreement be recommended to the University Board of Trustees for approval; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to take any action required to enter into the Economic Development Agreement upon terms and conditions deemed to be in the best interest of the university.

APPROVAL FOR EXECUTION OF ECONOMIC DEVELOPMENT AGREEMENT

SHIER RINGS ROAD DUBLIN, FRANKLIN COUNTY, OHIO

Background

The Ohio State University's Wexner Medical Center (WMC) seeks to acquire vacant land for development of an additional ambulatory care facility in Franklin County, Ohio. Acquisition of this land supports the WMC's ambulatory care strategy, which is in turn a key component of the WMC Strategic Plan and its mission to improve health in Ohio and across the world through innovation in research, education and patient care. Simultaneous with the execution of the Real Estate Purchase and Sale Contract for the acquisition of the land, the parties will execute an Economic Development Agreement (EDA), which memorializes, among other items, agreements regarding certain public infrastructure work to be performed by the city of Dublin (Dublin) and municipal income tax incentives to be paid to The Ohio State University (OSU).

Location and Description

The property is located along U.S. 33 and Shier Rings Road in Dublin, Ohio. The site consists of approximately 34 +/- acres located within Dublin.

The EDA contains provisions pertaining to project development, public improvements and municipal income tax incentives:

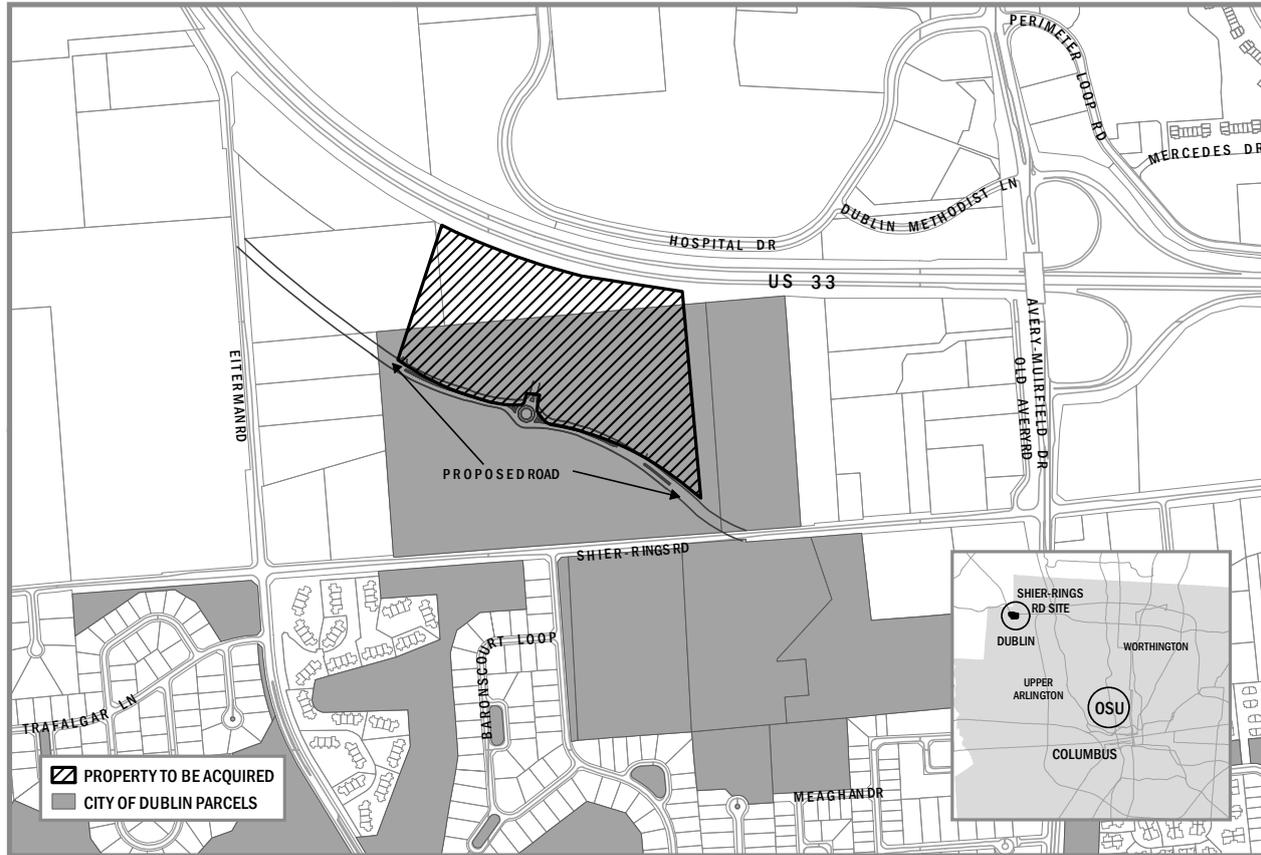
- Infrastructure – OSU is responsible for paying the cost of and constructing on-site improvements and will contribute a proportionate share to additional public improvements in the immediate vicinity, which will provide support to OSU's development, as specifically outlined in the EDA.
- Municipal Income – OSU is entitled to certain economic development incentives as outlined in the EDA.
- Adjacent Properties being retained by city of Dublin – OSU imposes certain use restrictions as outlined in the EDA.

Property History

The 34 +/- acre undeveloped site is comprised of three parcel numbers owned by the city of Dublin.

Execution of Agreement

The Wexner Medical Center Board and university leadership recommend that the Board of Trustees authorize the university to enter into the Economic Development Agreement upon the terms set forth above and as otherwise deemed to be in the best interest of the university. The source of funding for the acquisition and subsequent development of the property will be the Wexner Medical Center.



**RECOMMEND FOR APPROVAL TO INCREASE PROFESSIONAL SERVICES
AND INCREASE CONSTRUCTION CONTRACTS**

APPROVAL TO INCREASE PROFESSIONAL SERVICES AND CONSTRUCTION CONTRACTS
Wexner Medical Center Inpatient Hospital – Central Sterile Supply
Wexner Medical Center Inpatient Hospital – Garage (Infrastructure and Road Work)

Synopsis: Authorization to increase professional services and construction contracts, as detailed in the attached materials, is proposed.

WHEREAS in accordance with the attached materials, the university desires to increase professional services and construction contracts for the following projects:

	Prof.Serv. Approval Requested	Construction Approval Requested	Total Requested	
Wexner Medical Center Inpatient Hospital – Central Sterile Supply	\$11.8M	\$33.9M	\$45.7M	Auxiliary Funds
Wexner Medical Center Inpatient Hospital – Garage (Infrastructure and Road Work)	\$19.7M	\$54.3M	\$74.0M	Auxiliary Funds

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby approves and proposes that the professional services and construction contracts for the projects listed above be recommended to the University Board of Trustees for approval; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to enter into professional services and construction contracts for the project listed above in accordance with established university and state of Ohio procedures, with all actions to be reported to the board at the appropriate time.

Project Data Sheet for Board of Trustees Approval

WMC Inpatient Hospital Garage, Infrastructure & Road Work

OSU-180391-1 (CNI# 18000171)

Project Location: Wexner Medical Center

- **approval requested and amount**

professional services	\$19.7M
construction w/contingency	\$54.3M
total amount requested	\$74.0M

- **project budget**

professional services	\$25.8M
construction w/contingency	\$76.3M
total project budget	\$102.1M

- **project funding**
 - university debt
 - fundraising
 - university funds
 - auxiliary funds (health system)
 - state funds

- **project schedule**

BoT professional services approval	02/18
design	06/18 – 12/18
BoT construction approval (partial)	11/18
construction	05/19 – 05/21
facility opening	10/20 and 05/21

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - consistent with the strategic plan of the Wexner Medical Center to provide adjacent patient parking
 - \$6.1M of professional services for the design of the garage, infrastructure and road work, was included in the February 2018 approval for the Wexner Medical Center Inpatient Hospital project
 - \$22M of professional services and construction for site, civil, street connection and foundations was approved in November 2018
 - the FY 2019 Capital Investment Plan includes \$70.0M for the project; the Capital Investment Plan will be amended to include an additional \$32.1M

- **project scope**
 - the project will construct a 1,870-space parking garage west of McCampbell Hall; garage construction will be phased with a portion opening 10/2020 and the remainder of the garage open by 05/2021
 - road work scope includes street, curb and sidewalks on both sides of street A, and street lighting
 - infrastructure work includes water, sewer and communications line connections

- **approval requested**
 - approval is requested to amend the FY 2019 Capital Investment Plan
 - approval is requested to increase professional services and construction contracts

- **project team**

University project manager:	Doug Murray
AE/design architect:	Henningson, Durham & Richardson
CM at Risk:	Walsh-Turner (joint venture)

