

# Request for Proposal Q&A

The leadership team for the Pajaro Valley Health Care District hosted a virtual Q&A session on September 17, 2024, open to all interested parties relative to our RFP. The following questions and answers are a result of questions asked at that session as well as a few additional questions. In an effort to be completely transparent with all potential RFP respondents and ensure equal access to information about the District and Watsonville Community Hospital, we are sharing this information publicly here. If additional questions are asked, we will add them to this page.

**Q: What specialties are you most looking to build in the near future?**

**A:** As we look ahead, one of our near-term goals is to build our cardiology program around our new cardiac catheterization lab, scheduled to open in early 2025. We also want to be the provider of choice for women's and children's services. And we want to increase capacity in the Pajaro Valley for oncology-related services, including early detection, infusion services, and surgical interventions.

**Q: Is the first tranche of funds from the Measure N bond sale going to be used to purchase the property? How will you spend the funds and what is the timeline?**

**A:** The Pajaro Valley Health Care District (PVHCD) received the first tranche of the net proceeds of the bonds this month and anticipates the funds will be used to finance all or a portion of the cost of the following projects:

- The purchase of our hospital property (land and buildings), which is currently owned by Medical Properties Trust (MPT)
- Architectural and engineering design for expansion of our Emergency Department
- Outdoor common space upgrades for patients and staff
- Security system upgrades to lockdown the 2nd floor of the hospital, which houses our perinatal services
- CT scanner purchase and associated building renovation
- MRI machine purchase
- HVAC repairs and upgrades

**Q: How have your financials been doing since the RFP was released?**

**A:** We continue to perform better than budget. Year to date (YTD) through August 2024, we are \$1.95 million better than budget. YTD our consolidated net operating loss is (\$1,355,139). As a point of comparison, our YTD consolidated net operating loss as of August 2023 was (\$10,639,853).

**Q: When is the cath lab expected to open? What is your expected first year volume?**

**A:** We anticipate the cath lab will open in the first quarter of 2025, with projected volumes exceeding 400 procedures in the first year.

**Q: Which unions do you have? How are your union negotiations going?**

**A:** We have five unions that currently represent about 82% (526 employees) of our workforce. The remaining 117 employees are non-union supervisors, directors/executives and confidential employees (HR, Finance, Payroll, Quality/Risk, Assistants to Executives). Of course, the specifics of bargaining progress are confidential, but we can provide the names of the unions and the timing of each contract.

- California Nurses Association (240 employees including staff RNs and Charge Nurses) – contract expires in December 2026
- Teamsters Local 853 (51 employees including Unit Clerks, HIM Techs, Registration Clerks) – contract expires October 2027
- SEIU UHW Service and Maintenance (167 employees) – contract expired in August 2024 and we are currently in negotiations.
- SEIU UHW Professionals Unit (16 employees including Lab Technologists and Pharmacists) – contract expired February 2024 and we are currently in negotiations
- CalTEC (51 employees including Imaging Techs, Respiratory Therapists) – contract expired in May 2024 and we are currently in contract negotiations.