AGENDA

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS

Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306

Regular Meeting
Wednesday, October 21, 2026

11:30 A.M.

BOARD TO RECONVENE

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" OR "C" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) –

ITEMS FOR CONSIDERATION

CA
3) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on September 16, 2026 –
APPROVE

CA
4) Proposed Resolution establishing regular meeting dates of the Kern County Hospital Authority Board of Governors for calendar year 2027 –
APPROVE; ADOPT RESOLUTION

CA
5) Proposed approval of Kern County Hospital Authority Organizational Chart, effective October 21, 2026 –
APPROVE

CA
6) Proposed acceptance of donation of travel and related expenses (conference fees only) from Becker's Healthcare for one Kern Medical Center employee to attend the Becker's Healthcare CEO + CFO Roundtable 2026 in Chicago, Illinois, from November 2-5, 2026 –
APPROVE; ADOPT RESOLUTION

CA
7) Proposed acceptance of donation of travel and related expenses from Teachers Insurance and Annuity Association of America (TIAA) for one Kern Medical Center employee to attend the TIAA Joint Advisory Councils Meeting in Frisco, Texas, from October 26-28, 2026 –
APPROVE; ADOPT RESOLUTION

CA
8) Proposed retroactive acceptance of donation of travel and related expenses (conference fees only) from Marcus Evans Group for one Kern Medical Center employee to attend the Healthcare HR Summit 2026 in Las Vegas, Nevada, from October 19-20, 2026 –
APPROVE; ADOPT RESOLUTION

CA
9) Proposed retroactive acceptance of donation of travel and related expenses (conference fees only) from Experian Health for three Kern Medical Center employees to attend the Experian Health High-Performance Summit 2026 in Dallas, Texas, from October 19-22, 2026 –
APPROVE; ADOPT RESOLUTION

CA
10) Proposed Amendment No. 7 to Agreement 099-2023 with Alton Scott Thygerson, a contract employee, for professional services as chief executive officer of Kern County Hospital Authority, incorporating performance-based metrics for fiscal year 2026-2027 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
11) Proposed retroactive Finance Agreement with GSG Financial and KS Statebank, an independent contractor, containing nonstandard terms and conditions, for purchase of a GE Precision Healthcare SIGNA™ Voyager 49-ch Mobile System with Fixed Table MRI from October 8, 2026 through October 7, 2031, in an amount not to exceed $2,551,000 –
APPROVE; ADOPT RESOLUTION; AUTHORIZE CHAIRMAN TO SIGN

CA
12) Proposed Amendment No. 1 to Agreement 70123 with Copeland Cold Chain, LP, doing business as Cooper-Atkins, an independent contractor, for remote temperature monitoring of medication storage areas for the period October 23, 2023 through October 22, 2026, extending the term three years from October 23, 2026 through October 22, 2029, and increasing the maximum payable by $4,500, from $31,900 to $36,400, to cover the term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
13) Proposed retroactive Amendment No. 11 to Agreement 041-2023 with Tarun Rustagi, M.D., a contract employee, for professional medical services in the Department of Medicine for the period March 16, 2023 through March 15, 2027, revising the compensation methodology to conform to Department of Labor rules for H-1B visa workers, effective September 19, 2026 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
14) Proposed Amendment No. 2 to Agreement 16524 with Kasey M. Fox, D.O., a contract employee, for professional medical services in the Department of Medicine for the period March 13, 2024 through March 12, 2027, increasing the maximum payable by $406,250, from $1,300,000 to $1,706,250, to cover the term –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
15) Proposed Quote Q-03725 with ORDR, INC., an independent contractor, containing nonstandard terms and conditions, for purchase of an IT network security solution from November 1, 2026 through October 31, 2029, in an amount not to exceed $316,900 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
16) Proposed retroactive Amendment No. 2 to Co-Applicant Agreement 011-2025 between Kern County Hospital Authority and Kern County Hospital Authority Community Health Center Board of Directors, authorizing the Community Health Center also to be known as Kern Medical Outpatient Health, effective May 1, 2026 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
17) Proposed retroactive Amendment No. 3 to Agreement 117-2024 with Kern Medical Center Foundation for the provision of administrative management services, updating the staffing fee for the period October 1, 2026 through September 30, 2027 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
18) Proposed Product Quotation with deSoutter Medical USA, Inc., an independent contractor, containing nonstandard terms and conditions, for repair of a CC7 cast saw, in an amount not to exceed $494, plus applicable fees and taxes –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
19) Proposed Repair Estimate with Sentec, Inc., an independent contractor, containing nonstandard terms and conditions, for maintenance of a Percussionaire VDR4 ventilator, in an amount not to exceed $2,374, plus applicable fees and taxes –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA
20) Report on upcoming anticipated retroactive agreements –
RECEIVE AND FILE

21) Kern County Hospital Authority Chief Financial Officer report –
RECEIVE AND FILE

22) Kern County Hospital Authority Chief Executive Officer report –
RECEIVE AND FILE

CA
23) Monthly report on What's Happening at Kern Medical Center –
RECEIVE AND FILE

CA
24) Claims and Lawsuits Filed as of September 30, 2026 –
RECEIVE AND FILE

ADJOURN AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS; RECONVENE AS KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS

C-25) Kern Medical Surgery Center, LLC, Administrative Report –
RECEIVE AND FILE

C-26) Proposed credentialing recommendations –
APPROVE

C-27) Proposed Resolution establishing regular meeting dates of the Kern Medical Surgery Center Board of Governors for calendar year 2027 –
APPROVE; ADOPT RESOLUTION

C-28) Proposed Schedule 003 to Master Lease Agreement 53921 with Olympus America Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of equipment for GI procedures from November 1, 2026 through October 31, 2029, in an amount not to exceed $202,398, plus applicable fees and taxes –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

ADJOURN AS KERN MEDICAL SURGERY CENTER, LLC, BOARD OF MANAGERS; RECONVENE AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

ADJOURN TO CLOSED SESSION

CLOSED SESSION

29) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

30) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Daymian Nathaniel Tapia Salgado, a minor by and through his Guardian ad Litem, Brianna Tapia; Brianna Tapia individually, Plaintiffs, v. Kern Medical aka Kern Medical Center; Kurt Finberg, M.D., Karina Grinberg, M.D.; Vikas Nookala, M.D.; and DOES 1 through 100, Defendants, Kern County Superior Court Case No. BCV-25-102679 –

31) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Rosa Monarrez, Martha Flores, Patricia Amador, and Rafael Fernandez, Plaintiffs, v. Kern County Hospital Authority; and DOES 1 through 50, inclusive, Defendants, Kern County Superior Court Case No. BCV-25-102679 –

32) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

33) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, NOVEMBER 18, 2026 AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

CA
24) CLAIMS AND LAWSUITS FILED AS OF SEPTEMBER 30, 2026 – RECEIVE AND FILE

A) Claim in the matter of Anthony Dudley Davis
B) Claim in the matter of Percy Richard
C) Claim in the matter of Christopher Matthew Barrett
D) Notice of Charge of Discrimination in the matter of Carmen D. Marcial, EEOC Charge No. 480-2026-00819

SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS

Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306

Regular Meeting
September 16, 2026

11:30 A.M.

BOARD RECONVENED

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call: 5 Present; 2 Absent - McLaughlin, Stout

NOTE: The vote is displayed in bold below each item. For example, Berjis-Pelz denotes Director Berjis made the motion and Director Pelz seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" WERE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

NOTE: VICE-CHAIRMAN BERJIS ANNOUNCED A CORRECTION TO THE TERMINATION DATE IN AGENDA ITEM 16 FROM MARCH 15, 2026 TO MARCH 15, 2027

PUBLIC PRESENTATIONS

1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2)) –
NO ONE HEARD

ITEMS FOR CONSIDERATION

CA
3) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on August 19, 2026 –
APPROVED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
4) Proposed ratification of appointment of Joshua L. Tobias, M.D., as Chair, Department of Emergency Medicine, effective September 16, 2026 –
RATIFIED APPOINTMENT
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
5) Proposed payment of incentive compensation in the amount of $14,874, less all applicable federal and state taxes and withholdings, pursuant to Agreement 099-2023 with Alton Scott Thygerson, a contract employee, for Chief Executive Officer services for the period July 19, 2023 through July 19, 2028, for completion of certain annual performance-based metrics for Fiscal Year Ended June 30, 2026 –
APPROVED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
6) Proposed Amendment No. 1 to Memorandum of Understanding 058-2026 with the County of Kern, as represented by Kern Behavioral Health and Recovery Services for the period April 1, 2026 through September 30, 2026, extending the term for three months from October 1, 2026 through December 31, 2026 –
APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN AGREEMENT 136-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
7) Proposed Agreement with Patton Sheet Metal Works, Inc., doing business as Patton Air Conditioning, an independent contractor, for maintenance, repair, and emergency response services for heating, ventilation, and air conditioning (HVAC) systems from September 16, 2026 through September 15, 2029, in an amount not to exceed $950,000 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 137-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
8) Proposed Amendment No. 1 to Agreement 153-2023 with Xanitos, Inc., an independent contractor, for environmental services for the period December 1, 2023 through November 30, 2026, extending the term from December 1, 2026 through November 30, 2029, increasing the maximum payable by $2,194,988, from $2,109,775 to $4,304,742, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 138-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
9) Proposed First Amendment to Agreement 14220 with Bluesight, Inc., an independent contractor, for medication management software and related services for the period March 27, 2020 through November 3, 2026, extending the term for three years from November 4, 2026 through November 3, 2029, and increasing the maximum payable by $19,500, from $18,000 to $37,500, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 139-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
10) Proposed Change Letter to Agreement 079-2026 with De Lage Landen Financial, an independent contractor, amending the amortization schedule for purchase of a Kinevo neurosurgical microscope, increasing the maximum payable by $20,332, from $757,143 to $777,475 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 140-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
11) Proposed Agreement with Welch Allyn, Inc., a subsidiary of Baxter International, Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of vital sign machines, in an amount not to exceed $19,000, plus applicable fees and taxes –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 141-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
12) Proposed retroactive Third Amendment to the Kern County Hospital Authority Defined Contribution Plan for Physician Employees, amending the definition of “Eligible Employee” to include the chief medical officer as a Plan participant, effective September 1, 2026 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 142-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
13) Proposed Amendment No. 12 to Agreement 947-2008 with Toyon Associates, Inc., an independent contractor, for third-party reimbursement services for the period October 14, 2008 through October 13, 2026, extending the term for two years from October 14, 2026 through October 13, 2028, updating the service pricing, and increasing the maximum payable by $950,000, from $6,190,000 to $7,140,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 143-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
14) Proposed Agreement with The Chartis Group, LLC doing business as The Greeley Company, LLC, an independent contractor, containing nonstandard terms and conditions for medical staff leadership development, in an amount not to exceed $16,200 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 144-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
15) Proposed Amendment No. 5 to Agreement 006-2020 with Neurodiagnostic Workforce LLC, an independent contractor, for neurodiagnostic monitoring services for the period February 12, 2020 through February 11, 2028, increasing the monthly stipend from $37,500 to $42,500 for an annual increase of $60,000, and increasing the maximum payable by $85,000, from $3,452,000 to $3,537,000, to cover the term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 145-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
16) Proposed Amendment No. 10 to Agreement 041-2023 with Tarun Rustagi, M.D., a contract employee, for professional medical services in the Department of Medicine for the period March 16, 2023 through September 18, 2026, extending the term from September 19, 2026 through March 15, 2027, revising the compensation methodology, and increasing the maximum payable by $1,950,000, from $11,016,787 to $12,966,787, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 146-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
17) Proposed retroactive Amendment No. 4 to Agreement 103-2022 with Jack C. Hou, M.D., a contract employee, for professional medical services in the Department of Surgery for the period September 22, 2022 through September 21, 2026, revising the compensation schedule for outside call coverage –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 147-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
18) Proposed Agreement with Jack C. Hou, M.D., a contract employee, for professional medical services in the Department of Surgery from September 22, 2026 through September 21, 2029, in an amount not to exceed $2,550,000, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 148-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
19) Proposed Master Services Agreement and Statement of Work with Sollucio, Inc., an independent contractor, containing nonstandard terms and conditions, for technical support services for the electronic health record, in an amount not to exceed $119,600, effective September 16, 2026 through project completion –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 149-2026
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
20) Proposed Compliance Plan for Fiscal Year 2026-2027 –
APPROVED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
21) Report on upcoming anticipated retroactive agreements –
RECEIVED AND FILED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

22) Kern County Hospital Authority Chief Financial Officer report –
CHIEF FINANCIAL OFFICER ANDREW CANTU HEARD; RECEIVED AND FILED
Pollard-Pelz: 5 Ayes; 2 Absent - McLaughlin, Stout

23) Kern County Hospital Authority Chief Executive Officer report –
CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD; DIRECTOR BERJIS ASKED IF THE F STREET PSYCHIATRY CLINIC IS A JOINT VENTURE WITH KERNBHRS; DIRECTOR MERZ ASKED HOW MANY PRACTITIONERS ARE ASSIGNED TO THE CLINIC; MR. THYGERSON RESPONDED; RECEIVED AND FILED
Merz-Pelz: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
24) Monthly report on What's Happening at Kern Medical Center –
RECEIVED AND FILED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

CA
25) Claims and Lawsuits Filed as of August 31, 2026 –
RECEIVED AND FILED
Merz-Pollard: 5 Ayes; 2 Absent - McLaughlin, Stout

ADJOURNED TO CLOSED SESSION
Pollard-Anderson

CLOSED SESSION

26) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW

27) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW

28) CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Plaintiff/Petitioner, v. Kern County Hospital Authority, et al., Defendants/Respondents, Kern County Superior Court Case No. 26CUB02463 – SEE RESULTS BELOW

29) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – SEE RESULTS BELOW

30) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION
Pollard-Pelz

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item 26 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR POLLARD, SECOND BY DIRECTOR PELZ; 2 ABSENT - DIRECTORS MCLAUGHLIN AND STOUT) THE BOARD APPROVED ALL CREDENTIALING RECOMMENDATIONS; NO OTHER REPORTABLE ACTION TAKEN

Item 27 concerning Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – HEARD; NO REPORTABLE ACTION TAKEN

Item 28 concerning CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521, Plaintiff/Petitioner, v. Kern County Hospital Authority, et al., Defendants/Respondents, Kern County Superior Court Case No. 26CUB02463 – HEARD; NO REPORTABLE ACTION TAKEN

Item 29 concerning Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

Item 30 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, OCTOBER 21, 2026 AT 11:30 A.M.
ANDERSON

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Philip McLaughlin
Chairman, Board of Governors
Kern County Hospital Authority

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

SUBJECT: Establish Regular Meeting Dates of the Kern County Hospital Authority Board of Governors for Calendar Year 2027

Recommended Action: Approve; Adopt Resolution

Summary:

The conduct of your Board is subject to the provisions of the Ralph M. Brown Act ("Brown Act"; Gov. Code, § 54950 et seq.). Specifically, section 54954, subd. (a) of the Brown Act requires that your Board shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings.

Therefore, it is recommended that your Board establish its schedule of regular meetings for calendar year 2027 in compliance with the Brown Act by adopting the attached Resolution.

BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY

In the matter of: Resolution No. 2026-___

ESTABLISHING THE REGULAR MEETING DATES OF THE KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS FOR CALENDAR YEAR 2027

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The Brown Act (Gov. Code, § 54954, subd. (a)) requires that the legislative body of a local agency shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings; and

(b) Section 2.170.060 of the Ordinance Code of the County of Kern ("Ordinance") provides for a governing body, which shall be known as the Kern County Hospital Authority Board of Governors; and

(c) Section 2.170.030 of the Ordinance provides that the Brown Act shall apply to the Kern County Hospital Authority; and

(d) The Kern County Hospital Authority Board of Governors desires to establish its schedule of regular meetings for calendar year 2027 in compliance with the Brown Act.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Except as provided in paragraph 4 of this Resolution, the calendar year 2027 regular meetings of the Board of Governors shall be held as follows:

Wednesday, January 20, 2027	Regular Meeting
Wednesday, February 17, 2027	Regular Meeting
Wednesday, March 17, 2027	Regular Meeting
Wednesday, April 21, 2027	Regular Meeting
Wednesday, May 19, 2027	Regular Meeting
Wednesday, June 16, 2027	Regular Meeting
Wednesday, July 21, 2027	Regular Meeting
Wednesday, August 18, 2027	Regular Meeting
Wednesday, September 15, 2027	Regular Meeting
Wednesday, October 20, 2027	Regular Meeting
Wednesday, November 17, 2027	Regular Meeting
Wednesday, December 15, 2027	Regular Meeting

3. All meetings shall be held at Kern Medical Center, which is located at 1700 Mount Vernon Avenue, Bakersfield, California 93306. All meetings shall commence at the hour of 11:30 a.m., unless a different time is posted by the Authority Board Coordinator. Meetings so commenced may be continued from time to time until the disposition of all business before the Board of Governors.

4. Regular meetings shall be canceled or rescheduled whenever the Board of Governors unanimously finds good cause otherwise exists for cancellation, rescheduling, or scheduling of a regular meeting.

5. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Members, Board of Governors
Kern Medical Center
Legal Services Department
Medical Staff of Kern Medical Center
County Administrative Office
Clerk of the Board of Supervisors

KernMedical

Kern County Hospital Authority
Board of Governors'
Meeting Calendar
11:30am – 2:00pm

2027

JANUARY

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31						

FEBRUARY

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MARCH

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APRIL

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MAY

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30	31					

JUNE

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JULY

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AUGUST

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29	30	31				

SEPTEMBER

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OCTOBER

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31						

NOVEMBER

S	M	T	W	T	F	S
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28	29	30				

DECEMBER

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19	20	21	22	23	24	25
26	27	28	29	30	31	

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1700 Mt. Vernon Ave., Bakersfield, CA 93306 | KernMedical.com

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

SUBJECT: Kern County Hospital Authority Organizational Chart effective October 21, 2026

Recommended Action: Approve

Summary:

Kern Medical requests your Board approve the Kern County Hospital Authority Organizational Chart effective October 21, 2026.

KernMedical

ORGANIZATIONAL CHART

DRAFT

Chief Nursing Officer provides clinical oversight to all RN's in the organization.

Kern County Hospital Authority BOARD OF GOVERNORS

CHIEF EXECUTIVE OFFICER
Scott Thygerson

President of the Medical Staff
Medical Executive Committee
Medical Staff

Scott Thygerson
Chief Executive Officer

October 21, 2026

Vice President General Counsel
Karen S. Barnes

- Compliance
- Contracting
- Legal
- Risk Management

Chief Financial Officer
Andrew Cantu

- Admitting
- Budget/Decision Support
- Cancer Registry
- Central Supply
- General Accounting
- Managed Care Contracting
- Patient Accounting
- Payroll
- Physician Enterprise
- Physician Services
- Treasury
- Ancillary Registration
- CalAIM
- Case Management
- Finance Administration
- Health Information Mgmt.
- Materials Management
- Patient Financial Counseling
- Physician Contracting
- Physician Recruitment
- Strategic Planning

Chief Academic Officer
Amir Berjis, M.D.

- Institutional Review Board
- Medical Education
- Medical Library

DRAFT

Chief Nursing Officer
Tonya Barraza

- Diagnostic Treatment Center
- DOU
- Emergency Care
- Emergency Fast Track
- ICU
- Infection Control
- Inpatient Psychiatric Unit
- Labor & Delivery
- Med/Surg
- Neonate High Risk Clinic
- Neonatal ICU
- Nursery Acute
- Nursing Administration
- Outpatient Surgery Center
- PACU
- Palliative Care
- Pediatrics
- Post Partum
- Social Services
- Staff Development
- Surgical Services
- Trauma Services
- Wound Care
- Vascular Access

Chief Operating Officer
Tyler Whitezell

- BioMed
- Cardiac Diagnostic Lab
- Cardiopulmonary Services/ EKG
- Central Transportation
- Construction
- Dietary/Nutrition Service
- Engineering
- Environmental Services
- Grounds
- Hospital Operators
- Laboratory-Clinical
- Performance Improvement
- **Pharmacy Departments:**
  - Clinical Pharmacy
  - Inpatient Pharmacy
- Physical Therapy
- Public Policy Programs
- Pulmonary Function Lab
- Quality
- Radiology Services
- Security
- Space Planning

Chief Medical Officer (Interim)
Rick McPheeters, DO

- Medical Staff Office
- Medical Staff Departments:
  - Anesthesiology
  - Emergency Medicine
  - Family Medicine
  - Internal Medicine
  - OB-GYN
  - Pathology
  - Pediatrics
  - Psychiatry
  - Radiology
  - Surgery

Chief Ambulatory & Outreach Officer
Renee Villanueva

- Ambulatory Care
- Clinic Registration
- Correctional Medicine
- Employee Health
- Jamison Clinics
- Juvenile Hall
- Marketing/Communications
- Medical Education Support
- NST Clinic
- Outpatient Clinics
- Recuperative Care
- Wellness Program

Executive Director
Renee Villanueva
Community Health Center

Co-Chief Information Officers (Interim)
Sandy Bakich
Ezzat Khalil

- Information Systems
- Applications
- Data Intelligence
- Data Security
- Help Desk
- Infrastructure
- IT Asset Management
- IT Imaging
- IT Informatics
- IT PMO

Chief Human Resources & Transformation Officer
Roby Hunt

- Human Resources
- Labor Relations
- Light Duty
- Professional Development

Vice President Development
Natalee Garrett

- Auxiliary
- Business Development
- Simulation Center

Executive Director Kern Medical Center Foundation
Natalee Garrett

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed acceptance of donation of travel and related expenses (conference fees only) from Becker's Healthcare for the Becker's Healthcare CEO + CFO Roundtable 2026

Recommended Action: Approve; Adopt Resolution

Summary:

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

Becker's Healthcare (Becker's) is a leading multimedia company providing business, legal, and clinical analysis for healthcare industry leaders, and serves as a central hub for professionals shaping American healthcare, including executives from hospitals, health systems, ambulatory surgery centers, and health plan. Becker's hosts 16 annual conferences, covering topics such as hospital management, clinical leadership, and healthcare innovation. These events provide networking opportunities and forums for executives to discuss emerging trends, regulatory changes, and operational strategies.

Becker's has offered to donate to the Authority travel and related expenses (conference fees only) for one Kern Medical employee to attend the Becker's Healthcare CEO + CFO Roundtable 2026 from November 2-5, 2026, in Chicago, Illinois. This training session is necessary in connection with official Authority business.

Therefore, it is recommended that your Board adopt the attached proposed resolution to accept the travel donation from Becker's Healthcare for travel and related expenses (conference fees only) and authorize the Chief Executive Officer to designate one employee to attend this important conference.

BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY

In the matter of: Resolution No. 2026-___

ACCEPTANCE OF DONATION OF TRAVEL AND RELATED EXPENSES FROM BECKER'S HEALTHCARE FOR THE BECKER'S HEALTHCARE CEO + CFO ROUNDTABLE 2026

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority ("Authority") prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) Becker's Healthcare is a leading multimedia company providing business, legal, and clinical analysis for healthcare industry leaders, and serves as a central hub for professionals shaping American healthcare, including executives from hospitals, health systems, ambulatory surgery centers, and health plan; and

(c) Becker's Healthcare has offered to donate to the Authority travel and related expenses (conference fees only) for one Authority employee to attend the Becker's Healthcare CEO + CFO Roundtable 2026 from November 2-5, 2026, in Chicago, Illinois; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses from TIAA to the Authority and will retain full control over the use of the donation; and

(f) TIAA has not imposed any restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from Becker's Healthcare the donation of travel and related expenses (conference fees only) for one Authority employee to attend the Becker's Healthcare CEO + CFO Roundtable 2026 from November 2-5, 2026, in Chicago, Illinois.

3. This Board authorizes the Chief Executive Officer to designate one Authority employee to attend the Becker's Healthcare CEO + CFO Roundtable 2026 in Chicago, Illinois, from November 2-5, 2026.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer
Legal Services Department
Human Resources Department

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed acceptance of donation of travel and related expenses from Teachers Insurance and Annuity Association of America for the TIAA Joint Advisory Councils Meeting

Recommended Action: Approve; Adopt Resolution

Summary:

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

The Authority is the sponsor of the Kern County Hospital Authority Defined Contribution Plan for Physician Employees (the "Plan"); Teachers Insurance and Annuity Association of America ("TIAA") is the administrator of the Plan. TIAA has offered to donate to the Authority all travel and related expenses for one Kern Medical employee to attend the TIAA Joint Advisory Councils Meeting from October 26-28, 2026, in Frisco, Texas. This training session is necessary in connection with official Authority business.

Therefore, Kern Medical recommends your Board adopt the attached proposed resolution to accept the travel donation from Teachers Insurance and Annuity Association of America for travel and related expenses and authorize the Chief Executive Officer to designate one employee to attend this important conference.

BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY

In the matter of: Resolution No. 2026-___

ACCEPTANCE OF DONATION OF TRAVEL AND RELATED EXPENSES FROM TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA (TIAA) FOR THE TIAA JOINT ADVISORY COUNCILS MEETING

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority ("Authority") prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) The Authority is the sponsor of the Kern County Hospital Authority Defined Contribution Plan for Physician Employees (the "Plan"); Teachers Insurance and Annuity Association of America ("TIAA") is the administrator of the Plan; and

(c) TIAA has offered to donate to the Authority all travel and related expenses for one Authority employee to attend the TIAA Joint Advisory Councils Meeting from October 26-28, 2026, in Frisco, Texas; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses from TIAA to the Authority and will retain full control over the use of the donation; and

(f) TIAA has not imposed any restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from TIAA the donation of travel and related expenses to cover all costs for one Authority employee to attend the TIAA Joint Advisory Councils Meeting from October 26-28, 2026, in Frisco, Texas.

3. This Board authorizes the Chief Executive Officer to designate one Authority employee to attend the TIAA Joint Advisory Councils Meeting in Frisco, Texas, from October 26-28, 2026.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer
Legal Services Department
Human Resources Department

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed retroactive acceptance of donation of travel and related expenses (conference fees only) from Marcus Evan Groups for the Healthcare HR Summit 2026

Recommended Action: Approve; Adopt Resolution

Summary:

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

Marcus Evans Group produces high-end and sector-focused business events, summits, and conferences, in a number of business sectors including human resources. Marcus Evan Group has offered to donate to the Authority travel and related expenses (conference fees only) for one Authority employee to attend the Healthcare HR Summit 2026 in Las Vegas, Nevada, from October 19-20, 2026.

The Healthcare HR Summit is designed to equip senior HR leaders with strategic insight and peer-validated tools to navigate an environment defined by financial pressure, policy volatility, and accelerating technological change. This training session is necessary in connection with official Authority business.

Kern Medical recommends your Board retroactively adopt the attached proposed resolution to accept the travel donation from Marcus Evans Group for travel and related expenses (conference fees only) and authorize the Chief Executive Officer to designate one Authority employee to attend this important conference.

BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY

In the matter of: Resolution No. 2026-___

ACCEPTANCE OF DONATION OF TRAVEL AND RELATED EXPENSES FROM MARCUS EVANS GROUP FOR THE HEALTHCARE HR SUMMIT 2026

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority ("Authority") prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) Marcus Evans Group produces high-end and sector-focused business events, summits, and conferences, in a number of business sectors, including human resources; and

(c) The Healthcare HR Summit is designed to equip senior HR leaders with strategic insight and peer-validated tools to navigate an environment defined by financial pressure, policy volatility, and accelerating technological change; and

(c) Marcus Evan Group has offered to donate to the Authority travel and related expenses (conference fees only) for one Authority employee to attend the Healthcare HR Summit 2026 in Las Vegas, Nevada, from October 19-20, 2026; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses (conference fees only) from Marcus Evans Group to the Authority and will retain full control over the use of the donation; and

(f) Marcus Evans Group has not made any restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from Marcus Evans Group the donation of travel and related expenses (conference fees only) for one Authority employee to travel to Las Vegas, Nevada, to attend the Healthcare HR Summit 2026 from October 19-20, 2026.

3. This Board authorizes the Chief Executive Officer to designate one Authority employee to attend the Healthcare HR Summit 2026 from October 19-20, 2026, in Las Vegas, Nevada.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer
Legal Services Department
Human Resources Department

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed retroactive acceptance of donation of travel and related expenses (conference fees only) from Experian Health for the Experian Health High-Performance Summit 2026

Recommended Action: Approve; Adopt Resolution

Summary:

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

Experian Health is a healthcare technology and data-analytics company that provides revenue cycle management, patient identity verification, insurance eligibility, and regulatory compliance solutions to hospitals and health systems, including the Authority. Experian Health has offered to donate to the Authority travel and related expenses (conference fees only) for three Authority employees to attend the Experian Health High-Performance Summit 2026 in Dallas, Texas, from October 19-22, 2026. This training session is necessary in connection with official Authority business.

Therefore, it is recommended that your Board retroactively adopt the attached proposed resolution to accept the travel donation from Experian Health for travel and related expenses (conference fees only) and authorize the Chief Executive Officer to designate three employees to attend this important conference.

BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY

In the matter of: Resolution No. 2026-___

ACCEPTANCE OF DONATION OF TRAVEL AND RELATED EXPENSES FROM EXPERIAN HEALTH, INC. FOR THE HIGH-PERFORMANCE SUMMIT 2026

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority ("Authority") prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) Experian Health is a healthcare technology and data-analytics company that provides revenue cycle management, patient identity verification, insurance eligibility, and regulatory compliance solutions to hospitals and health systems, including the Authority; and

(c) Experian Health has offered to donate to the Authority travel and related expenses (conference fees only) for three Authority employees to attend the Experian Health High-Performance Summit 2026 in Dallas, Texas, from October 19-22, 2026; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses from Experian Health, Inc. to the Authority and will retain full control over the use of the donation; and

(f) There are no restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from Experian Health the donation of travel and related expenses (conference fees only) for three Authority employees to attend the Experian Health High-Performance Summit 2026 from November 10-13, 2024, in Dallas, Texas.

3. This Board authorizes the Chief Executive Officer to designate three Authority employees to attend the Experian Health High-Performance Summit 2026 in Dallas, Texas, from October 19-22, 2026.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer
Legal Services Department
Patient Access Department

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Amendment No. 7 to Agreement 099-2023 with Alton Scott Thygerson, a contract employee

Requested Action: Approved; Authorize Chairman to sign

Summary:

On July 19, 2023, your Board approved Agreement 099-2023 with Alton Scott Thygerson for professional services as chief executive officer of Kern County Hospital Authority for the period July 19, 2023 through July 19, 2026. On June 17, 2026, the Agreement was renewed for one additional term of two years through July 19, 2028.

The Agreement contains a provision for annual incentive compensation with maximum earnings payable at the end of each employment year not to exceed 3% of the annual base compensation, currently set at $632,139, and requires that your Board and Mr. Thygerson develop mutually agreed upon specific reasonable and achievable performance-based metrics annually.

Attached to the proposed Amendment as Exhibit “B-1” is an evaluation scorecard that reflects 20 measures for fiscal year 2026-2027, each with an assigned dollar value of $948.21, with total potential incentive compensation of $18,964, which is 3% of Mr. Thygerson’s current annual base compensation. There are no other changes to the Agreement.

Therefore, it is recommended that your Board approve Amendment No. 7 to Agreement 099-2023 with Alton Scott Thygerson for professional services as chief executive officer of Kern County Hospital Authority, adding performance-based metrics for fiscal year 2026-2027, and authorize the Chairman to sign.

AMENDMENT NO. 7
TO
AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Alton Scott Thygerson)

This Amendment No. 7 to the Agreement for Professional Services is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Alton Scott Thygerson ("Executive").

RECITALS

(a) Authority and Executive have heretofore entered into an Agreement for Professional Services (Agt. #099-2023, dated July 19, 2023) (the "Agreement"), for the period July 19, 2023 through July 19, 2028, whereby Executive serves as chief executive officer of Authority; and

(b) It is the intent of the parties to have the terms of the Agreement provide for the payment of all reasonably projected costs and expenses related to the services provided by Executive; and

(c) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth;

(d) The Agreement is amended effective October 21, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Exhibit "B-1," Performance-Based Metrics, Fiscal Year 2026-2027, attached hereto and incorporated herein by this reference, shall be made part of the Agreement.

2. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

3. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

4. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which take together shall constitute one and the same instrument.

5. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 7 as of the day and year first written above.

EXECUTIVE

By_____
Alton Scott Thygerson

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By_____
Vice President & General Counsel
Kern County Hospital Authority

EXHIBIT "B-1"
PERFORMANCE-BASED METRICS
FISCAL YEAR 2026-2027

[TO BE ATTACHED]

CEO Annual Performance Evaluation Scorecard
For Fiscal Year Ended Jun 30, 2027

Item	Measure	Description	Possible Points	Earned Points
		1. Patient Experience and Safety		
1	Patient Experience	Achieve at least +/- 2% Top Box Score of 9 or 10 to Recommend to Family/Friends for (1) Inpatient 65%, (2) ER 51%, (3) Clinics 80%	2.5	
		Achieve at least +/- 2% Top Box Composite Score of 9 or 10 for (1) Communication with Nurses 79%, (2) Communication with Doctors 80%, (3) Responsiveness of Hospital Staff 61%, (4) Communication about Medicines 60%, (5) Discharge Information 87%.	2.5	
2	Safety Measures	85% of measures meet or exceed target or not statistically different than CMS.	5	
3	Staff Safety Survey	+/- 3% of staff rated unit/work area on safety compared to national.	5	
		2. Employer of Choice		
4	Staff Turnover	+/- 2.5% of national turnover rate.	5	
5	Leadership Development	Develop Succession Plan for Executive Leadership.	5	
6	Leadership Development	Implement new enhanced Performance Management Program (PMP) system.	5	
		3. Partnerships		
7	Mobile Clinics	80% of all Mobile Clinic Sessions are Held in Conjunction with an Outside Partner (e.g. school district, community organizations, etc.)	5	
		4. Academic Training		
8	Medical Education	Develop and launch funding plan for Medical Arts and Education Pavilion.	5	
9	Graduate Medical Education	First class of Family Medicine residents to start July 1, 2027.	5	
		5. Community Understanding		
10	Outreach and Education	Annual Hospital Authority Outreach Plan Valley Fever Outreach Plan Trauma Outreach Activities Oncology Program Outreach Activities Evaluate and Use Media Outlets as appropriate (including television/radio)	5	
		6. Stewardship		
11	Net Revenue	Exceed Net Revenue of $383,000,000 (3 pts). Exceed $390,000,000 (5 pts).	5	
12	EBIDA	Exceed $21,500,000 (3 pts). Exceed Actual of $23,000,000 (5 pts).	5	
13	Cash Collections and Cash Management	Exceed fiscal year cash collections goal of $382,800,000; Treasury/Cash Reserves Account of $10,000,000.	5	
14	Oracle E.H.R.	Do not exceed projected annual Oracle E.H.R. expenses consisting of the new contract's operating expenses in the amount of $5,583,608, related implementation/optimization expenses of $1,674,707, and $1,253,033 for remaining amount on old contract for a total not to exceed amount of $8,511,348.	5	
15	Days Gross A/R	Equal or better than 60 days.	5	
16	Productivity	Better than 6.84 FTEs per AOB (3 pts). Better than 6.70 FTEs per AOB (5 pts).	5	
17	Registry Expense (All Staff)	Better than $20,800,000 (3 pts). Better than $19,000,000 (5 pts).	5	
18	Clinic Volumes	Maintain +/- 2.0% prior year visits 270,627.	5	
19	Physician Recruitment	Recruit 10 physicians.	5	
20	New or Expanded Services	Add 2 of any of the following 4 to FQHC Scope of Use: (1) Dental, (2) Mobile Clinics, (3) Urgent Care, or (4) Psychiatry.	5	
		Total Points	**100**	

$ Value per Measure	
Base Salary for Year Ended June 30, 2027	$ 632,139
Potential Incentive Compensation (3.0% of base)	$ 18,964
Compensation per Measure	$ 948.21

KernMedical | 160 YEARS Health for Life.

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed retroactive Financing Agreement with GSG Financial and KS State Bank

Recommended Action: Approve; Adopt Resolution; Authorize Chairman to sign

Summary:

On April 15, 2026, your Board approved the purchase of SIGNA™ Voyager 49-ch Mobile System with Fixed Table MRI from GE Precision Healthcare ("GE") in an amount not to exceed $2,551,000, to be financed at a rate of 6.2% across 60 months. Kern Medical worked with GE and GSG Financial to establish financing on the equipment. As anticipated, GSG Financial was unable to provide the financing documents until the MRI was delivered and GE sent the final invoice. Before your Board today is the financing agreement with GSG Financial providing for the financing of the equipment.

This new MRI machine features a large bore, allowing us to expand our portfolio of studies, be more time efficient, and reduce patient wait times and allow Kern Medical to greatly improve the quality of our imaging services. By purchasing and financing the MRI, Kern Medical will generate savings of $749,000 over the next 60 months compared to rates paid for a rental alternative. This Agreement was listed on your Board's August Retroactive Agreement list. The Agreement is retroactive because it was automatically generated upon the date of invoice.

The proposed Agreement is not approved as to form by Counsel as it contains nonstandard terms. Those nonstandard terms include continued payment in the best event equipment becomes inoperable or damaged. The proposed Agreement also includes a provision that Kern Medical must do all within its capabilities to appropriate funds in each of its annual budgets to provide for payment of the financing agreement.

Therefore, it is recommended that your Board approve the proposed retroactive Financing Agreement with GSG Financial and KS State Bank for the financing of the purchase of the SIGNA™ Voyager 49-ch Mobile System with Fixed Table MRI from GE Precision Healthcare, containing non-standard terms and conditions, in an amount not to exceed $2,551,000 over a five (5) year term, effective October 8, 2026 through October 7, 2033; adopt resolution; and authorize the Chairman to sign

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of September 04, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) MRI Machine

Physical Address of Equipment after Delivery: 1700 Mount Vernon Ave., Bakersfield, CA 93306

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

Date of First Payment	November 08, 2026
Original Balance	$2,185,898.97
Total Number of Payments	Sixty (60)
Number of Payments Per Year	Twelve (12)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	08-Nov-26	$42,507.85	$11,373.69	$31,134.16	Not Available
2	08-Dec-26	$42,507.85	$11,211.69	$31,296.16	$2,165,708.40
3	08-Jan-27	$42,507.85	$11,048.85	$31,459.00	$2,132,946.24
4	08-Feb-27	$42,507.85	$10,885.17	$31,622.68	$2,100,036.65
5	08-Mar-27	$42,507.85	$10,720.63	$31,787.22	$2,066,978.96
6	08-Apr-27	$42,507.85	$10,555.23	$31,952.62	$2,033,772.52
7	08-May-27	$42,507.85	$10,388.98	$32,118.87	$2,000,416.65
8	08-Jun-27	$42,507.85	$10,221.85	$32,286.00	$1,966,910.67
9	08-Jul-27	$42,507.85	$10,053.86	$32,453.99	$1,933,253.92
10	08-Aug-27	$42,507.85	$9,885.00	$32,622.85	$1,899,445.71
11	08-Sep-27	$42,507.85	$9,715.25	$32,792.60	$1,865,485.37
12	08-Oct-27	$42,507.85	$9,544.63	$32,963.22	$1,831,372.20
13	08-Nov-27	$42,507.85	$9,373.11	$33,134.74	$1,797,105.52
14	08-Dec-27	$42,507.85	$9,200.71	$33,307.14	$1,762,684.64
15	08-Jan-28	$42,507.85	$9,027.40	$33,480.45	$1,728,108.87
16	08-Feb-28	$42,507.85	$8,853.20	$33,654.65	$1,693,377.51
17	08-Mar-28	$42,507.85	$8,678.08	$33,829.77	$1,658,489.86
18	08-Apr-28	$42,507.85	$8,502.06	$34,005.79	$1,623,445.21
19	08-May-28	$42,507.85	$8,325.12	$34,182.73	$1,588,242.86
20	08-Jun-28	$42,507.85	$8,147.26	$34,360.59	$1,552,882.10
21	08-Jul-28	$42,507.85	$7,968.48	$34,539.37	$1,517,362.22
22	08-Aug-28	$42,507.85	$7,788.76	$34,719.09	$1,481,682.50
23	08-Sep-28	$42,507.85	$7,608.11	$34,899.74	$1,445,842.22
24	08-Oct-28	$42,507.85	$7,426.52	$35,081.33	$1,409,840.66
25	08-Nov-28	$42,507.85	$7,243.98	$35,263.87	$1,373,677.09
26	08-Dec-28	$42,507.85	$7,060.50	$35,447.35	$1,337,350.79
27	08-Jan-29	$42,507.85	$6,876.06	$35,631.79	$1,300,861.02
28	08-Feb-29	$42,507.85	$6,690.66	$35,817.19	$1,264,207.04
29	08-Mar-29	$42,507.85	$6,504.29	$36,003.56	$1,227,388.12
30	08-Apr-29	$42,507.85	$6,316.96	$36,190.89	$1,190,403.52
31	08-May-29	$42,507.85	$6,128.65	$36,379.20	$1,153,252.49
32	08-Jun-29	$42,507.85	$5,939.36	$36,568.49	$1,115,934.28
33	08-Jul-29	$42,507.85	$5,749.09	$36,758.76	$1,078,448.13
34	08-Aug-29	$42,507.85	$5,557.83	$36,950.02	$1,040,793.30
35	08-Sep-29	$42,507.85	$5,365.57	$37,142.28	$1,002,969.02
36	08-Oct-29	$42,507.85	$5,172.31	$37,335.54	$964,974.53
37	08-Nov-29	$42,507.85	$4,978.04	$37,529.81	$926,809.07
38	08-Dec-29	$42,507.85	$4,782.77	$37,725.08	$888,471.86
39	08-Jan-30	$42,507.85	$4,586.48	$37,921.37	$849,962.13
40	08-Feb-30	$42,507.85	$4,389.16	$38,118.69	$811,279.11
41	08-Mar-30	$42,507.85	$4,190.82	$38,317.03	$772,422.02
42	08-Apr-30	$42,507.85	$3,991.45	$38,516.40	$733,390.07

EXHIBIT B - CONTINUED

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
43	08-May-30	$42,507.85	$3,791.04	$38,716.81	$694,182.48
44	08-Jun-30	$42,507.85	$3,589.59	$38,918.26	$654,798.45
45	08-Jul-30	$42,507.85	$3,387.09	$39,120.76	$615,237.19
46	08-Aug-30	$42,507.85	$3,183.54	$39,324.31	$575,497.91
47	08-Sep-30	$42,507.85	$2,978.93	$39,528.92	$535,579.80
48	08-Oct-30	$42,507.85	$2,773.25	$39,734.60	$495,482.06
49	08-Nov-30	$42,507.85	$2,566.50	$39,941.35	$455,203.88
50	08-Dec-30	$42,507.85	$2,358.68	$40,149.17	$414,744.45
51	08-Jan-31	$42,507.85	$2,149.77	$40,358.08	$374,102.95
52	08-Feb-31	$42,507.85	$1,939.78	$40,568.07	$333,278.56
53	08-Mar-31	$42,507.85	$1,728.70	$40,779.15	$292,270.46
54	08-Apr-31	$42,507.85	$1,516.51	$40,991.34	$251,077.83
55	08-May-31	$42,507.85	$1,303.23	$41,204.62	$209,699.83
56	08-Jun-31	$42,507.85	$1,088.83	$41,419.02	$168,135.63
57	08-Jul-31	$42,507.85	$873.32	$41,634.53	$126,384.39
58	08-Aug-31	$42,507.85	$656.69	$41,851.16	$84,445.27
59	08-Sep-31	$42,507.85	$438.93	$42,068.92	$42,317.42
60	08-Oct-31	$42,507.85	$220.03	$42,287.82	$0.00

Kern County Hospital Authority

X _____

Signature

Philip McLaughlin, Board Chairman

_____

Printed Name and Title

*Assumes all Contract Payments due to date are paid

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds: General Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

Kern County Hospital Authority

X

Signature

Philip McLaughlin Board Chaiman

Printed Name and Title

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of October 08, 2026, between Kern County Hospital Authority (Obligor) and KS StateBank (Obligee).

2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s): Philip McLaughlin Board Chairman

(Typed or Printed Name and Title of Individual(s) authorized to execute the Contract)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: X _____

(Signature of Board Chairman or other authorized member of the Obligors Governing Body)

Printed Name & Title: **Philip McLaughlin** Board Chairman

(Printed Name and Title of individual who signed directly above)

Attested By: X _____

(Signature of Obligors Board Secretary or Board Clerk)

Printed Name & Title: Mona Allen, Board Secretary

(Printed Name of individual who signed directly above)

EXHIBIT E

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

Whereas, Obligor hereby represents that it is a “Bank Qualified” Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code of 1986, as amended (the “Code”). (A “Bank Qualified Issuer” is an issuer that issues less than ten million ($10,000,000) dollars of tax-exempt obligations other than “private activity bonds” as defined in Section 141 of the Code, excluding certain “qualified 501(c)(3) bonds” as defined in Section 145 of the Code, during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Code, the Obligor hereby specifically designates the Contract as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than $10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such “qualified tax-exempt obligations”.

2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than “private activity bonds” as defined in Section 141 of the Code and excluding certain “qualified 501(c)(3) bonds” as defined in Section 145 of the Code) in an amount greater than $10,000,000.

Kern County Hospital Authority

X

Signature

Philip McLaughlin Board Chairman

Printed Name and Title

OPINION OF COUNSEL

(Must be Re-typed onto attorney's letterhead)

(Date, must be on or after the meeting date listed on Exhibit D, Obligor Resolution)

KS StateBank
1010 Westloop; P.O. Box 69
Manhattan, Kansas 66505-0069

RE: Government Obligation Contract dated as of October 08, 2026, between KS StateBank (Obligee) and Kern County Hospital Authority (Obligor)

Ladies and Gentlemen:

As legal counsel to Obligor, I have examined the foregoing Contract and such other opinions, documents and matters of law as I have deemed necessary in connection with this Contract. Based on the foregoing, I am of the following opinions:

1. Obligor is a political subdivision of the State of California, or a constituted authority authorized to issue obligations on behalf of a political subdivision of the State.
2. Obligor has the requisite power and authority to purchase the Equipment and to execute and deliver the Contract and to perform its obligations under the Contract. The Contract and the other documents either attached hereto or required herein have been duly authorized, approved and executed by and on behalf of Obligor, and the Contract is a legal, valid and binding obligation of Obligor enforceable in accordance with its terms.
3. The authorization, approval and execution of the Contract and all other proceedings of Obligor relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public procurement laws and all other applicable state and federal laws and regulations.
4. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the authority of the Obligor or any of the Obligor's officers or employees to enter into the Contracts.
5. The above opinion is for the sole benefit of the Obligee listed above and can only be relied upon by the Obligee or any permitted assignee or subassignee or successor of Obligee under the Contract.

Signature of Legal Counsel

INSURANCE REQUIREMENTS

Pursuant to Article 5 of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:
Kern County Hospital Authority
1700 Mount Vernon Ave
Bakersfield, California 93306

Certificate Holder:
KS StateBank AOIA (and/or Its Assigns)
1010 Westloop Place
Manhattan, Kansas 66502-0069

1. **Equipment Description**
   * One (1) SIGNA Voyager 1.5T MRI Machine
   * Please include all applicable VIN's, serial numbers, etc.
2. **Deductible**
   * The deductible amounts on the insurance policy should not exceed $250,000.00.
3. **Physical Damage**
   * All risk coverage to guarantee proceeds of at least $2,185,898.97.
4. **Liability**
   * Minimum Combined Single Limit of $1,000,000.00 on bodily injury and property damage.
5. **Additional Insured and Loss Payee**
   * KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.
6. **Rental Interruption / Abatement Insurance**
   * As set forth in Section 5.01(c) of the Contract.

Please forward certificate as soon as possible to: Email vmurphy@ksstate.bank
or
Fax (785) 587-4016

Please complete the information below and return this form along with the Contract.

Kern County Hospital Authority

Insurance Company: Coverys Specialty Insurance Company/ PRISM

Agent's Name: Alliant Insurance Services, Inc.

Telephone #: (415) 218-7690

Fax #: _____

Address: 560 Mission St 6th Floor

City, State Zip: San Francisco, CA 94105

Email: Jacob.Cooper@Alliant.com

Form **8038-G**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Bonds

▶ **Under Internal Revenue Code section 149(e)**
▶ **See separate instructions.**
Caution: *If the issue price is under $100,000, use Form 8038-GC.*
▶ **Go to *www.irs.gov/F8038G* for instructions and the latest information.**

OMB No. 1545-0047

Part I Reporting Authority

Check box if **Amended Return** ▶ ☐

1 Issuer's name Kern County Hospital Authority	**2** **Issuer's employer identification number (EIN)** 47-5618276
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)	**3b** Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1700 Mount Vernon Ave	**5** Report number *(For IRS Use Only)* 3
6 City, town, or post office, state, and ZIP code Bakersfield, CA 93306	**7** Date of issue 10/8/2026
8 Name of issue Government Obligation Contract	**9** CUSIP number None
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Andrew Cantu, Chief Financial Officer	**10b** Telephone number of officer or other employee shown on 10a (661) 326-2000

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11	Education	**11**	
12	Health and hospital	**12**	2,207,757.96
13	Transportation	**13**	
14	Public safety	**14**	
15	Environment (including sewage bonds)	**15**	
16	Housing	**16**	
17	Utilities	**17**	
18	Other. Describe ▶ One (1) SIGNA Voyager 1.5T MRI Machine	**18**	
19a	If bonds are TANs or RANs, check only box 19a ▶ ☐		
b	If bonds are BANs, check only box 19b ▶ ☐		
20	If bonds are in the form of a lease or installment sale, check box ▶ ☒		

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	**(b)** Issue price	**(c)** Stated redemption price at maturity	**(d)** Weighted average maturity	**(e)** Yield
21	10/8/2032	$ 2,207,757.96	$	6 years	6.244 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest		**22**	
23	Issue price of entire issue (enter amount from line 21, column (b))		**23**	
24	Proceeds used for bond issuance costs (including underwriters' discount)	**24**		
25	Proceeds used for credit enhancement	**25**		
26	Proceeds allocated to reasonably required reserve or replacement fund	**26**		
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	**27**		
28	Proceeds used to refund prior taxable bonds. Complete Part V	**28**		
29	Total (add lines 24 through 28)		**29**	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		**30**	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded ▶	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded ▶	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) ▶	
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a	
b	Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____		
c	Enter the name of the GIC provider ▶ _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____

c Enter the EIN of the issuer of the master pool bond ▶ _____

d Enter the name of the issuer of the master pool bond ▶ _____

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . ▶ ☒

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶ _____

c Type of hedge ▶ _____

d Term of hedge ▶ _____

42 If the issuer has superintegrated the hedge, check box . . . . . ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ▶ ☐

44 If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▶ ☐

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement . . . . . ▶ _____

b Enter the date the official intent was adopted ▶ (MM/DD/YYYY)

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative Date

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
H. Evan Howe	HEvanHowe Digitally signed by HEvanHowe DN: CN=HEvanHowe, O=KS StateBank, E=ehowe@ksstate.bank Reason: I am the author of this document Location: Date: 2026.10.15 07:51:35-05'00' Foxit PDF Editor Version: 2026.2.1	10/14/2026		P01438994

Firm's name ▶	Baystone Financial LLC	Firm's EIN ▶	48-1223987
Firm's address ▶	10601 Mission Road, Suite 200, Leawood, KS 66206	Phone no.	(800) 752-3562

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
3. If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

Important Note:
The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

* Due diligence review at regular intervals;
* Identifying the official or employee responsible for review;
* Training of the responsible official/employee;
* Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
* Procedures reasonably expected to timely identify noncompliance; and
* Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: http://www.irs.gov/app/picklist/list/formsInstructions.html, or contact your local IRS office.

INVOICE

Date Sent: 10/14/2026

Bill to:
Kern County Hospital Authority
ATTN: Accounts Payable
1700 Mount Vernon Ave
Bakersfield, CA 93306

Account Number: 3366194
Invoice Number: 66194-11-2026
Payment Date: 11-08-2026
Payment Due Date: 11-08-2026
Total Due: $42,507.85

Description		Amount
Government Obligation Contract	Payment Amount:	$42,507.85
Dated as of October 08, 2026		
One (1) SIGNA Voyager 1.5T MRI Machine		
Additional interest will be assessed on any payment received after the due date.		
		$42,507.85
		Total Due

Remit to:
KS StateBank
Government Finance Department
PO Box 1608
Manhattan, KS 66505
For Inquiries: (877) 587-4054
NOTE: The address listed above is for payments only

INVOICE

Date Sent: 10/14/2026

Bill to:
Kern County Hospital Authority
ATTN: Accounts Payable
1700 Mount Vernon Ave
Bakersfield, CA 93306

Account Number: 3366194
Invoice Number: 66194-12-2026
Payment Date: 12-08-2026
Payment Due Date: 12-08-2026
Total Due: $42,507.85

Description		Amount
Government Obligation Contract	Payment Amount:	$42,507.85
Dated as of October 08, 2026		
One (1) SIGNA Voyager 1.5T MRI Machine		
Additional interest will be assessed on any payment received after the due date.		
		$42,507.85
		Total Due

Remit to:
KS StateBank
Government Finance Department
PO Box 1608
Manhattan, KS 66505
For Inquiries: (877) 587-4054
NOTE: The address listed above is for payments only

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Amendment No. 1 to Agreement 70123 with Copeland Cold Chain, LP, doing business as Cooper-Atkins

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed amendment to our agreement with Copeland Cold Chain, LP for continued hosting services for their temperature monitoring system, TempTrak. This system provides 24/7 remote temperature monitoring of our medication storage areas including room temperature, refrigerator, and freezer monitoring. This helps with regulatory compliance, and ensures the integrity of our pharmaceutical inventory.

On October 23, 2023, Kern Medical entered into a three (3) year agreement in an amount not to exceed $31,900. Proposed Amendment No.1 extends the Agreement for an additional three years from October 23, 2026 through October 22, 2029 and increases the not to exceed amount by $4,500.

Therefore, it is recommended that your Board approve proposed Amendment No. 1 to HA Agreement 70123, for remote temperature monitoring services, extending the term for three years from October 23, 2026 through October 22, 2029, and increase the maximum payment from $31,900 to $36,400, an increase of $4,500, and authorize the Chairman to sign.

COPELAND

copeland.com

TempTrak®

Proposal: Kern Medical Center - Hosting Renewal, 3 Year

Copeland Cold Chain LP dba Cooper-Atkins
1065 Big Shanty Road NW
Kennesaw, GA 30144

Date Created	Quote Expiration Date	Quote Number	Prepared For
Aug 26, 2026	**12-31-2026**	**949744.1**	Kern Medical Center - Hosting Renewal, 3 Year 1700 Mount Vernon Avenue, Bakerfield , CA 93306

PLEASE INCLUDE QUOTE NUMBER ON ALL PURCHASE ORDERS AND SUBMIT TO CUSTSERV@COPELAND.COM

Submit to: Copeland Cold Chain LP dba Cooper-Atkins

Mail: 1065 Big Shanty Road NW
Kennesaw, GA 30144-0450 U.S.A.

Remit:
29193 Network Place
Chicago, IL 60673-1291

Pricing

Quantity	Part #	Description	Units	Unit $	Total $
Hardware & Software					
3	10725-S	Software Hosting Service Small	3	$1,149.00	$3,447.00
					$3,447.00
Transmitters & Probes					
					$0.00
Services					
					$0.00
Installation					
					$0.00
				GRAND TOTAL:	**$3,447.00**

Proposal Notes

TempTrak Hosting of 46 transmitters. Effective 5/2/27 - 5/1/30

This quote shall be governed by the Terms of Sale and Terms of Service attached to the previously negotiated agreement between Customer (Agreement #70123) and Copland executed on 10/23/2023.

Proposal reviewed and accepted by:

Customer: _____

Signature: _____

Printed Name: _____

Date: _____

APPROVED AS TO FORM:
Legal Services Department

By Phillip Jenkins
Kern County Hospital Authority

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 12, 2026

Subject: Proposed retroactive Amendment No. 11 to Agreement 041-2023 with Tarun Rustagi, M.D., a contract employee, for professional medical services in the Department of Medicine

Recommended Action: Approve; Authorize Chairman to sign

Kern Medical requests your Board retroactively approve Amendment No. 11 to Agreement 041-2023 with Tarun Rustagi, M.D., for professional medical services in the Department of Medicine. Dr. Rustagi is a fellowship-trained, board-certified gastroenterologist, and has been employed full time by Kern Medical since March 16, 2023. The term of the Agreement expires March 15, 2027. The Amendment to retroactive to September 19, 2026.

Dr. Rustagi is an H-1B visa holder. The proposed Amendment revises Dr. Rustagi's annual salary to conform to Department of Labor rules that H-1B visa holders be paid a guaranteed fixed wage annually as follows:

- Dr. Rustagi will be paid an annual salary of $24,703 biweekly not to exceed $642,292 annually

The proposed Amendment also provides an incentive opportunity based on productivity whereby Dr. Rustagi will be compensated at the rate of $73 for each Worked RVU not to exceed 15,000 Worked RVU for the period September 19, 2026 through March 15, 2027, for Worked RVU generated at designated Kern Medical Practice Sites.

Kern Medical anticipates bringing a new agreement with Dr. Rustagi to your Board sometime prior to the March 15, 2027 expiration date.

Therefore, it is recommended that your Board retroactively approve Amendment No. 11 to Agreement 041-2023 with Tarun Rustagi, M.D., a contract employee, for professional medical services in the Department of Medicine for the period March 16, 2023 through March 15, 2027, revising the compensation methodology by providing a guaranteed annual base salary and a productivity incentive, effective September 19, 2026, and authorize the Chairman to sign.

AMENDMENT NO. 11
TO
AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Tarun Rustagi, M.D.)

This Amendment No. 11 to the Agreement for Professional Services is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Tarun Rustagi, M.D. ("Physician").

RECITALS

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. 041-2023, dated March 15, 2023), Amendment No. 1 (Agt. 053-2024, dated March 20, 2024), Amendment No. 2 (Agt. 041-2025, dated April 16, 2025), Amendment No. 3 (Agt. 068-2025, dated June 18, 2025), Amendment No. 4 (Agt. 133-2025, dated November 19, 2025), Amendment No. 5 (Agt. 017-2026, dated February 18, 2026), Amendment No. 6 (Agt. 086-2026, dated May 20, 2026), and Amendment No. 7 (Agt. 101-2026, dated June 17, 2026), Amendment No. 8 (Agt. 122-2026, dated July 15, 2026), Amendment No. 9 (Agt. 131-2026, dated August 19, 2026), and Amendment No. 10 (Agt. 146-2026, dated September 16, 2026) (collectively, the "Agreement"), for the period March 16, 2023 through March 15, 2027, whereby Physician provides professional medical services in the Department of Medicine at KMC; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective September 16, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 5, Compensation Package, paragraph 5.1, Annual Compensation, shall be deleted in its entirety and replaced with the following:

"5.1 Annual Compensation. Physician shall work full time, which is a minimum of eighty (80) hours per biweekly pay period, and will be compensated with cash and other value as described in this paragraph 5.1 ("Annual Salary").

5.1.1 Annual Salary. Authority shall pay Physician an Annual Salary of $24,702.53 biweekly not to exceed $642,292 annually. The Annual Salary shall be comprised of (i) a base salary for teaching and administrative services and (ii) payment for care of KMC patients. Physician understands and agrees that (i) the Annual Salary set forth in this paragraph 5.1 is calculated based on the current Medical Group Management Association Physician Compensation and

Production Survey ("MGMA Survey") for specialty and (ii) Physician will maintain a median level (50th percentile) of worked relative value units ("Worked RVU") based on the current MGMA Survey and fulfill all the duties set forth in Exhibit "A" during the Term of this Agreement.

5.1.2 Biweekly Payment. Physician shall be paid biweekly on the same schedule as regular Authority employees. The exact date of said biweekly payments shall be at the sole discretion of Authority. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.

5.1.3 Fair Market Value Compensation. The compensation provided under section 5.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Physician under this Agreement."

2. Section 5, Compensation Package, paragraph 5.9, Worked RVU Productivity Incentive, shall be made part of the Agreement as follows:

"5.9 Worked RVU Productivity Incentive. Physician shall be compensated at the rate of $73, less all applicable federal and state taxes and withholdings, for each Worked RVU ("RVU Effort") not to exceed 15,000 Worked RVU for the period September 19, 2026 through March 15, 2027, for Worked RVU generated at KMC Practice Sites.[2]"

3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

5. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which take together shall constitute one and the same instrument.

6. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

[2] Includes Worked RVU generated at KMC and Dignity Health only, except as otherwise provided herein. Authority will exclude from payment any Worked RVU generated by Physician for services provided to patients at Dignity Health when the patient's payer is not contracted with KMC, unless authorized in advance by KMC.

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 11 as of the day and year first written above.

PHYSICIAN

By_____
Tarun Rustagi, M.D.

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By_____
Vice President & General Counsel
Kern County Hospital Authority

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Amendment No. 2 to Agreement 16524 with Kasey Fox, D.O., a contract employee, for professional medical services in the Department of Medicine

Recommended Action: Approve; Authorize Chairman to sign

Kern Medical requests your Board approve Amendment No. 2 to Agreement 16524 with Kasey Fox, D.O., for professional medical services in the Department of Medicine. Dr. Fox is a board-certified internist and has been employed by Kern Medical since March 9, 2021. The term of the Agreement expires March 12, 2027.

The proposed Amendment increases the maximum payable by $406,250, from $1,300,000 to$1,706,250, due to an increase in the number of excess hospitalist shifts covered by Dr. Fox, and clarifies the requirements of the productivity incentive.

Therefore, it is recommended that your Board approve Amendment No. 2 to Agreement 16524 with Kasey Fox, D.O., a contract employee, for professional medical services in the Department of Medicine for the period March 13, 2024 through March 12, 2027, increasing the maximum payable by $406, 250, from $1,300,000 to $1,706,250 to cover the increased max payable, and authorize the Chairman to sign.

AMENDMENT NO. 2
TO
AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Kasey M. Fox, D.O.)

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a local unit of government ("Authority"), which owns and operates Kern Medical Center ("KMC"), and Kasey M. Fox, D.O. ("Physician").

RECITALS

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. 16524, dated April 1, 2024) and Amendment No. 1 (Agt. 37926, dated June 24, 2026) (collectively the "Agreement"), for the period March 13, 2024 through March 12, 2027, whereby Physician provides professional medical services in the Department of Medicine at KMC; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective October 21, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 5, Compensation Package, paragraph 5.8, Maximum Payable, shall be deleted in its entirety and replaced with the following:

> "5.8 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed $1,706,250 over the three (3) year Term of this Agreement."

2. Section 5, Compensation Package, paragraph 5.9, Worked RVU Productivity Incentive, shall be deleted in its entirety and replaced with the following:

> "5.9 Worked RVU Productivity Incentive. Physician shall be compensated for each Worked RVU billed by KMC in excess of 5,307 generated per Employment Year ("Worked RVU Annual Minimum Threshold"), at the rate of $64.30 ("RVU Effort"), less all applicable federal and state taxes and withholdings, per Employment Year."

3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

5. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which take together shall constitute one and the same instrument.

6. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[INTENTIONALLY LEFT BLANK]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 2 as of the day and year first written above.

PHYSICIAN

By_____
Kasey M. Fox, D.O.

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:

By_____
Vice President & General Counsel
Kern County Hospital Authority

KernMedical

BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Quote Q-03725 with ORDR, INC. for the purchase of an IT network security solution

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed Quote Q-03725 with ORDR, INC. for the purchase of network security software subscription and required hardware for a term of 36 months, effective November 1, 2026, with a maximum payable of $316,900.

ORDR's network security solution continuously identifies and monitors the medical equipment, building systems and other devices connected to Kern Medical's network, most of which cannot run traditional security software. The solution addresses a recommendation from Kern Medical's 2026 independent cybersecurity assessment allowing vulnerable devices to be isolated from the rest of the network, if there is a security issue, and reduces the risk that a cyberattack disrupts patient care.

Item	Costs
ORDR software subscriptions 36 months	$316,140
Hardware shipping	$675
	$316,815

Counsel is unable to approve due to nonstandard terms, which includes no termination without cause, indemnification only for infringement, limited warranty, liability limited to the cost of one contract year, attorney fees for the prevailing party, and liability of goods transfer at delivery origin. Attempts to negotiate acceptable revisions with the vendor were made but were unsuccessful.

Approval of this purchase will allow Kern Medical to move forward with a focused investment in securing non-managed devices that connect to the Kern Medical network, thwarting the ability of bad actors to access the Kern Medical network, and therefore, keeping the Kern Medical network and all of its confidential information safe and secured. Accordingly, it is recommended that your Board approve the proposed Quote Q-03725 with ORDR, INC., containing non-standard terms, for the purchase of a network security software subscription and required hardware, effective November 1, 2026 to October 31, 2029, with a maximum payable of $316,900, and authorize the Chairman to sign.

ORDR

2445 Augustine Drive • Suite 601 • Santa Clara, CA 95054

Quote Number: Q-03725
Quote Creation Date: 9/3/2026
Quote Expiration Date: 10/30/2026

Subscription Start Date: 11/1/2026
Subscription End Date: 10/31/2029
Payment Type: Annual Payments

Prepared For:

Company: Kern Medical
Contact: Craig Witmer
Phone: (661) 326-2000
Email: craig.witmer@kernmedical.com
Bill To: 1700 Mount Vernon Ave
Bakersfield, CA 93306-4018
US

Sales Contact:

Contact: Chris McCrea
Phone: (619) 204-8180
Email: cmccrea@ordr.net

#	Part	Description	Months	Qty	Amount
		Yearly subscription includes:			
1	PROTECT-SEG-BED-1Y	Segmentation feature package delivering proactive threat protection and micro-segmentation - priced per bed per year.	36.0000	222	$ 316,139.67
		Integrated AI assistant powered by conversational LLMs, for users to interact through natural language dialogue to instantly retrieve, and analyze all ORDR data, and automate remediation workflows - including segmentation orchestration. Operates within existing ORDR security and compliance policies, ensuring that customer data is protected and not used to train the underlying models.		222	
		Annual subscription for SCE Sensor 2000 appliance, 4x10/1Gbps SFP interface ports, 1x1Gbps mgmt port, max 10K active IPs, up to 10Gbps aggregate bandwidth, 1RU (D 20"), redundant power built-in		3	
		Annual subscription for Large Virtual Ordr Sensor.		1	
		Exclusive support with dedicated resources and 24/7 support on P1 issues.		1	
2	SHIPPING-X2000-OR-X3000-OR-X5000	Shipping cost for an X2000, X3000 or X5000 analytics engine or sensor.		3	$ 675.00
				Subscription Subtotal	$ 316,139.67
				Shipping Subtotal	$ 675.00
				Total Amount	$ 316,814.67

Terms and Conditions

- By accessing or using ORDR Software, any entity, individual, or organization consents to be bound by the ORDR End User License Agreement (https://ordr.net/3ll_a).
- By accessing or using ORDR Software, any entity, individual, or organization consents to be bound by the ORDR Privacy Policy, including AI privacy, at the following link (https://ordr.net/privacy-policy).
- Sales tax is not included in the total amount.
- Payment term is Net 30.
- **Subscription start date is** 11/1/2026
- ORDR will issue an invoice for the annual amount no later than 30 days from the purchase order date. For subsequent years, Ordr will issue an invoice annually.
- Each license includes a maximum number of supported devices, based on the selected pricing model.
  - For standard-tier, BED-based pricing, the maximum is 30 devices per licensed hospital bed. For BED based pricing, ORDR defines a DEVICE as all devices monitored by the ORDR Platform excluding workstations, mobile phones and tablets, thin clients, and devices that have yet to be classified. ORDR defines a BED as any staffed, inpatient bed maintained for 24/7 care in acute, long-term, or domiciliary settings. This includes all bed types (e.g., standard, pediatric, ICU, birthing, bariatric) and bassinets used in inpatient newborn care.
  - For standard-tier, EMPLOYEE-based pricing, the maximum is 5 devices per licensed employee. For EMPLOYEE-based pricing, ORDR includes all devices monitored by the ORDR platform.
  - For DEVICE-based pricing, ORDR includes all devices monitored by the ORDR platform.
- **License quantity adjustment**: at the end of each calendar quarter during the Initial Term and any renewal Term, ORDR may invoice the Customer for any additional beds or employees (whichever is licensed) which are more than five percent (5%) above the quantity for which the customer has paid License Fees. The invoiced amount is based on the then current ORDR Price List, less the initial subscription price discount percentage, prorated for the remainder of that Term.
- **Purchase orders:** except with respect to the products and/or services and quantities sold, any terms and conditions printed on or attached to a Purchase Order are null and void and the terms of this ORDR Order Form and the ORDR End User License Agreement shall prevail notwithstanding any language indicating that ORDR's acceptance of payment or ORDR's delivery of goods or services indicates ORDR's acceptance of such terms and conditions. Purchase orders should include billing contact, billing email, PO number, shipping address & attention, and reference the Order Quote Number on this form.
- Hardware equipment is delivered FOB origin. Shipping will be done via the Customer's Shipping Carrier and Account unless shipping is included in the quote.
- ORDR Software Overview Solution Brief: https://go.ordr.net/rs/976-OJA-437/images/ordr_datasheet-platform.pdf
- In the event of a conflict between the terms of the Order Form and the Purchase Order, the language governing the order of precedence in the Order Form will control.

The Parties have executed this Order Form pursuant to the terms of the ORDR, Inc. Terms and Conditions between the parties as of the effective date.

Customer:	Kern County Hospital Authority	**ORDR**	
By:		By:	
Name:	Phil McLaughlin	Name:	
Title:	Chairman, Board of Governors	Title:	

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed retroactive Amendment No. 2 to Co-Applicant Agreement 011-2025 with the Kern County Hospital Authority Community Health Center Board of Directors

Requested Action: Approve; Authorize Chairman to sign

Summary:

On January 15, 2025, your Board approved Co-Applicant Agreement 011-2025 between the Kern County Hospital Authority and the Community Health Center Board of Directors. This approval followed staff's request in November 2024 to pursue Federally Qualified Health Center Look-Alike (FQHC-LAL) designation for Kern Medical's community health center primary care clinics. The Co-Applicant Agreement defines with specificity each party's authority with respect to the governance and operation of the health center consistent with Section 330 rules and regulations and the terms and conditions set forth in the Health Resources Services Administration (HRSA) Health Center Program Compliance Manual regarding co-applicants.

The proposed Amendment adds a provision to the Co-Applicant Agreement to permit the health center also to be known as Kern Medical Outpatient Health. The Amendment is effective May 1, 2026, which is the date the health center received its designation as an FQHC-LAL from HRSA.

Therefore, it is recommended that your Board retroactively approve Amendment No. 2 to Agreement 011-2025 with the Kern County Hospital Authority Community Health Center Board of Directors, effective May 1, 2026, and authorize the Chairman to sign.

AMENDMENT NO. 2
TO
CO-APPLICANT AGREEMENT

This Amendment No. 2 to the Co-Applicant Agreement is made and entered into this _____ day of _____, 2026, between Kern County Hospital Authority, a public agency that is a local unit of government ("Authority"), and Kern County Hospital Authority Community Health Center Board of Directors ("CHC Board"), the co-applicant governing board.

RECITALS

(a) The Parties have heretofore entered into a Co-Applicant Agreement (Agt. 011-2025, dated January 15, 2025) and Amendment No. 1 (Agt. 114-2025, dated October 15, 2025) (collectively the "Agreement"), which defines with specificity each party's authority with respect to the governance and operation of the CHC consistent with Section 330 rules and regulations and the terms and conditions set forth in the HRSA Health Center Program Compliance Manual regarding co-applicants; and

(b) The Parties agree to amend the Agreement as set forth herein; and

(c) The Agreement is amended effective May 1, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the Parties hereto agree to amend the Agreement as follows:

1. Section 19, Name, shall be made part of the Agreement as follows:

> "19. Name. Kern County Hospital Authority Community Health Center shall also be known as Kern Medical Outpatient Health."

2. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

3. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

4. Except as provided herein, all other terms, conditions, and covenants of the Agreement shall remain in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 2 as of the day and year first written above.

KERN COUNTY HOSPITAL AUTHORITY
COMMUNITY HEALTH CENTER BOARD

By_____
Chairman
Board of Directors

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO FORM:

By_____
Vice President & General Counsel
Kern County Hospital Authority

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed retroactive Amendment No. 3 to Agreement 117-2024 with Kern Medical Center Foundation

Recommended Action: Approve; Authorize Chairman to sign

Summary:

The Authority recommends your Board retroactively approve Amendment No. 3 to Agreement 117-2024 with Kern Medical Center Foundation for administrative management of the Foundation. The Agreement specifies that the Foundation will reimburse the Authority for salaries and benefits associated with staffing of the Foundation, including the Executive Director and support staff, in accordance with the fiscal provisions of the staffing fee set forth in Exhibit A. The Agreement was effective August 1, 2023, and will remain in effect unless terminated. The Amendment is retroactive to October 1, 2026.

Each year the Authority provides salary increases to its staff based on various factors including organizational performance, individual performance, and experience. The proposed Amendment reflects the anticipated increases in salaries and benefits, effective October 3, 2026, for staff engaged or employed by the Authority pursuant to the terms of the Agreement. The Foundation has no obligation to pay the staffing fee until the Authority incurs such expenses (the staffing fee is calculated on a prorated basis as positions are filled and/or vacated). The maximum payable by the Foundation will not exceed $687,717 for the period October 1, 2026 through September 30, 2027.

Your Board was notified on September 16, 2026, that the Amendment would be retroactive.

Therefore, it is recommended that your Board retroactively approve Amendment No. 3 to Agreement 117-2024 with Kern Medical Center Foundation for administrative management services, effective October 1, 2026, and authorize the Chairman to sign.

AMENDMENT NO. 3
TO
STAFFING AGREEMENT
(Kern County Hospital Authority – Kern Medical Center Foundation)

This Amendment No. 3 to the Staffing Agreement is made and entered into this _____ day of _____, 2026, between Kem County Hospital Authority, a local unit of government ("Authority"), and Kern Medical Center Foundation, a California nonprofit public benefit corporation ("Foundation"), with its principal place of business located at 900 Truxtun Avenue, Suite 330, Bakersfield, California 93301.

RECITALS

(a) The parties have heretofore entered into a Staffing Agreement dated June 26, 2024 ("Agreement"), whereby Authority provides qualified personnel as is necessary for the proper and efficient operation of Foundation; and

(b) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(c) The Agreement is amended effective October 1, 2026;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 3, Payment for Services, paragraph 3.4, Maximum Payable, shall be deleted in its entirety and replaced with the following:

> "3.4 Maximum Payable. The maximum payable by Foundation under this Agreement shall not exceed $687,717 for the period October 1, 2026 through September 30, 2026."

2. Amendment No. 2 Exhibit "A," Staffing Fee, shall be deleted in its entirety and replaced with Amendment No. 3 to Exhibit "A," Staffing Fee, attached hereto and incorporated herein by this reference.

3. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

4. This Amendment shall be governed by and construed in accordance with the laws of the state of California.

5. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which take together shall constitute one and the same instrument.

6. Except as provided herein, all other terms, conditions and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 3 as of the day and year first written above.

KERN MEDICAL CENTER FOUNDATION

By_____
Chairman
Board of Directors

KERN COUNTY HOSPITAL AUTHORITY

By_____
Chairman
Board of Governors

APPROVED AS TO CONTENT:

By_____
Scott Thygerson
Chief Executive Officer

APPROVED AS TO FORM:

By_____
Vice President & General Counsel
Kern County Hospital Authority

AMENDMENT NO. 3
TO
EXHIBIT "A"
STAFFING FEE
(Effective October 3, 2026)

[TO BE ATTACHED]

Amendment No. 3 to Exhibit A
Staffing Fee
Effective October 3, 2026

			Compensation			Benefits	**Total Compensation**
Job Classification	Cost Center Code	Full/Part time	Base Salary	6% premium pay	**Annual Compensation**	**Annual Employer Paid Benefits**	
VP Development/Executive Director	86100	Full Time	$272,352	$16,341	**$288,693**	**$57,159**	**$345,852**
Sr. Director of Foundation Operations	86100	Full Time	$152,880	$9,173	**$162,053**	**$41,352**	**$203,405**
Manager of Foundation Grants	86100	Full Time	$99,928	$5,996	**$105,924**	**$32,536**	**$138,460**

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Product Quotation with deSoutter Medical USA, Inc.

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed Repair Quotation Terms and Conditions of Sale with deSoutter Medical USA, Inc., for repair of a CC7 Cast Saw in an amount not to exceed $494. This equipment is no longer supported by the manufacturer requiring Kern Medical to seek repair from deSoutter a trusted-third party repair vendor.

Counsel is unable to approve the terms as to form as they are the unmodified vendor's terms which not include indemnification for the Authority, the Agreement is governed by the laws of North Carolina among other non-standard terms. Despite negotiations, counsel was unsuccessful in negotiating these terms.

Therefore, it is recommended that your Board approve the proposed Repair Quotation Terms and Conditions of Sale with deSoutter Medical USA, Inc., for repair of a CC7 Cast Saw with a not to exceed amount of $494 plus taxes and fees, and authorize the Chairman to sign.

PRODUCT QUOTATION

KERN MEDICAL
1700 MOUNT VERNON AVE BAKERSFIELD CA 93306
BAKERSFIELD
CA 93306
United States

De Soutter Medical Usa, Inc
224 Rolling Hill Road Suite 12A
Mooresville
NC 28117
USA

tel: (704) 655-9040
fax: (704) 987-2035
email: usa@de-soutter.com

web: www.de-soutter.com

DATE	QUOTATION NUMBER	AMENDMENT
09/16/2026	00138203	1

QUANTITY	PART NUMBER	DESCRIPTION	NET PRICE
CC7 Hood			
2	670713	HOOD - CC7	$226.00
2	672163	SELF TAPPING SCREW - 4x12 PAN HEAD TX20 POLYTECH 30 A2 ST.ST	$26.00
CC5 Hood			
2	608353	HOOD	$242.00

DELIVERY TO:

NET VALUE $494.00
TOTAL $494.00

Please visit www.de-soutter.com for details of the equipment offered and available accessories.

Notes:
Above quotation valid for **45** days.
Payment by credit card will be charged a 3% processing fee.
De Soutter Medical Terms and Conditions of Sale apply to all shipped orders and are subject to change without prior notice.
Consumables: All saw blades, drills, burs, k-wires and pump kits are sold in boxes of 5. Prices shown are per item.

KERN COUNTY HOSPITAL AUTHORITY

REVIEWED ONLY
NOT APPROVED AS TO FORM

By: _____
Chairman, Board of Governors

By Phillip Jenkins
Kern County Hospital Authority

Date: _____

TERMS & CONDITIONS OF SALE

1. **GUARANTEE** – All goods actually manufactured by DeSoutter Medical are guaranteed for the period of twelve months, unless otherwise specified, commencing from the date of purchase from DeSoutter Medical or our agents against defective workmanship and materials, and goods proved to be defective during this period in these respects will be replaced or repaired free of charge. In the case of goods supplied by but not manufactured by DeSoutter Medical we merely pass on the benefit of any guarantees, conditions, and warranties received by DeSoutter Medical in respect of such goods. None of the previous statements in this paragraph affect customers' statutory rights and such statements are in addition to such rights.

2. **DELIVERY** - Every effort will be made to keep to the delivery dates, but no liability can be accepted for loss caused through delay for reasons beyond our control or by industrial dispute of any kind (whether involving any of our employees or not) or by any failure to obtain materials goods or equipment from a supplier through no fault of our own in due time to observe delivery dates. The right is reserved to suspend delivery as long as any payment for goods previously invoiced is in arrears.

3. **PRICES** - In view of the fluctuations in raw material costs, etc., the prices quoted are subject to alteration without prior notice. Goods will be invoiced at prices ruling at date of dispatch notwithstanding any quotation or prior acceptance of order.

4. **PAYMENT** - Payment terms are NET 30 and must be made in full within 30 days of invoice date unless other arrangements are settled.

5. **PROPERTY** - All goods will remain the property of DeSoutter Medical until such time that the full invoice value has been paid.

6. **RETURN OF EQUIPMENT** - Equipment may not be returned to DeSoutter Medical DeSoutter Medical for credit without obtaining our prior written authorization. All returned goods will be subject to a re-stocking charge.

7. **SHIPPING** - All goods shall be shipped FOB Origin. Risk of loss or damage shall pass to the Customer upon delivery of goods to Carrier.

8. **CARRIAGE, PACKING & FREIGHT CHARGES** - Freight charges shall be prepaid by DeSoutter Medical and invoiced to the customer unless otherwise agreed upon in writing.

9. **LAW** - The applicable law shall be the law of the state of North Carolina.

10. **HEALTH & SAFETY AT WORK ACT** - Whilst every reasonable care is taken to ensure that our products are safe, you are requested to pay particular attention to applying the proper health and safety precautions in the use of our products and where instruction manuals are issued, that the instructions therein are scrupulously observed.

11. **CUSTOMER CONDITIONS NOT TO APPLY** - The above terms and conditions shall apply notwithstanding customers' terms and conditions and anything which may be stated or implied to the contrary in correspondence or other conditions.

12. **CLAIMS FOR SHORTAGES OR DAMAGED GOODS** - Claims for shortages must be submitted in writing within 10 days from receipt of goods.

13. **RESTOCKING CHARGE** - Goods returned for credit with seller's prior agreement will be subject to a standard re-stocking charge of 20% of the net invoiced value.

14. **SALES TAX** - The pricing of this quote does not include taxes. Any applicable taxes will be added to the invoice. If the customer is tax exempt, a certificate of tax exemption must be provided to prevent taxes from being added to the invoice.

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Proposed Repair Estimate with Sentec, Inc.

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve the proposed quote Q02435 with Sentec, Inc. for the scheduled maintenance of a Percussionaire VDR4 ventilator in an amount not to exceed $2,374. This critical care device provides breathing support for patients when they cannot breathe on their own. This vendor was selected because they are the authorized service provider for this ventilator. The quote will be effective October 21, 2026.

Counsel is unable to approve the terms as to form because the quote includes the unmodified terms of the vendor. The terms do not include provisions for governing law, indemnification, among other terms. Despite attempts by Counsel to negotiate, the vendor was unwilling to engage.

Therefore, it is recommended that your Board approve the proposed quote Q02345 with Sentec, Inc. for the maintenance of a Percussionaire VDR4 ventilator with a not to exceed amount of $2,374 plus tax and shipping, effective October 21, 2026, and authorize the Chairman to sign.

sentec.

Repair Estimate

#Q02345

Date: 09/15/2026

Bill To

Kern Medical Center
PO Box 3519
ACCOUNTS PAYABLE
Bakersfield CA 93385
United States

TOTAL

$2,373.42

Quote Expires: 10/15/2026

Quote Prepared By	Terms	Incoterms	Shipping Method
	Net 30		UPS® Ground

Quantity	Item	Rate	Amount
1	**PA S00015-1** Unit ASSY, Model F00007-1, WFA Monitron II / Devices more than seven years old have no reasonable expectation of long-term repair outcomes due to the inherent limitations of aging technology platforms and limited parts availability.	$0.00	$0.00
1	**PA-SVC** PA-SVC: PERCUSSIONAIRE SERVICE FUNCTIONAL EVALUATION WF220010021	$1,800.00	$1,800.00
1	**PA B11046-GY** BEZEL, GRAY, MOLD W/ULTRA	$47.57	$47.57
1	**PA A50107-1** CASE ASSY, WFA MONITRON II	$172.81	$172.81
1	**PA PRT-WFA2** SERVICE KIT, WAVEFORM 2	$180.00	$180.00
1	**PA-SVC** PA-SVC: PERCUSSIONAIRE SERVICE LABOR CHARGE	$140.00	$140.00

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Phillip Jenkins
Kern County Hospital Authority

Service Required:

KERN COUNTY HOSPITAL AUTHORITY

By: _____
Chairman, Board of Governors

Date: _____

Subtotal	$2,340.38
Shipping	-$0.00
Discount	-
Tax Total (%)	$33.04
Total	$2,373.42

Q02345

Thank you from the Sentec Service Team!

sentec.

Repair Estimate

#Q02345

Date: 09/15/2026

SVC- FUNCTIONAL EVALUATION / CASE REPLACEMENT WF220010021 PLEASE REFERENCE HA Agm #094-2026

Terms and Conditions: By sending your device into Sentec Service, the responsible party (end user) accepts a service charge if the device is deemed unrepairable due to age of device, availability of parts or the end user refuses the repair of said device. If your device is deemed "Not for clinical use", Sentec is obligated to return your device upon receipt of a service charge of $500.00 for labor incurred. Sentec will provide and file documentation that a device has been labeled "Not for clinical use" and it will be the responsibility of the end user to dispose of the device properly upon return of said device.

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Report on upcoming anticipated retroactive agreements

Recommended Action: Receive and File

Summary:

On February 18, 2025, your Board requested that staff notify your Board of upcoming retroactive agreements. Staff has compiled the attached report on upcoming anticipated retroactive agreements since last reported in September. As requested, all board memos will state the reason for the retroactivity and reference the date your Board was first notified the agreement would be retroactive.

Therefore, it is recommended that your Board receive and file the attached report.

BOARD OF GOVERNORS
REPORT ON UPCOMING ANTICIPATED RETROACTIVE AGREEMENTS
October 21, 2026

Agreement	Description
Biomerieux, Inc.	Service Agreement for Clinical Lab equipment
Aegis	Medication Agreement for patients in Correctional Medicine Receiving Methadone
Expredia	This agreement allows for the purchase of an operating panel to repair equipment in the Department of Pathology. Due to the timing of the failure, departments were unable to complete the agreement in time to meet board deadlines.
Rhino Environmental	Rhino Environmental provides fuel testing for emergency equipment and parts. Kern Medical requires additional funds to be added to the max payable to provide for additional regulatory fuel testing.

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Kern County Hospital Authority Chief Financial Officer Report – August 2026

Recommended Action: Receive and File

Summary:

Kern Medical Operations:

Kern Medical key performance indicators:

- Operating gain of $1,589,158 for August is $1,378,907 more than the August budget of $210,251 and $4,956,335 less than the $6,545,493 average over the last three months.
- EBIDA of $3,020,378 for August is $1,276,729 more than the August budget of $1,743,648 and $4,979,932 less than the $8,000,310 average over the last three months
- Average Daily Census of 177 for August is 2 more than the August budget of 175 and 1 more than the 176 average over the last three months
- Admissions of 955 for August are 58 more than the August budget of 897 and 34 more than the 921 average over the last three months
- Total Surgeries of 583 for August are 54 more than the August budget of 529 and 19 more than the 564 average over the last three months
- Clinic Visits of 23,544 for August are 428 more than the August budget of 23,116 and 220 more than the 23,324 average over the last three months

The following items have budget variances for the month of August 2026:

Patient Revenue:
Gross patient revenue has a 0.7% favorable budget variance for the month and a 2% favorable budget variance on a year-to-date basis. The favorable variance is mainly due to high patient volumes. Kern Medical expects strong patient census levels and consistently high gross patient revenue throughout FY 2027.

Indigent and Correctional Medicine Funding Revenue:
Indigent funding has an unfavorable budget variance for the month and on a year-to-date basis due to a conservative approach to recognizing indigent funding revenue. Throughout FY 2027, Kern Medical will recognize only 95% of the total projected revenue for the Voluntary Rate Range Program, the Medi-Cal Quality Assurance Fee Program, the Physician SPA Program, the Graduate Medical Education (GME) Program, and the AB915 Outpatient Supplemental Funding Program. Kern Medical will recognize 100% of the total projected revenue for the Medi-Cal waiver programs including the Global Payment Program (GPP), Enhanced Care Management (ECM), the Enhanced Payment Program (EPP), and the Quality Incentive Program (QIP).

Other Operating Revenue:
Other operating revenue is 2% over budget for the month and 0.5% under budget on a year-to-date basis. Other operating revenue consists of items such as medical education funding, grant funding, Proposition 56 funding, and other miscellaneous non-patient related revenue. These items are received quarterly or otherwise periodically. Therefore, actual month-to-date and year-to-date revenue compared to the budget fluctuates throughout the year.

Other Non-Operating Revenue:
Other non-operating revenue is over budget for the month and on a year-to-date basis. Other non-operating revenue consists of miscellaneous items such as revenue for providing out-of-network physician services. These miscellaneous items are not received consistently throughout the year. Therefore, the actual dollar amount recorded for this line item may fluctuate versus budget on a monthly basis and on a year-to-date basis.

Salaries Expense:
Salaries expense is 1% under budget for the month and 4% under budget on a year-to-date basis.

Benefits Expense:
Benefits expense is 4% under budget for the month and 5% under budget on a year-to-date basis.

Nurse Registry Expense:
Nurse registry expense is 23% under budget for the month and 23% under budget on a year-to-date basis. The overall use of nurses under contract was reduced with the intent to hire more nurses as Kern Medical employees.

Medical Fees:
Medical fees are 2% over budget for the month and 0.2% under budget on a year-to-date basis.

Other Professional Fees:
Other professional fees are 3% over budget for the month and 2% over budget on a year-to-date basis.

Supplies Expense:
Supplies expense is 3% under budget for the month and 2% over budget on a year-to-date basis. The unfavorable year-to-date variance is due to higher-than-average pharmaceuticals costs and medical supplies costs.

Purchased Services:
Purchased services are 14% under budget for the month and 6% under budget on a year-to-date basis due to lower-than-expected software maintenance costs and ambulance fees.

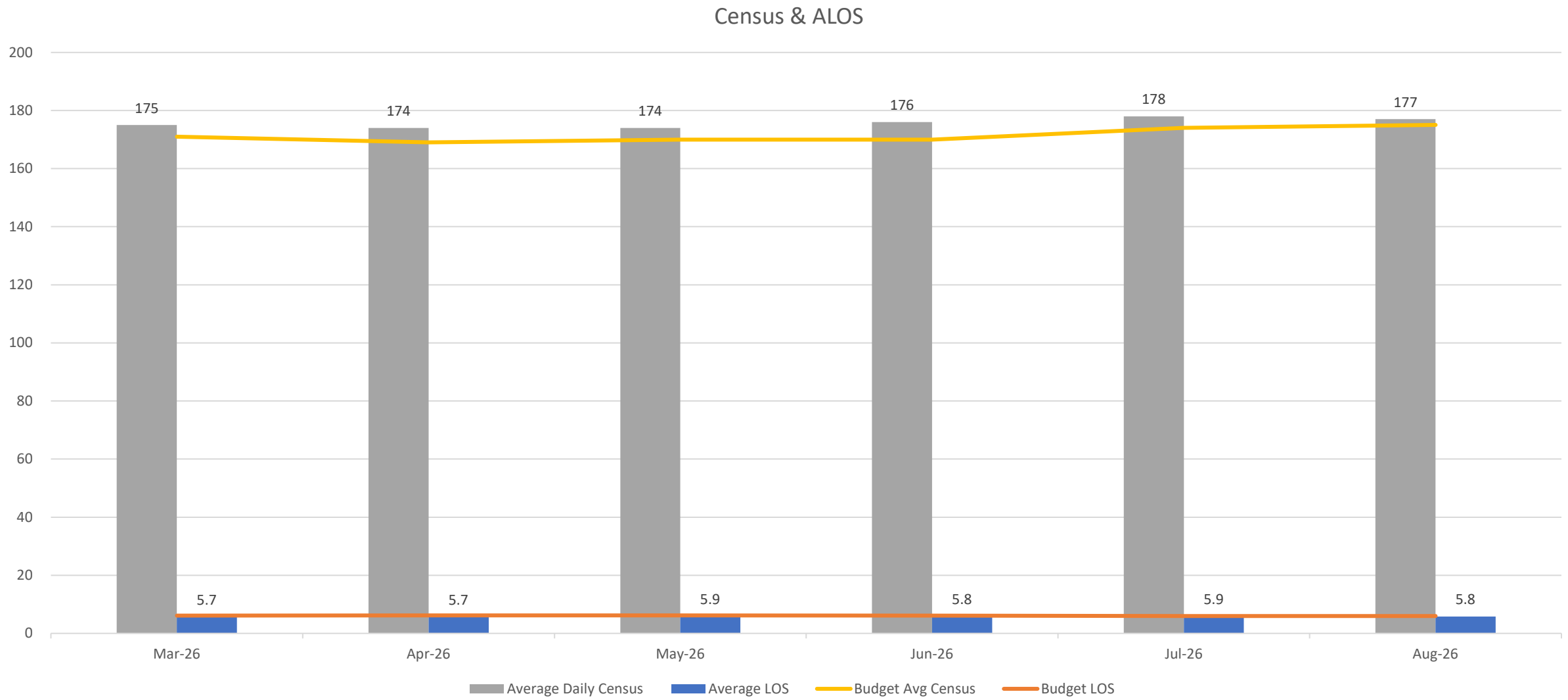
Other Expenses:
Other expenses are 5% over budget for the month and 16% over budget on a year-to-date basis. The unfavorable variance is due to higher-than-average expenses for repairs and maintenance and utilities expenses.

Interest Expense:
Interest expense is under budget for the month and year-to-date due. The monthly interest fluctuates depending on whether or not Kern Medical has borrowed against the credit line and depending on current interest rates.

Depreciation and Amortization Expense:
Depreciation expense is 13% under budget for the month and year-to-date. Amortization is 13% over budget for the month and 14% over budget on a year-to-date basis. The variance is due to higher-than-average amortization expense for right-of-use (ROU) capital leases and higher-than-average amortization expense for subscription-based information technology arrangement (SBITA) software. A change in the treatment of accounting for leases under GASB 87 was implemented in FY 2022. GASB 87 requires leases to be set up as assets at fair market value and amortized over time. Corresponding right-of-use liabilities are also set up for leases with applicable interest expense accrued. The net effect of the implementation of GASB 87 is minimal. There is a corresponding decrease in lease expense under the other expenses section of the income statement that offsets the increases in amortization expense and interest expense. A change in the treatment of accounting for subscription-based software under GASB 96 was implemented by Kern Medical in 2023. The accounting treatment for subscription-based software under GASB 96 and its net effect financially is the same as for lease accounting under GASB 87 as described above.

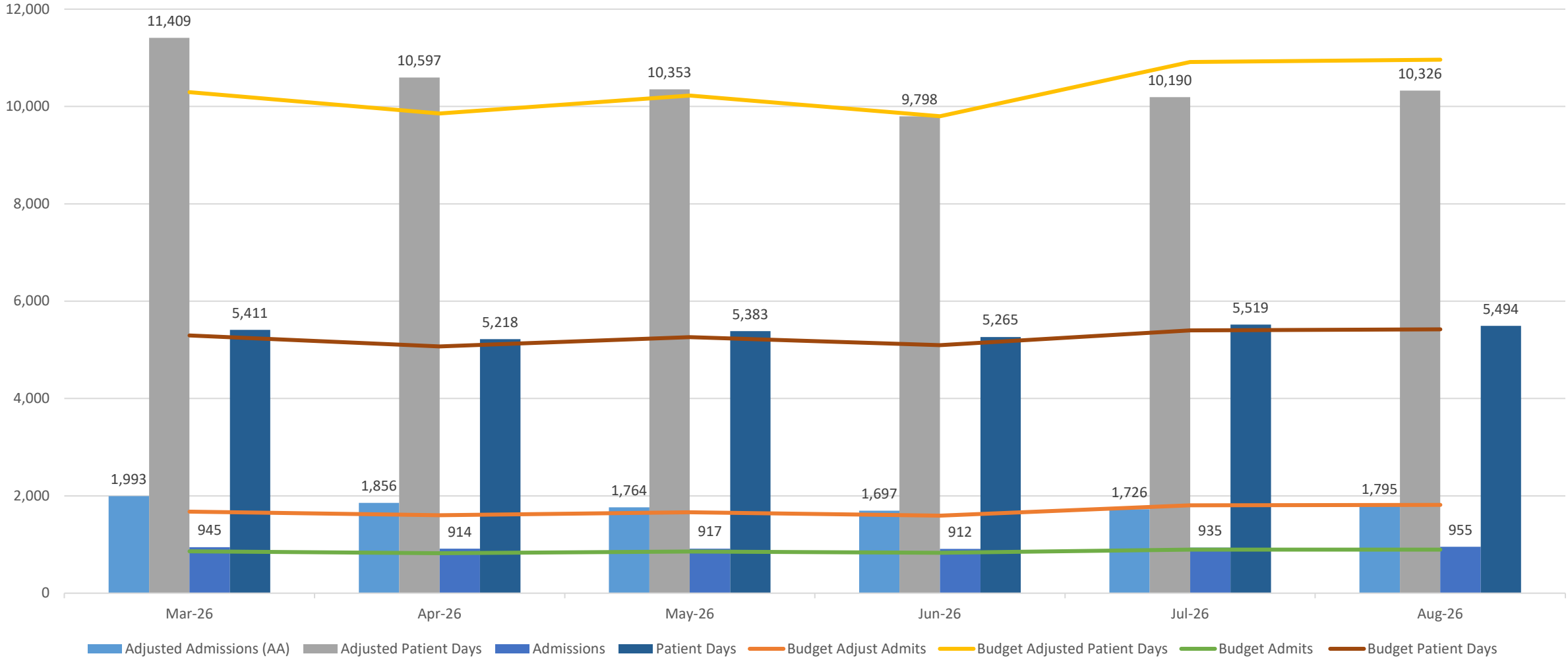
Board of Governors' Report

Kern Medical – August 2026

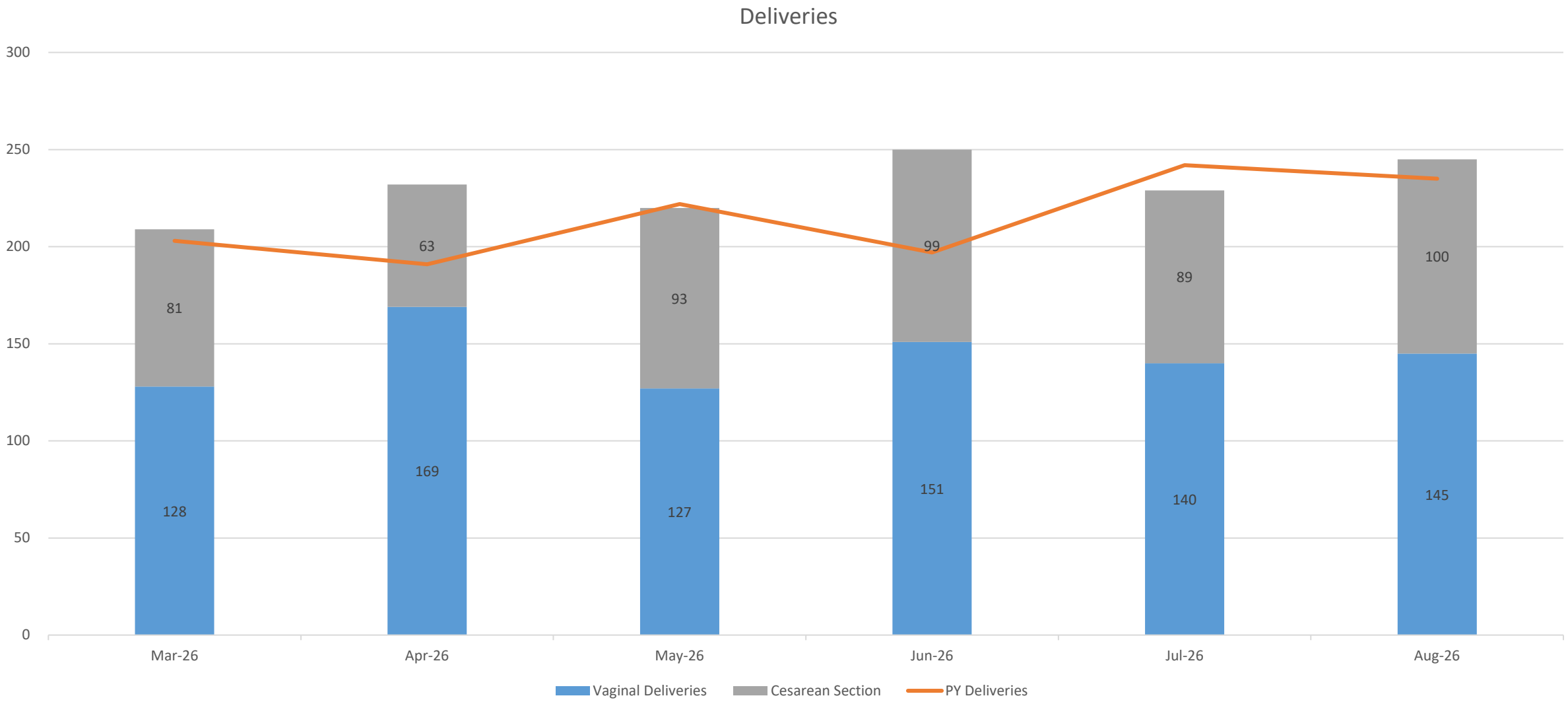

Census & ALOS
200
180
160
140
120
100
80
60
40
20
0
175
174
174
176
178
177
5.7
5.7
5.9
5.8
5.9
5.8
Mar-26
Apr-26
May-26
Jun-26
Jul-26
Aug-26
Average Daily Census
Average LOS
Budget Avg Census
Budget LOS

Slide 2

Hospital Volumes

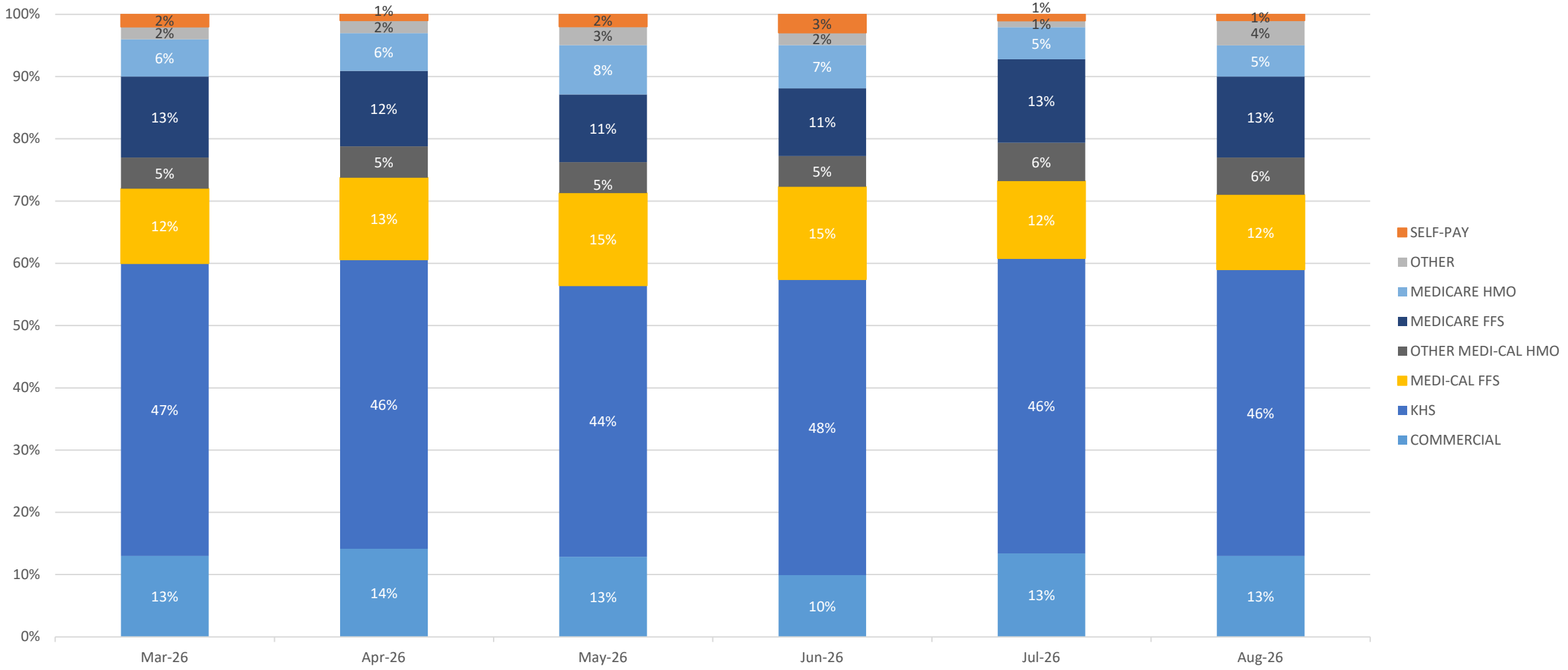


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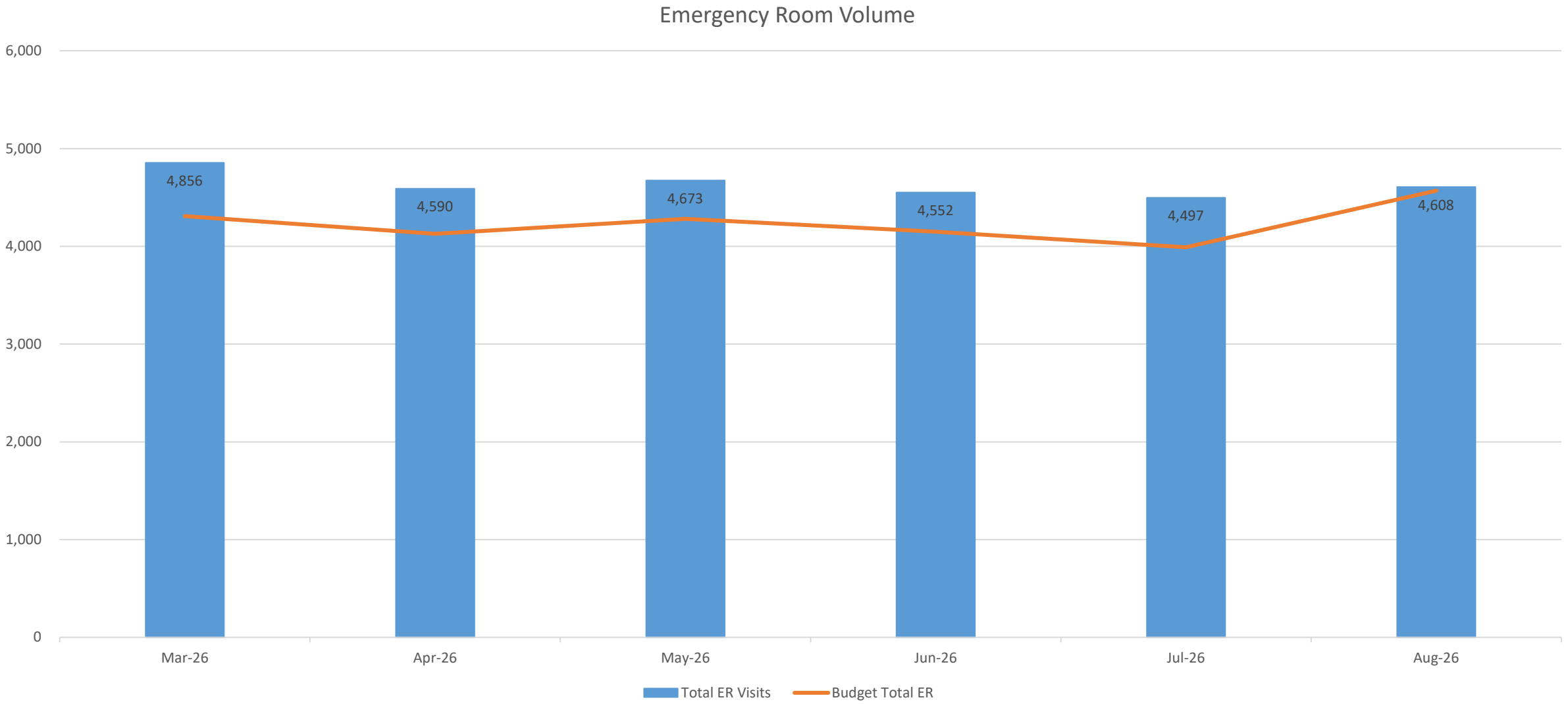


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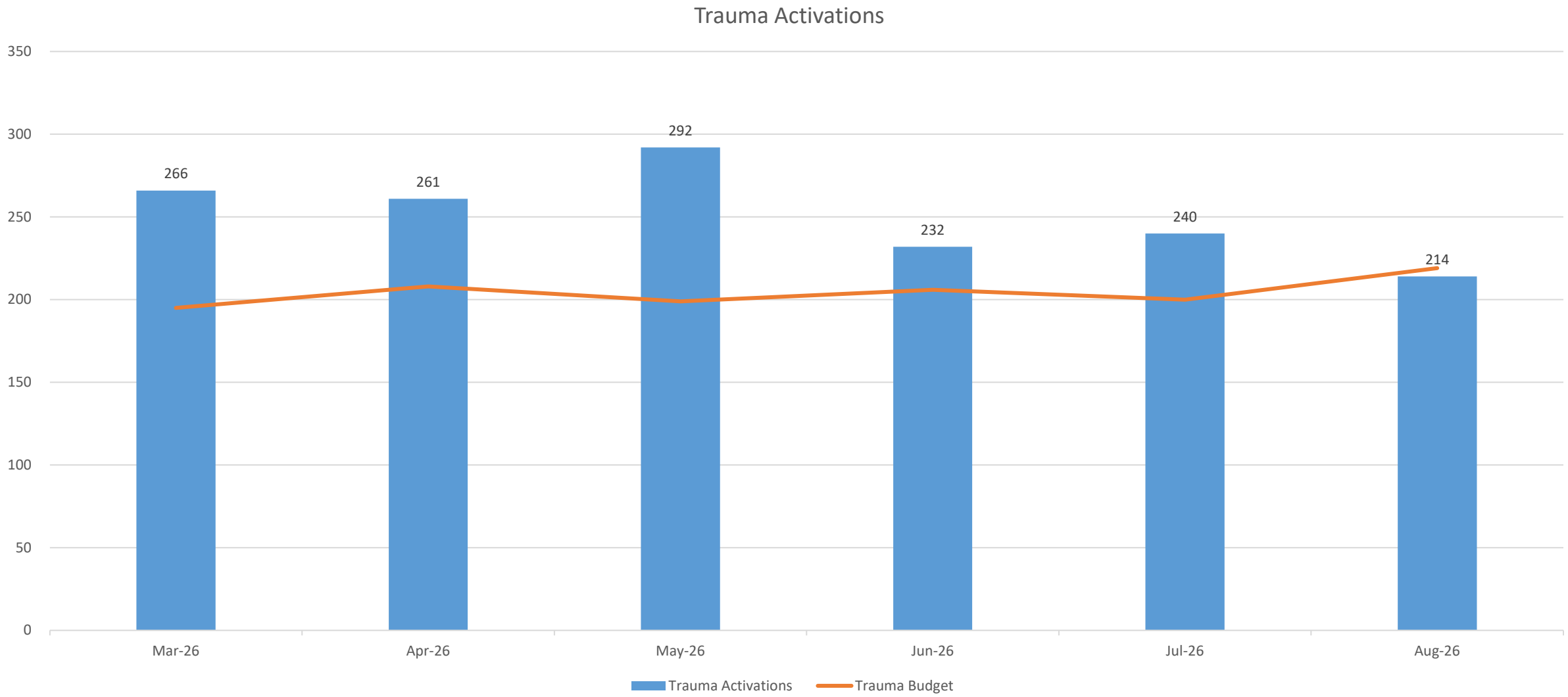
PAYER MIX



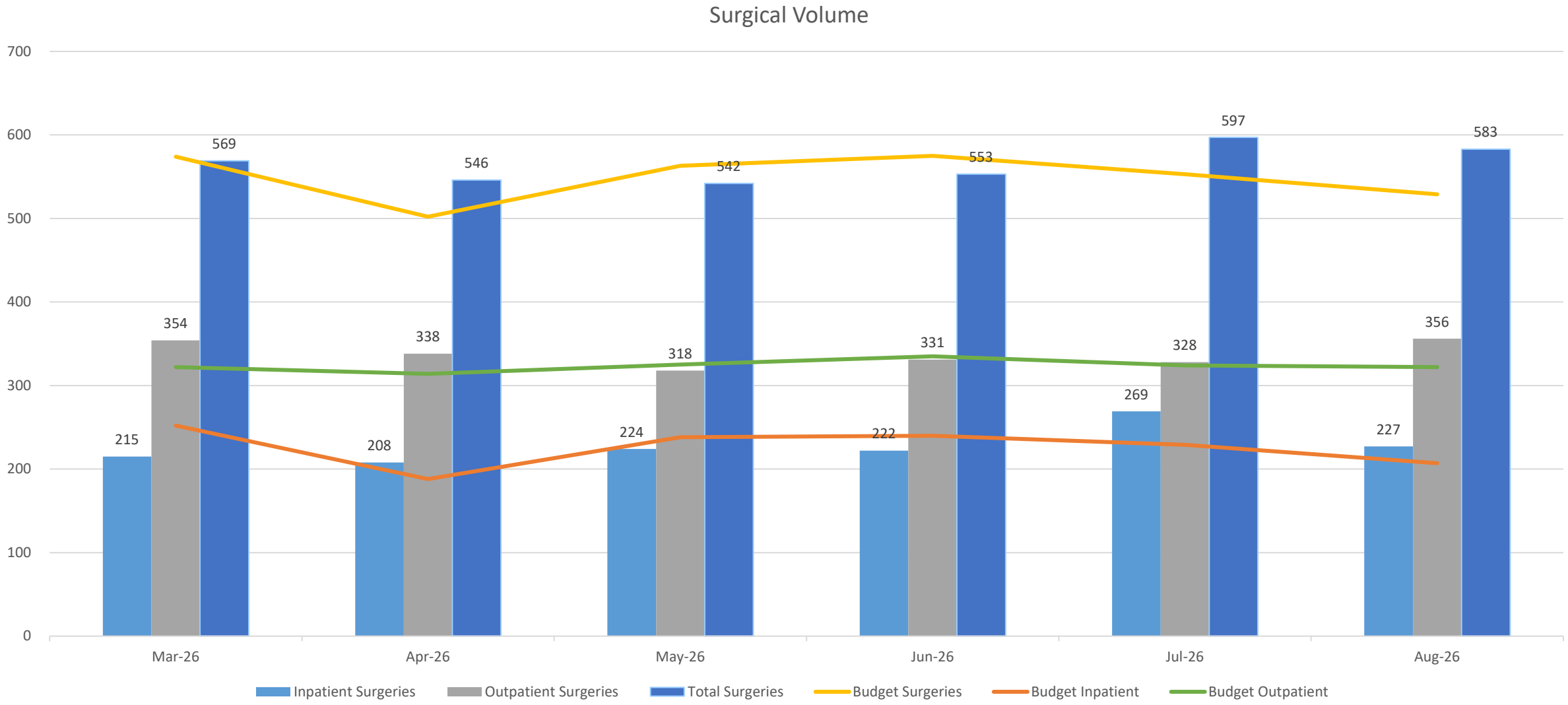
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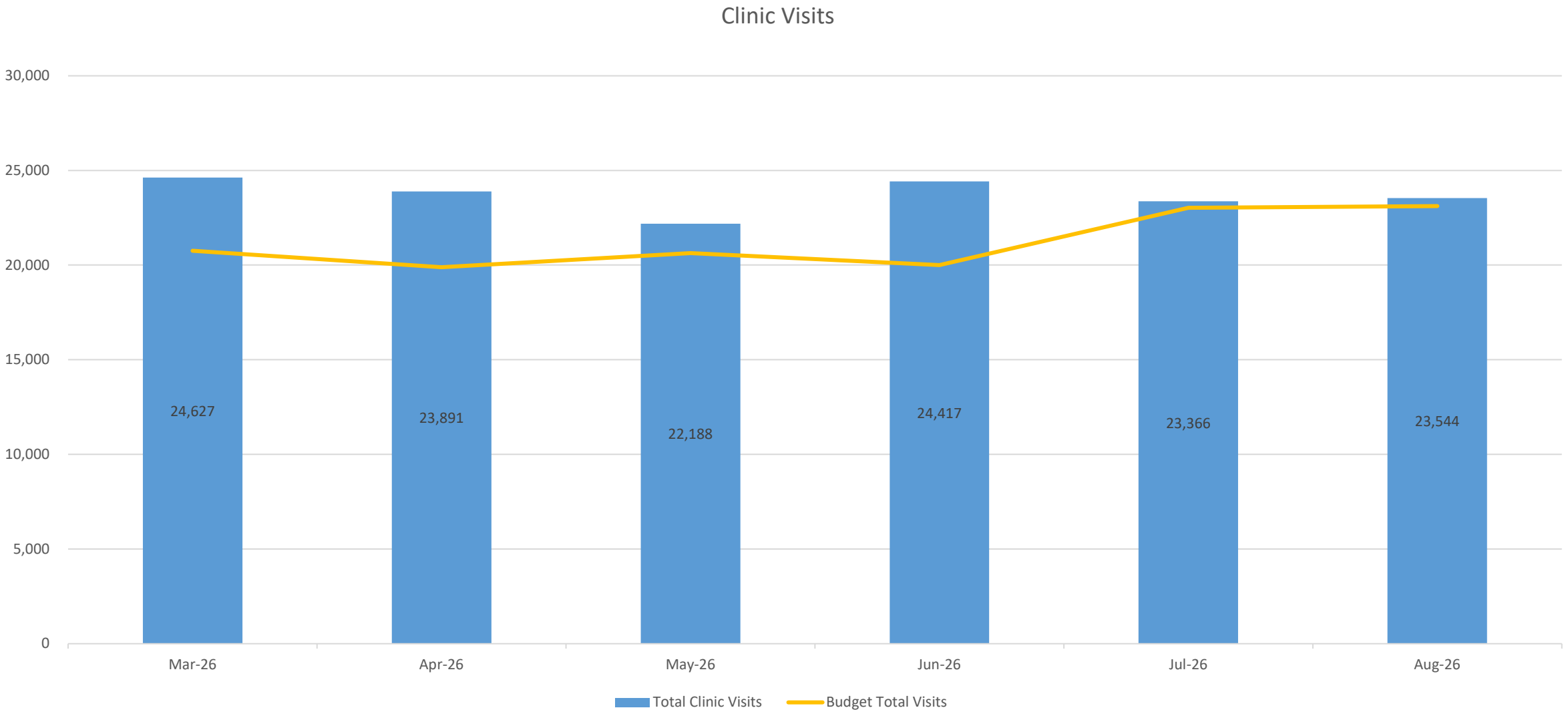
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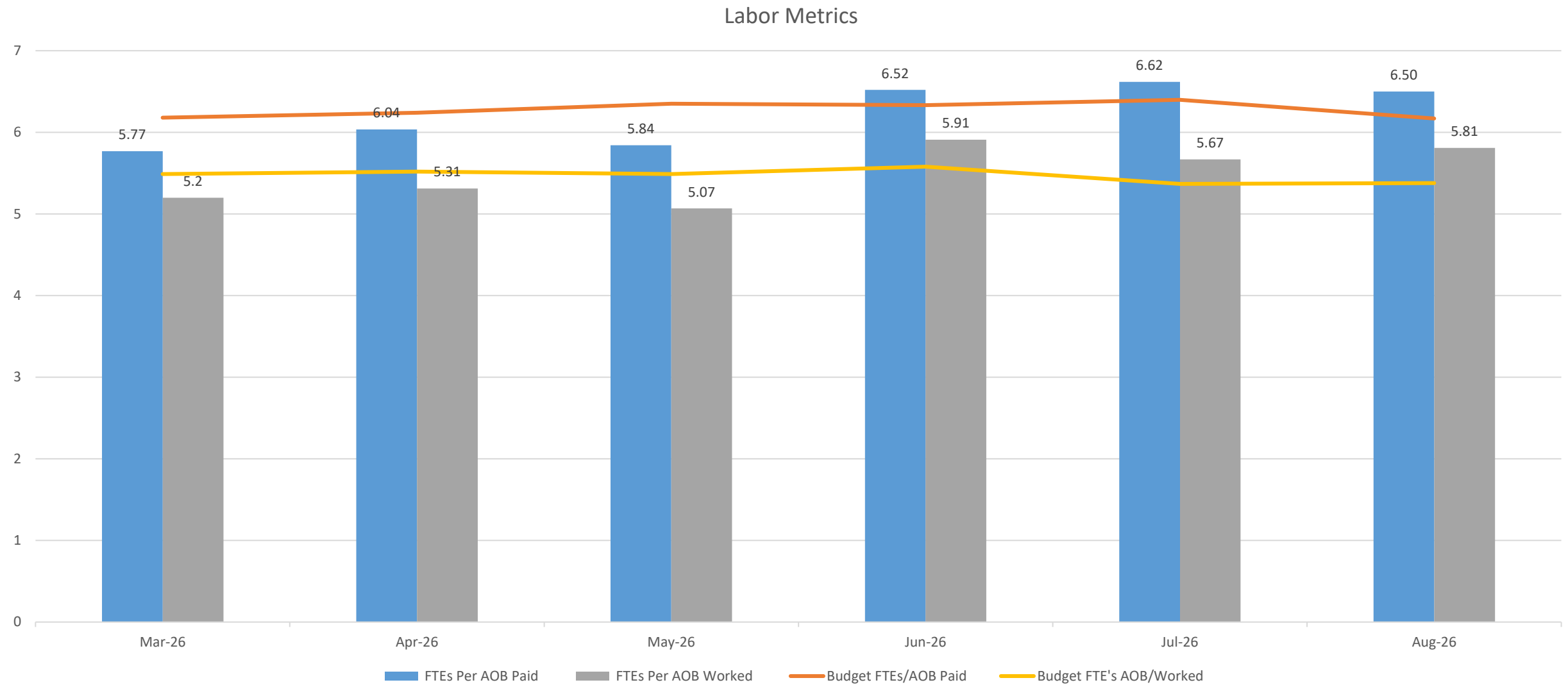
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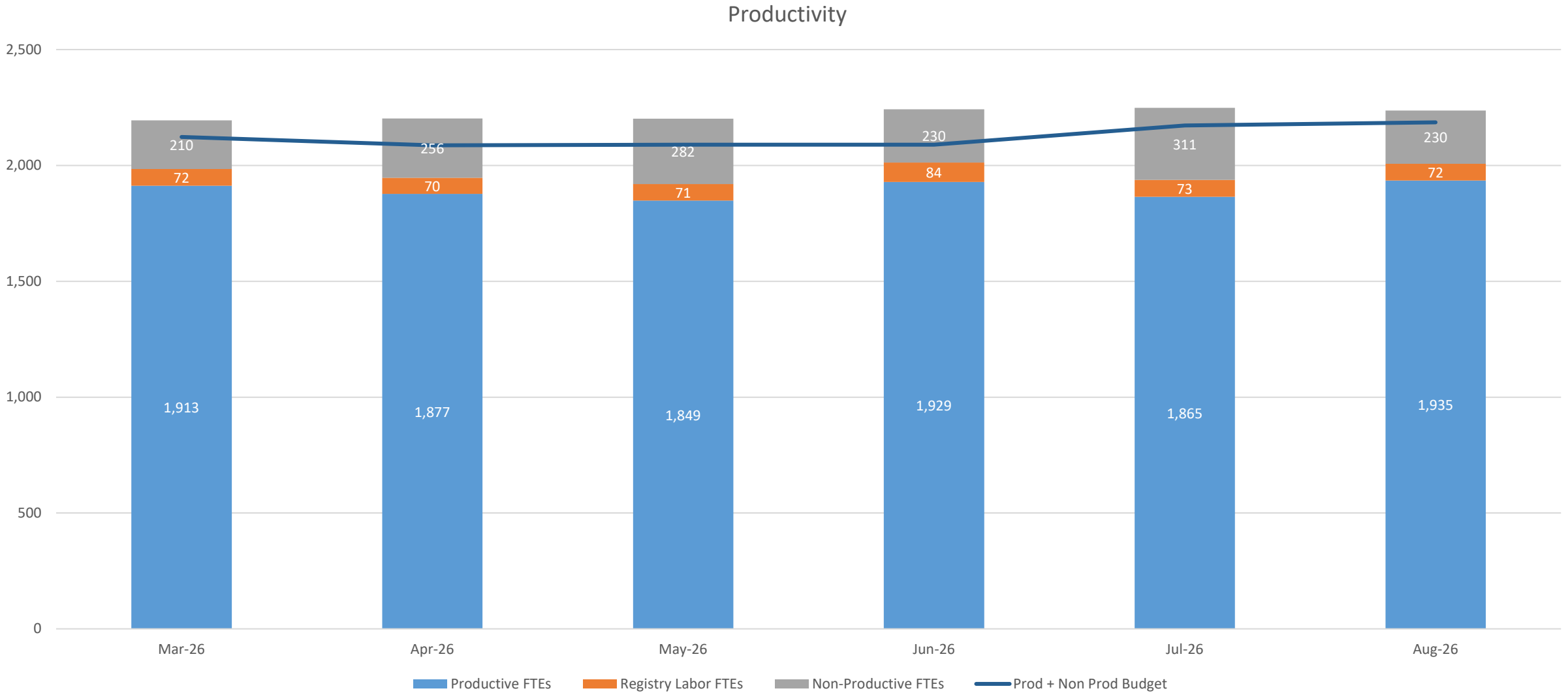
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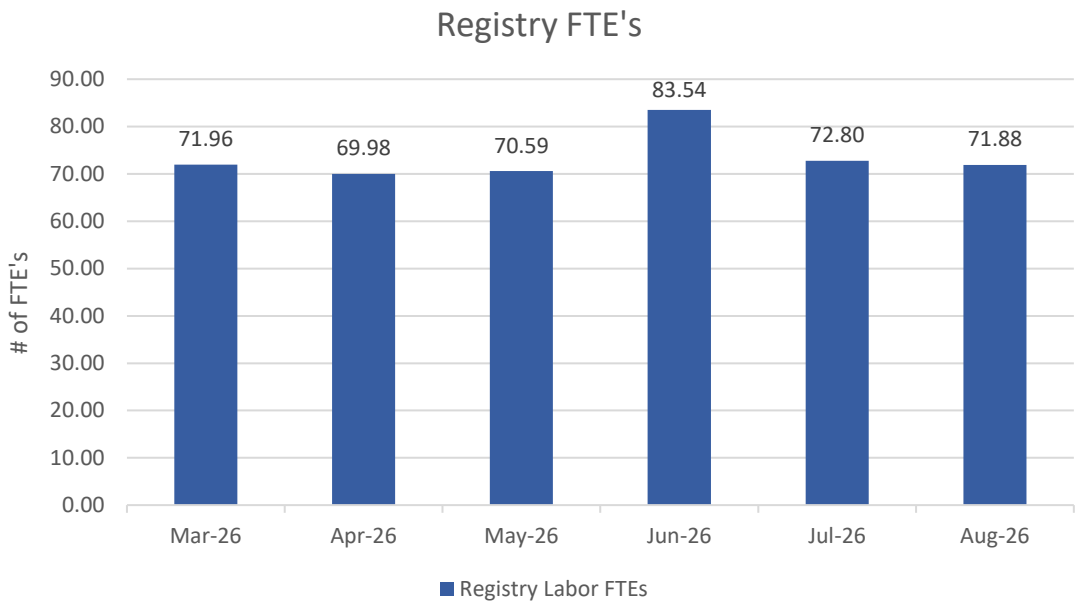
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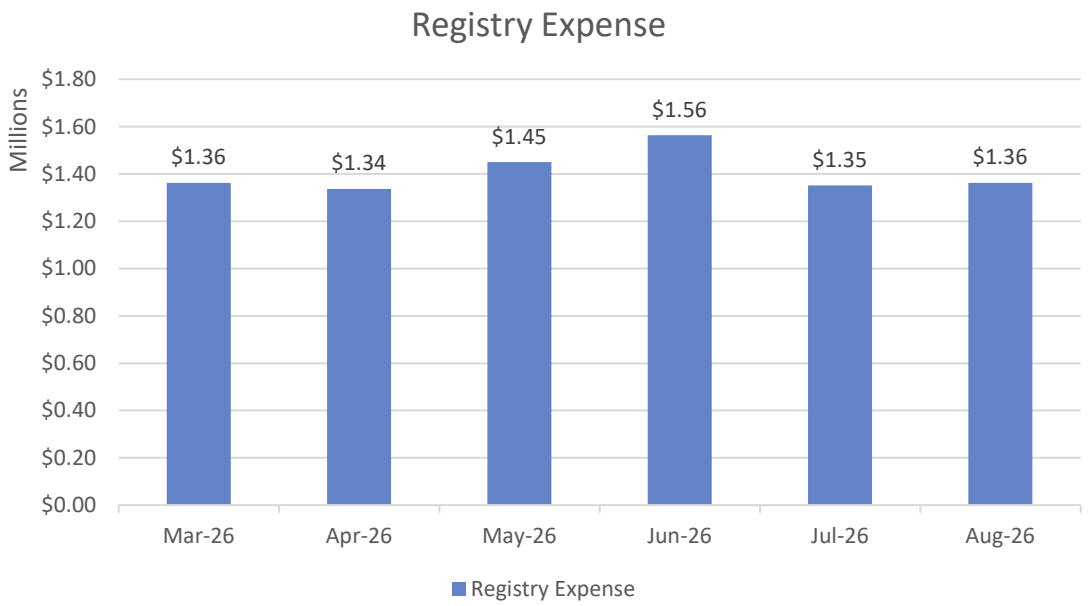


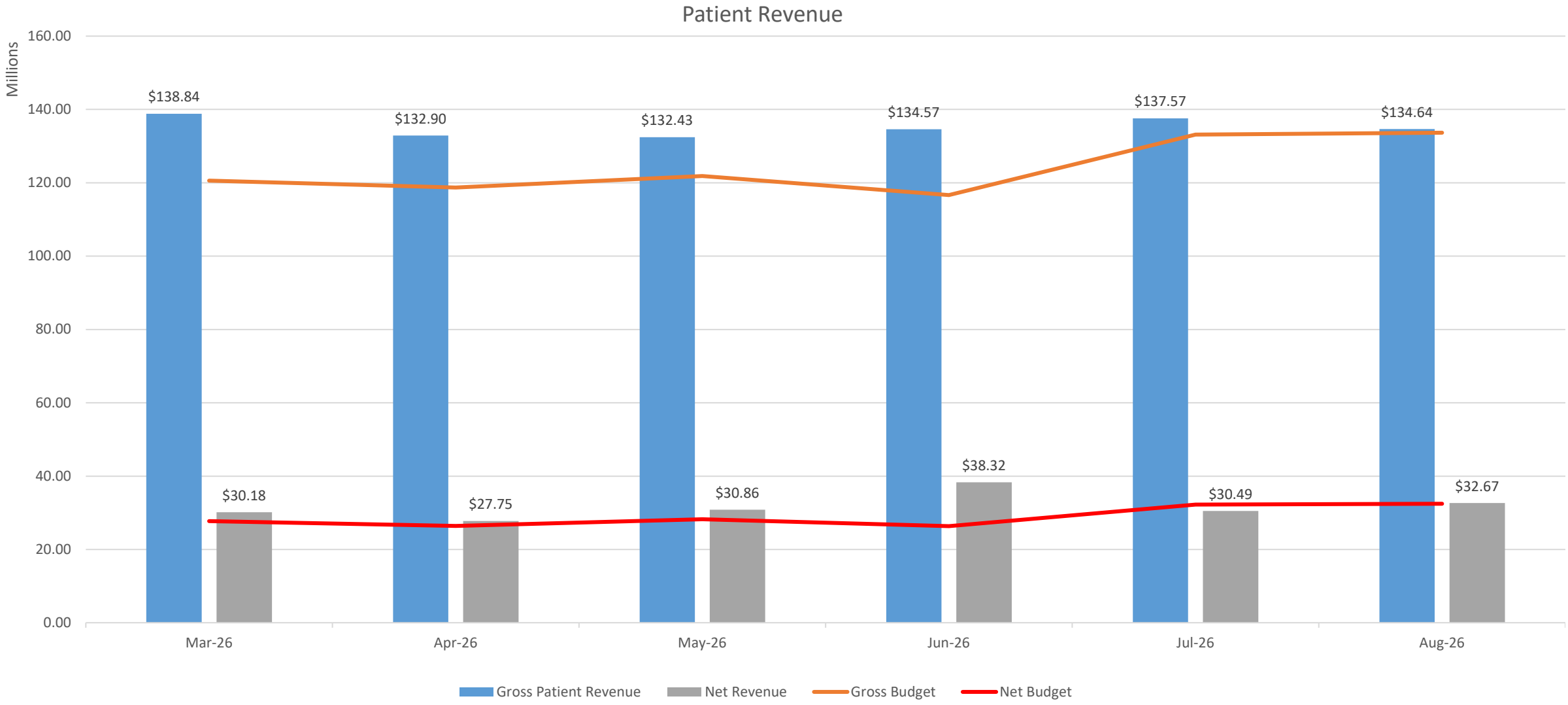
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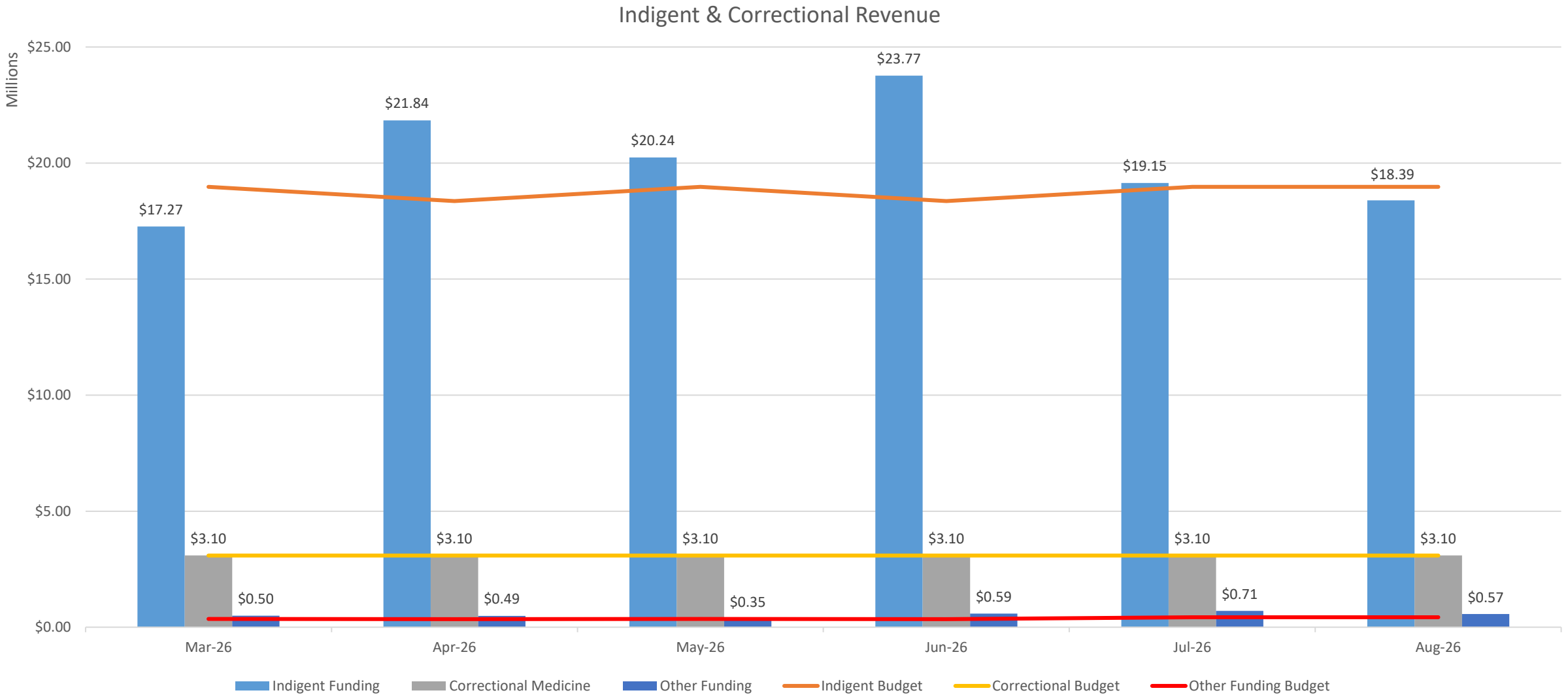
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Registry FTE's
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
of FTE's
71.96
69.98
70.59
83.54
72.80
71.88
Mar-26
Apr-26
May-26
Jun-26
Jul-26
Aug-26
Registry Labor FTEs

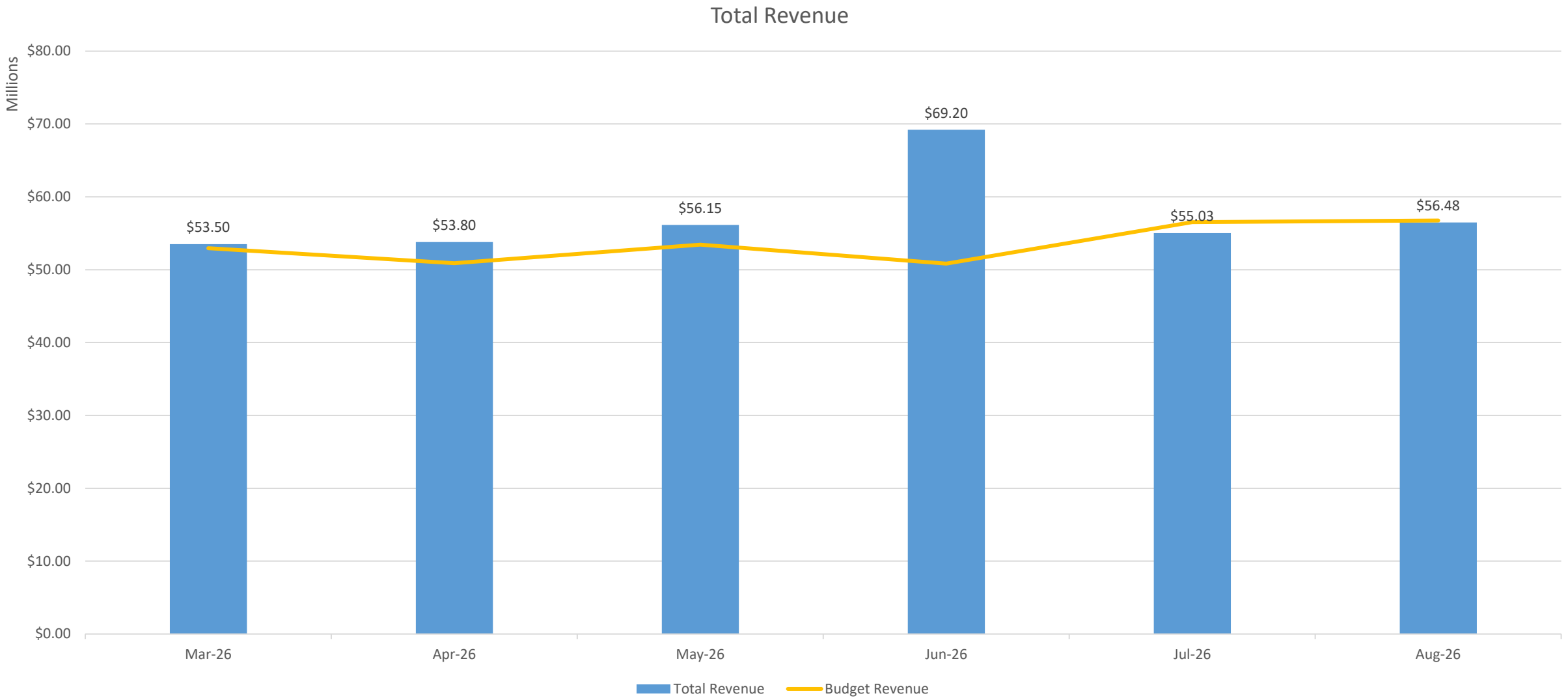

Registry Expense
Millions
$1.80
$1.60
$1.40
$1.20
$1.00
$0.80
$0.60
$0.40
$0.20
$0.00
$1.36
$1.34
$1.45
$1.56
$1.35
$1.36
Mar-26
Apr-26
May-26
Jun-26
Jul-26
Aug-26
Registry Expense



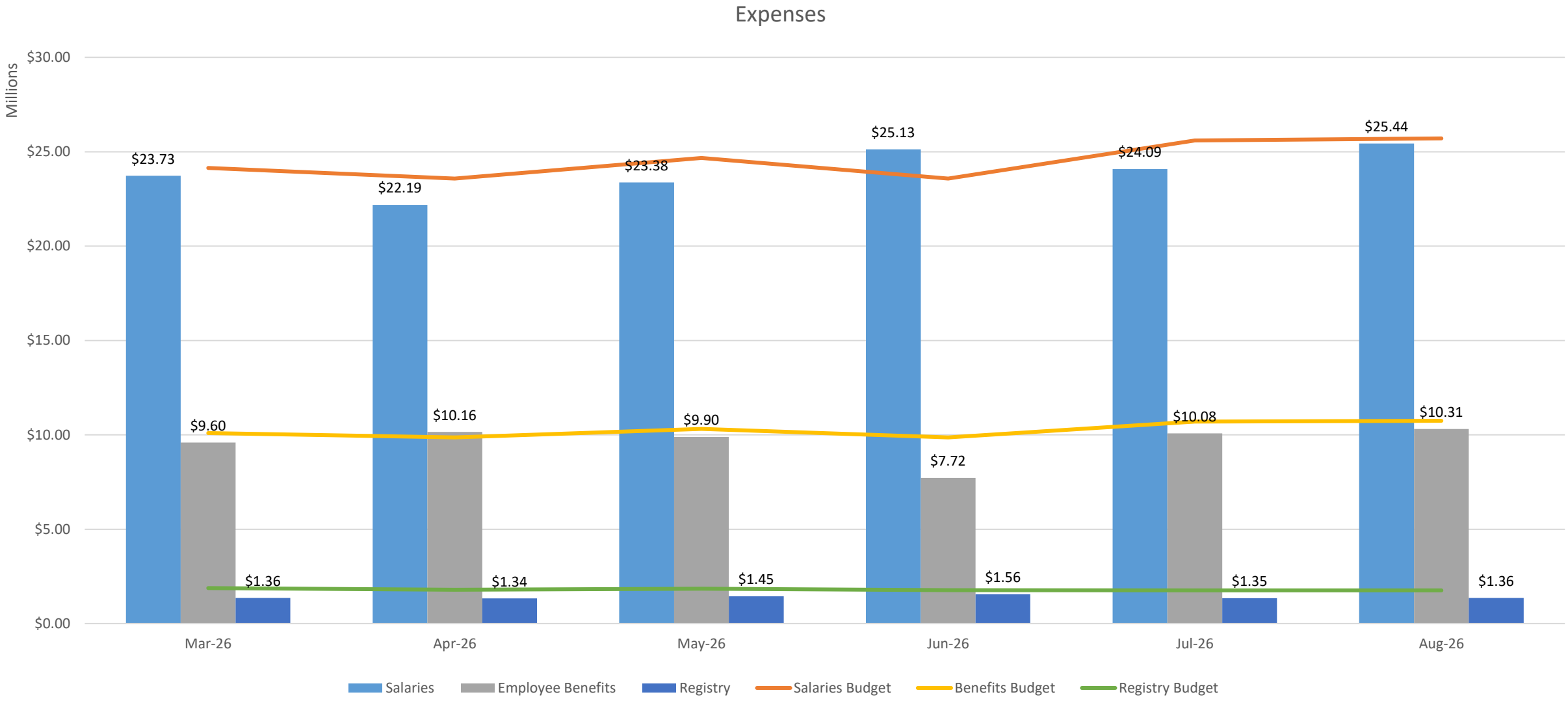
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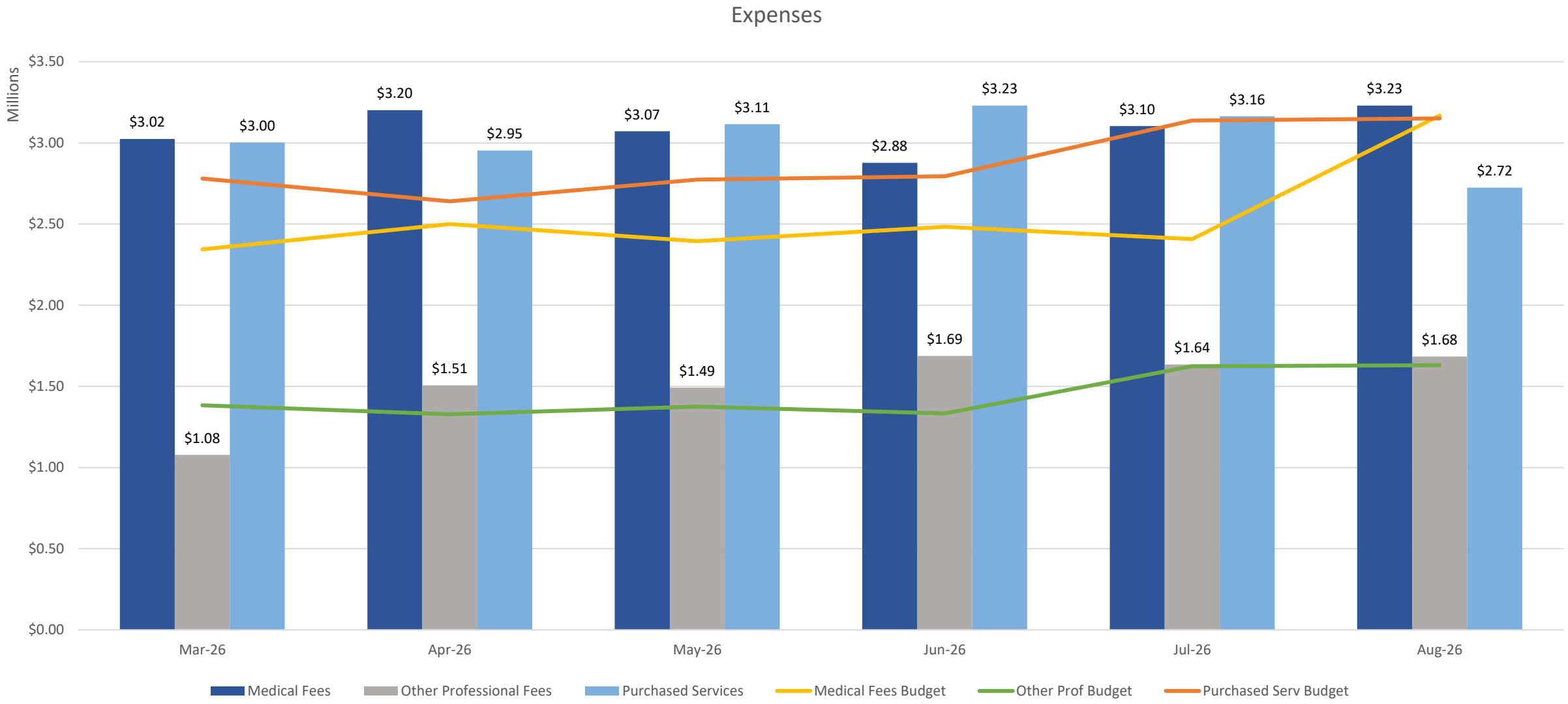
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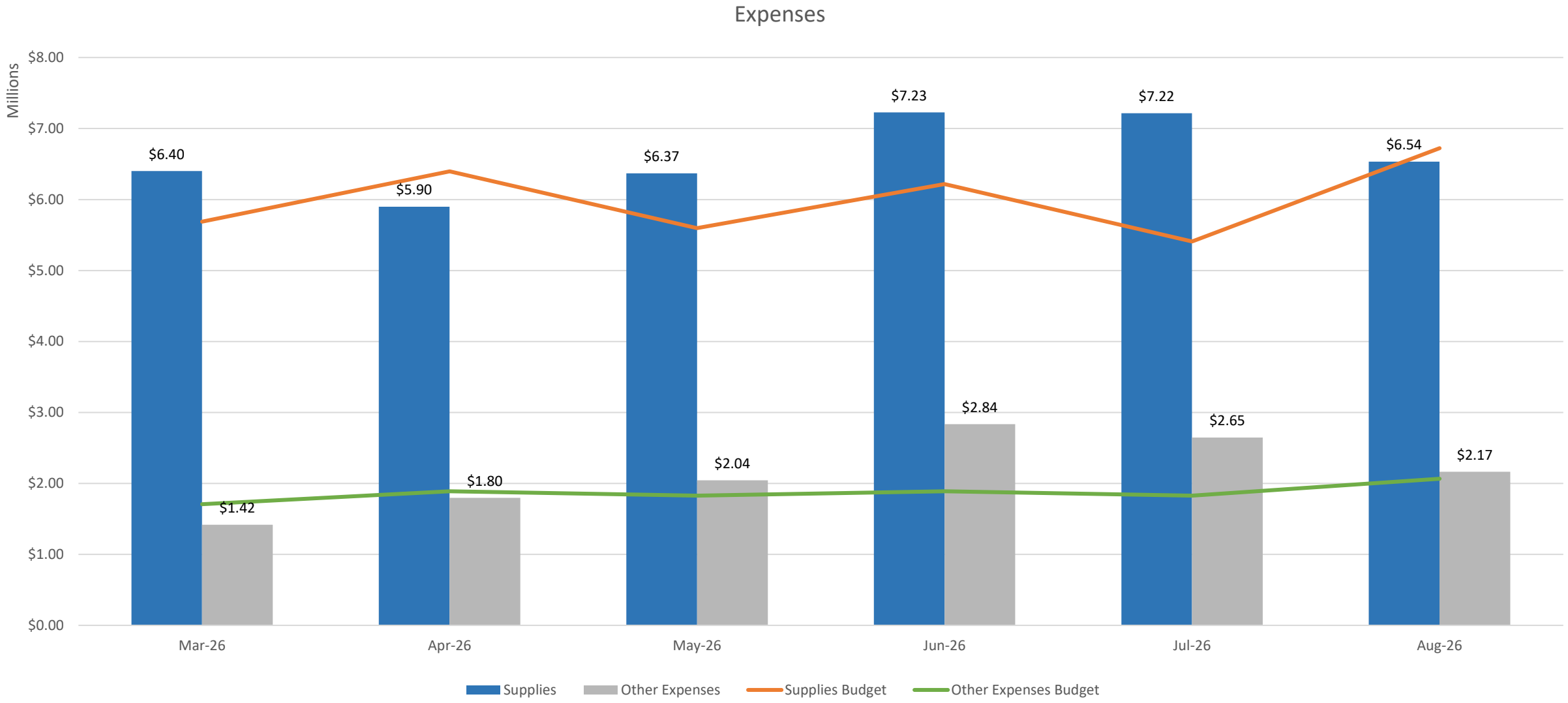
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KernMedical | 160 YEARS Health for Life.

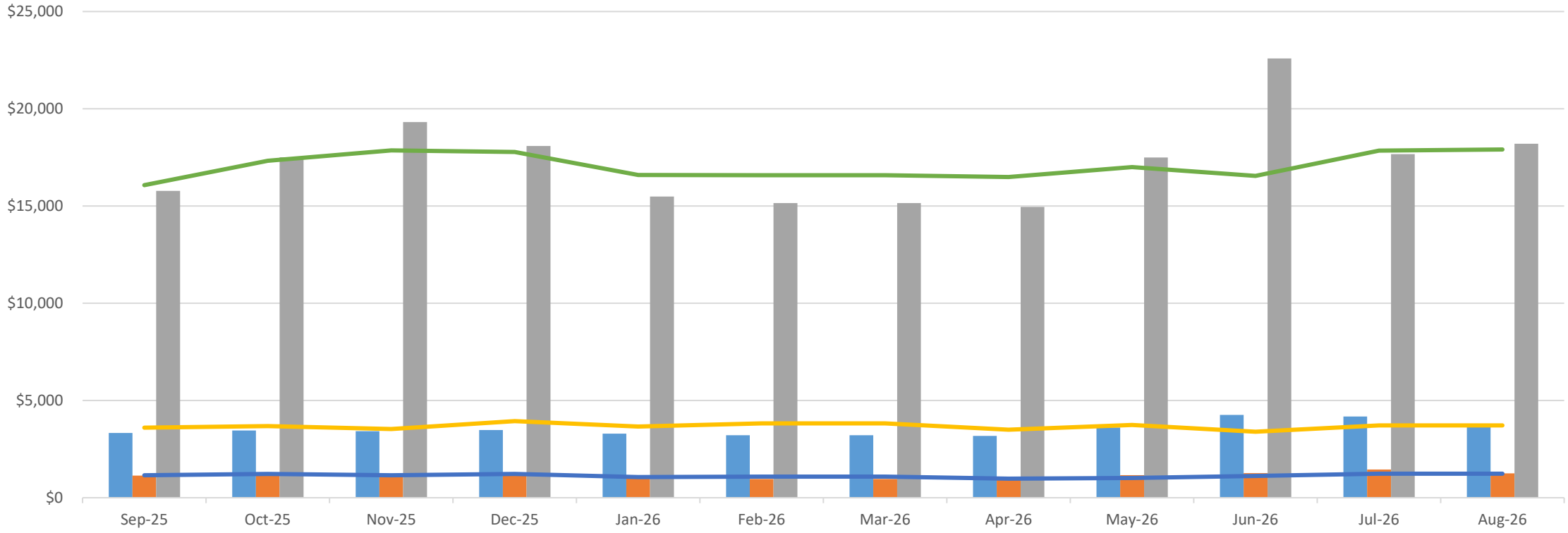


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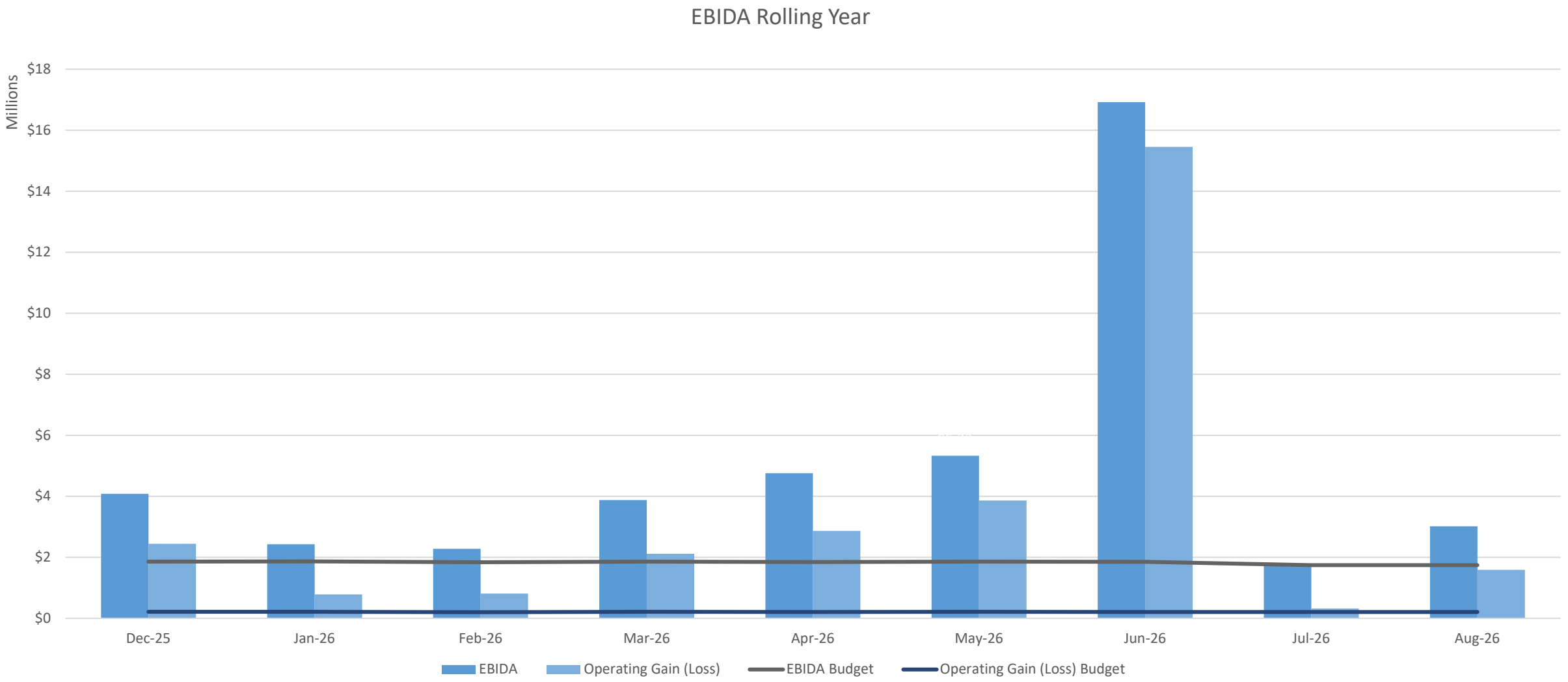


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Operating Metrics

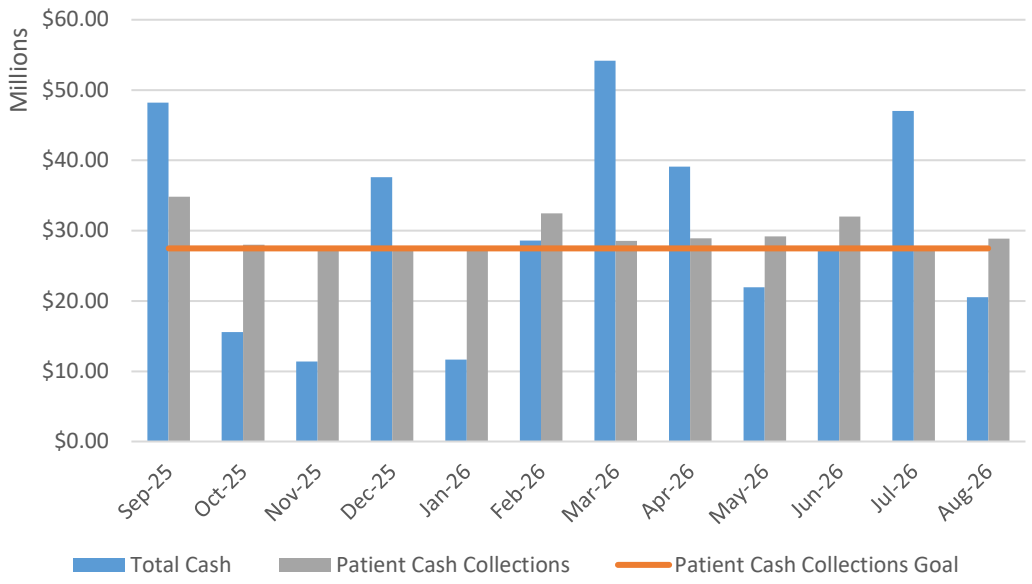


	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Supply Expense per AA	$3,338	$3,458	$3,421	$3,482	$3,298	$3,212	$3,212	$3,178	$3,612	$4,259	$4,180	$3,641
Pharm Cost per AA	$1,140	$1,194	$1,094	$1,211	$1,093	$971	$971	$1,032	$1,167	$1,270	$1,458	$1,257
Net Revenue Per AA	$15,778	$17,508	$19,312	$18,085	$15,482	$15,148	$15,148	$14,950	$17,495	$22,580	$17,664	$18,202
Budget Supp/AA	$3,604	$3,686	$3,532	$3,943	$3,669	$3,822	$3,822	$3,497	$3,741	$3,395	$3,721	$3,723
Budget Pharm/AA	$1,162	$1,228	$1,162	$1,230	$1,065	$1,092	$1,092	$990	$1,018	$1,124	$1,243	$1,244
Budget Net Rev/AA	$16,073	$17,329	$17,863	$17,783	$16,593	$16,581	$16,581	$16,493	$17,003	$16,546	$17,849	$17,903

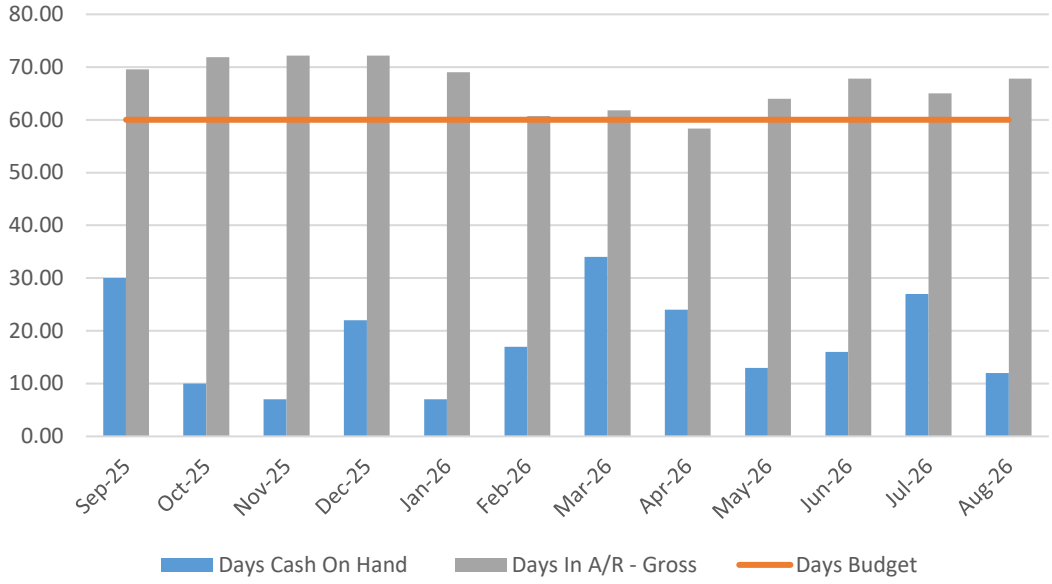


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Cash Rolling Year



AR Days Rolling Year



KernMedical | 160 YEARS Health for Life.

KERN MEDICAL

3-Month Trend Analysis: Revenues & Expenses

August 31, 2026

	JUNE	JULY	AUGUST	BUDGET AUGUST	VARIANCE POS (NEG)	PRIOR YEAR AUGUST
Gross Patient Revenue	$ 134,566,030	$ 137,566,293	$ 134,644,018	$ 133,649,702	1%	$ 124,608,923
Contractual Deductions	(96,243,053)	(107,072,483)	(101,973,231)	(101,186,133)	1%	(97,257,793)
Net Revenue	38,322,977	30,493,810	32,670,786	32,463,569	1%	27,351,130
Indigent Funding	23,769,628	19,145,240	18,394,702	18,973,856	(3%)	18,770,930
Correctional Medicine	3,097,713	3,097,713	3,097,713	3,095,522	0.1%	3,097,713
County Contribution	285,211	285,211	285,211	285,211	(0%)	285,211
Incentive Funding	420,219	284,119	209,444	148,630	41%	122,896
Net Patient Revenue	65,895,749	53,306,094	54,657,856	54,966,788	(1%)	49,627,880
Other Operating Revenue	3,289,048	1,707,031	1,802,166	1,763,594	2%	1,601,375
Other Non-Operating Revenue	17,286	18,642	18,454	11,507	60%	20,943
Total Revenues	69,202,082	55,031,767	56,478,477	56,741,890	(0.5%)	51,250,198
Expenses						
Salaries	25,132,698	24,087,214	25,443,743	25,704,422	(1%)	23,614,753
Employee Benefits	7,722,503	10,080,897	10,312,372	10,749,589	(4%)	9,208,158
Registry	1,564,270	1,351,856	1,361,939	1,764,015	(23%)	1,647,574
Medical Fees	2,876,831	3,103,870	3,229,896	3,180,809	2%	2,692,755
Other Professional Fees	1,687,215	1,635,531	1,684,175	1,630,312	3%	1,352,254
Supplies	7,227,895	7,216,624	6,535,043	6,750,901	(3%)	5,969,679
Purchased Services	3,229,437	3,164,334	2,724,454	3,150,155	(14%)	2,801,139
Other Expenses	2,836,599	2,647,018	2,166,478	2,068,039	5%	2,099,122
	52,277,449	53,287,343	53,458,099	54,998,242	(3%)	49,385,436
Earnings Before Interest, Depreciation,	$ 16,924,633	$ 1,744,424	$ 3,020,378	$ 1,743,648	73.2%	$ 1,864,762
EBIDA Margin	24%	3%	5%	3%	74%	4%
Interest	262,871	214,175	238,844	331,387	(28%)	244,843
Depreciation	537,876	546,231	547,182	630,948	(13%)	665,336
Amortization	666,234	667,061	645,194	571,061	13%	595,855
	53,744,430	54,714,810	54,889,318	56,531,639	(3%)	50,891,470
Operating Gain (Loss)	$ 15,457,652	$ 316,958	$ 1,589,158	$ 210,251	656%	$ 358,727
Operating Margin	22.34%	0.58%	2.81%	0.37%	659.4%	0.7%

KERN MEDICAL

Year-to-Date: Revenues & Expenses

August 31, 2026

	FYTD	FYTD	POS (NEG)	PRIOR YEAR FYTD	PY VARIANCE POS (NEG)
Gross Patient Revenue	$ 272,210,310	$ 266,766,062	2%	$ 254,392,264	7%
Contractual Deductions	(209,045,714)	(202,044,202)	3%	(198,288,285)	5%
Net Revenue	63,164,596	64,721,860	(2%)	56,103,979	13%
Indigent Funding	37,539,942	37,947,712	(1%)	37,541,860	(0%)
Correctional Medicine	6,195,427	6,191,045	0%	6,195,427	(0%)
County Contribution	570,422	570,422	(0%)	570,422	0%
Incentive Funding	493,563	297,260	66%	209,208	136%
Net Patient Revenue	107,963,950	109,728,299	(2%)	100,620,896	7%
Other Operating Revenue	3,509,198	3,527,189	(1%)	3,978,314	(12%)
Other Non-Operating Revenue	37,096	23,015	61%	51,944	(29%)
Total Revenues	111,510,244	113,278,502	(2%)	104,651,154	7%
Expenses					
Salaries	49,530,957	51,306,562	(3%)	47,479,511	4%
Employee Benefits	20,393,268	21,456,404	(5%)	19,431,480	5%
Registry	2,713,794	3,527,249	(23%)	3,285,188	(17%)
Medical Fees	6,333,766	6,348,924	(0%)	5,921,201	7%
Other Professional Fees	3,319,706	3,254,117	2%	2,723,992	21.9%
Supplies	13,751,667	13,474,861	2%	12,283,627	12%
Purchased Services	5,888,787	6,287,740	(6%)	5,655,180	4%
Other Expenses	4,813,496	4,136,079	16%	3,911,945	23%
	106,745,442	109,791,936	(3%)	100,692,125	6%
Earnings Before Interest, Depreciation,	$ 4,764,801	$ 3,486,566	37%	$ 3,959,029	20.4%
EBIDA Margin	4%	3%	39%	4%	13%
Interest	453,019	662,775	(32%)	496,109	(9%)
Depreciation	1,093,412	1,261,897	(13%)	1,368,329	(20%)
Amortization	1,312,255	1,142,122	15%	1,191,711	10%
	109,604,128	112,858,730	(3%)	103,748,273	6%
Operating Gain (Loss)	$ 1,906,116	$ 419,772	354%	$ 902,881	111%
Operating Margin	1.7%	0.4%	361.3%	0.9%	98%

KERN MEDICAL
BALANCE SHEET

	AUGUST 2026	AUGUST 2025
ASSETS:		
Total Cash	**$ 20,526,824**	**$ 30,632,117**
Patient Receivables Subtotal	299,813,795	305,603,138
Contractual Subtotal	(234,582,323)	(274,440,847)
Net Patient Receivable	**65,231,473**	**31,162,291**
Total Indigent Receivable	333,355,141	261,381,922
Total Other Receivable	12,837,151	20,526,765
Total Prepaid Expenses	7,240,928	7,548,747
Total Inventory	5,780,072	4,770,828
Total Current Assets	**444,971,589**	**356,022,671**
Deferred Outflows of Resources	113,460,412	124,532,718
Investments Deposited with Trustee	0	0
Total Land, Equipment, Buildings and Intangibles	280,324,544	272,870,678
Total Construction in Progress	22,622,641	17,473,388
Total Property, Plant & Equipment	**302,947,185**	**290,344,066**
Total Accumulated Depr & Amortization	(196,414,972)	(186,115,348)
Net Property, Plant, and Equipment	**106,532,213**	**104,228,719**
Total Long Term Assets	**113,460,412**	**124,532,718**
Total Assets	**$ 664,964,213**	**$ 584,784,107**

KERN MEDICAL
BALANCE SHEET

	AUGUST 2026	AUGUST 2025
LIABILITIES & EQUITY:		
Total Accounts Payable	$ 16,694,554	$ 6,600,193
Total Accrued Compensation	33,612,064	32,149,460
Total Due Government Agencies	3,980,372	796,255
Total Other Accrued Liabilities	68,134,090	44,052,199
Total Current Liabilities	**122,421,080**	**83,598,107**
Unfunded Pension Liability	331,776,526	344,447,058
Other Long-Term Liabilities	71,655,714	79,609,811
Total Long-Term Liabilities	**403,432,240**	**424,056,869**
Total Liabilities	**525,853,319**	**507,654,975**
Total Net Position	**139,110,894**	**77,129,132**
Total Liabilities and Net Position	$ **664,964,213**	$ **584,784,107**

KERN MEDICAL
STATEMENT OF CASH FLOWS

	Fiscal Year-to-Date August 2026	Fiscal Year-to-Date June 2026	Fiscal Year-to-Date August 2025	Fiscal Year-to-Date June 2025
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for patient/current services	$ 65,936,946	$ 351,656,610	$ 65,438,788	$ 314,552,945
Cash received for other operations	3,193,713	256,065,319	21,438,919	260,727,035
Cash paid for salaries and benefits	(68,441,746)	(392,647,446)	(62,823,668)	(377,869,782)
Cash paid for services and supplies	(25,789,812)	(205,077,135)	(30,987,979)	(202,668,841)
Net cash (used in) provided by operating activities	(25,100,899)	9,997,348	(6,933,940)	(5,258,643)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash (provided to) received from various County funds	-	-	-	-
Interest paid - pension obligation bond	-	92,824	-	256,677
Principal paid - pension obligation bond	-	(1,981,763)	-	(1,058,183)
Interest paid - line of credit	-	-	-	-
Line of credit payment	20,000,000	-	10,000,000	-
Net cash provided by (used in) noncapital financing activities	20,000,000	(1,888,939)	10,000,000	(801,506)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition or construction of capital assets	(1,212,137)	(12,392,799)	(1,001,818)	(11,508,871)
Payments on right-of-usage lease liability	(434,045)	3,557,623	(413,413)	(2,850,043)
Interest paid - right-of-usage lease liability	(1,069)	715	(1,396)	(7,976)
Payments on SBITA liability	(72,731)	(666,518)	(129,500)	(762,463)
Interest paid - SBITA	(95)	(559)	(92)	(580)
Net cash used by capital and related financing activities	(1,720,076)	(9,501,538)	(1,546,219)	(15,129,933)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on bank deposits and investments	-	-	-	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(6,820,976)	(1,393,129)	1,519,841	(21,190,081)
CASH AND CASH EQUIVALENTS, beginning of year	27,347,800	28,740,929	29,112,277	50,302,358
CASH AND CASH EQUIVALENTS, year-to-date	$ 20,526,824	$ 27,347,800	$ 30,632,117	$ 29,112,277

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Kern County Hospital Authority Chief Executive Officer Report

Recommended Action: Receive and File

Summary:

The Chief Executive Officer of the Kern County Hospital Authority will provide your Board with a hospital-wide update.

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BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING

October 21, 2026

Subject: Monthly report on What's Happening at Kern Medical Center

Recommended Action: Receive and File

Summary:

Each month Kern Medical will be sharing a report with your Board on "What's Happening" in and around Kern Medical.

Therefore, it is recommended that your Board receive and file the attached report on What's Happening at Kern Medical.

KernMedical | *Health for Life.*

What's Happening?

Columbus Clinic Prostate Screening Event



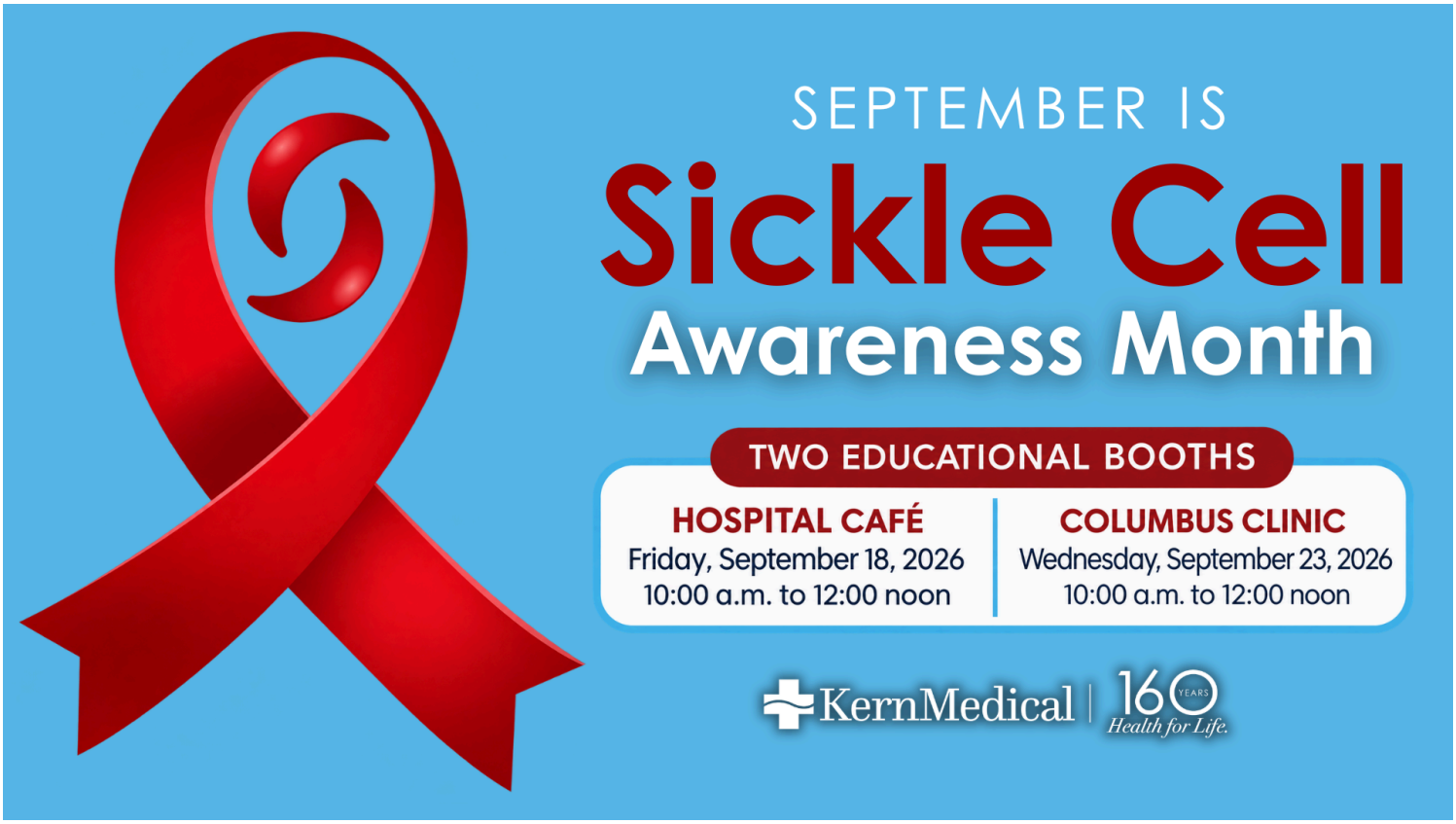
Kern Medical hosted a prostate cancer screening event at the Columbus Clinic, helping make early detection and preventive care more accessible.

Annual Links for Life Breast Cancer Awareness Event



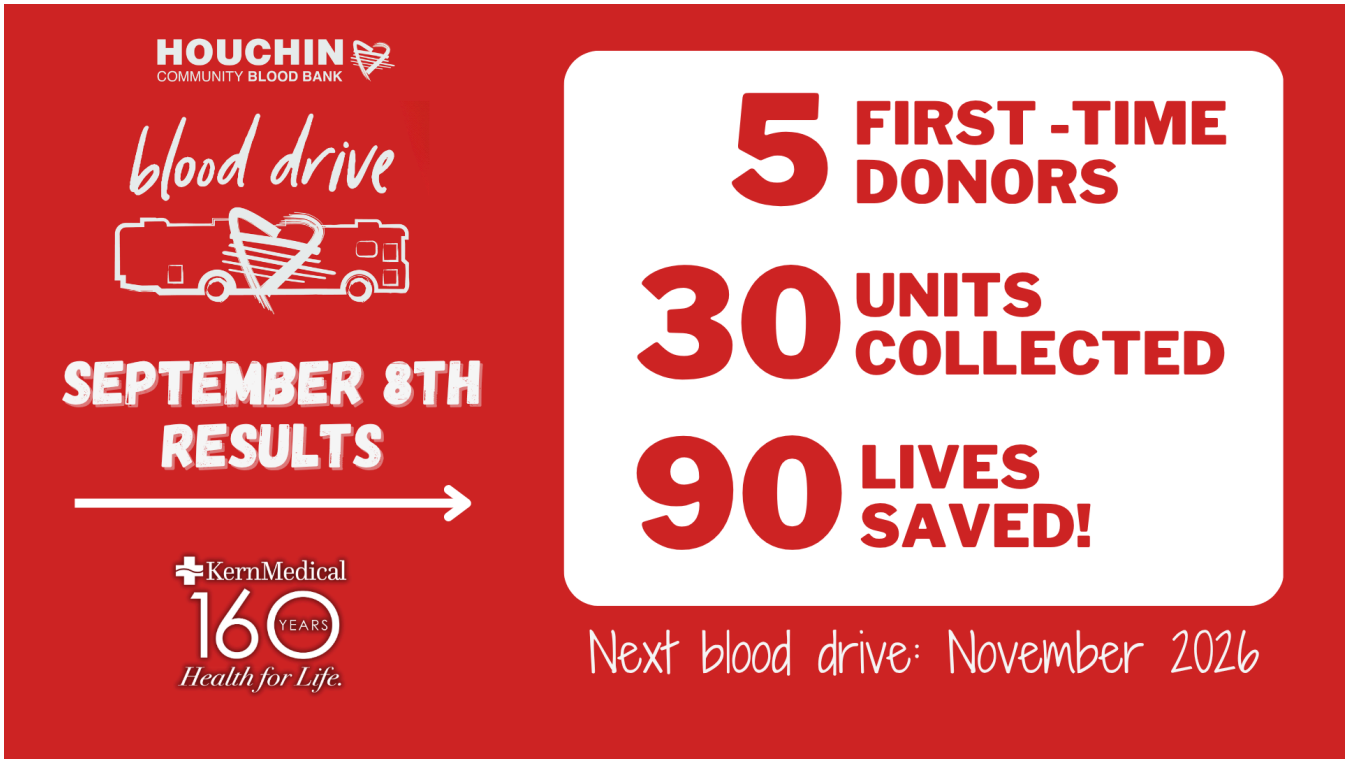
Kern Medical hosted an educational booth at Links for Life's annual Lace'N It Up event at the Park at River Walk, joining community members to kick off Breast Cancer Awareness Month and share valuable health information.

Sickle Cell Awareness Events



In recognition of Sickle Cell Awareness Month, Kern Medical's oncology team hosted educational booths at the hospital and Columbus Clinic to raise awareness and share information about sickle cell disease.

Kern Medical Blood Drive Recap



Handmade Cards for Pediatric Patients





Students from East Bakersfield High School stopped by the Kern Medical Pediatric Emergency Department to deliver handmade cards filled with encouraging messages for our youngest patients.

Grant Presentation for Mobile Dental Services



Kern Medical is excited to host a check presentation with Senator Melissa Hurtado's team, celebrating an investment in a mobile dental clinic to expand access to dental care in our community.

Impact Report 2026



Kern Medical's Fiscal Year 2026 Community Impact Report is now available on our website. Explore the report at KernMedical.com under "About Us."

New Podcast Episode



In the News: Dangers of E-Bikes

Arvin teen injured in e-scooter crash as data shows child scooter injuries up nearly 700% since 2020

A 14-year-old girl was hurt in an Arvin e-scooter crash Thursday. Experts warn child e-scooter injuries have risen nearly 700% since 2020, as doctors and police urge riders to follow safety rules.



Photo by: Denver7

By: Jose Luis Verduzco

Posted 7:23 AM, Oct 04, 2026 and last updated 2:13 PM, Oct 06, 2026



ADVERTISEMENT



Dr. Joshua Tobias with Kern Medical says possible injuries can range from scrapes and broken bones to serious head injuries. One of his biggest concerns is how quickly e-scooters can reach high speeds.

"I think that children and parents underestimate the speed that the e-scooters go. A child can control a regular scooter or a regular bike on their own and dictate the speed, whereas with an e-scooter or an e-bike, they're able to just twist the handle or push a button and the speeds go much faster than they're used to and they're unable to control it," Tobias said.

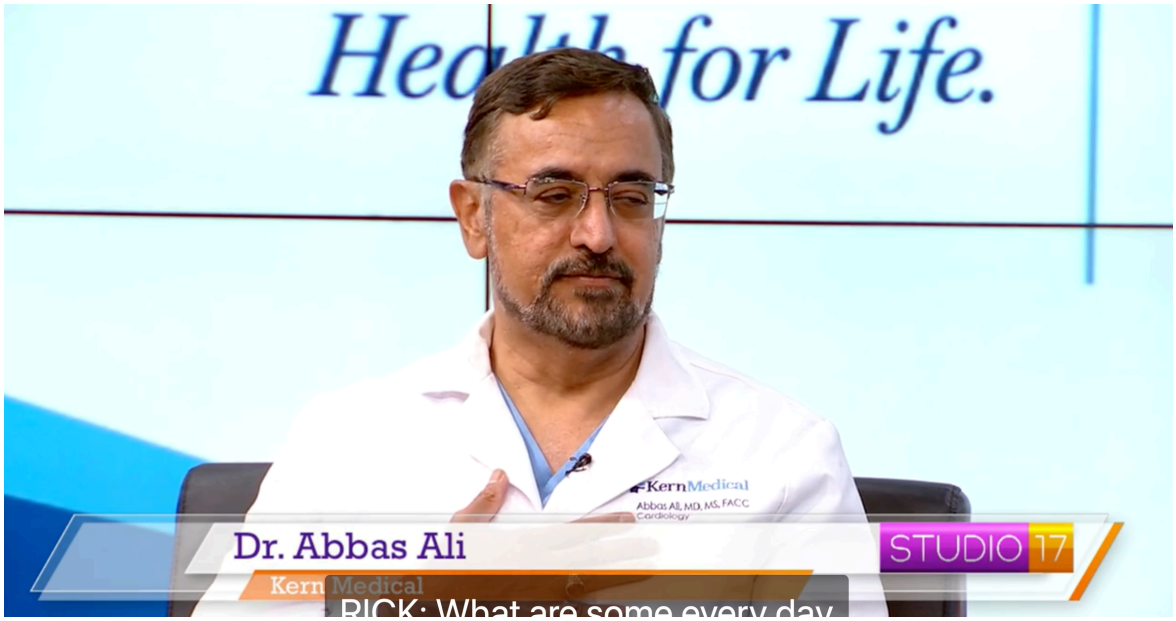
Dr. Joshua Tobias, an Emergency Medicine physician at Kern Medical, spoke with 23ABC about the rise in e-bike-related injuries seen in the emergency department and shared tips for preventing serious injuries.

In the News: Kern Medical's Cardiology Services

STUDIO 17 LIVE

World Heart Day Know the Warning Signs and Take Care of Your Heart

by: Presented by Kern Medical
Posted: Sep 28, 2026 / 02:05 PM PDT
Updated: Sep 28, 2026 / 02:05 PM PDT



Dr. Ali joined KGET on September 28 to discuss heart health and Kern Medical's cardiology services as part of a "KGET Takeover," featuring our logo and heart health tips online and on air throughout the day.

In the News: Addiction Medicine



Dr. Gonzalez joined Studio 17 Live on KGET to discuss Kern Medical's addiction medicine services, address the stigma surrounding addiction, and highlight the importance of compassionate care and access to treatment.

National Recognitions - October

- Breast Cancer Awareness Month
- Liver Cancer Awareness Month / National Liver Awareness Month
- Health Literacy Month
- American Pharmacists Month
- National Physical Therapy Month
- Medical Ultrasound Awareness Month
- National Dental Hygiene Month
- National Audiology Awareness Month / National Protect Your Hearing Month
- Children's Health Month
- Pregnancy and Infant Loss Awareness Month
- Sudden Infant Death Syndrome (SIDS) Awareness Month
- Domestic Violence Awareness Month
- ADHD Awareness Month
- Down Syndrome Awareness Month
- Spina Bifida Awareness Month
- Sudden Cardiac Arrest Awareness Month
- October 10 World Mental Health Day
- October 12 World Arthritis Day
- October 13 Metastatic Breast Cancer Awareness Day; World Thrombosis Day
- October 14 Emergency Nurses Day
- October 15 Pregnancy and Infant Loss Remembrance Day; Global Handwashing Day; National Latinx AIDS Awareness Day
- October 16 National Mammography Day
- October 20 World Osteoporosis Day
- October 28 National First Responders Day
- October 29 World Stroke Day

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy., Suite 200
Bakersfield, CA 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

October 21, 2026

Subject: Administrative Report for Two Months Ended August 31, 2026

Recommended Action: Receive and File

Summary:

Kern Medical Surgery Center Operations

Key Performance Indicators:

- July resulted in an operating loss of $132,796; $29,106 unfavorable to plan
- July volume of 233 surgeries; 24 below the July budget of 257
- August resulted in an operating loss of $149,263; $45,506 unfavorable to plan
- Total surgeries were 195 for August; 63 cases below the August budget of 258

The following items have budget variances for the months of July and August 2026:

Patient Revenue:
For July, gross patient revenue was 3.7% favorable to budget for the month with the budget at $1,779,229 and the actual gross patient revenue at $1,844,618. July net revenue of $497,660 is $5,885 greater than the July budgeted net revenue of $491,775.

For August, gross patient revenue had a 16% unfavorable budget variance with actual gross patient revenue of $1,494,718 compared to the budget of $1,786,358. August net revenue of $360,465 is $133,280 less than the August budget of $493,745.

On a fiscal year-to-date basis, gross patient revenue of $3,339,336 is 6.3% less than the budget of $3,565,587.

Salary and Benefit Expenses:
Salary expenses for July were $275,003. This was $62,759 over the budgeted amount of $212,244 due to an additional pay period falling in the month. August salary expenses were $183,039 which was $30,056 under the budgeted amount of $213,095.

Benefit expenses for July were $47,452, which was $15,272 above the budgeted amount of $32,180. The benefit expenses for August were $30,444, which was $1,865 below the budgeted amount of $32,309.

Supplies Expense: July supplies of $191,765 were $13,193 under the budgeted amount of $204,958. August supplies of $153,171 were $52,607 under the budget of $205,778.

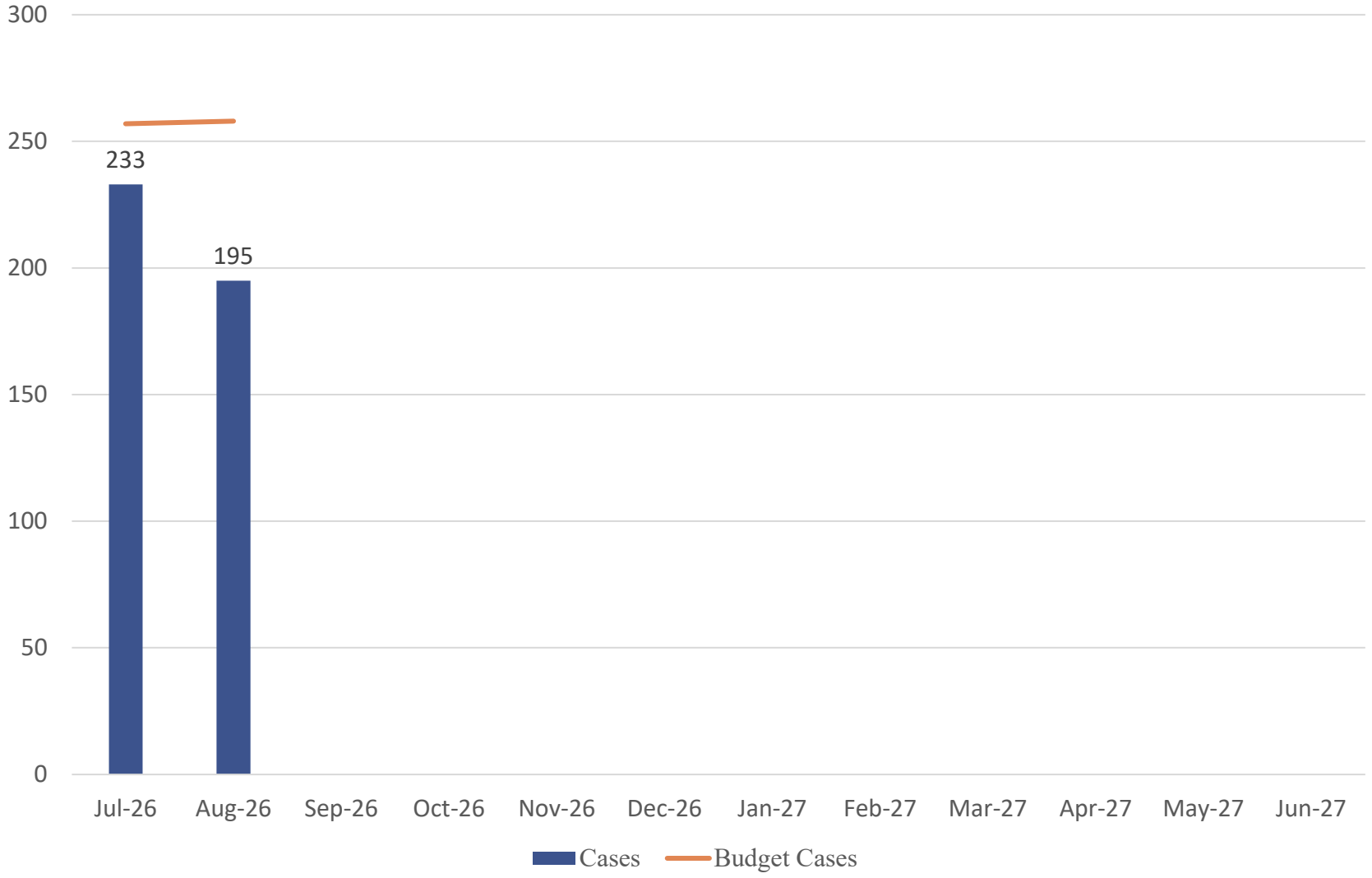
Purchased Services:
July purchased services in the amount of $88,020 were under the budgeted amount of $117,204 by $29,184. August purchased services of $114,858 were under the budgeted amount of $117,441 by $2,583.

Initiatives for Marketing and Growth:
Kern Medical Surgery Center has added several new providers, including an orthopedic sports medicine surgeon, an orthopedic trauma surgeon, and an additional gastroenterology provider.

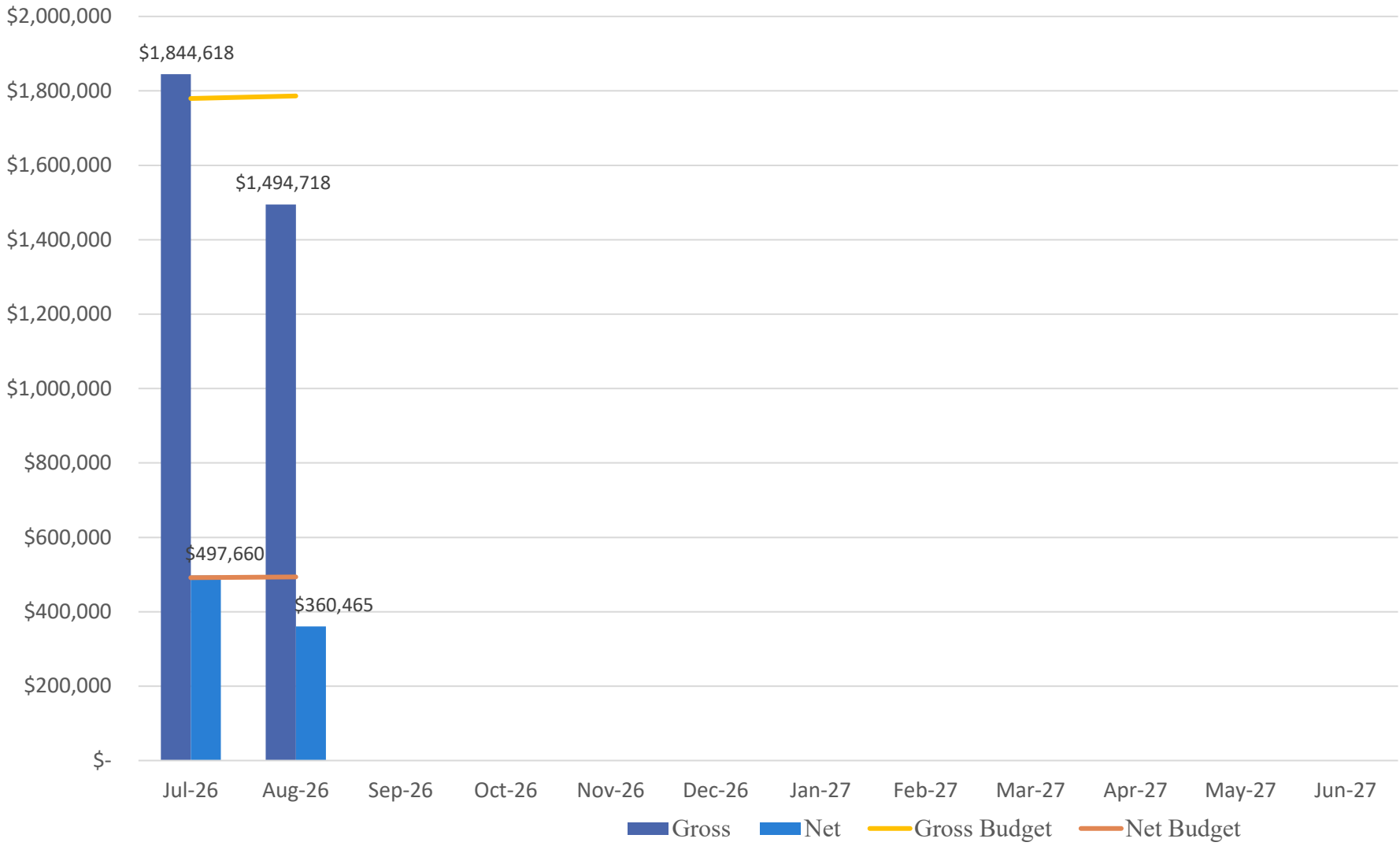
Kern Medical
Surgery Center

BOARD OF MANAGERS' REPORT
JULY 2026 – AUGUST 2026

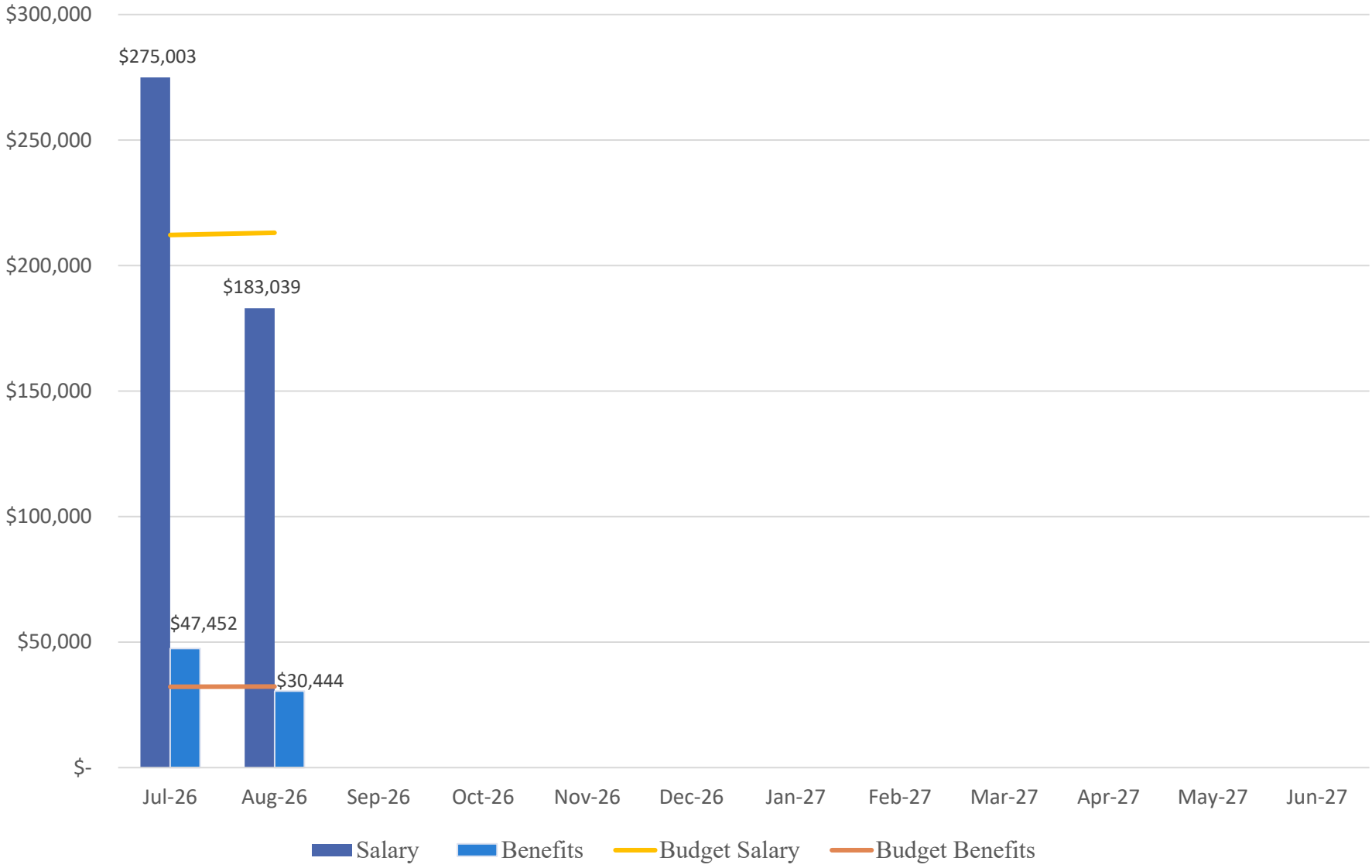
Case Volume


300
250
200
150
100
50
0
233
195
Jul-26
Aug-26
Sep-26
Oct-26
Nov-26
Dec-26
Jan-27
Feb-27
Mar-27
Apr-27
May-27
Jun-27
Cases
Budget Cases

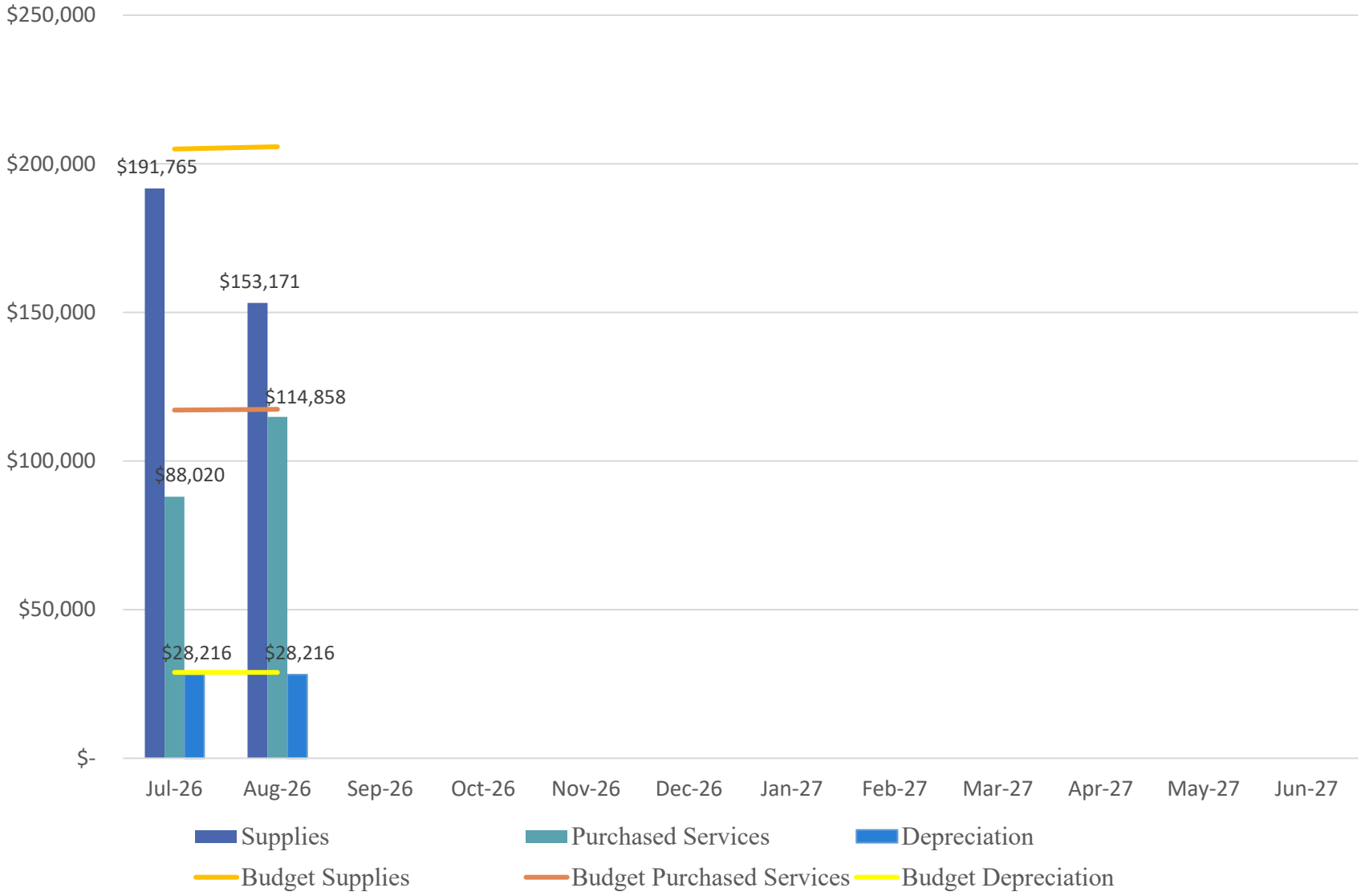
Total Revenue



Expenses


$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
$275,003
$183,039
$47,452
$30,444
Jul-26
Aug-26
Sep-26
Oct-26
Nov-26
Dec-26
Jan-27
Feb-27
Mar-27
Apr-27
May-27
Jun-27
Salary
Benefits
Budget Salary
Budget Benefits

Expenses


$250,000
$200,000
$150,000
$100,000
$50,000
$-
$191,765
$153,171
$114,858
$88,020
$28,216
$28,216
Jul-26
Aug-26
Sep-26
Oct-26
Nov-26
Dec-26
Jan-27
Feb-27
Mar-27
Apr-27
May-27
Jun-27
Supplies
Purchased Services
Depreciation
Budget Supplies
Budget Purchased Services
Budget Depreciation


PAYER MIX
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
2%
11%
76%
11%
9%
74%
17%
Jul-26
Aug-26
Sep-26
Oct-26
Nov-26
Dec-26
Jan-27
Feb-27
Mar-27
Apr-27
May-27
Jun-27
Work Comp
Self-Pay
Medicare
Medi-Cal
Commerical

Kern Medical Surgery Center, LLC.
Profit and Loss

	July-26	August-26	Budget August-26	Variance
Gross Revenue	**$ 1,844,618**	**$ 1,494,718**	**$ 1,786,358**	**$ 291,640**
Net Revenue	**497,660**	**360,465**	**493,745**	**(133,280)**
Salaries	275,003	183,039	213,095	**30,056**
Benefits	47,452	30,444	32,309	**1,865**
Supplies	191,765	153,171	205,778	**52,607**
Purchased Services	88,020	114,858	117,441	**2,583**
Depreciation	28,216	28,216	28,879	**663**
Total Expenses	**630,456**	**509,728**	**597,502**	**87,774**
Net Operating Gain (Loss)	**$ (132,796)**	**$ (149,263)**	**$ (103,757)**	**$ (45,506)**

Kern Medical Surgery Center, LLC.
Profit and Loss
Fiscal Year to Date

	Actual FYTD	Budget FTYD
Gross Revenue	$ 3,339,336	$ 3,565,587
Net Revenue	858,126	985,520
Salaries	458,042	425,339
Benefits	77,896	64,489
Supplies	344,936	410,736
Purchased Services	202,879	234,645
Depreciation	56,432	57,758
Total Expenses	$ 1,140,185	$ 1,192,967
Net Operating Gain (Loss)	$ (282,059)	$ (207,447)

Balance Sheet
As of August 31, 2026

	July- 26	August- 26
ASSETS		
Total Cash	$ 866,721	$ 739,975
Gross Patient Receivables	1,731,780	1,680,460
Contractual Reserve	(1,229,564)	(1,193,127)
Net Patient Receivables	502,216	487,334
Other Receivables	-	319
Total Accounts Receivable	502,216	487,653
Total Other Current Assets	5,524	7,088
Total Current Assets	1,374,461	1,260,816
Total Fixed Assets	3,803,226	3,775,010
TOTAL ASSETS	5,177,687	5,035,826
Liabilities and Equity		
Total Accounts Payable	266,200	279,380
TOTAL LIABILITIES	3,753,203	3,760,604
Total Equity	1,424,484	1,275,222
TOTAL LIABILITIES AND EQUITY	$ 5,177,687	$ 5,035,826

Kern Medical
Surgery Center

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

October 21, 2026

Subject: Proposed credentialing recommendations

Recommended Action: Approve

Summary:

It is recommended that your Board approve the attached credentialing recommendations for Kern Medical Surgery Center, LLC.

CREDENTIALING RECOMMENDATIONS TO BOARD OF MANAGERS

October 21, 2026

Initial Appointments: The following practitioner(s) are recommended for initial appointment and clinical privileges as delineated by the respective department chairs:

Cameron Furey, MD, Gastroenterology
Juan P. Hoyos, MD, Resident, General Surgery
Quinn Adams, MD, Resident, General Surgery
Haley M. Eversman, MD, Resident, General Surgery
Jim Schroeder, DO, Resident, Emergency Medicine
Jie Tang, MD, Resident, Emergency Medicine
Alexander N. Wan, MD, Resident, Emergency Medicine
Bangyan Xiong, DO, Resident, Emergency Medicine

APP Initial Appointments:

Alexander Z. Awad, CRNA

Reappointments: The following practitioner(s) are recommended for reappointment and clinical privileges as delineated by the respective department chairs:

Najib R. Ussef, MD, Orthopedic Surgery
Danny Huynh, MD, Urology

APP Reappointments: *N/A*

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
REGULAR MEETING
KERN MEDICAL SURGERY CENTER, LLC

October 21, 2026

SUBJECT: Establish Regular Meeting Dates of the Kern Medical Surgery Center, LLC Board of Managers for Calendar Year 2027

Recommended Action: Approve; Adopt Resolution

Summary:

The conduct of your Board is subject to the provisions of the Ralph M. Brown Act ("Brown Act"; Gov. Code, § 54950 et seq.). Specifically, section 54954, subd. (a) of the Brown Act requires that your Board shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings.

Therefore, it is recommended that your Board establish its schedule of regular meetings for calendar year 2027 in compliance with the Brown Act by adopting the attached Resolution.

BEFORE THE BOARD OF MANAGERS
OF THE KERN MEDICAL SURGERY CENTER, LLC

In the matter of: Resolution No. 2026-___

ESTABLISHING THE REGULAR MEETING DATES OF THE KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS FOR CALENDAR YEAR 2027_____

I, MONA A. ALLEN, Clerk of the Board of Managers for the Kern Medical Surgery Center, LLC, hereby certify that the following Resolution, on motion of Manager _____, seconded by Manager _____, was duly and regularly adopted by the Board of Managers of the Kern Medical Surgery Center, LLC at an official meeting thereof on the 21st day of October, 2026, by the following vote, and that a copy of the Resolution has been delivered to the President and Chief Executive Officer of the Board of Managers.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Clerk of the Board of Managers
Kern Medical Surgery Center, LLC

_____
Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conduct of Kern Medical Surgery Center, LLC Board of Managers is subject to the provisions of the Ralph M. Brown Act ("Brown Act"; Gov. Code, § 54950 et seq.).

(b) Section 54954, subd. (a) of the Brown Act requires that the legislative body of a local agency shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings; and

(c) The Board of Managers desires to establish its schedule of regular meetings for calendar year 2026 in compliance with the Brown Act.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Managers of the Kern Medical Surgery Center, LLC, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Except as provided in paragraph 4 of this Resolution, the calendar year 2026 regular meetings of the Board of Managers shall be held as follows:

Wednesday, February 17, 2027	Regular Meeting
Wednesday, April 21, 2027	Regular Meeting
Wednesday, June 16, 2027	Regular Meeting
Wednesday, August 18, 2027	Regular Meeting
Wednesday, October 20, 2027	Regular Meeting
Wednesday, December 15, 2027	Regular Meeting

3. All meetings shall be held at Kern Medical Center, which is located at 1700 Mount Vernon Avenue, Bakersfield, California 93306. All meetings shall commence at the hour of 11:30 a.m., unless a different time is posted by the Clerk of the Board of Managers. Meetings so commenced may be continued from time to time until the disposition of all business before the Board of Managers.

4. Regular meetings shall be canceled or rescheduled whenever the Board of Managers unanimously finds good cause otherwise exists for cancellation, rescheduling, or scheduling of a regular meeting.

5. The Clerk of the Board of Managers shall provide copies of this Resolution to the following:

Members, Board of Managers
Members, Board of Governors
Kern Medical Surgery Center, LLC
Kern Medical Center
Legal Services Department
County Administrative Office
Clerk of the Board of Supervisors

Kern Medical Surgery Center

2027

Kern Medical Surgery Center
Board of Managers'
Meeting Calendar
11:30am – 2:00pm

JANUARY

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	**10**	11	12	13
14	15	16	**17**	18	19	20
21	22	23	24	25	26	27
28						

MARCH

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	**21**	22	23	24
25	26	27	28	29	30	

MAY

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

JUNE

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	**16**	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	**18**	19	20	21
22	23	24	25	26	27	28
29	30	31				

SEPTEMBER

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	**20**	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	**15**	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Kern Medical Surgery Center

Kern Medical Surgery Center, LLC
9300 Stockdale Hwy, Suite 200
Bakersfield, CA. 93311
661-964-2470

BOARD OF MANAGERS
KERN MEDICAL SURGERY CENTER, LLC REGULAR MEETING

October 21, 2026

Subject: Proposed Schedule 003 to Master Lease Agreement 53921 with Olympus America Inc. for the lease of one tower and three scopes for gastrointestinal procedures

Recommended Action: Approve; Authorize Chairman to sign

Summary:
Kern Medical Surgery Center, LLC, requests that your Board approve the proposed Schedule 003 to the Master Lease Agreement 53921 with Olympus America Inc. for the lease of one tower and three scopes for gastrointestinal procedures.

This proposed purchase will allow Kern Medical Surgery Center, LLC to accommodate the additional volume expected with the new gastrointestinal surgeon. In addition, the lease will allow the surgery center to run two operating rooms for GI cases on same day, increasing overall volume.

The cost includes new electronics, cables and endoscopy cart for the tower and three certified previously owned colonoscopes. The agreement is for a term of 36 months beginning November 1, 2026, to October 31, 2029, with an annual cost of $67,465.52 for a maximum payable of $202,398 plus any taxes and/or fees.

Counsel is unable to approve due to nonstandard terms, which includes no termination without cause, indemnification only for vendor, “As Is” purchase with no warranties, interest on late payments, and law and venue in the state of Pennsylvania. Attempts to negotiate acceptable revisions with the vendor were made but were unsuccessful.

Therefore, it is recommended that your Board approve the proposed approve the proposed Schedule 003 to the Master Lease Agreement 53921 with Olympus America Inc. for the lease of one tower and three scopes for gastrointestinal procedures, for a term of 36 months effective November 1, 2026, to October 31, 2029, with a maximum payable of $202,398 plus any taxes and/or fees, and authorize the Chairman to sign.

August 31, 2026

KERN MEDICAL SURGERY CENTER, LLC.
9300 STOCKDALE HWY, STE 200
BAKERSFIELD, CA 93311

RE: Fixed Periodic Payment Schedule and Supporting Documentation

Enclosed please find the following documents for your signature.

- Fixed Periodic Payment Schedule with Equipment Listing
- Debit Authorization
- Request For Insurance Certificate
- Information Sheet

Please note that the "Fixed Periodic Payment" as indicated in the attached Fixed Periodic Payment Schedule will be valid through the "PRICING EXPIRATION DATE".

This transaction is subject to credit review and approval by Olympus, as well as review and approval of documentation. This is not an offer or a commitment and may be withdrawn at any time by Olympus in its sole and absolute discretion.

The following additional items are required for credit review: Debit Authorization

If your facility is Tax-exempt for Sales/Use tax, please provide a copy of your Exemption Certificate and initial the "Tax-exempt" line in the signature block of the Fixed Periodic Payment Schedule.

Do not alter any of the documents. If you have any questions, please do not hesitate to contact me.

Please have the documents signed in the place indicated, acknowledging your acceptance and via email to your FIS Rep or FISFRSTEAM@Olympus.com.

Sincerely,

Annette Kirk
Financing Relationship Specialist

OLYMPUS

OLYMPUS FINANCIAL SERVICES®

FIXED PERIODIC PAYMENT (FPP) SCHEDULE

Master Agreement Number: 0018600
Schedule Number: 003

Olympus America Inc. (together with its successors and/or assigns, collectively the "Lessor") and KERN MEDICAL SURGERY CENTER, LLC. ("Lessee") are parties to the Master Lease Agreement identified above ("Master Agreement"). This Schedule (identified by the Schedule Number specified above) and the Master Agreement together comprise a separate Lease, between the parties. All the terms and conditions of the Master Agreement are hereby incorporated by reference into this Schedule. In the event of any conflict between the terms of this Schedule and the Master Agreement, the terms of this Schedule shall prevail.

1. **LEASE.**

A.	EQUIPMENT:	Identified on the Equipment Listing attached hereto.
B.	SELLER / SUPPLIER:	Identified on the Equipment Listing attached hereto.
C.	EQUIPMENT LOCATION:	9300 STOCKDALE HWY 200 BAKERSFIELD, CA 93311
D.	TERM:	36 Months

2. **ADDITIONAL DEFINITIONS APPLICABLE TO THIS SCHEDULE:**

"Shipping Charges" shall mean all charges set forth on the quotation issued by Supplier attributable to freight and/or shipping charges (which may not necessarily reflect the exact charges paid by Supplier to the carrier due to volume or incentive discount agreements entered into between Supplier and the carrier) and/or handling charges for the packaging and shipment of the Equipment. Equipment is shipped FOB shipping point.

3. **PERIODIC LEASE PAYMENT**: Excludes Sales Tax

For Equipment and Shipping Charges (if applicable, see Supplier quotation):	$5,810.52
For Consumable Products:	$0.00
For Additional Financed Items:	$0.00
For Other Financed Items & Pass Through Fees:	
Total Periodic Lease Payment:	$5,810.52

* Additional taxes may apply in addition to any taxes already included in the Total Periodic Lease Payment.

** The portion of the Periodic Lease Payment that is attributable to each of the Other Financed Items for Service described above shall be separately identified in the invoices for the Periodic Lease Payments issued by Lessor. **This amount is subject to change per any Notification Letter or executed Addendum to the Service Agreement. Customer hereby agrees to the Total Periodic Lease Payment being adjusted accordingly.**

*** The portion of the Periodic Lease Payment that is attributable to Other Financed Items for the Software Subscription described above shall be separately identified in the invoices for the Periodic Lease Payments issued by Lessor. The Total Periodic Lease Payment on the first invoice(s) may not include an amount for the Software Subscription resulting from any installation delays.

4. **PERIODIC LEASE PAYMENT IS PAYABLE:** In Arrears

Lessee shall pay Lessor thirty (30) days following the Acceptance Date ("Payment Due Date") and, thereafter, each subsequent Periodic Lease Payment shall be paid in each subsequent calendar month of the Term on or before the same day of the month as the Payment Due Date, provided, however, if the Payment Due Date of this Schedule occurs on the last day of the month, each subsequent Periodic Lease Payment shall be due and payable by Lessee on or before the last day of each calendar month. Notwithstanding the foregoing, if the Service Agreement or a Software Subscription is included to invoice with the Lease, the invoicing lead time may be reduced to twenty-seven (27) days prior to the Payment Due Date.

5. **PRICING EXPIRATION DATE.** November 25, 2026

6. **END OF TERM OPTION.** Provided Lessee complies with all of the terms and conditions of the Master Agreement and this Schedule, Lessee may elect to purchase any of the Equipment, with the exception of the Transfer Equipment (as defined below), on the applicable Equipment Listing to this Schedule (the "Option Equipment") at the expiration of the completed Term of this Schedule upon Lessee's payment to Lessor of an amount equal to such Option Equipment's then fair market value (the "FMV Purchase Option"). Upon payment to Lessor, Lessor will transfer title to such Option Equipment to Lessee on an "AS IS, WHERE IS" basis without recourse to or warranty of Lessor.

Notwithstanding the foregoing, provided Lessee complies with all of the terms and conditions of the Master Agreement and this Schedule, Lessor shall transfer title to those items of Equipment identified on the attached Equipment Listing as "Transfer Equipment" (collectively, the "Transfer Equipment") to Lessee at the expiration of the completed Term of this Schedule. In accordance with Section 13 of the Master Agreement, if the Schedule automatically extends with regard to the Option Equipment, Lessor will reduce the Periodic Lease Payment for the Transfer Equipment.

7. **ADDITIONAL PROVISIONS:**

A. DISCOUNT DISCLOSURE. This Lease and the payments hereunder include a discount or rebate that is disclosed on the supplier's quotation. You have an obligation to properly report such discount or rebate on applicable cost reports or in charges to Medicare, Medicaid and other federal or state health insurance programs in accordance with 42 U.S.C. § 1320a-7b(b)(3). Lessor will provide any additional information concerning the discount needed by Lessee upon request.

B. ACCEPTANCE OF EQUIPMENT: If at any time it is identified that some Equipment will not ship within thirty (30) days of the order for the quotations listed on the attached Equipment Listing ("Initial Order"), the Lessee shall agree to one of the following options: i) enter into a separate Schedule for the Equipment not shipped and deem this Schedule to be accepted in accordance with Section 3 of the Master Agreement, or ii) agree to the Acceptance Date that is no later than 30 days from Initial Order. If Lessee does not select one of the options, Lessor shall invoice Lessee for usage on the Equipment which shipped for the period that begins on the thirty-first (31st) day after the Initial Order until the Acceptance Date. Such usage shall be charged at a rate of Prime + 1% and invoiced along with the first Periodic Lease Payment. Unless otherwise agreed to in writing, if Equipment is unavailable to ship by day seventy-five (75) from the Initial Order, or has been discontinued, Lessee acknowledges and agrees that Lessor will provide a Notification Letter advising of the item(s) being removed and the change to the Periodic Lease Payment.

IN WITNESS WHEREOF, the Parties hereto have executed this Schedule as of the date written below.

LESSOR: **OLYMPUS AMERICA INC.**	LESSEE: **KERN MEDICAL SURGERY CENTER, LLC.**
By (Signature):_____	By (Signature):_____
Print Name:_____	Print Name: Phil McLaughlin
Title:_____	Title: Chairman, Board of Chairman
Date:_____	Date: _____
	Initial here if tax-exempt (See Section 8 of Master Agreement): _____

REVIEWED ONLY
NOT APPROVED AS TO FORM

By Shannon Hochstein
Kern County Hospital Authority

EQUIPMENT LISTING

Master Agreement Number: 0018600
Schedule Number: 003

Seller/Supplier: Olympus America Inc.
Quote Number: Q-02105336

Quantity	Model Number	Description
One (1)	OEV321UH	OEV321UH UHD 4K 32 inch Monitor
One (1)	UCR	UCR WITH CYLINDER HOSE (US)
One (1)	OFP-2	OFP-2 FLUSHING PUMP
One (1)	CLV-190	CLV-190 100V W/ POWER CORD (US)
One (1)	CV-190	CV-190 EVIS EXERA III VIDEO PROCESSOR
One (1)	MAJ-2426	12G-SDI cable 1.5M
One (1)	MAJ-1918	MAJ-1918 REMOTE CABLE PERIPH DEVICE 1.8M
One (1)	MAJ-1951	MAJ-1951 SDI CABLE 2.5M
One (1)	MAJ-2429	12G-SDI cable 8.5M
One (1)	OEP-6	OEP-6 HD OLYMPUS PRINTER
One (1)	K10035366	K10035366 WM-NP3 WORKSTATION US GI 20A
One (1)	MAJ-1653	MAJ-1653 DUAL CO2 CYLINDER HOLDER WM-P2
One (1)	MAJ-1985	MAJ-1985 CYLINDER HOSE WITH SWITCH OVER
One (1)	MAJ-2154	MAJ-2154 CONSUMABLE STOWAGE HOLDER
Transfer Equipment:		
One (1)	CF-HQ190L	CF-HQ190L EVIS EXERA III HD COLONOSCOPE
One (1)	PCF-HQ190L	PCF-HQ190L SLIM COLONO W/ DUAL FOCUS NBI
One (1)	PCF-HQ190L	PCF-HQ190L SLIM COLONO W/ DUAL FOCUS NBI

Olympus America Inc.
3500 Corporate Parkway
P.O. BOX 610
Center Valley, PA 18034-0610

TEL: (800) 848-9024
FAX: (800) 228-4963

trinity.keoseyan@olympus.com
www.olympusamerica.com

Quote Number: Q-02105336

Please refer to this number on all correspondence
Effective Date: August 27, 2026

Expiration Date: November 25, 2026

CONFIDENTIAL AND PROPRIETARY - All information contained on this quotation is confidential and proprietary to Olympus

Customer Information

Contact Name:

Contact Email:

Account Name: KERN MEDICAL SURGERY CENTER LLC

Customer Address: 9300 STOCKDALE HWY 200
BAKERSFIELD, California
93311
Customer Number: 20042884
(Sold To)

Payment Terms: Net 30 subject to Olympus credit approval
F.O.B.: Shipping point, unless otherwise mutually agreed upon in writing
Tax: Applicable taxes are not included in this quote and are the responsibility of the customer

Olympus Information

Representative: Trinity Keoseyan
Phone: 9497403463
Email: trinity.keoseyan@olympus.com

Cage code:32212
DUNS#:017018859
Tax ID:11-2416961

Comments

Customer agrees that the pricing and terms and conditions in this Promotion Quotation are confidential and intended solely for the individual or entity it is addressed to. The pricing is limited, for this Quotation is only, and subject to product availability. Olympus may terminate this promotion at any time in its sole discretion. Quotes without a valid Purchase Order issued prior to the expiration of this offer are invalid and shall not be entitled to the quoted pricing.

CPO/DEMO SHIPMENTS ARE SUBJECT TO INVENTORY AVAILABILITY.
CORE for Ambulatory Endoscopy

To provide proper shipping and delivery of your order, the following information is required at the time of purchase:

1) Can your facility accommodate a 53ft semi truck? _____
   A. If not, what size can be accepted? _____
2) Does your facility have a loading dock? _____
   A. If not, will a lift gate be needed? _____
3) Does your facility require inside delivery? _____
   A. If yes, what is the floor number? _____
   B. Does your facility have a freight elevator? _____
C. How many doors will the equipment need to go through? _____

Olympus America Inc.
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P.O. BOX 610
Center Valley, PA 18034-0610

TEL: (800) 848-9024
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D. What is the room/suite number (if applicable)? _____
4) Receiving/ Delivery dock Contact Name: _____
5) Receiving/ Delivery dock Contact Phone #: _____
6) Alternate contact name: _____
7) Alternate contact phone # : _____
Inspect delivery thoroughly before signing the shipment documents and note any damage on the document, if applicable.
Please contact Olympus Customer Care at 1-800-848-9024 with any shipment inquiries

Olympus America Inc.
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Center Valley, PA 18034-0610

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Services & Products

#	Item Type	Model And Description	Kit Component(s)	Qty	UoM	List Price	Contract Price	Unit Price	Total Price
Electronics									
1	New	**OEV321UH** : OEV321UH UHD 4K 32 inch Monitor		1	1	$12,100.00	$9,830.83	$9,830.83	$9,830.83
2	New	**UCR** : UCR WITH CYLINDER HOSE (US)		1	1	$10,200.00	$5,909.89	$5,909.89	$5,909.89
3	New	**OFP-2** : OFP-2 FLUSHING PUMP		1	1	$2,680.00	$1,921.66	$1,921.66	$1,921.66
4	New	**OEP-6** : OEP-6 HD OLYMPUS PRINTER		1	1	$12,700.00	$9,722.14	$9,722.14	$9,722.14
5	New	**CLV-190** : CLV-190 100V W/ POWER CORD (US)		1	1	$19,800.00	$15,919.80	$15,919.80	$15,919.80
6	New	**CV-190** : CV-190 EVIS EXERA III VIDEO PROCESSOR		1	1	$33,800.00	$27,660.41	$27,660.41	$27,660.41
								Sub Total	**$70,964.73**
Cables									
7	New	**MAJ-2426** : 12G-SDI cable 1.5M		1	1	$120.00	$92.41	$92.41	$92.41
8	New	**MAJ-1918** : MAJ-1918 REMOTE CABLE PERIPH DEVICE 1.8M		1	1	$31.10	$24.99	$24.99	$24.99
9	New	**MAJ-1951** : MAJ-1951 SDI CABLE 2.5M		1	1	$87.50	$69.65	$69.65	$69.65
10	New	**MAJ-2429** : 12G-SDI cable 8.5M		1	1	$279.50	$215.63	$215.63	$215.63
								Sub Total	**$402.68**
Endoscopy Cart									
11	New	**K10035366** : K10035366 WM-NP3 WORKSTATION US GI 20A		1	1	$7,600.00	$6,279.40	$6,279.40	$6,279.40
12	New	**MAJ-1653** : MAJ-1653 DUAL CO2 CYLINDER HOLDER WM-P2		1	1	$700.00	$558.37	$558.37	$558.37
13	New	**MAJ-1985** : MAJ-1985 CYLINDER HOSE WITH SWITCH OVER		1	1	$4,930.00	$3,798.06	$3,798.06	$3,798.06
14	New	**MAJ-2154** : MAJ-2154 CONSUMABLE STOWAGE HOLDER		1	1	$213.50	$176.28	$176.28	$176.28
								Sub Total	**$10,812.11**
Colonoscopes									

Olympus America Inc.
3500 Corporate Parkway
P.O. BOX 610
Center Valley, PA 18034-0610

TEL: (800) 848-9024
FAX: (800) 228-4963

trinity.keoseyan@olympus.com
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Quote Number: Q-02105336

Please refer to this number on all correspondence
Effective Date: August 27, 2026

Expiration Date: November 25, 2026

CONFIDENTIAL AND PROPRIETARY - All information contained on this quotation is confidential and proprietary to Olympus

Services & Products

#	Item Type	Model And Description	Kit Component(s)	Qty	UoM	List Price	Contract Price	Unit Price	Total Price
15	CPO	**CF-HQ190L** : CF-HQ190L EVIS EXERA III HD COLONOSCOPE		1	1	$58,300.00	Not Available	$26,500.00	$26,500.00
16	CPO	**PCF-HQ190L** : PCF-HQ190L SLIM COLONO W/ DUAL FOCUS NBI		1	1	$63,100.00	Not Available	$30,000.00	$30,000.00
17	CPO	**PCF-HQ190L** : PCF-HQ190L SLIM COLONO W/ DUAL FOCUS NBI		1	1	$63,100.00	Not Available	$63,100.00	$63,100.00
								Sub Total	**$119,600.00**

* DENOTES OPEN MARKET ITEM
Pricing may be based on a local agreement or the following contract(s):
Vizient CE7341 GI Tier 1

KERN MEDICAL SURGERY CENTER LLC

Signature: _____

Name: _____

Title: _____

Effective Date: _____

Purchase Order #: _____

Total List Price Services & Products: (Before Trade-Ins)	$289,741.60
Total Net Price Services & Products: (Before Trade-Ins)	$201,779.52
Total Trade-In Value:	$0.00
Sub Total:	$201,779.52
Freight:	$617.04
Grand Total:	**$202,396.56**

I. Olympus Standard Terms and Conditions apply to this quote, unless otherwise mutually agreed upon in writing
II. Errors & Omissions Excepted. Price quotes and the total package prices are for the quoted items only.
III. Changes and additions to, or deletions from this quote may cause pricing adjustments.
IV. Service manuals and additional operator manuals are not included and may be ordered by contacting the Customer Care Center at (800) 848 9024.
V. If freight charge is included, the freight charge may not necessarily reflect the exact charge paid by Olympus to the carrier due to the volume incentive discount agreements entered into between Olympus and carrier, unless otherwise mutually agreed upon in writing.

Based on the products purchased, the following terms may apply:

ScopeLocker storage product: Please take note of the ScopeLocker's specifications and dimensions and carefully measured the space where the ScopeLocker will be installed to ensure a good and proper fit. By submitting payment and/or a purchase order for any ScopeLocker, customer acknowledges and agrees that Olympus' standard return goods policy does not apply. ScopeLockers may only be returned if they have been delivered to the customer damaged. Customer is responsible for noting and reporting any external shipping damage prior to signing the carrier's receipt form for the ScopeLocker. Once customer signs the carrier's receipt form for the ScopeLocker, it is understood that the customer has inspected the shipment and has found no evidence of external shipping damage. Customer has seven (7) days after customer's receipt of the ScopeLocker to notify Olympus of any

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P.O. BOX 610
Center Valley, PA 18034-0610

TEL: (800) 848-9024
FAX: (800) 228-4963

trinity.keoseyan@olympus.com
www.olympusamerica.com

Quote Number: Q-02105336

Please refer to this number on all correspondence
Effective Date: August 27, 2026

Expiration Date: November 25, 2026

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internal shipping damage which was undetectable at time of product receipt. Only returns with a valid Return Merchandise Authorization (\"RMA\") number issued by Olympus will be accepted and eligible for return. All authorized returns must be sent prepaid to Olympus or its designee and the RMA number must be prominently displayed on the shipping carton and all paperwork. Merchandise returned with proper RMA identification, with all accompanying items and manuals (as shipped to customer), shall be credited at the original customer's purchase price. No returns will be accepted more than 14 days from date of invoice. Credits will be given against customer's account; no cash refunds will be issued.

DEBIT AUTHORIZATION

Reference is made to the Master Lease Agreement (Master Agreement Number **0018600**, Fixed Periodic Payment Schedule (Schedule Number **003**) (the "Agreement") by and between Olympus Financial Services, a division of Olympus America Inc. ("Olympus"), and **KERN MEDICAL SURGERY CENTER, LLC** ("Lessee"). Capitalized terms used but not otherwise defined in this Debit Authorization shall have the meanings ascribed to such terms in the Agreement.

In consideration of Olympus entering into the Agreement and in reliance on this Debit Authorization, Lessee hereby authorizes Olympus to debit Lessee's bank account (as indicated below) when any amounts invoiced by Olympus under the Agreement remain unpaid on the relevant invoice due date. Lessee shall provide Olympus with thirty (30) days' notice prior to any change in the bank account number or bank designated herein. Lessee shall maintain a bank account to enable such debit entries during the entire Term and until all amounts due and payable under the Agreement are paid in full.

Bank Account Number: _____

Bank Name: _____

Bank Address: _____

KERN MEDICAL SURGERY CENTER, LLC

By: _____

Name: _____

Title: _____

Please attach a copy of a voided check.

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

(Government Code Section 54957.7)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on October 21, 2026, to discharge its responsibility to evaluate and improve the quality of care rendered by health facilities and health practitioners. The closed session involves:

__X__ Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on October 21, 2026, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

__X__ CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Daymian Nathaniel Tapia Salgado, a minor by and through his Guardian ad Litem, Brianna Tapia; Brianna Tapia individually, Plaintiffs, v. Kern Medical aka Kern Medical Center; Kurt Finberg, M.D., Karina Grinberg, M.D.; Vikas Nookala, M.D.; and DOES 1 through 100, Defendants, Kern County Superior Court Case No. BCV-25-102679 –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on October 21, 2026, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

__X__ CONFERENCE WITH LEGAL COUNSEL - FORMALLY INITIATED LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Rosa Monarrez, Martha Flores, Patricia Amador, and Rafael Fernandez, Plaintiffs, v. Kern County Hospital Authority; and DOES 1 through 50, inclusive, Defendants, Kern County Superior Court Case No. BCV-25-102679 –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Health and Safety Code Section 101855(e)(1)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on October 21, 2026, the premature disclosure of which would create a substantial probability of depriving the authority of a substantial economic benefit or opportunity. The closed session involves:

__X__ Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION

Government Code Section 54957.7

The Board of Governors will hold a closed session on October 21, 2026, to consider:

__X__ PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –