



# Nueces County Hospital District

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**Administrative Offices**

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*Via Email*

**May 20, 2022**

Osbert Blow, MD, PhD, FACS  
Chief Executive Officer  
CHRISTUS Spohn Health System  
1702 Santa Fe  
Corpus Christi, Texas 78404

Dominic Dominguez  
Senior Vice President Group Operations  
CHRISTUS South Texas  
1702 Santa Fe  
Corpus Christi, Texas 78404

**Re: Request for Removal of Hospital Equipment at Memorial Medical Center**

Dear Dr. Blow and Mr. Dominguez:

I am in receipt of both (i) your letter dated April 22, 2022 regarding the request for removal of the Nueces County Hospital District's (the "District") equipment located at the Memorial hospital building and other structures and infrastructure situated on the Main Campus (collectively, "Memorial Buildings and Infrastructure") under the terms of the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement ("Membership Agreement") and (ii) the inventory list of such equipment sent by CHRISTUS Spohn Health System ("Spohn") on April 14, 2022. It is my understanding, based on your April 22, 2022 letter, that Spohn plans to initiate demolition of the Memorial Buildings and Infrastructure this summer.

The District acknowledges its obligation under Schedule 1, Section 3.10.4 of the Membership Agreement to promptly remove the District's equipment, fixtures, and other structural components, infrastructure, or materials located within or comprising the Memorial Buildings and Infrastructure. The District is currently taking steps in accordance with Section 3.10.4 to remove such equipment as provided on the inventory list and will continue to coordinate with Spohn personnel on the removal and/or auction of such equipment.

As a reminder, pursuant to Schedule 1, Section 3.5.4 of the Membership Agreement, Spohn is required to comply with the following in connection with the demolition of Memorial Buildings and Infrastructure:

- Spohn must provide the District a copy of the plans for demolition ("Demolition Plans") and consult with the District regarding the Demolition Plans at least 10 business days before commencement of the demolition.
- The demolition must be conducted by a qualified contractor engaged by Spohn at Spohn's sole cost and expense in accordance with the Demolition Plans.

- The demolition must be conducted by the contractor in a reasonable, good, and workmanlike manner and in accordance with generally accepted demolition practices and applicable legal requirements.
- Spohn must use reasonable efforts to re-use or recycle building materials where applicable to reduce the volume of refuse from the demolition.
- The demolition must result in the complete removal of the Memorial Buildings and Infrastructure (including, without limitation, the basement infrastructure, underground storage tanks, and any other existing above ground or below ground infrastructure) from the portion of the Demolition Area<sup>1</sup> in such a manner that said area, including the former sites of the Memorial Buildings and Infrastructure will be suitable for future development, including for the construction of facilities that require deep foundations.
- Spohn must provide periodic (but in no event less frequent than monthly) status reports to the District on the status of the demolition during the demolition process. Spohn must also cooperate with any inspections of the demolition conducted by the District or its agents or representatives for compliance with Schedule 1, Section 3.5.4 within 10 business days after the District's receipt of each such status report.
- Prior to completion of the demolition, Spohn must provide the District with written notice that the demolition is nearing completion and cooperate with any inspections conducted by the District or its agents or representatives for compliance with Schedule 1, Section 3.5.4 within 10 business days after the District receives such written notice.

The District will continue to coordinate with Spohn on the removal of the District's equipment from the Memorial Buildings and Infrastructure and the demolition of Memorial Buildings and Infrastructure in accordance with the requirements set forth in the Membership Agreement.

Very truly yours,



Jonny F. Hipp, ScD, FACHE  
Administrator and Chief Executive Officer

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<sup>1</sup> "Demolition Area" as defined in Schedule 1, Section 3.5.3 of the Membership Agreement.