



April 22, 2022

Jonny F. Hipp, ScD, FACHE  
Administrator and Chief Executive Officer  
Nueces County Hospital District  
555 N. Carancahua St, Suite 950  
Corpus Christi, TX 78401-0835

*via Courier; USPS Certified Mail  
Return Receipt Requested  
and Email at  
jonny.hipp@nchdcc.org*

**RE: Resumption of Memorial Medical Center Equipment Removal Request**

Dear Mr. Hipp:

We are writing to provide you with notice regarding the disposition of the District's hospital equipment located at Memorial Medical Center under the terms of the CHRISTUS Spohn Health System Corporation Membership Agreement ("Membership Agreement").

On April 17, 2020, CHRISTUS Spohn Health System ("Spohn") provided the Nueces County Hospital District ("District") written notice to remove its hospital equipment from the Memorial hospital building and other structures and infrastructure situated on the Main Campus (collectively, "Memorial Buildings and Infrastructure"). On July 16, 2020, Spohn agreed to suspend the District's obligation to remove its equipment for thirty (30) days in consideration of the District's request and the COVID-19 pandemic, with the option for further extensions as appropriate. COVID-19 subsequently continued to impact the Nueces community and interfere with the demolition process, but the parties did not formally extend the timeline for the District to remove its equipment.

Spohn is resuming the steps to initiate demolition this summer, starting with the remediation of the Memorial Buildings and Infrastructure. Spohn is now sending this letter to ensure it fully resolves the Membership Agreement's notice requirements regarding removal of the District's equipment. Given the length of time since the parties discussed the suspension of the original equipment removal notice in 2020, Spohn hereby provides a new notice to the District.

Schedule 1, Section 3.10.4 of the Membership Agreement requires that Spohn provide the District with not less than sixty (60) days' notice prior to the demolition of the Memorial Buildings and Infrastructure so that the District may comply with its statutory salvage requirements. Section 3.10.4 further requires that the District promptly remove its hospital equipment from the Memorial Buildings and Infrastructure upon receipt of this notice. Any District hospital equipment remaining within or comprising the Memorial Buildings and Infrastructure as of the effective date of demolition shall belong to Spohn.



In compliance with Schedule 1, Section 3.9.2, Spohn has maintained all District asset tags on the District's hospital equipment. Additionally, we note Spohn provided an inventory list to the District on April 14, 2022 to satisfy Spohn's obligations under Section 3.10.4 to describe each piece of equipment at issue for removal pursuant to this notice.

Spohn would like to assist the District in meeting its statutory obligations and work collaboratively to address the disposition of the District's hospital equipment in a timely manner. Spohn now requests that the District remove its hospital equipment from the Memorial Buildings and Infrastructure pursuant to Section 3.10.4 of the Membership Agreement.

As always, CHRISTUS Spohn will continue to coordinate with the District to provide appropriate and timely notice of the Memorial demolition and as required by the Membership Agreement.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Osbert Blow".

Osbert Blow, MD, PhD, FACS  
Chief Executive Officer  
CHRISTUS Spohn Health System

A handwritten signature in black ink, appearing to read "Dominic Dominguez".

Dominic Dominguez  
Senior Vice President Group Operations  
CHRISTUS South Texas

cc: Belinda Chism  
Adam Robison  
William Dewitt Alsup  
Lance Ramsey  
Jennifer Gurevitz  
Becky Rios

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