

**Tulare Local Healthcare District  
SPECIAL Board of Directors Meeting Minutes  
Wednesday, November 14, 2018 6:30 PM  
City of Tulare Council Chambers  
475 M Street, Tulare, CA**

**In Attendance:** Kevin Northcraft      Dan Heckathorne      Interim CFO  
Mike Jamaica      Rich Giordano      Wipfli  
Senovia Gutierrez      Todd Wynkoop      Interim legal counsel  
Xavier Avila      Riley Walter      Bankruptcy Counsel  
Stephen Harrell

Prior to the call to order a swearing in ceremony was performed by Judge Walter Gorelick for board members Gutierrez, Avila, and Harrell

**1. Call to Order**

Meeting called to order 6:35 pm

**2. Public Comment:**

Jennifer Burcham

**3. Announcements – Board**

Kevin Northcraft reported that he is working on reducing cost of storage

Xavier Avila reported he is getting security bids

Rick Elkins reported on updating the District website

Gratitude was expressed to Christine Pickering and Melinda Righi for their hard work on the Measure H campaign

**4. Discussion and Action on Resolution 865 Declaring as surplus furniture and equipment from the former Women’s Pavilion and authorizing the sale of said surplus furniture and equipment.**

Stephen Harrell identified and had equipment appraised. Mike Jamaica moved to authorize the sale of surplus furniture and equipment. Senovia Gutierrez seconded. Approved 5-0.

**5. Adventist Health and Staff Updates**

a. Hospital Services update

b. Public Relations

No staff available for update

**6. Discussion and Action on Agreement between Personnel Solutions Unlimited, Inc. and Tulare Local Healthcare District regarding Personnel Solutions Unlimited, Inc. providing services related to payroll of District Employees**

Kevin Northcraft moved to approved the agreement between Personnel Solutions Unlimited and the District to provide services related to payroll of District Employees. Seconded by Stephen Harrell. Approved 5-0.

**7. Discussion and Action on Real Property Lease Amendment No. 00002 to Lease No. VA261-R-0611 effective December 1, 2018, by and between Tulare Local Healthcare District and the United States Veterans Administration**

Rich Giordano reported that this is an extension of an existing lease. One change to the lease is that the VA will pay for utilities and janitorial services instead of the District. The lease amount for 2 ½ years will be \$29 per square foot. There is an inflationary clause. Senovia Gutierrez moved to accept the lease amendment. Mike Jamaica seconded. Approved 5-0.

**8. Discussion of remaining vacant office space in the Evolutions building.**

Duplicate of item 4

036894-000000 5496730.1

**9. Discussion and Action on Purchase Sale Agreement between Tulare Local Healthcare District and Quest Entity, LLC on approximately 3.83 acres of vacant land identified as APN 171-300-016.**

The proposed buyer has requested a zoning change from office to retail. The buyer will be responsible to obtain the zoning change. Broker fee to be paid by buyer. Xavier Avila moved to move forward with sale. Seconded by Senovia Gutierrez. Approved 5-0.

**10. Discussion and Action on Settlement Agreement in *In re Tulare Local Healthcare District dba Tulare Regional Medical Center (United States Bankruptcy Court Eastern District of California Case No. 17-13797(2)) and HCCA v. Tulare Local Healthcare District, and Counterclaim (U.S. Bankruptcy Court Eastern District of California Adv. Proc. No. 17-01095)***

Please see attorney PowerPoint presentation

After lengthy discussion by the Board and public input from: Dr. Betre, Derek Jackson, Patty Drilling, Mary Sepeda, Jennifer Burcham, David Higdon, Sandra Ormonde, Greg Cotta, and Chris Northcraft.

Xavier Avila moved to accept the Settlement Agreement. Seconded by Stephen Harrell. Roll call vote taken. Xavier Avila – aye, Stephen Harrell – aye, Mike Jamaica – aye, Senovia Gutierrez – nay, Kevin Northcraft – nay. Motion passed 3-2.

**11. Suspend open session – recess to closed session**

**12. Closed session**

- a. Consideration and interviews of applicants for public employee appointment as District Administrative Manager in lieu of Chief Executive Officer (*pursuant to Govt. code § 54957*)
- b. Conference with designated negotiator Richard Gianello regarding the real properties commonly referred to as Evolutions and the Cottage Properties

related to financing agreement with Business Capital Finance (*pursuant to Govt. code § 54956.8*)

c. End closed session

**13. Reconvene Open Session – Public report of action taken in closed session (if necessary) pursuant to Government Code 54957.1**

Nothing to report

**14. Adjournment** *Next regular meeting scheduled for 6:30 PM on Wednesday November 28, 2018 Tulare City Council Chambers.*