

MINUTES

August 24, 2022

Tulare Local Health Care District Board Members Present:

Kevin Northcraft	President	District 4
Xavier J. Avila	Secretary	District 5
Margaret Fidler	Treasurer	District 3
Brandon Taylor	Director	District 1
Mike Jamaica	Director	District 2

1. Call to Order

President Northcraft called the meeting to order at 6:32 PM.

2. Public Comment

None.

3. Board Announcements

Director Jamaica shared that the Foundation invited the District to share a booth at the Tulare County Fair. He further noted he would like to get a sign and maybe brochures for the event.

Director Northcraft suggested that a brief synopsis from staff would be beneficial when there are action items listed on the agenda.

4. Consent Agenda

Director Fidler made the motion, seconded by Director Taylor, to approve the consent agenda as presented with one minor change, to the August 3rd minutes. In section four, sentence 10, replace \$400M with \$400 thousand. Motion approved 5-0.

5. Hospital Tower Construction Committee – John Atilano/Roy Magdaleno/Nancy Overstreet

Nancy Overstreet briefly overviewed several projects, including awnings, roof drains, and parking lot improvements. Three C-Trains were removed from the Tower job site.

6. Tulare Hospital Foundation Update – Jan Smith, Director of Philanthropy

Jan Smith commented the Foundation will hold another community forum in October as they have done in the past, it will likely take place at the Senior Center. The virtual tower tour video is in progress and should be completed before the end of the year.

Tulare County Fair is quickly approaching, and the Foundation would like to invite the directors to volunteer at the booth, Jan Smith believes that the community would like to hear about the Tower's progress.

Jan Smith shared she attended the Maddison Institute Conference this year. The large takeaway from the conference was engaging with staff to become a part of the building of the tower.

Jan Smith announced the Festival of Trees will be Friday, November 18th. The theme will be a “Great Gatsby Christmas”.

In February the Foundation held a strategic plan meeting at Wonder Valley Ranch. At that meeting the Foundation voted to change its name, the Foundation was created to solely support the hospital, but since its inception, its scope has changed. The new proposed name will be Tulare Community Health and Hospital Foundation. It will allow the Foundation to team up with other organizations to make a broader impact.

7. ICU Capability Update – Nancy Overstreet, Project Manager

Nancy Overstreet met with Mike Yates from DSC Architects, he walked the hospital and will create a report to decide if saving the existing hospital is possible. Philip Smith discovered there is a grant available to update existing hospitals. It is called the SB 395 Grant. HCAI has the grant available to assist with projects to update existing facilities to the NPC4 rating. Nancy Overstreet shared that we are not able to apply for the grant until all the plans are complete; the completed plans must be submitted with the grant application. Keith Beadle shared that the existing hospital might need to be gutted.

8. Nomination Procedures and Election Timeline, and Requests for Nominations, for November 8, 2022 Election for Three Seats on the TLHCD Board (Districts 1, District 3, and District 5)

Philip Smith shared that Director Taylor will need to be reappointed after November; Director Fidler has an opponent, Jevon Price, who is with us this evening. Director Avila is unopposed.

9. Discussion and Action to Approve District Conflict of Interest Policy

District Counsel Jason Howard advised Jayne Presnell’s position should be added to the list of required designees; she will need to complete a form 700. Director Northcraft inquired whether the clause “not subject to the public records act” should be struck. Director Avila made a motion seconded by Director Fidler to approve the policy as presented with the clause “not subject to the public records act” struck. Approved 5-0.

10. Discussion and Action related to District Chief Officer Performance Evaluation

Director Northcraft advised that Philip Smith’s annual performance evaluation is quickly approaching. Philip Smith confirmed his anniversary date is November 28, 2022. Director Northcraft asked each Board member to forward their comments regarding Philip Smith’s performance to Director Jamaica and the Board will review the comments in a closed session to share privately with Philip Smith.

11. Discussion and Action to Approve Installation and Painting of Awnings – Nancy Overstreet, Project Manager

Nancy Overstreet presented the Iron Industries and Ro’s Precise bid to the group, discussion continued. A motion was made by Director Avila, seconded by Director Fidler to approve the two proposals (Iron Industries and Ro’s Powder Coating). Approved 5-0.

12. Discussion and Action to Approve Additional Expense for the Proposed Fire Alarm System – Nancy Overstreet, Project Manager

The DSC Architects Letter of Intent is a proposal to assist in submitting and the submittal process to HCAi for the main panel replacement of the fire alarm system at the main hospital. A motion was made by Director Northcraft, seconded by Director Avila to approve the fire alarm system. Approved 5-0.

13. Discussion and Action to Approve Network Equipment – Christie Watkins, Executive Assistant

Christie Watkins explained the EMD Networking Services server quote will provide an on-premises server allowing the district to operate independently from Adventist. Included in the board packet is both a Power Point presentation and a recommendation for the new on-premise server. The rack-mountable solution is recommended because legacy-owned devices are housed in a rack at a data center at Adventist Health and replacing them would be costly. A motion was made by Director Avila, seconded by Director Fidler to approve the server solution in the amount of \$29,726.70. Approved 5-0.

14. Discussion and Action in regards to the ENGIE proposal – Philip Smith, CEO

Jayne Presnell gave an overview of the proposed chlorination system, noting there is much-needed pool maintenance to be completed before a new filtration system is installed. A motion made by Director Fidler, seconded by Director Avila to hold off on the pool chlorination system. Approve 5-0. Roy Nelson from Wulff Hansen & Co. reviewed the project scenarios with the group, noting the project would have a negative cash flow for a number of years. This loan will require the pledge and segregation of property taxes. The group agreed to solicit a proposal from Western Alliance, then have a special meeting. Roy Nelson suggested that Philip Smith works with Jason Howard to clear up the liens on the building that should not be there. Jason Howard shared the ENGIE contract has not been signed, and until the Board agrees regarding financing it is not final.

15. Chief Executive Officer Report

- a. Follow up on State Audit: further review of grant funding being required
- b. IT transition: Christie Watkins has taken the lead on this project as previously noted
- c. State of the City Address: August 26th, 11:30-1:00 PM at the Agri-Center in Tulare
- d. Evolutions
 - i. Membership update: Jayne Presnell shared membership numbers with the group
- e. Discussion and Action to Approve the Budget Proposal for 2022-2023: moved to #16
- f. Marketing: Christie Watkins has been working on obtaining a ca.gov domain

16. Financial Report & Budget

Director Fidler made a motion, seconded by Director Taylor, to approve the Financial Statements dated July 31, 2022, and the 2022-2023 Budget for Evolutions and TLHCD as presented. Approved 5-0

17. Suspend Open Session – Recess to Closed Session 8:38 PM

18. Closed Session- 8:41 PM

- a. Potential Litigation (*pursuant to Ca. Govt. Code § 54956.9*)
- b. Conference with Legal Counsel – Existing litigation (*pursuant to Ca. Govt. Code § 54956.9*):
 - i. *In re Tulare Local Healthcare District dba Tulare Regional Medical Center – United States Bankruptcy Court Eastern District of California Case No. 17-13797*
 - ii. *Tulare Local Health Care District v. Bruce R. Greene, et al., Superior Court for the State of California for Kern County Case No. BCV-19-103514*
- b. Instructions to designated representative related to real property at 1425 E. Prosperity Avenue, commonly known as Evolutions (*pursuant to Ca. Govt. Code § 54956.8*)
- c. Instructions to designated representative related to leases of real property located in Evolutions Plaza at 1425 E. Prosperity Avenue (*pursuant to Ca. Govt. Code § 54956.8*)
- d. Discussion and Potential Action regarding public employee evaluation of Chief Executive Officer (*pursuant to Govt. Code § 54957(b)(1)*)
- e. End closed session

19. Reconvene Open Session – Public Report of Action Taken in Closed Session (If Necessary) pursuant to Government Code 54957.1

20. Adjournment – Next regular meeting is scheduled for 6:30 PM on Wednesday, September 28, 2022, at the Administrative Offices, Modular Building, Northeast corner of Terrace and Gem Street.



Xavier Avila, Board Secretary