

**Tulare Local Health Care District  
Board of Directors Meeting  
Wednesday, July 27, 2022, 6:30 PM  
Administrative Offices, Modular Building  
842 N. Gem, Tulare, CA  
(Northeast corner of Terrace and Gem Street)**

**Electronic participation will be available via Zoom Webinar link/phone number below.**

**Zoom Webinar link and call-in information<sup>1</sup>:**

<https://us06web.zoom.us/j/89160883084?pwd=VmlibTZ2ZElyNjA1NVdBK3g1WkF3dz09>

**You can also dial in using your phone.**

United States: +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592

Webinar ID: 891 6088 3084

Passcode: 652826

**Special notice to individuals with disabilities:**

Please email [cwatkins@tulareregional.org](mailto:cwatkins@tulareregional.org) or call [\(559\) 685-3465](tel:5596853465)  
in order to request any reasonable modification or accommodation as may be needed  
to observe or participate in this meeting telephonically/electronically.

**Availability of Public Records.**<sup>2</sup> All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the board members will be available for public inspection at TLHCD Administrative Offices, Modular Building, 842 N. Gem Street, Tulare, California at the same time that the public records are distributed or made available to the board members.

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<sup>1</sup> Pursuant to Government Code Section 54953(e) (as amended by AB-361), when a legislative body holds a meeting during a proclaimed state of emergency and either (a) state or local officials have imposed or recommended measures to promote social distancing, or (b) the board of the local agency, by majority vote within the last 30 days, has determined that, as a result of said emergency, meeting in person would present imminent risks to the health or safety of attendees, certain provisions of the Brown Act respecting notice, quorum and accessibility requirements applicable to meetings of local legislative bodies are modified to accommodate overriding public health concerns. A physical location for public participation in the July 27, 2022, regular meeting of the Board of Directors will therefore be provided on a limited occupancy basis. To avoid unintentional transmission of COVID-19, interested members of the public are encouraged to observe and participate in this meeting telephonically or electronically using the information provided above. Any member of the public requiring assistance in accessing these offsite technologies should email Philip Smith at [psmith@tulareregional.org](mailto:psmith@tulareregional.org) or call 559-685-3465 at least three (3) hours prior to the scheduled commencement of this meeting.

<sup>2</sup> Due to present restrictions related to COVID-19, the District is operating under a modified schedule. Please call (559) 685-3465 or email [psmith@tulareregional.org](mailto:psmith@tulareregional.org) to arrange viewing access to documents.

# MINUTES

July 27, 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 via Zoom	Director	District 1
Mike Jamaica	Director	District 2

**1. Call to Order**

President Northcraft called the meeting to order at 6:30 PM.

**2. Public Comment**

None.

**3. Board Announcements**

Marmie Fidler shared that she will meet with Tulare County mental health on Monday, August 8<sup>th</sup>, at Bravo Farms from 11-1 PM. Everyone is invited to attend this meeting. We will ask about options for public mental health.

**4. Consent Agenda**

Xavier Avila made the motion, seconded by Marmie Fidler, to approve the consent agenda as presented, with Mike Jamaica abstaining from voting regarding the minutes for 5/29/22 as he was not present at that meeting. Motion approved 4-1.

**5. Hospital Tower Construction Committee – John Atilano & Nancy Overstreet**

Nancy Overstreet briefly overviewed several projects, including awnings and generators. Tower Construction Committee Chair, John Atilano, commented on the committee's scope. A motion was made by Xavier Avila, seconded by Mike Jamaica, to approve the Tower Construction Committee Charter as presented. Approved 5-0

**6. Tulare Hospital Foundation Update**

No update was presented.

**7. ICU Capability Review- Nancy Overstreet**

Nancy Overstreet briefly reviewed the bed count for the new tower and the existing building. Further noting the need to upgrade to an NPC4 rating to expand capabilities for the lessee.

**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)**

Mr. Smith advised Districts 1, 3, and 5 are up for reelection; at this time, the current board members will be running for reelection.

**9. Discussion and Action to Approve Proposed Insurance Coverages for TLHCD for FYE June 30, 2023 – Marsh & McLennan Agency**

Mr. Smith advised Marsh & McLennan Agency provides property, liability, and other coverages for TLHCD. CEO sharing that there was a decrease in the overall expense. A motion was made by Marmie Fidler, seconded by Xavier Avila, to approve the Marsh & McLennan Agency insurance coverages for TLHCD. Approved 5-0.

**10. Discussion and Action Relative to Energy Services Contract with ENGIE Services U.S. Inc.**

ENGIE engagement would include the design, construction, and installation of energy-related improvements and maintenance services concerning the District's real property interest located at 1425 E. Prosperity Avenue, Tulare, CA 93274, commonly known as Evolutions Plaza. Mr. Jain commented it does add a positive to the net cash flow; we took out the AC and Parking lot construction, and the battery incentive is now gone, so it was not included. Mr. Jain advised the Board asked for a guarantee of the savings for up to five years; Mr. Jain noted they agreed that they would guarantee up to five years of savings; they also agreed to the manufacturers' warranty on behalf of the district and Mr. Jain agreed to that as well, and Mr. Jain would guarantee up to 20 years to the guarantee. We used all the assumptions on the interest rate. Mr. Nelson with Wulff & Hansen, Co. advised they evaluated ENGIE'S most recent proposal. He put together a comparison between the May proposal and the current proposal presented today, which is in the board packet. It was noted the lease payments in the ENGIE proposal are understated. Mr. Nelson continued to review the Evolutions Energy presentation, including the options vs. benefits vs. risks. Mr. Nelson could move forward using all the savings, resulting in a \$2.8MM project. A fourth option would be to reach out to another ESCO.

Mr. Northcraft opened the public hearing at 7:35 PM. He shared that the Public Hearing is to receive public input regarding the energy services contract with ENGIE.

With no public comments presented, the public hearing was closed at 7:37 PM.

Xavier Avila shared that he is not in favor of this project as it will require the district to front \$400k to get it financed. Mr. Northcraft commented he would like to reduce our footprint. Marmie Fidler has a concern that we were being misled on the savings. Mr. Nelson advised that the project would require significantly higher lease payments than what is presented by the ENGIE proposal. Mr. Northcraft made a motion to continue the regular meeting to August 3rd at 6:30 PM to present the changes and stipulations, seconded by Brandon Taylor. Approved 5-0

**11. Chief Executive Officer Report**

- a. Property Management Update
  - i. Potential Tenant Update: There is a potential interest in the surgical facility at Evolutions, and Tulare County may be interested in the Microcore building.
  - ii. 922 Cherry Street Project Update: Adventist PT building draft has been completed and routed to AH for approval.
- b. Follow up on State Audit: State auditors are requesting additional review and examination of financial statements in a second audit.
- c. IT Transition: Transitioning away from Adventist
- d. State of the City Address: Will be held on August 26<sup>th</sup> at 6:30 PM
- e. Evolutions Membership Update: Membership losses were due to Silver Sneakers losses.
- f. Budget Update: Preparing for the minimum wage increase.
- g. Marketing: Exploring getting .gov name for which the District is eligible.
- h. AH Update: Review outstanding items between Adventist and the district
- i. Follow up on Request for Ad Hoc Tower Finance Meeting: Follow up after quarterly meeting with Adventist.

**12. Financial Report**

Marmie Fidler made a motion, seconded by Brandon Taylor, to approve the Financial Statements for Evolutions and TLHCD as presented. Approved 5-0.

**13. Suspend Open Session – Recess to Closed Session 8:32 PM**

**14. Closed Session 8:45 PM**

- a. Potential Litigation (*pursuant to Ca. Govt. Code § 54956.9*)
- b. Conference with Interim 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

**16. Reconvene Open Session 9:26 PM – Public Report of Action Taken in Closed Session (If Necessary) pursuant to Government Code 54957.1.**

Nothing to report.

- 17. The continued regular meeting is scheduled for 6:30 PM Wednesday, August 03, 2022, at the Administrative Offices, Modular Building, Northeast corner of Terrace and Gem Street.**

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**Xavier Avila, Board Secretary**