

**Tulare Local Health Care District
Board of Directors Meeting
Wednesday, February 26, 2020 6:30 PM
TLHCD Administrative Offices
Annex Lab Building, 2nd Floor - Conference Room 2
869 North Cherry Street, Tulare, CA 93274**

Minutes

In attendance

Kevin Northcraft - President, District 4
Mike Jamaica - Vice President, District 2
Senovia Gutierrez - Secretary, District 3
Xavier Avila - Director, District 5 (Remotely)
Stephen Harrell - Treasurer, District 1
Randy Dodd – AH President

Sandra Ormonde - CEO, TLHCD
Jason Howard - Legal Counsel
Todd Wynkoop – Legal Counsel
Dan Heckathorne - Interim CFO (Remotely)
Ben Levine – Bond Counsel
Roy Nelson – Bond Counsel

1. Call to Order

Kevin Northcraft called the meeting to order at 6:32 pm.

2. Public Comment:

No public comment.

3. Announcements – Board

Mike Jamaica shared information about the World Ag Expo held, in Tulare CA and how interesting the farm equipment was this year.

Kevin Northcraft shared that it was his 24th year as a volunteer at the World Ag Expo, held in Tulare, CA and that the event was amazing.

4. Consent Agenda

- a. 1/22/2020 Regular Meeting Minutes

Stephen Harrell made a motion to approve the Consent Calendar. Senovia Gutierrez seconded the motion. Approved 4-0.

5. Presentation to Mid Valley Pipe & Supply

Jan Smith shared that George & Danny Tristo and their families were not available as planned for the presentation of the award. Jan delivered the award to the family. The award was presented for their support of the Tulare Local Health Care District, Tulare Hospital Foundation and Adventist Health.

6. Tulare Hospital Foundation Update – Jan Smith

The Foundation trustee's will be meeting to plan and set goals for the year.

The Foundation was excited to present a check to Adventist Health for Ear, Nose and Throat Imaging that will benefit the Tulare Adventist Health location. Jason Price along with Jan Smith will begin visiting the new safety directors at the industrial park. The goal is to share with the industrial park a list of services that Tulare and Hanford have to offer.

7. Adventist Health Tulare Updates – Randy Dodd, President

Since opening the delivery department August of 2020, as of February 21st, there has been 105 deliveries. This means physicians are starting to send more patients to Adventist Health.

Adventist Health is still needing full time physicians, as many are splitting time with other hospitals.

Since opening, the ER has seen 32,600 patients, over 1,000 surgeries have taken place at Adventist Health. Cared for and discharged over 1,200 patients.

Randy Dodd and staff were able to attend the Prayer Breakfast at the World Ag Expo, in Tulare, CA. He thought it was an outstanding event.

Life Hope Centers are coming on May 2nd and 3rd, to offer free Dental and Vision checkups. Seventh Day Adventist Church is the big supporter behind this event. The goal is to make this an annual event. They will be adding more services as well this year.

Rural Health clinic on Hillman is on target to open October 15th, 2020.

Adventist Health will be opening up office space for Doctors to lease, or sublet in Tulare.

This will allow the Doctors to have follow up visits to their patients.

Payer Contracts have been signed and Adventist Health is excited about what this will bring to care for patients.

8. Adventist Health Tulare – Capital Improvements

a. Landscape/Modify Cherry Street Construction Site Area South of Main Lobby Entrance-

Sandra Ormonde shared that cleanup has taken place.

Miscellaneous Projects-

Sandra Ormonde shared, NPC 2 Emergency– ongoing, patch and paint. More work needs to be done. Site survey revised drawing and scope efforts are needed.

IT server room still waiting on bids and compare.

NPC-2 Chillers have been purchased, working with OSHPD.

9. TLHCD Bond Financing Rating Process Update and Next Steps Towards the General Obligation Bonds Refunding – Ben “Bud” Levine and Roy Nelson, Wulff Hansen & Co.

Bud Levine shared information with regards to rating process update. He shared that there has been tremendous support from the board. The presentation given to Moody which updated the rating score to a Baa3, which is the lowest investment grade rating. The presentation from Randy Dodd, President of AH. The overall interest rates dropping in the stock market.

10. Update and Next Steps Towards the Revenue Bonds Refunding and related City of Tulare Line of Credit Payoff – Ben “Bud” Levine and Roy Nelson, Wulff Hansen & Co.

Roy Nelson and Bud Levine shared that their goal is to give The Tulare Local Healthcare District the best recommendations to provide greater flexibility and sound financial direction.

- 11. Discussion and Action to Approve Resolution 885 Authorizing the Commencement of Proceedings in Connection with the Proposed Issuance of Refunding Revenue Bonds and Retaining a Financial Advisor, Bond Counsel, a Trustee and a Dissemination Agent**
Jason Howard's recommendation to empower the Bond Council to move forward with this effort of the advisors for the District.

Mike Jamaica made a motion to give direction as Jason Howard stated earlier to get Request of Proposal's for the 13 & 20 year revenue bonds and the 20 year line of credit for the city. Senovia Gutierrez seconded the motion. Approved 4 – 0.

Senovia Gutierrez made a motion to approve Resolution 885. Mike Jamaica seconded the motion. Approved 4 – 0.

- 12. Discussion and Actions to Approve Agreements related to Revenue Bonds and or City of Tulare Line of Credit Refunding Efforts**
- a. **Municipal Advisor**
 - b. **Bond Counsel**
 - c. **Underwriters/Placement Agents**
 - d. **Paying Agent**

Jason Howard recommends we approve one motion for all, the motion was so moved by

Senovia Gutierrez made a motion to approve all. Stephen Harrell seconded the motion. Approved 4 – 0.

- 13. Discussion and Action to Produce Board Letter to the Public in Appreciation of Continued Support**

Kevin Northcraft recommended that the board draft a letter of appreciation to the community for their ongoing support. Kevin Northcraft will provide the board with a draft for review.

- 14. Discussion and Action to Empower Chief Executive Officer to Assume Chief Financial Officer (CFO) Responsibilities. Wipfli will be vacating the District Interim CFO position as duties have transitioned to District staff. The District is not currently planning to fill this vacancy. The District will engage Wipfli as needed for consultation, cost reporting and other services under a separate agreement.**

Stephen Harrell made a motion to approve the transition vacating the interim CFO and transfer duties to the CEO. Senovia Gutierrez seconded the motion. Approved 4 – 0.

- 15. Discussion and Action to Approve Form of Lease Agreement with Adventist Health for Gem Street Parking Lot**

Stephen Harrell made a motion to approve form Lease Agreement with Adventist Health for the Gem Street Parking Lot. Mike Jamaica seconded. Approved 4-0.

- 16. Chief Executive Officer Report**

- a. Property Management Update
 - i. Adventist Health Leases – waiting on AH signing the lease.

- ii. Construction Trailer – maintenance work needs to be done and repairs, Sandra will come back with more information, the move in, is not as easy as hoped.
- b. Evolutions IT Update – Closer to the update, the phone in the elevator needs to be analog. Once that is complete Evolutions can move away from Comcast.
- c. Tower – Ongoing work.
- d. 4-ac Parcel Update – there was a site plot approval and meeting with the city.
- e. Conflict of Interest Form 700 Review – ongoing.
- f. Insurance – Beta extended terms without entrust.
- g. Public Relations – Engaged with Sebasto Group worked with AH on their public campaign. Alfredo Sebasto has ideas about the campaign. We will also align with Melinda Morales-Righi and Christine Pickering. Gain confidence with the community.
- h. Staff Update – Update Sandra’s contract in closed session, review with Kevin Northcraft and Mike Jamaica.

17. Financial Report

Review and Recommend the following for Board Approval:

- a. TLHCD Internal Financial Statements – December 2019

Senovia Gutierrez made a motion to approve the TLHCD Internal Financial Statement. Mike Jamaica seconded the motion Approved 3 -1, with Stephen Harrell in dissent.

- b. Cash Report Update – January 17, 2020

Mike Jamaica made a motion to approve the Cash Flow report. Senovia Gutierrez seconded the motion. Approved 3-1, with Stephen Harrell in dissent.

18. Suspend Open Session

Recess to Closed Session at 8:41 p.m.

19. Closed Session

- a. Pending 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 Tulare County Case No. 278333*
- c. Instructions to designated representative, Kevin Northcraft, related to 4 acres real property contiguous to but not a part of the real property at 1425 E. Prosperity Avenue commonly known as Evolutions (*pursuant to Ca. Govt. Code § 54956.8*).
- d. Instructions to designated representative, Kevin Northcraft, related to real property at 1425 E. Prosperity Avenue commonly known as Evolutions (*pursuant to Ca. Govt. Code § 54956.8*).

- e. Update and recommendation related to real property at 398 South Church Street, Earlimart, CA 93218, commonly known as Earlimart Clinic Building and Earlimart property (ground) Lease (pursuant to Ca. Govt. Code § 54956.8).
- f. Update and recommendations related to negotiation of real property lease for construction trailer located at 869 N. Cherry (pursuant to Ca. Govt. Code § 54956.8).
- g. Update and recommendations related to negotiation of real property at 793, 795 and 799 N Cherry St, Tulare (pursuant to Ca. Govt. Code § 54956.8).
- h. Instructions to designated representative related to Chief Executive Officer employment contract renewal.
- i. End closed session.

20. Reconvene Open Session – 9:35 p.m., nothing to report.

21. Adjournment – Next regular meeting scheduled for 6:30 PM on Wednesday, March 25, 2020 at the TLHCD Administrative Offices located in the Annex Lab Building, 2nd Floor - Conference Room 2.