

**Tulare Local Health Care District
Special Board of Directors Meeting
June 15, 2022, 6:30 PM
Administrative Offices, Modular Building
869 N. Cherry Street, 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 information¹:

<https://us06web.zoom.us/j/84976614594?pwd=RXk4Tng2WW53OHc5c0E2NVMzODRqdz09>

You can also dial in using your phone

United States: +1 669 900 9128 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592

Meeting ID: 849 7661 4594

Passcode: 372748

Special notice to individuals with disabilities:

Please email cwatkins@tulareregional.org or call (559) 685-3879
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.² 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, 869 North Cherry Street, Tulare, California at the same time that the public records are distributed or made available to the board members.

¹ 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 March 5, 2022, Board Retreat 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 Phil Smith at cwatkins@tulareregional.org or call 559-685-3879 at least three (3) hours prior to the scheduled commencement of this meeting.

² Due to present restrictions related to COVID-19, the District is operating under a modified schedule. Please call (559) 685-3879 or email <mailto:cwatkins@tulareregional.org> to arrange viewing access to documents.

MINUTES

June 15, 2022

Tulare Local Health Care District Board Members:

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

1. Call to Order

President Northcraft called the meeting to order at 6:38 PM.

2. Public Comment

None

3. Announcements – Board

Vice President Mike Jamaica made an announcement regarding the Vietnam Veterans Memorial dedication.

4. Discussion and Possible Action regarding the financing of the Proposed Evolutions

Project- Philip Smith, CEO. Mr. Smith reported that ENGIE overall profit margin is 20%. ENGIE indicated they would not be financing the project. CEO Smith advised we still have the funds available from the grant from CSDA; the funds are in a holding account until we receive the audit back to ensure we can utilize the funds as intended. He then shared additional details regarding the proposed solar project, energy savings components, parking lot, and HVAC work.

5. Wulff, Hansen & Co.- Roy Nelson

Wulff, Hansen & Co. specializes in revenue bonds and refinancing and handled the district's last bond refinance. Roy Nelson's presentation covered possible representation for the district on financing options. He further noted there are two documents included in the Board packet for review. The first agreement is the District's comprehensive plans, and the second document is an addendum. Each special project would have a separate addendum.

6. Evolutions Project Concept Presented by Nancy Overstreet, Architect. – Nancy

Overstreet shared options on the potential planned solar project, energy savings components, parking lot, swimming pool resurfacing, and HVAC work. Ms. Overstreet recommended a phasing approach to the solar project and parking lot. Roy Nelson shared that lease buy-back options could potentially change the financing. Xavier Avila commented he had done research on solar panels, and they do not last 20+ years, and the batteries do not last past ten years.

7. Wulff, Hansen & Co. – Roy Nelson

Roy Nelson's presentation covered Evolution's financing options for the potential planned solar project, energy savings component, parking lot, and HVAC work. Ben "Bud" Levine discussed additional financing options for the solar project. Ben "Bud" Levine shared concerns about not having a guarantee with the group noting if you do not have a guarantee you are left with 15 years of debt service that the District is committed to without a guarantee. Ben "Bud" Levine continued with other companies are available that provide the same service as ENGIE, and they include a guarantee. Robert Pankratz noted the guarantee does not have to be paid in cash; a provision states it can be paid for further improvements. Ben "Bud" Levine recommended if the District decides to hire Wulff, Hansen & Co., a working group should be put together to discuss the details of the project before the next Board meeting. The working group would include Wulff, Hansen & Co., ENGIE, Board members, and staff. He would like to discuss the modeling assumptions, inverters, change orders, and contract language. He has seen projects like this not get the details in writing. Xavier Avila suggested we add Wulff, Hansen & Co. to the next Board agenda. Chairman Northcraft confirmed Wulff, Hansen & Co. on the next agenda. Jeff Woldhuis does have an option to negotiate on the guarantee; they are open to negotiations. They have done guarantees through year 15 or year 20. Jeff Woldhuis further noted that ENGIE typically overproduces. The inverters are covered for 20 years; batteries are covered for 15 years. ENGIE would replace them if there were an issue. Jeff explained the troubles with the phased approach to the group.

8. Discussion and Possible Action regarding the Proposed Evolutions Project – Includes planned solar project, energy savings components, potential parking lot, and HVAC work.

9. Suspend Open Session at 8:14 – Recess to Closed Session

10. Closed Session 8:31 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*
- c. Instructions to designated representative related to real property at 1425 E. Prosperity Avenue, commonly known as Evolutions (*pursuant to Ca. Govt. Code § 54956.8*)
- d. 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*)
- e. Discussion and Potential Action regarding public employee evaluation of Chief Executive Officer (*pursuant to Govt. Code § 54957(b)(1)*)
- f. End closed session

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

Reported out of closed session, a unanimous vote to change trial counsel on the Bruce Green matter was approved. 5-0

12. Adjournment at 8:32 PM– Next regular meeting scheduled for 6:30 PM on Wednesday, June 29, 2022, at Administrative Offices, Modular Building, Northeast corner of Terrace and Gem Street.



Xavier Avila, Board Secretary