

**Tulare Local Healthcare District
Board of Directors Meeting Minutes
Wednesday, October 24, 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 Legal Counsel
Xavier Avila Riley Walter Bankruptcy Counsel
Stephen Harrell

1. Call to Order

Meeting called to order at 6:30 pm

2. Public Comment:

Patty Drilling
Deanne Martin Soares

3. Approve Agenda, Acceptance of Minutes:

- a. Board Meeting, 9-26-18
Correct EVO update change year to month
- b. Special Board Meeting, 10-03-18
Change Walter Gorelick to Judge Walter Gorelic
- c. Special Board Meeting, 10-10-18
- d. Special Board Meeting, 10-17-18

With the above corrections Senovia Gutierrez moved to approve the above minutes.
Seconded by Mike Jamaica. Approved 5-0

4. Announcements – Board

10/23/18 the Tulare County Board of Supervisors endorsed Measure H

5. Discussion and Action on proposed date for December Regular Board Meeting to be held on December 19, 2018, confirmation of November Regular Board Meeting date for November 28, 2018.

The Board affirmed the November meeting date of November 28, 2018. Staff proposed moving the December meeting date to December 19, 2018. The library is reserved through the end of 2018.

6. Consent Agenda Items:

- a. Discussion and Action on five year lease with Top O The Morn Farms, Inc., commencing November 1, 2018
 - b. Discussion and Action on three year lease with Michael & Mitz Linicum, dba Re. Vive Tan & Spa, commencing November 1, 2018
 - c. Discussion and Action on five year lease with Mike Fligor, dba Fugazzis, commencing November 1, 2018
 - d. Discussion and Action on two year lease with Jonathon Liu, MD, commencing January 1, 2018
- Senovia Gutierrez moved to approve the 4 leases. Mike Jamaica seconded the motion. Approved 5-0.

7. Tulare Hospital Foundation Update

Jan Smith reported the Proud to Wear Pink had 350 attendees. A Foundation cancer caregiver support group has been established and will meet the first Wednesday of each month. Festival of Trees has been scheduled for November 30. Employees are being given a break on ticket prices. The Love to Wear Red event has been scheduled for February 2, 2019. They are making connections regarding the Tower pledges. Industries are honoring their pledges.

8.

Derek Jackson reported a check in the amount of \$1340.75 was given to the District. Utility costs of \$21,000 are having an impact on the amount of the profit. A zero enrollment special is being run and Adventist Health employees will be offered a special rate. The EVO Oversight committee will not meet in November, but will meet in December. EVO renewed as managers for Evolutions for up to 2 years.

9. Board Recognition of the Medical Executive Committee (MEC) Special recognitions of Drs. Betre and Patel

10. Recognition of members of Ad hoc Committees to review potential partner proposals, and to review the proposed lease of the hospital

Tabled

11. Discussion and Action on maintenance and other projects related to opening Tulare Regional Medical Center

- a. Status of repair and maintenance projects
 - b. Security service solutions
 - c. Approval of proposed Drake chiller project development agreement and installation
 - d. Approval of Phase II installation cost
- See attached report

12. Adventist Health and Staff Updates

- a. Hospital Services update
Randy Dodd, Adventist Health, reported that in the first 9 days there were 600 Emergency Department visits. 7 inpatient beds were filled. There were 20 transfers due to lack of nursing staff. They have had 12 discharges. 30 are needed to recertify with MediCal.
- b. Public Relations

13. Chief Financial Officer Report:

Review and Recommend the following for Board Approval:

- a. July, 2018 Draft Internal Financial Statements: (These will be prepared after the work of the 2017 and 2018 Financial Audits are substantially completed)
- b. Accounts Receivable Update - oral report
- c. Accounts Payable Update – oral report
- d. Cash Report Update- To be delivered
- e. District budget and staffing report for Tulare Local Health Care District and support services for Adventist Health Managed Services Agreement
- f. Approve addition of authorized signatories on the TLHCD accounts
- g. HRG patient billing services agreement
Kevin moved to authorize Mike Jamaica and Senovia Gutierrez to execute banking and lending documents. Seconded by Senovia Gutierrez. Motion defeated 2-3 with Kevin Northcraft and Senovia Gutierrez voting in the affirmative and Mike Jamaica, Xavier Avila, and Stephen Harrell voting no. Xavier Avila then moved that Mike Jamaica and Senovia Gutierrez be added as signers only. Seconded by Stephen Harrell. Approved 5-0.

14. Discussion and Action on Resolution 864 authorizing Mike Jamaica and Senovia Gutierrez in their capacity as Finance Committee members to execute banking and lending documents

15. Update on rental of District properties

Stephen Harrell reported he needed a contact number for the VA. The Board was advised that there are liens on the cottages.

16. Discussion and Action on proposed Business Capital Financing Agreement for assistance in consummating financing to fund District operations.

- a. Staff Report on proposal
- b. Interim General Counsel Report on Proposal

Xavier Avila moved to approve Capital financing agreement for assistance in finding financing for district operations. Seconded by Stephen Harrell. Approved 4-1 with Senovia Gutierrez voting no.

17. Suspend open session – recess to closed session

Recessed to close session at 8:49 pm

18. Closed session

- a. Review of Applicants for Tulare District administrative staff (*pursuant to Govt. code § 54957(b)*)
- b. Financial planning for the District for the next two years; review alternative options (*pursuant to Govt. code § 54962*)
- c. Conference with Interim Legal Counsel- Existing litigation (*pursuant to Ca. Govt. Code § 54956.9*)
 - (1) In re Tulare Local Healthcare District dba Tulare Regional Medical Center -- United States Bankruptcy Court Eastern District of California Case No. 17-13797
 - (2) HCCA v. Tulare Local Healthcare District, and Counterclaim, U.S. Bankruptcy Court Eastern District of California Adv. Proc. No. 17-01095 – B
 - (3) Kumar v. Betre—Tulare County Superior Court Case No. VCU265230 & Appeal
 - (4) Phelps v. Greene-- Tulare County Superior Court Case No. VCU270681
 - (5) Drilling v. Bell-- Tulare County Superior Court Case No. VCU267051
 - (6) Martin Soares v. TRMC-- Tulare County Superior Court Case No. VCU266902
 - (7) TRMC v. Celtic Leasing-- U.S. Bankruptcy Court Eastern District of California Adv. Proc. No. 18-01008
 - (8) First Source Solutions USA LLC v. TRMC et. al, United States District Court, Eastern District of California Case No. 1:15 –cv-01136
- d. End closed session

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

Nothing to report

20. Adjournment *Next regular meeting scheduled for 6:30 PM on Wednesday November 28, 2018 at (Location to be determined).*