

Tulare Local Health Care District

Evolutions Oversight Committee Meeting Minutes

Wednesday, March 21, 2018

Board Convenes at 6:30 pm

***Evolutions Fitness & Wellness Center***

***1425 E. Prosperity Ave., Tulare CA 93274***

In Attendance: Derek Jackson  
Philip Smith  
Courtney Waters  
Alberto Aguilar  
Absent: Linda Crase

Passion Cardoza, EVO Business Manager  
Ken Nunes, EVO Accountant  
Joseph Soares, EVO Attorney  
Paul Atlas, EVO management

- I. Call to order – meeting called to order at 6:30 p.m.
- II. Requests/Public Comments:

Oversight Committee member Courtney Waters asked if landscaping was outsourced. There is no employee internally to do landscaping, so it is outsourced. Aligning maintenance with the hospital is hit or miss. Passion Cardoza was asked if anyone from the hospital told her that Evolutions could not use hospital maintenance equipment or employees. She responded that Lionel Machado did. Alberto Aguilar volunteered to contact Lionel Machado, but Paul Atlas and Kevin Northcraft are speaking to him about the matter.

- III. Update, review and discussion with EVO MANAGEMENT COMPANY, LLC on the financial condition of Evolution Fitness Center

Ken Nunes gave the financial report – attached

Phil Smith asked for the breakdown of environmental services and supplies.

\$9943.00 is for services: \$8063 Pride overnight cleaning

1165 Callahan landscaping

550 Preemergent fertilizer

165 Sprinkler repair

\$525.02 was for supplies: \$525.02 Waxie Supplies

Passion said that Evolutions received three bids for cleaning services when it reopened and Pride was the lowest. They did not go out to bid for landscaping. Callahan provided the service before the closure and lowered his price after reopening.

Phil Smith asked if there were any objections to his reviewing the bank card statements to see if we are receiving competitive rates. There was no objection.

Derek Jackson advised that if we receive the lowest price for janitorial service we are not lowering the standards. Passion assured him we have not lowered the standard.

Phil Smith also requested to analyze the bank statements. Joseph Soares said that would be possible with redacted account numbers for privacy reasons.

Alberto Aguilar asked about the variance in rents payable to the hospital district. Ken Nunes explained that there were unusual income items in January and some expenses were not paid because, for example, utility bills were not received. Derek asked if rents payable will normalize. Ken Nunes said there will be 5 pay period in March, and in April the dehumidifier expense will be deducted.

Derek Jackson asked about gym memberships. Passion said Evolutions is still feeling the fallout of closure. Last month there was a net positive gain of 13. Phil Smith asked where membership is in comparison to last year, two years ago. Passion said membership is 23% down. Derek Jackson asked about promotions. Passion said there is an enrollment special of \$50 per person.

Alberto Aguilar asked about the Silver Sneakers Program. Passion advised that the review is still in process. She said that renovations are taking place in the old Mervyn's building for either In Shape or Fitness Revolution.

Phil Smith asked if additional bids were obtained for repair of the dehumidifier. Paul Atlas said a second bid was obtained for \$19,640 without extra Freon or \$26,435 with extra Freon. They are going with the second bid.

Alberto Aguilar asked about advertising. Passion said they utilize Facebook and Instagram for advertising.

Paul Atlas said the EVO Oversight Committee members should be Evolutions members.

Phil Smith said on an administrative note his FPPC Form 700 was due April 1, 2018 and he wanted to know where he should submit it. Joseph Soares advised him to take to Wipfli at the hospital administration building.

Derek Jackson will not be able to make the presentation at the next hospital board meeting. Phil Smith will do the presentation in his absence.

Derek Jackson said his desire for Evolutions and the hospital is success, partnership, and safety.

Phil Smith inquired about solar for Evolutions. EVO management will look into and report back.

IV. Adjournment – meeting concluded at 7:13 p.m.