

**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE
MEETING MINUTES
July 11, 2017**

Meeting of the Finance, Administration, Real Estate and Legal Committee of the Desert Healthcare District was held in the Desert Healthcare District Conference Room, 2nd Floor, Palm Springs, CA

Attendance:

Members

Mark Matthews, Chairman/Treasurer
Director Les Zendle, MD

Absent

Herb K. Schultz, CEO
Arthur Shorr, Community Member
Richard Cagen, Community Member

Staff

Chris Christensen, CFO/COO
Donna Craig, Senior Program Officer
Mary Pannoni, Accounting/Admin Support
Andrea S. Hayles, Clerk to the Board

Community Members

Sid Rubenstein, Community Member

CALL TO ORDER

The meeting was called to order at 3:03 p.m. by Chairman Matthews.

APPROVAL OF AGENDA

Chairman Matthews asked for an approval of the agenda.

It was moved and seconded (Director Zendle, Community Member Rubenstein) to approve the agenda. Motion passed unanimously.

PUBLIC COMMENT

APPROVAL OF MINUTES

Submitted for approval:

1. Minutes – May 9, 2017

It was moved and seconded (Community Member Wild, Director Zendle) to approve the minutes of May 9, 2017 minutes.

Motion passed unanimously.

CEO Report – Final Strategic Plan and FY18 Annual Budget – Information

In the absence of Herb K. Schultz, CEO, Chris Christensen, CFO/COO explained the Board adopted the Three Year Strategic Plan inclusive of the Infrastructure and Organizational Staff Report.

CHIEF OPERATING OFFICER'S REPORT - LPMP Leasing Update

Chris Christensen, CFO/COO provided an overview of his COO Report, which included the Las Palmas Medical Plaza occupancy rate and leasing activity.

FINANCIAL REPORTS

1. Financial Statements – The District's and LPMP Financial Statements for June 2017 was reviewed.
2. Accounts Receivable Aging Summary – The June 2017 accounts receivable detail was reviewed.
3. Deposits – District – The District's June 2017 deposits detail was reviewed.
4. Property Tax Receipts – The property tax receipts were reviewed.
5. Deposits – LPMP – The LPMP's June 2017 deposit detail was reviewed.
6. DHCD Check Register – The June 2017 check register for the District was reviewed.
7. Credit Card – The June 2017 credit card expenditures was reviewed.
8. LPMP Check Register – The June 2017 check register for the LPMP was reviewed.
9. RPP Update – The RPP update was reviewed.
10. Grant Payment Schedule - The grant payment schedule was reviewed.

It was moved and seconded (Chair Matthews, Director Zendle) to approve the April 2017 District Financial Reports - Items 1-10 and to forward to the Board for approval. Motion passed unanimously.

PUBLIC COMMENT

There were no public comments.

OTHER MATTERS

1. Disability Claim Potential Settlement
Chris Christensen, CFO/COO outlined the disability claim settlement.

It was moved and seconded (Director Zendle, Chairman Matthews) to forward to the Board without a recommendation. Motion passed unanimously.

2. Fire Sprinkler Estimate for Las Palmas Medical Plaza

It was moved and seconded (Director Zendle, Chairman Matthews) to approve the Fire Sprinkler Estimate for Las Palmas Medical Plaza and forward to the Board for

approval. Motion passed unanimously.

3. **New Lease Proposal LPMP – Suite 1E 201-203 (Palmtree Clinical Research)**
 - Chris Christensen, CFO/COO explained the lease proposal for Palmtree Clinical Research.
 - Gerry Bocian, CEO, Palmtree Clinical Research provided an overview of his organization, the programs and services, and introduced the shareholders.
 - Mr. Bocian requested that the Tenant Improvement Allowance is increased from \$33/sf to \$50/sf.
 - Mr. Bocian requested the District reimburse Palmtree Clinical Research with progress payments for the Tenant Improvement Allowance.
 - Director Matthews requested a copy of the most recent tax returns to determine the financial need of the progress payments.
 - Director Zendle stated that on the condition Mr. Christensen can justify the variations to the lease are within good business practices, and that Palmtree Clinical Research can financially sustain the lease, he is in approval.

It was moved and seconded (Director Zendle, Community Member Rubenstein) to approve and move forward to the Board for approval the Palmtree Clinical Research lease terms pending the deliverable of the most recent tax returns, review of the financials, and adjustments to the \$50/per sq. ft. Tenant Improvement Allowance.

It was moved and seconded (Director Zendle, Community Member Rubenstein) that upon the execution of the lease, the District will allow up to 5 months of progress payments. Motion passed unanimously.

4. **Lease Extension LPMP – Suite 3E104-105 (LabCorp)**
 - Chris Christensen, CFO/COO outlined the lease.
 - Chairman Matthews requested that the lease include installation of the sprinkler system in the Tenant Improvements.

It was moved and seconded (Chairman Matthews, Director Zendle) to approve the LPMP Extension LPMP LabCorp with the stipulation that the sprinkler system installation is included in the Tenant Improvements and forward to the Board for approval. Motion passed unanimously.

5. **Lease Extension LPMP – Suite 3W 103-104 (Dr. Gundry)**
 - Chris Christensen, CFO/COO explained the details of the lease.

It was moved and seconded (Chairman Matthews, Director Zendle) to approve the LPMP Extension LPMP Dr. Gundry and forward to the Board for approval. Motion passed unanimously.

6. Lease Transfer LPMP – Suite 2W 102 (Dr. Fazouni)

- Chris Christensen, CFO/COO explained the details of the lease.

It was moved and seconded (Director Zendle, Chairman Matthews) to approve the Lease Transfer LPMP Dr. Fazouni and forward to the Board for approval. Motion passed unanimously.

PUBLIC COMMENT

ADJOURNMENT

The meeting was adjourned at 4:45 p.m.

ATTEST:



Mark Matthews, Chairman Finance and Administration Committee/Treasurer
Desert Healthcare District Board of Directors