



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<b>Directors Present</b>	<b>District Staff Present</b>	<b>Absent</b>
President Zendle, MD Vice-President/Secretary Carole Rogers, RN Treasurer Mark Matthews Director Kay Hazen Director Jennifer Wortham, DrPH	Chris Christensen, Interim CEO, CFO Lisa Houston, COO Donna Craig, Senior Program Officer Alejandro Espinoza, Program Officer and Outreach Director Will Dean, Communications and Marketing Director Andrea S. Hayles, Clerk of the Board  <u>Legal Counsel</u> Jeff Scott	

<b>AGENDA ITEMS</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>A. Call to Order</b>  <b>Roll Call</b>	President Zendle called the meeting to order at 6:00 p.m.  The Clerk of the Board called the roll with all Directors present except Director Hazen.	
<b>B. Pledge of Allegiance</b>	President Zendle asked to lead the pledge of allegiance.	
<b>C. Approval of Agenda</b>	President Zendle asked for a motion to approve the agenda with the addition of the resolution of support for Measure BB carried from the Special Meeting of the Board.	<b>#19-14 MOTION WAS MADE by Director Matthews and seconded by Vice-President Rogers to approve the agenda with the addition of the resolution in support of Measure BB as carried from the Special Meeting of the Board.</b> <b>Motion passed unanimously.</b> <b>AYES – 4 President Zendle, Vice-President Rogers, Director Matthews, and Director Wortham</b> <b>NOES – 0</b> <b>ABSENT – Director Hazen</b> <b>ABSTAIN – 0</b>
<b>D. Public Comment</b>	No public comment.	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<p><b>E. Consent Agenda</b>  <b>E.1. Board Minutes</b>              <b>a. Special Meeting of the Board of Directors – September 25, 2018</b>              <b>b. Board of Directors Meeting – September 25, 2018</b></p> <p><b>E.2. a. Approval of September 2018 Financial Statements F&amp;A Approved October 9, 2018</b></p>	<p>President Zendle explained the correction to the minutes for the public comment of Ezra Kaufman, District Resident.</p>	<p><b>#19-15 MOTION WAS MADE by Vice-President Rogers and seconded by Director Matthews to approve the Consent Agenda. Motion passed unanimously. AYES – 4 President Zendle, Vice-President Rogers, Director Matthews, and Director Wortham NOES – 0 ABSENT – Director Hazen ABSTAIN – 0</b></p>
<p><b>F. Resources and Philanthropy</b></p> <p><b>1. Consideration to Approve Joslyn Center: Joslyn Wellness Senior Behavioral Health Services Program Grant - \$112,050</b></p>	<p>Donna Craig, Senior Program Officer, explained the Joslyn Wellness Senior Behavioral Health Services Program grant that includes an engagement plan, and evidence-based deliverables. Ms. Craig introduced Jack Newbie, Executive Director and the Board of Joslyn Center.</p> <p>Jack Newbie, Executive Director, Joslyn Center, thanked the board for their consideration, as well as the District staff. Mr. Newbie introduced his board of eight also describing the holistic approach to wellness.</p> <p>Ed Walsh, Board Vice President, Joslyn Center, explained that as a commission member for the past six years, the grant is a unique concept for the total person and aligned with Joslyn’s current developments. Vice-President Rogers inquired on the age groups and needs Joslyn Center will address. The Aging Mastery</p>	<p><b>#19-16 MOTION WAS MADE by President Zendle and seconded by Vice-President Rogers to approve Joslyn Wellness Senior Behavioral Health Services Program - \$112,050. Motion passed unanimously. AYES – 4 President Zendle, Vice-President Rogers, Director Matthews, and Director Wortham NOES – 0 ABSENT – Director Hazen ABSTAIN – 0</b></p>



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<p><b>2. Consideration to Approve Desert Arc: Desert Arc Healthcare Program Grant - \$164,738</b></p>	<p>program helps individuals navigate aging for the 55 plus age group as a ten-course program to manage issues of the aging population such as medical issues, exercise programs, cognitive behavioral program, and problem-solving.</p> <p>Director Matthews moved for approval explaining the long-term work of Joslyn Center.</p> <p>Donna Craig, Senior Program Officer, described Desert Arc's Healthcare Program and the components of the vulnerable clientele.</p> <p>Richard Balocco, Executive Director, Desert Arc, introduced his staff and explained that the organization is celebrating 60 years of service to the community this year. The full-time nurses are an integral part of the services with over 700 clients and 200 currently residing in the District boundaries.</p>	<p><b>#19-17 MOTION WAS MADE by President Zendle and seconded by Director Wortham to approve Desert Arc Healthcare Program Grant - \$164,738.</b></p> <p><b>Motion passed unanimously.</b></p> <p><b>AYES – 4 President Zendle, Vice-President Rogers, Director Matthews, and Director Wortham</b></p> <p><b>NOES – 0</b></p> <p><b>ABSENT – Director Hazen</b></p> <p><b>ABSTAIN – 0</b></p>
<p><b>3. Consideration to Approve Ready Set Swim Grant to the Desert Healthcare Foundation - \$136,000</b></p>	<p>Lisa Houston, COO, explained the Ready Set Swim grant and the current partnerships. The Ready Set Swim, Jr. program will commence next year, and Mrs. Houston requested guidance from the board on moving forward with the grant.</p> <p>Alejandro Espinoza, Outreach, explained supplemental details of the program such as physical activity, nutritional education, and transportation.</p>	<p><b>#19-18 MOTION WAS MADE by President Zendle and seconded by Vice-President Rogers to approve the Ready Set Swim Grant to the Desert Healthcare Foundation - \$136,000.</b></p> <p><b>Motion passed unanimously.</b></p> <p><b>AYES – 4 President Zendle, Vice-President Rogers, Director Matthews, and Director Wortham</b></p> <p><b>NOES – 0</b></p> <p><b>ABSENT – Director Hazen</b></p> <p><b>ABSTAIN – 0</b></p>



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	<p>Director Matthews explained that after the approval of the expansion and examining the balance sheet, after their commitment to the expansion, the new board will have to examine the budget. Director Matthews supports the expansion, but he is uncomfortable and concerned with no tax revenue for the expanded area with revenue coming from the current District. In June there will be budget and funding challenges, five years from now with the grant budget and expansion the District may face fiscal solvency, and it is necessary to examine and find a method to keep the ongoing programs sustainable.</p> <p>President Zendle and Vice-President Rogers explained that the Ready Set Swim program is successful, and the District should continue to explore the program in the future. The District continues to consider various funding resources to support the east valley expansion.</p>	
<p><b>G. New Providers, Facilities, Programs, and Services Ad Hoc Committee</b></p> <p><b>1. Desert Regional Medical Center Appraisal Report – Colin McDermott, Managing Director, VMG Health</b></p>	<p>Chris Christensen, Interim CEO, described the landscape of the health care needs of the current District and the potentially expanded boundaries, explaining that Desert Regional Medical Center is the largest asset of the District. Mr. Christensen introduced Colin McDermott, Managing Director, VMG Health,</p>	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	<p>and Blake Madden, Senior Analyst, VMG Health.</p> <p>Colin McDermott, Managing Director, VMG Health, provided an overview of this presentation explaining that VMG Health has been in existence for over 20-years having conducted over 30,000 evaluations specializing in the health care industry. The phase 1 analysis was outlined such as the prepaid lease with Desert Regional Medical Center and the Fair Market Value, including the Business Valuation, Investigation Analysis, Market Approach Process, and details of the Income Approach Result Summary of Assumption of tangible and intangible assets.</p> <p>Director Hazen arrived at 6:42 p.m.</p>	
<p><b>H. Desert Healthcare District CEO Report</b></p> <p><b>1. Priorities Milestones-Progress Measures Update</b></p>	<p>Chris Christensen, Interim CEO, provided an overview of the monthly update of the Priorities, Milestones, and Progress Measures. President Zendle requested an update on the accreditation from the Association of California Healthcare Districts (ACHD) at November meeting.</p>	
<p><b>I. Desert Regional Medical Center CEO Report – Michele Finney, CEO</b></p>	<p>Michele Finney, CEO, Desert Regional Medical Center, Desert Care Network, explained that the hospital is focused on preparations for the flu season, additional ER treatment spaces, new urgent care centers, modifications to moving the cardiac rehab to the Stergios building, and seasonal staff for the ER. Mrs. Finney explained that the</p>	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	<p>State of CA passed new homeless discharge legislation effective January 1, and the staff is updating the policies and procedures with Webex's for compliance and in-patient and ER discharges. The new Chief Nursing Officer will commence his new role on November 5. Capital expenditures were approved for \$1M in various departments with a total of \$21M of investments throughout the year. Renewals on comprehensive stroke, accreditation for acute rehab, and JACHO accreditations are forthcoming.</p>	
<p><b>J. Desert Regional Medical Center Governing Board of Directors Report</b></p>	<p>President Zendle described a presentation from the State of California Government Relations Department on federal, state and local issues, and the announcement at the meeting that Desert Regional Medical Center is in support of Measure BB. A report was provided from the compliance department for patient monitoring in the hospital, and CDPH opened and closed cases were reviewed and discussed among the governing board. President Zendle explained that there has been an increase in patient satisfaction creating a positive impact on the hospital scores. In conclusion, President Zendle explained a new policy for not transporting patients after dark unless it necessitates a valid clinical reason.</p>	
<p><b>K. Finance, Administration, Real Estate and Legal Committee</b></p> <p><b>a. Minutes of September 11, 2018</b></p>	<p>Director Matthews explained the minutes of the September meeting</p>	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<p><b>b. CFO Report &amp; Las Palmas Leasing Update</b></p> <p><b>c. FY 2018 Audit Reports</b></p> <ul style="list-style-type: none"> <li>• <b>Management Letter, Communication Letter, Internal Controls Report</b></li> <li>• <b>Desert Healthcare District Audit Report</b></li> <li>• <b>Retirement Protection Plan Audit Report</b></li> </ul> <p><b>d. LPMP Lease Extension – Suite 2W 203 – Desert Family Medical</b></p>	<p>and the Committee’s decision to table the Kaufman Hall Service Agreement Addendum #2. Kaufman Hall has performed a great deal of work preparing for the expansion, seismic assessment, and the hospital appraisal, but the matter was forwarded to the board with no action suggesting a delay in the work with Kaufman Hall until the November election.</p> <p>Director Matthews provided an overview of the audit report that was presented by Moss Levy &amp; Hatzheim. Chris Christensen, Interim CEO, explained that there were no findings with the audit.</p> <p>Director Matthews described the details of the Las Palmas Medical Plaza lease extension for Desert Family Medical.</p>	<p><b>#19-19 MOTION WAS MADE by President Zendle and seconded by Director Matthews to approve the FY 2018 Audit Reports. Motion passed unanimously. AYES – 5 President Zendle, Vice-President Rogers, Director Matthews, Director Hazen, and Director Wortham</b></p> <p><b>NOES – 0</b></p> <p><b>ABSENT – 0</b></p> <p><b>ABSTAIN – 0</b></p> <p><b>#19-20 MOTION WAS MADE by Director Matthews and seconded by President Zendle to approve the LPMP Lease Extension – Suite 2W 203 – Desert Family Medical. Motion passed unanimously. AYES – 5 President Zendle, Vice-President Rogers, Director Matthews, Director Hazen, and Director Wortham</b></p> <p><b>NOES – 0</b></p> <p><b>ABSENT – 0</b></p> <p><b>ABSTAIN – 0</b></p>
--	--	---



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<p><b>e. LPMP Lease Addendums – Dr. Awad</b></p>	<p>Director Matthews described the details of the Las Palmas Medical Plaza lease addendums for Dr. Awad.</p>	<p><b>#19-21 MOTION WAS MADE by Director Matthews and seconded by Vice-President Rogers to approve the LPMP Lease Addendums – Dr. Awad. Motion passed unanimously. AYES – 5 President Zendle, Vice-President Rogers, Director Matthews, Director Hazen, and Director Wortham  NOES – 0  ABSENT – 0  ABSTAIN – 0</b></p>
<p><b>f. Proposed Vacation Cash Out Option</b></p>	<p>Director Matthews explained the long-term employee with the maximum vacation hours of 160, and the vacation cash out option.</p>	<p><b>#19-22 MOTION WAS MADE by Director Matthews and seconded by Director Wortham to approve the Proposed Vacation Cash Out Option. Motion passed unanimously. AYES – 5 President Zendle, Vice-President Rogers, Director Matthews, Director Hazen, and Director Wortham  NOES – 0  ABSENT – 0  ABSTAIN – 0</b></p>
<p><b>g. Proposed District &amp; Foundation Alternative Workweek</b></p>	<p>Chris Christensen, Interim CEO, explained the proposed alternative workweek that was presented at the September meeting, and direction by the board to bring back a policy, process, and the secret ballot of employees resulting in two-thirds majority of a 9/80 schedule. The implementation of the new alternative workweek will commence in November.</p> <p>Director Matthews explained that he supports the alternative</p>	<p><b>#19-23 MOTION WAS MADE by Director Matthews and seconded by Director Wortham to approve the Proposed District &amp; Foundation Alternative Workweek. Motion passed unanimously. AYES – 5 President Zendle, Vice-President Rogers, Director Matthews, Director Hazen, and Director Wortham  NOES – 0  ABSENT – 0  ABSTAIN – 0</b></p>





**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	workweek schedule and values the staff's work on the matter.	
<p><b>K.2. Hospital Governance and Oversight Committee</b></p> <p><b>a. Minutes of September 20, 2018</b></p> <p><b>b. 2018 Patient Safety and Quality Initiatives</b></p> <p><b>c. Hospital Safety and Compliance Inspections</b></p>	<p>Vice-President Rogers explained the minutes of the September meeting and the 2018 Patient Safety and Quality Initiatives presentation from Christine Langenwalter, Chief Quality Officer, Desert Regional Medical Center, hospital safety, compliance inspections, and new legislation for homelessness patient discharge that was distributed to the board and attendees at the Hospital Governance and Oversight Committee meeting. Vice-President Rogers also outlined the sample hospital safety and compliance inspections for Grossmont Hospital as the committee will move forward in the future with scheduled metrics for hospital inspections.</p>	
<p><b>K.3. Board and Staff Communications Ad Hoc Committee</b></p>	<p>Director Hazen, Chair, Ad Hoc Committee on Board and Staff Communications explained that a workshop is scheduled for Thursday, October 25 with the entire board for full discussion of the board and staff communications and policies and procedures.</p>	
<p><b>L. New Business</b></p>	<p>Vice-President Rogers explained the motion for a Resolution of Support from the Special Meeting of the Board educational public forum on expansion to support Measure BB that was tabled to allow all board members to vote on the resolution.</p>	<p><b>#19-24 MOTION WAS MADE by Vice-President Rogers and seconded by President Zendle to approve the Resolution of Support for Measure BB. Motion passed 4-1. AYES – 4 President Zendle, Vice-President Rogers, Director Hazen, and Director Wortham</b></p>



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	<p>Director Matthews explained that he supports the expansion, but with no taxpayer funding he will not support the motion. The existing taxpayers pick up the tab for the east and funding will possibly need re-evaluating.</p> <p>Director Hazen explained that the board agrees on expansion, but disagrees with certain aspects of funding and moving forward with the expansion, including other matters – describing the importance to progressing with the expansion although she has disagreements with some elements, but supports efforts to gain, attach, and secure additional funding. The District board voted to support the legislation unanimously taking into consideration the differences such as voting in only one portion of the Valley, which is a disappointment. Director Hazen further explained that she voted against the original funding which remains unchanged, but afterward voted solidly to move forward with the expansion. Once the expansion passes, seeing no barriers, she suggests that the board consider to fully fund the collective funds immediately into the community. Director Hazen wants to ensure the historical efforts are captured such as the funding.</p>	<p><b>NOES – Director Matthews</b>  <b>ABSENT – 0</b>  <b>ABSTAIN – 0</b></p>
<p><b>M. Old Business</b></p>	<p>No Old Business</p>	
<p><b>N. Legal Comments &amp; Reports</b></p> <p><b>1. AB 2329 – Directors Compensation and</b></p>	<p>Jeff Scott, Legal Counsel, explained that for the first time in at least 20-years, AB 2329 has been adjusted</p>	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

<p><b>Ribakoff Case on Public Comments</b></p>	<p>to allow director's compensation for up to five meetings with a 5% increase per year.</p> <p>Attorney Scott described the Ribakoff case with the city of Long Beach concerning the public's right to public comment and reinforcing the right of the public agency to control certain aspects of the meeting.</p> <p>Director Mathews inquired on the Solomon case that was presented to the Supreme Court. Attorney Scott explained the court's denial and findings in favor of the District.</p>	
<p><b>O. Informational Items</b></p> <p><b>1. CV Link Q3 2018 Progress Report</b></p>	<p>President Zendle explained the CV Link Q3 2018 progress report as provided in the board packet.</p>	
<p><b>P. Directors' Comments, Reports, &amp; Staff Direction and Guidance</b></p> <p><b>1. Association of California Healthcare Districts (ACHD) 66<sup>th</sup> Annual Meeting</b></p> <p><b>2. California Special District Association (CSDA) Annual Conference</b></p>	<p>President Zendle described the behavioral health presentation at the Association of California Healthcare Districts Annual Conference and the increase and decrease in beds and the population.</p> <p>Vice-President Rogers explained that once presented, she would like the board to support Arcadia Health's proposal for an 80-bed inpatient facility.</p> <p>Vice-President Rogers described the various presentations of the California Special District</p>	



**DESERT HEALTHCARE DISTRICT**  
**DESERT HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**October 23, 2018**

	<p>Association Annual Conference such as Standout Leadership, Ten Things to Quick to be More Successful, Personality Make Ups, and You're Out of Order for chaotic board meetings.</p> <p>Vice-President Rogers also outlined the new laws from the court of appeals concerning people experiencing homelessness such as not arresting individuals sleeping on the sidewalks or in other public areas.</p>	
<p><b>Q. Adjournment</b></p>	<p>President Zendle adjourned the meeting at 7:49 p.m.</p>	<p><b>Audio recording available on the website at</b>  <a href="http://dhcd.org/Agenda-Board-of-Directors">http://dhcd.org/Agenda-Board-of-Directors</a></p>

ATTEST: Carole Rogers  
 Carole Rogers, Vice-President/Secretary  
 Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board*