



**MINUTES OF THE SEPTEMBER 13, 2016 REGULAR MEETING OF THE  
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

**CALL TO ORDER**

President Hempel called the meeting to order at 2:00 PM in the lobby conference room at 1425 N. McDowell Blvd.

**PRESENT**

Elece Hempel, President  
Robert Ostroff, MD, Vice President  
Fran Adams, RN, BSN, Secretary (joined at 2:10 PM)  
Josephine S. Thornton, M.A., Treasurer  
Joseph Stern, Board Member at Large

**ALSO PRESENT**

Ramona Faith, CEO, PHCD  
Erin Howseman, Board Clerk, PHCD  
Andrew Koblick, Controller, PHCD  
Jane Read, VP Operations, PVH  
Kitty Brown, RN PVH  
Vanessa DeGier, SJH

**CALL FOR CONFLICT**

President Hempel called for conflict. There was none.

**MISSION AND VISION**

Ramona Faith read the mission and vision of the Petaluma Health Care District.

*The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships and education.*

*Petaluma Health Care District envisions: A healthier community; a thriving hospital; local access to comprehensive health and wellness services for all.*

## **CONSENT CALENDAR**

**A motion was made by Director Ostroff to approve the September 13, 2016 agenda, the August 16, 2016 minutes, the August 22, 2016 minutes, and the August 24, 2016 minutes which was seconded by Director Thornton. This motion was passed by a vote of 4 ayes (Directors: Hempel, Ostroff, Thornton, Stern) and 0 noes.**

## **PUBLIC COMMENTS**

There were no public comments.

## **BOARD COMMENTS**

Director Stern commented that he attended the CHIPA quarterly meeting earlier that day, and found the presentation on Community Health Needs Assessment very interesting and informative. President Hempel, who also attended, concurred.

## **ADMINISTRATIVE REPORT**

### **CEO REPORT**

CEO Faith reported on the benefits of Association of Health Care Districts (ACHD) membership. Ms. Faith also reported that the recently released 2016 Community Health Needs Assessment (CHNA) was presented at the quarterly CHIPA meeting on September 13, 2016 which was held in the library on the SRJC Petaluma campus. A CHNA executive summary was included in the board packet.

Ms. Faith stated that CHIPA will engage in a 3 step process to respond to the 2016 CHNA which includes the following:

1. Review the results of the report
2. Reconfirm and/or reconsider health priorities for southern Sonoma County
3. Make recommendation to the PHCD Board on health priorities for the next 3 years

Ms. Faith noted that since CHIPA serves as a community health advisory committee to the Board, board approval of its health priorities is required.

Ms. Faith reported that the District office is changing its copier/printer maintenance company to Intelligent Copier Solutions, which will provide about \$2,400 savings per year. Ms. Faith also reported that the lease for the District's office space is up for renewal, and she has negotiated a one year lease at the same price. In addition, the retirement plan transition from Empower to One America is going well and will be completed at the end of September (2016).

Ms. Faith reported the annual PHCD financial audit went well with no findings. The Board will receive a full report of financial audit findings in October. The District staff received positive feedback on the excellent job they did in preparing and responding to questions, noting the finance team was survey ready.

Ms. Faith reported that she is serving on the newly created ACHD Work Group. The workgroup is focused on four strategies: (1) certification/credentialing; 2) messaging; 3) LAFCo; and 4) Modernization of Healthcare District law.

Lastly, Ms. Faith reported that PHCD was nominated for the Jefferson Award.

## **BOARD GOVERNANCE**

### ***ALPHA Fund and BETA Healthcare Group Merger Agreement***

CEO Faith reported on the merger between ALPHA Fund and BETA Healthcare Group. PHCD has long been a member of a joint powers authority (JPA) with ALPHA Fund for worker's compensation, resulting in lower costs for PHCD. ALPHA Fund is the state's leading self-insured workers' compensation Participant group, serving public and non-profit health care organizations. Ms. Faith asked if the board preferred to delegate to her the authority to approve the merger and sign the amended JPA, or if the Board preferred to review and approve it, noting that approval will need to be submitted by early October 2016.

Director Thornton asked if a merger would result in any increased risk to PHCD, to which Ms. Faith responded it would not. Ms. Faith suggested presenting to the board a high level executive summary of the merger agreement prior to the next board meeting, and this topic can be revisited at that time. Board members agreed to this proposal.

### ***Hospital Stewardship Committee Charter***

This item was placed on the agenda in response to a request by Kitty Brown, RN at PVH at a prior board meeting. Ms. Brown wished to know if this committee was still extant, and could be a possible venue for PVH staff to bring concerns to the PHCD board. A draft copy of the Hospital Stewardship Committee Charter was included in the board packet. The board agreed to review the draft charter, and place it on a future board agenda for review and approval. Director Thornton asked for a history of the committee and its effectiveness in contributing to the resolution of employee issues.

## **CONFLICT OF INTEREST CODE BIENNIAL REVIEW**

President Hempel presented the Conflict of Interest Code (Government Code Section 8100, et. seq.), adoption of which is required by state and local government agencies, and which must be reviewed every two years. CEO Faith noted that as there have been no major changes during that period of time, no amendments to the Code are currently required.

**A motion was made by Director Ostroff to approve the Conflict of Interest Code as written, without amendments, seconded by Director Adams. The motion was passed by a vote of 5 ayes (Directors Thornton, Adams, Hempel, Ostroff, and Stern) and 0 noes.**

The schedule of upcoming board meetings was discussed, and due to scheduling issues, alternative meeting dates may be necessary and will be confirmed as soon as possible.

## **PETALUMA VALLEY HOSPITAL**

### ***SRM Alliance Board Update***

Jane Read, VP of Operations at PVH, reported that proclamations of service to the community will be made by the City of Petaluma on behalf of Dr. Barlas, Dr. Erny and Dr. Glynn, and these will be presented to them at a special reception honoring their retirement. Ms. Read said she would inform the PHCD board of the date of the reception so Board members can attend if they would like to.

Management is continuing to recruit for cardiology and orthopedics. Ms. Read reported that she is interviewing candidates for director of OR, and management continues to rework the call schedule.

Ms. Read updated the board on the current situation with PVH nurses' union representation. Nurses want to vote to decertify California Nurses Association (CNA) as their bargaining representative, but the union has requested a blocking order from the National Labor Relations Board, so hospital management is required to continue to work with the union. CEO Faith asked for clarification about the process for making a change in union representation. Ms. Read responded that because PVH nurses petitioned CNA for a vote prior to the expiration of the contract, management cannot bargain with the nurses.

Kitty Brown, RN, expressed concern that due to blocking actions by CNA, nurses were being denied their right to a vote, and stated that the petition signed by PVH nurses (included in the PHCD board packet) expresses that the nurses have no confidence in negotiations going forward with CNA. President Hempel directed Ms. Faith to draft a letter on behalf of the PHCD board addressed to the NLRB and to CNA in support of the right of PVH nurses to choose their representation.

Ms. Read also reported that PVH is preparing for the stroke-ready site visit for Joint Commission. Management is especially focusing on infection control.

## **FINANCIAL SUSTAINABILITY**

### ***July 2016 Financials***

Andrew Koblick, Controller, reviewed the July 2016 financials.

As of July 31, 2016 the Statement of Net Position reflected assets of \$9,273,607 and liabilities and deferred revenue of \$852,853 leaving the net fund balance at \$8,420,754.

The month and year to date ended July 31, 2016 showed the net loss of \$85,206 which is \$7,903 better than the budgeted loss of \$93,109.

**A motion was made by Director Ostroff to approve the July Financials, seconded by Director Stern. The motion was passed by a vote of 4 ayes, noting that Director Thornton stepped out of the meeting, (Directors Adams, Hempel, Ostroff, and Stern) and 0 noes.**

Ms. Faith noted that the lease agreement for the PHCD office at 1425 N. McDowell Blvd, Suite 103 was included in the board packet.

**A motion was made by Director Ostroff to approve the Restatement of Lease between Kimbro Properties, LLC, ("Landlord") and Petaluma Health Care District ("Tenant") for 1425 N. McDowell Blvd, Suite 103, seconded by Director Adams. The motion was passed by a vote of 5 ayes (Directors Adams, Hempel, Ostroff, and Stern) and 0 noes.**

## **INFORMATIONAL ITEMS**

CEO Faith noted that upcoming events were included in the board packet. Future board meetings were discussed, and the October 18, 2016 regular board meeting was confirmed. A special board meeting may be scheduled prior to that, pending upcoming due diligence negotiations.

Ms. Faith reported that there will be no PHCD board election in November 2016, since the number of persons who filed for office equals the number of board seats available. The three full-term board positions will be filled by President Hempel, Director Adams, and Becky Monday. The two-year term position will be filled by Director Stern. Ms. Faith expressed congratulations to the directors.

## **ADJOURN TO CLOSED SESSION**

**President Hempel adjourned the meeting into closed session pursuant to:**

- **Government Code §54956.8 closed session; real property transaction; meeting with negotiator – 400 North McDowell Blvd.; GE Healthcare Camden Group, and Bouey & Black, LLP.**

## **ADJOURN TO OPEN SESSION**

President Hempel adjourned the meeting into open session and reported that no action was taken in closed session.

## **ADJOURN**

President Hempel adjourned the meeting at 6:00 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Erin Howseman, Board Clerk