

MINUTES OF MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
May 3, 2004

Present:

Mr. Faro
Mr. Hickey
Ms. Kane
Dr. Katz
Mr. MacNaughton

Also present:

Mr. Gibson, CEO
Mrs. Greenberg, Counsel
Ms. Scott, Recorder

Excused:

None

CALL TO ORDER:

President Faro called the meeting to order at 4:30 PM in the Sequoia Room at Sequoia Hospital.

PUBLIC COMMENT:

Ms. Linda Craig from the South San Mateo County League of Women Voters read a prepared statement. A copy is available with the original of these minutes.

Ms. Craig expressed that Resolutions 04-2 and 04-3 were items that required more public input, and recommended a public meeting be hosted by the District, and that the District defer its decisions until its next regularly scheduled meeting. Ms. Craig added she had not personally heard CHW request \$25 million from the District in support of the rebuild of Sequoia Hospital and was under the impression that they had offered to fund the project without public funds.

Ms. Glenna Vaskelis said CHW has sent a letter to the District requesting \$25 million and the request has been referenced at public meetings.

Resolution 04-2 Supporting The Rebuilding Of Sequoia Hospital And Approving A \$25 Million Contribution For The Funding Of New Construction At Sequoia Hospital and Resolution 04-3 Declaring That The District's Real Properties Located At 2900 Whipple And 525 Veterans Boulevard, Redwood City, California, Are Surplus And Authorizing The Sale Of The Properties - President Faro

Discussion:

President Faro read aloud Resolution 04-2. Director Hickey said he believes the details of concerning changes to the governance structure should be known before going forward with

contributing \$25 million. Director MacNaughton said while the resolution states that the District is in support of the rebuilding of Sequoia Hospital; it also implies that the contribution of funds is not tied to any changes in the governance structure of SHS.

Director Hickey suggested the medical office buildings the District owns be offered to CHW in lieu of the \$25 million contribution. Ms. Vaskelis said she would rather have the \$25 million instead, as management of office buildings is not the primary focus of the Hospital.

Director Hickey expressed he would like the governance issue to be an agenda item at the next meeting.

Mr. El Don Corl said he does not want CHW to own Sequoia Hospital since the taxpayers have been supporting the hospital since its inception. He would like CHW to continue to manage it.

Mr. Wade Rose (Vice President, Public Policy & Advocacy, CHW) thanked the Board for its consideration of support.

Ms. Linda Craig suggested the title of Resolution 04-2 include wording that reflects the District's support of the rebuilding of Sequoia Hospital as it is stated on the agenda.

Counsel recommended that two public discussions take place prior to the Board's taking action. The Board decided to postpone action until June 2nd during which time more community input could be received.

Director Hickey asked what the fair market value of the medical office buildings is. Mr. Gibson said an appraisal would be prepared and unless the Board is opposed Mr. Gibson would commence that process immediately. Mr. Gibson said after the sixty-day period of offering the properties to government agencies has expired, the properties would be placed for sale on the open market. The Board may reject an offer at any time if it doesn't meet the Board's expectations.

Consider Authorizing A Grant In The Amount Of \$98.5K To Fund Nurses For The Redwood City School District Due To State Budget Cuts - President Faro, Ron Crates, Ed.D., Redwood City School District Superintendent

President Faro said Healthcare Districts have historically subsidized school nurses since school districts are unfortunately not financially well off. Dr. Crates thanked the Board for the services they have provided the community throughout the years.

There are four nurses servicing the Redwood City School District (comprised of 17 schools), two of which were present at the meeting. Dr. Crates said it was hoped that \$98.5 would fund some of the services the nurses provide as the Redwood City School District's funding is lower than other nearby school districts and further financial challenges are imminent due to state budget cuts. Out of 9000 students, 4600 of them live in a household with an annual income less than \$34K.

President Faro asked why the Redwood City School District receives less than other school districts. Dr. Crates explained that his school district does not benefit from any appreciation in property value. President Faro said this is another one of those programs that should be supported and demonstrates the importance of a healthcare district.

A nurse at the Redwood City School District (Judy) addressed those present and said she has been a school nurse for nine years. She said she treats people who often do not know when to obtain health care. She shared a story of a child who had a rash that turned out to be scarlet fever as a result of untreated strep throat. Judy said they train staff and families on how to manage the healthcare needs of diabetic students.

Phyllis, another Redwood City School District nurse said she deals with communicable diseases and works with the health department to inform the school community about disease prevention. Phyllis said she attended a San Mateo County school nurse conference where she learned of a trend that the numbers of medically fragile students are increasing, which substantiates the need for school nurses.

Ms. Vaskelis stated the current tragedy of the local student who died as a result of a drug overdose is further evidence of how critical school nurses are needed with regards to educating children on the dangers of drugs as well as general healthcare.

A woman who identified herself as a nurse at Sequoia Hospital asked how much it would cost to fund the four nurses in the Redwood City School District. Dr. Crates said \$290K. The nurse recommended as a taxpaying member of the Sequoia Healthcare District that the District pay the \$290K for the purpose of making certain that all four nurses remain.

Director Hickey said he thinks funding school nurses would set a bad precedent, as he believes there is ample funding for students in schools.

Director MacNaughton asked where the \$98.5K number came from. Mr. Gibson responded that it was based on a need for one year at his suggestion. Director Katz offered a motion to approve a grant in the amount of \$290K, for the purpose of subsidizing the Redwood City School District nursing program, which was seconded by Director Kane. The Board voted to amend the motion offered by Director Katz to add the funds will be distributed over a 3-year period and an annual report will be provided to the Board, which passed with a 4-1 vote, with Director Hickey opposed. Dr. Crates assured the Board annual reports would be provided to demonstrate how the funds are being utilized and agreed that the \$290K would be used over a 3-year period. President Faro called the question: Role call vote:

AYES: Directors Faro, Kane, Katz, MacNaughton

NOES: Director Hickey

ABSTAIN: None

ABSENT: None

President Faro announced a committee comprised of Directors Kane and MacNaughton has been formed to address the process of replacing Mr. Gibson, who is retiring as of June 30, 2004.

President Faro adjourned the meeting at 5:30 PM. The next regularly scheduled meeting of the Sequoia Healthcare District Board of Directors is Wednesday, June 2, 2004, 4:30pm, Sequoia Room, Sequoia Hospital.

Respectfully Submitted,

Kathleen M. Kane, Secretary