

**MINUTES OF MEETING  
BOARD OF DIRECTORS  
SEQUOIA HEALTHCARE DISTRICT  
December 7, 2005**

Present: Mr. Faro  
Mr. Hickey  
Ms. Kane, President  
Mr. MacNaughton

Also present: Ms. Scott, CEO  
Ms. Greenberg, Counsel  
Ms. Johnson, Recorder

Excused: Dr. Oblak

---

**CALL TO ORDER:**

President Kane called the meeting to order at 4:35 PM in the Sequoia Room at Sequoia Hospital.

**PUBLIC COMMENT:**

There was no public comment.

**CONSENT CALENDAR:**

Director Hickey requested the removal of agenda items 3.a (Minutes of October 5, 2005) and 3.b (Financial Statements for September and October 2005).

Director Faro offered a motion to accept the CEO's report of November 30, 2005. Director Hickey seconded the motion, which unanimously passed.

Director MacNaughton joined the meeting at 4:40 PM.

**DISCUSSION OF ITEMS REMOVED FROM THE CONSENT CALENDAR**

Item 3.a (Minutes of October 5, 2005). Citing the reference to the 2004-2005 Civil Grand Jury reports, Director Hickey stated there is no reference to the letter he would like to send to the judge posing his views on District letterhead and asked that this omission be corrected. President Kane added that such a letter would be accompanied by a cover letter with her comments. Director MacNaughton offered a motion to approve the October 5, 2005 minutes as amended. Director Faro seconded the motion, which unanimously passed.

Item 3.b. (Financial statements for September and October, 2005). Director Hickey said it appeared that investment income was down. Ms. Scott replied that investment income fluctuates and annual reports provide the most reliable picture of how the portfolio is performing.

Director Hickey requested detail for the public relations expense. Ms. Scott responded that press releases and community outreach activities comprise the expense. After a brief discussion, Ms. Scott said an account of the outreach activities could be provided. Director MacNaughton moved to accept the financial statements for September and October. Director Faro seconded the motion, which unanimously passed.

**NEW BUSINESS:**

**5.a. Approve Renewal Of Memorandum Of Understanding (MOU) With Samaritan House Free Medical Clinic Of Redwood City – Ms. Scott, Kitty Lopez – Executive Director, Samaritan House, Jason Wong, M.D. – Medical Director, Samaritan House Free Clinic Of Redwood City**

Ms. Scott summarized the services provided by the Samaritan House free medical clinic in Redwood City. The Clinic's ability to provide services is largely due to the \$500,000 annual financial support by the District, and Ms. Scott recommended renewal of the MOU through June 30, 2009.

Ms. Kitty Lopez, Executive Director of Samaritan House spoke to the successful partnership it has experienced with the District. She introduced the Clinic's Medical Director, Jason Wong, to summarize the many accomplishments of the Samaritan House Free Clinic, Redwood City, since it was founded in 2001.

Dr. Wong spoke to the mission of the Clinic to provide high quality healthcare without charge to residents within the District who cannot qualify for medical insurance and who do not have the ability to pay for medical care, to improve the health of residents in the community, and, to decrease utilization of local and county emergency medical services. Dr. Wong added that the average income of Clinic patients is less than \$24,000/year. The Clinic relies on the District for 90% of its operating budget and is staffed by 3.5 full time employees and 22 physicians who have volunteered over 7,100 hours. Patient visits at the Clinic from 2001-2005 totaled nearly 15,000.

In addition to the financial support of the Sequoia Healthcare District, other revenue sources are Catholic Healthcare West, the City of Redwood City, Peninsula Community Foundation and individual contributions. The Sequoia Hospital lab, radiology and pathology departments as well as Kaiser Hospital and other medical providers provide in-kind donations. Dr. Wong said the Clinic was proud to open an optical and dental clinic in October of this year. He thanked the District for supporting the Samaritan House mission.

Director Faro offered a motion to renew the Memorandum of Understanding with Samaritan House to June 30, 2009. President Kane seconded the motion. Discussion: Director Hickey stated that since the District funds the Children's Health Initiative (CHI), CHI should provide the financial assistance to Samaritan House and not the District. Ms. Scott clarified that the services provided by Samaritan House do not overlap with those provided by CHI, and Samaritan House acts as enrollment site for CHI as well as other county and state services. Director Hickey said the District should preserve its capital for the rebuild of Sequoia Hospital to which Director Faro replied that the District assets are sufficient enough to support both. Call for the question: The motion to renew the MOU with Samaritan House to June 30, 2009 passed by a 3-1 vote with Director Hickey opposed.

**5.b. Approve Recommendation From Community Grants Review Committee: Organizations From Which To Invite Full Proposals – Ms. Scott, Diana Haigwood, Community Grants Manager**

Ms. Scott reported that the Community Grants Committee carefully evaluated programs from which to invite full proposals. The Review Committee selected 18 agencies that most closely align with the community's healthcare needs and the District's purpose. Director Faro offered a motion to invite full proposals from the agencies as suggested by the Committee. Director MacNaughton seconded the motion. Discussion: Director Hickey stated that he would like more financial information before full proposals are requested. Diana Haigwood responded that audited financial statements and Form 990 are submitted as part of full proposals. Director Hickey called for the removal of Catholic Charities, Jewish Family and Children's Services and Planned Parenthood from the list of agencies and asked that the motion be amended accordingly. There was no second to his motion. Call for the question:

The motion to request full proposals from the 18 agencies suggested by the Review Committee passed by a 3-1 vote with Director Hickey opposed.

**5.c. Authorization For Contract Pursuant To Policy 18.2 For Capital Expenditure Of \$35,000 And Authorization Pursuant To Policy 22 For Board President To Authorize Any Amount Above \$35,000 - Ms. Scott**

Ms. Scott reported on the proposed construction project at 2900 Whipple to expand one suite into adjacent suites. Without this project, two suites would become vacant. The first phase of the project is estimated at \$35,000 with the cost of the second phase as yet undetermined. Per District Policy 22, she asked the Board to authorize the Board President to approve any expenditure above \$35,000 for the second phase of the project. Director MacNaughton offered a motion to allow the Board President to approve project expenditures above the initial \$35,000 and not to exceed \$100,000 without being brought back to the Board for approval. The motion was seconded and unanimously passed.

**6. ADJOURN:**

Upon a motion duly made and seconded, President Kane adjourned the meeting at 5:30 PM. The next regularly scheduled meeting of the Sequoia Healthcare District Board of Directors is Wednesday, February 1, 2006, 4:30pm, Sequoia Room, Sequoia Hospital.

Respectfully Submitted,

John B. Oblak, Ph.D.  
Secretary