

**MINUTES OF MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
December 5, 2007**

Sequoia Room, Sequoia Hospital, 170 Alameda de las Pulgas, Redwood City, CA 94062

<u>Directors Present</u>	<u>Directors Absent</u>	<u>Also Present</u>
Director Faro Director Hickey Director Horsley Director Kane Director MacNaughton	None	Ms. Scott, CEO Mr. Hudak, Legal Counsel Ms. Johnson, Recorder

1. Call to Order

By: Vice Chair MacNaughton
Time: 4:35pm
President Kane arrived at 4:37pm

2. Public Comment/Non-Agenda Items

There was no public comment on non-agenda items.

3.a. – 3.f. Consent Calendar

Director Hickey requested removal of agenda items 3.c. (October 10, 2007 Special Meeting minutes), 3.d. (October 23, 2007 Special Meeting minutes) and 3.f. (September and October 2007 Financial Statements).

Motion: To approve the remainder of the Consent Calendar, Items 3.a (September 25, 2007 Special Meeting Minutes, 3.b. (October 3, 2007 Regular Meeting Minutes and 3.e. (November 7, 2007 Special Meeting Minutes).

By: Director Faro
Seconded by: Director Horsley
Vote: 5-0
Motion Passed

Citing agenda item 3.c. Director Hickey referencing philanthropy, asked that the minutes reflect that he suggested that the Agreement state that excess funds raised by the Foundation would not be a credit to the District.

Citing agenda item 3.d. Director Hickey reported he did not state that the funds from shared revenues of Sequoia Hospital go to San Mateo County, but that the shared revenues could be converted to a financial document and sold to a third party.

Motion: To approve Items 3.c. and 3.d. as amended (October 10 and October 23, 2007 Special Meeting minutes) as amended.

By: Director Faro
Seconded by: Director Horsley
Vote: 5-0
Motion Passed

Director Hickey raised questions regarding the makeup of several line items, including legal fees, administrative and grant expenses.

Motion: To approve Item 3.f (September and October 2007 financial statements).

By: Director Hickey
Seconded by: Director MacNaughton
Vote: 5-0
Motion Passed

4.CEO Resignation

4.a. Approve Agreement with Dev Mahadevan for services as interim CEO

President Kane, noting that it could take several months to fill Ms. Scott's position, asked the Board to consider approving an agreement with Dev Mahadevan for services as interim CEO of the District at the rate of \$150/hour for approximately 24hours per week.

Motion: To approve contracting with Dev Mahadevan as Interim Executive Director at 24 hours per week for a period of 6 months, subject to extension or cancellation by giving 30 days notice.

By: Director Horsley

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed

Motion Passed

4.b. Retain the services of HFS Consultants or other firm approved by the Board for the purposes of performing a formal search for a new CEO

Motion: To table this agenda item until after the District Board conducts strategic planning.

By: Director Hickey

Seconded by: Director MacNaughton

Vote: 5-0

Motion Passed

4.c. Accept the resignation of Ms. Scott, effective December 14, 2007 and remove her as authorized signatory on behalf of Sequoia Healthcare District as to all banks and financial institutions and confirm that she shall have no further authority to act on behalf of or bind Sequoia Healthcare District with respect to contracts, other written instruments or otherwise

Motion: To accept Ms. Scott's resignation with regrets and compliments.

By: Director Faro

Seconded by: Director Horsley

Vote: 5-0

Motion Passed

Ms. Scott thanked the board for the opportunity to work with them and serve the community.

5. Strategic Planning

5.a. Direct District staff to engage a consultant to facilitate the District's Strategic Planning process to begin early in 2008

Director Hickey suggested District residents be surveyed as to how they want their tax dollars spent prior to hiring a consultant. Ms. Scott, citing the most current Community Needs and Health Assessments stated the report is very informative as to health needs within the county and would be an excellent tool in the strategic planning process.

Motion: To table this agenda item

By: Director Hickey

Seconded by: Director MacNaughton

Vote: 1-4 with Director Hickey in favor

Motion Failed

Motion: To authorize the District's Interim Executive Director to engage the services of a consultant for the purpose of facilitating the District's strategic planning process.

By: Director Horsley

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed
Motion Passed

A subcommittee consisting of Directors Faro and Horsley and Dev Mahadevan will interview and select a consultant to facilitate the strategic planning process.

5.b. Approve moratorium of non-budgeted grant funding requests until such time that the Strategic Plan is complete

Motion: To place a moratorium on new unbudgetted grants until strategic planning process is complete.

By: Director Horsley

Seconded by: Director Faro

Vote: 4-0 with Director Hickey abstaining

Motion Passed

Director Horsley clarified that the moratorium does not impact the 2007-2008 District Community Grants Program.

6. Other Business

a. Engage services of architect for assessment, design options and cost estimates for renovation of the District's property located at 525 Veterans Boulevard, Redwood City

President Kane stated that two proposals were submitted in response to letters sent to five architectural firms and asked the board to consider contracting the services of David Fung, Architect as presented in his proposal.

Motion: To approve engaging services of David Fung, Architect.

By: Director Faro

Seconded by: Director MacNaughton

Vote: 4-0 with Director Hickey abstaining

Motion Passed

Mr. Hudak suggested that if it is the intention of the District to move forward with this remodel project, the District Board terminate the lease with CHW with appropriate financial consideration to both the District and CHW.

7. Adjourn

Prior to adjourning, Director MacNaughton requested a future agenda item for an attorney or consultant to fully explain what would happen to District revenues if the District were disbanded.

President Kane requested Mr. Hudak to update and provide the Board with additional clarification to an earlier memorandum he wrote addressing this subject. Mr. Hudak will also expand the memorandum to include the legislative history and Health and Safety Codes as to how the Hospital District became a Healthcare District.

Motion: At 5:55 PM, adjourn meeting.

By: Director Horsley

Seconded by: Director Faro

Vote: 5-0

Motion Passed

The next regularly scheduled meeting of Sequoia Healthcare District's Board of Directors is Wednesday, February 6, 2008, 4:30pm, Sequoia Room, Sequoia Hospital.

Respectfully Submitted,

Don Horsley, Secretary