

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
April 2, 2014
Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063**

Directors Present

Director Faro
Director Griffin
Director Hickey
Director Kane
Director Shefren

Directors Excused

Also Present

Mr. Michelson, CEO
Mr. Hudak, Legal Counsel
Ms. Johnson, Recorder

1. Call to Order

By: President Shefren

Time: 4:30pm

2. Public Comment/Non-Agenda Items

President Shefren asked if there was any public comment on non-agenda items. He announced that public comment will be taken on each agenda item.

Director Kane reported that she recently attended an ACHD Leadership Meeting where presentations included finance, auditing, governance and management. She added that the annual ACHD meeting is coming up in May.

3.a. - 3.b. Consent Calendar

President Shefren requested removal of items 3.a and 3.b from the Consent Calendar.

Motion: To approve agenda item 3.c January and February 2014 financial statements.

By: Director Kane

Seconded by: Director Faro

Vote: 5-0

Motion Passed

Citing paragraph 5.d of February 5th minutes, President Shefren asked that the second sentence be revised to reflect that the fund raising efforts were those of Mission Hospice.

In the last sentence under Item 3 of the February 12th minutes, President Shefren noted that the reference to \$262,000 over 20 years would be an additional amount received by the District.

Motion: To approve agenda items 3.a and 3.b as corrected.

By: President Shefren

Seconded by: Director Kane

Vote: 5-0

Motion Passed

4. CEO Report

Mr. Michelson reviewed his report contained in the packet and asked if there were questions. There were none.

He introduced Gwen Hautefeuille who gave a presentation on the changes made to the District's website. The goal is to have a site that is current, relevant, attractive and easy to navigate. Social media accounts with FaceBook and Twitter have also been established.

Healthy Schools Initiative: Ms. Kurtzman was the keynote speaker at the School Wellness Summit. Her report provided updates on Healthy Schools, Community Grants, PE+ and school district partners.

HeartSafe: In addition to Mr. Nielsen's report, he informed the Board that over 700 participants have been trained in CPR.

5.a. Request From Samaritan House For \$712,696 For Fiscal Year 2014-15

President Shefren asked if there was public comment on this item. There was none.

President Shefren announced that he is currently volunteering at Samaritan House and would therefore recuse himself from this discussion and vote. He turned the meeting over to Vice Chair Faro and left the room.

Ms. Neela Gentile, interim Executive Director of Samaritan House introduced Dr. Jason Wong, Medical Director of Samaritan House Free Clinic of Redwood City. Dr. Wong reported that for calendar year 2013, the clinic had 3,391 medical visits and 785 dental visits with an average clinic cost of \$173/visit. The number of visits has declined from last year due to the loss of several volunteers which impacted the number of patients who could be seen. They are in the process of recruiting more volunteers. The request for \$712,696, \$100,000 more than last fiscal year, is to cover the expense of a mid-level practitioner which would allow for more patients to be seen and also increase the effectiveness of the clinic.

Motion: To approve a grant for 2014-2015 to Samaritan House for \$662,696.

By: Director Kane

Seconded by: Director Griffin

Vote: 3-1 with Director Hickey opposed

Motion Passed

President Shefren returned to the meeting.

5.b Presentation on Apple Tree Dental

Mr. Michelson introduced Dr. Michael Helgeson, DDS. Dr. Helgeson reported that in November Apple Tree is planning to open a new San Mateo Center for Dental Health to fill gaps in access to dental care for children, adults, the disabled and elderly confined to nursing facilities living in San Mateo county.

The Peninsula Health Care District has provided \$2 million in special initiative funding that supports the launch of the San Mateo Center. Its financial model is unique in that operating costs are paid from earned revenues and the capital for programs comes from partnering with public, private and nonprofit sectors, thereby leveraging resources.

To extend its services throughout the county, Apple Tree will be seeking support from the Sequoia Healthcare District and will present a formal request in May.

5.c Resolution 14-2 Amending the Trust Agreement for the District Employees Pension Plan

President Shefren asked if there was public comment on this item. There was none.

Motion: To waive reading Resolution 14-2

By: Director Faro

Seconded by: Director Hickey

Vote: 5-0

Motion Passed

The resolution acknowledges the mergers of Sequoia Health Services with Catholic Healthcare West and the name change to Dignity Health. Every reference in the Trust Agreement to Sequoia Health Services is amended to read Dignity Health.

Motion: To adopt Resolution 14-2.

By: Director Hickey

Seconded by: Director Faro

Roll Call Vote: 5-0-0

Motion Passed

5.d. Consider New Board Policy 24: Social Media

President Shefren noted there were no members of the public remaining in attendance and stated he would dispense with his call for public comment.

Director Hickey recommended adding audio recordings to the policy. There was no support for this revision.

Motion: To accept new Board Policy 24: Social Media

By: Director Kane

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed.

Motion Passed

Mr. Hudak noted that the reference to Executive Director should be changed to Chief Executive Officer to reflect titles used by the District.

5.e. Consider Revising Policy 22 Changing Investment Benchmark

Mr. Michelson reported the District's investment policy references Lehman Government Intermediate Index as the District's benchmark and Lehman no longer exists. For the past several years the District's benchmark has been the Local Agency Investment Fund (LAIF).

Motion: To amend Board Policy 22

By: Director Hickey

Seconded by: President Shefren

Vote: 5-0

Motion Passed

5.f. Consider Holding Study Session On May 6 At 2:30 To Discuss Transfer Agreement Performance and Future Plans

President Shefren would like to hold a study session to discuss the current status of transfer agreement with Dignity Health as it relates to EBIDA. It is important that the Directors have a complete understanding of the agreement, the funds received to what was projected and information about what the District's accountants have said about the evaluation of Sequoia Hospital audits. If appropriate, an action plan could be decided at the June meeting.

Motion: To hold a special study session prior to the Special Board meeting at 2:30 on May 6 to discuss next steps.

By: President Shefren

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed.

Motion Passed

President Shefren suggested that Directors contact Mr. Michelson with ideas with suggestions or to request specific information be compiled.

5.g. Award Contract For TI Improvements

Mr. Michelson reported that the District received two bids on the project which were opened after 4:00 PM on March 31. Both bids were reviewed by Bayside Realty to insure base bid items were the same. The low bidder was Amko Construction of San Jose.

Motion: To accept the low bid from Amko Construction Co.

By: Director Faro

Seconded by: Director Kane

President Shefren noted that Amko's bid of \$84,000 is 20% higher than the estimate given to build out the classroom and questioned if the additional office should be eliminated or other adjustments made to bring the project estimate.

Director Faro withdrew his motion.

Motion: To award the contract to Amko Construction Co. not to exceed \$70,000.

By: President Shefren

Seconded by: Director Faro

Vote: 5-0

Motion Passed

Mr. Michelson will meet with Amko and the architect to discuss options to reduce the project cost.

Mr. Hudak reminded the Directors that Amko is not obligated to agree to work with the lower amount.

5.h. Consider Amendment of Chief Executive Officer's Employment Agreement

Motion: To accept the amendment to Mr. Michelson's contract only for the salary previously authorized by the Board.

By: Director Hickey

Seconded by: Director Faro

Vote: 5-0

Motion Passed

6. Adjourn

Motion: At 6:30 adjourn meeting.

By: Director Faro

Seconded by: Director Griffin

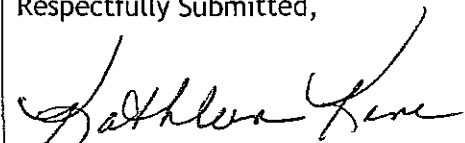
Vote: 5-0

Motion Passed

A special Study Session of the Board is scheduled for Tuesday, May 6 at 2:30 PM to discuss the Transfer Agreement with Dignity Health. A Special Meeting of the Board will follow at 4:30 to review the Community Grants request.

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30 PM, Wednesday, June 4, 2014, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,



Kathleen Kane, Secretary