

**NOTICE AND AGENDA OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MENDOCINO COAST HEALTH CARE DISTRICT**

**THURSDAY, February 25, 2021**

**6:00 P.M. Open Session  
5:30 P.M. Closed Session**

**Meeting via Zoom Conference**

PLEASE TAKE NOTICE a regular Board of Directors meeting has been called for Thursday, February 25, 2021 at 6:00 pm. **This meeting will be held via teleconference only in order to reduce the risk of spreading coronavirus (COVID-19) and pursuant to the Governor’s Executive Orders N-25-20 and N-29-20.**

No physical location from which members of the public may observe the meeting and offer public comment will be provided.

Topic: MCHCD BOD Meeting

Time: Feb 25, 2021 06:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/3453214116>

Meeting ID: 345 321 4116

One tap mobile

+16699009128,,3453214116# US (San Jose)

Dial by your location

+1 669 900 9128 US (San Jose)

Meeting ID: 345 321 4116

Find your local number: <https://zoom.us/u/aiOIPgPEP>

**CONDUCT OF BUSINESS:**

1. **CALL TO ORDER:** Ms. Jessica Grinberg, Chair

**2. ROLL CALL**

**3. PUBLIC COMMENTS**

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

**BROWN ACT REQUIREMENTS:** Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on requests during this comment period.

**4. CLOSED SESSION**

**INFORMATION/ACTION:** CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Gov. Code section 54956.9(d)(2).): (ONE ITEM).

5. **6:00 P.M. OPEN SESSION CALL TO ORDER-** Ms. Jessica Grinberg, Chair

**6. ROLL CALL**

**7. REPORT ON CLOSED SESSION MATTERS**

**INFORMATION/ACTION:** CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Gov. Code section 54956.9(d)(2).): (ONE ITEM).

**8. PUBLIC COMMENTS**

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9. **APPROVAL OF THE AGENDA:** Ms. Jessica Grinberg, Chair

**NEW BUSINESS:**

10. **INFORMATION/ACTION:** Adopt February 28, 2021 as the cancellation date for the Retained Insurance Coverages: Ms. Jessica Grinberg, Chair **TAB 1**

11. **INFORMATION/ACTION:** Adventist Health Mendocino Coast Update: Ms. Judy Leach & Executive Team

12. **INFORMATION/ACTION:** Approval of January 28, 2021 Minutes: Ms. Jessica Grinberg **TAB 2**

13. **INFORMATION/ACTION:** Accept the resignation of Ms. Kitty Bruning from the 2018 Measure C Taxpayer Oversight Committee: Ms. Jessica Grinberg, Chair
14. **INFORMATION/ACTION:** Discuss replacement plan for a new member to the 2018 Measure C Oversight Taxpayer Committee: Ms. Jessica Grinberg, Chair
15. **INFORMATION/ACTION:** Accept the capital expenditures recommendation from the 2018 Measure C Taxpayer Oversight Committee: Ms. Amy McColley, Vice Chair **TAB 3**
16. **INFORMATION/ACTION:** Update on Seismic Compliance Plan: Mr. John Redding **TAB 4**
17. **INFORMATION/ACTION:** Request from Dr. Jennine Miller for assistance in communicating the existence of a depression hot line: Mr. John Redding
18. **INFORMATION:** Update on Strategic Planning Workshop: Ms. Amy McColley, Vice Chair **TAB 5**

**OLD BUSINESS:**

19. **INFORMATION/ACTION:** Update from Ad Hoc Committee on Web Design: Mr. John Redding and Mr. Norman de Vall

**REPORTS:**

20. **INFORMATION/ACTION:** Finance Report: Ms. Sara Spring, Treasurer **TAB 6**
21. **FUTURE AGENDA ITEMS:** Ms. Jessica Grinberg, Chair

**22. PUBLIC COMMENTS**

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**23. COMMENTS FROM BOARD OF DIRECTORS**

24. **NEXT MEETING:** TO BE DETERMINED

25. **ADJOURNMENT:** Ms. Jessica Grinberg, Chair

Dated: February 22, 2021

STATE OF CALIFORNIA)  
COUNTY OF MENDOCINO

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Adventist Health Mendocino Coast Hospital on February 22, 2021

**!frb C**

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Chair & Secretary of the Board of Directors

:J-/:;-a/l  
Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Karen Arnold, Secretary of the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working day prior to the meeting that such matter be included on that month's agenda.

\*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

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THIS FIRST AMENDMENT TO TRANSFER OF BUSINESS OPERATIONS AGREEMENT (“Amendment”) is made and entered into as of June 30, 2020, by and among MENDOCINO COAST HEALTH CARE DISTRICT, a local health care district of the State of California (the “District”), ADVENTIST HEALTH MENDOCINO COAST, a California nonprofit public benefit corporation (“AH Mendocino”), and STONE POINT HEALTH, a California nonprofit public benefit corporation (“Stone Point Health”), which is the sole corporate member of AH Mendocino and an affiliate of ADVENTIST HEALTH SYSTEM/WEST, d/b/a ADVENTIST HEALTH, a California nonprofit religious corporation.

#### RECITALS

A. District, AH Mendocino and Stone Point Health are parties to that certain Transfer of Business Operations Agreement (the “Agreement”), dated as May 5, 2020 pursuant to which AH Mendocino has agreed to acquire from District certain assets, liabilities, and other operational items to ensure continuous operation of the Hospital.

B. The Parties desire to amend and modify the Agreement as set forth below:

5. Section 8.6. A new Section 8.6 is hereby added to the Agreement to read in its entirety as follows: “8.6 Renewal of Retained Insurance Policies. District shall renew all insurance policies set forth under Schedule 8.6 (“Retained Insurance Policies”) so that they are in effect as of and after the Closing Date. The Retained Insurance Policies shall be renewed for such periods as is shown in Schedule 8.6. The District’s obligation to maintain any Retained Insurance Policy shall end on: (a) the last day of the renewal period specified in Schedule 8.6 for each such policy, (b) the date that is thirty (30) days after the date of the District’s receipt of the written termination notice from AH Mendocino contemplated in Section 10.12(c), or (c) one-hundred and eighty (180) days from the Closing Date, whichever occurs first.”

## Schedule 8.6

### RETAINED INSURANCE POLICIES

- 1) Automobile Liability & Physical Damage – retained until December 31, 2020 unless terminated per Section 10.12.(c)
- 2) Healthcare Professional Liability/General Liability (including coverage for physicians on the District’s Healthcare Professional Liability/General Liability policy prior to the Closing Date) – retained until December 31, 2020 unless terminated per Section 10.12(c)
- 3) Beta Healthcare Directors & Officers Insurance and Employment Practices Liability Insurance – retained until December 31, 2020 unless terminated per Section 10.12.(c)
- 4) Beta Healthcare Workers Compensation Insurance – retained until July 31, 2020

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**NO DOCUMENT  
AVAILABLE FOR THIS  
AGENDA ITEM**

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Priority Rank	Description	Total Needs	PO Created / Contract Signed	Oversight Committee Allocation \$\$	Comments
1	Fire Sprinkler Pipe Issues	28,575	28,575	28,575	
2	Surgery - (2) ESU Machine (2 Force Triad Ligasure)	29,000	29,000		
3	New Provider Year 1 Compensation	2,900,000	175,000		Primary Care Physician x4, Primary Care APP, x2 Ortho APP 1, Ortho 1, Oncology 1, Behavioral Health Consultant 1
4	Sterile Processing Feasibility Study	65,000	65,000		Architect/Engineer engagement to assess needed construction to remedy workflow.
5	Interior Refresh (Flooring/Art/Painting)	275,000	275,000		
6	Furniture (Registration, ER Waiting, Front Lobby, PT, Lab, ICU)	100,440	100,440		
7	Ambulatory Cerner Implementation IT Hardware	70,000	70,000		
8	MACH 7 PACS	107,000	107,000		
9	Surgery - Waste Device	41,903	-	41,903	
10	HVAC / Kitchen / ED	2,600,000	-	961,000	High level benchmark pricing, does not include design/permits
11	Ambulance (replacement/increase capability)	260,000	-	260,000	
12	Roof Repair	935,000	-	935,000	Scope of project to be determined.
13	Lab Equipment	800,000	-		Replace and update end of life analyzers. Working to get AH Premier pricing quote.
14	Hot Water Heater	6,499	-		
<b>Totals</b>		<b>8,218,417</b>	<b>850,015</b>	<b>2,226,478</b>	

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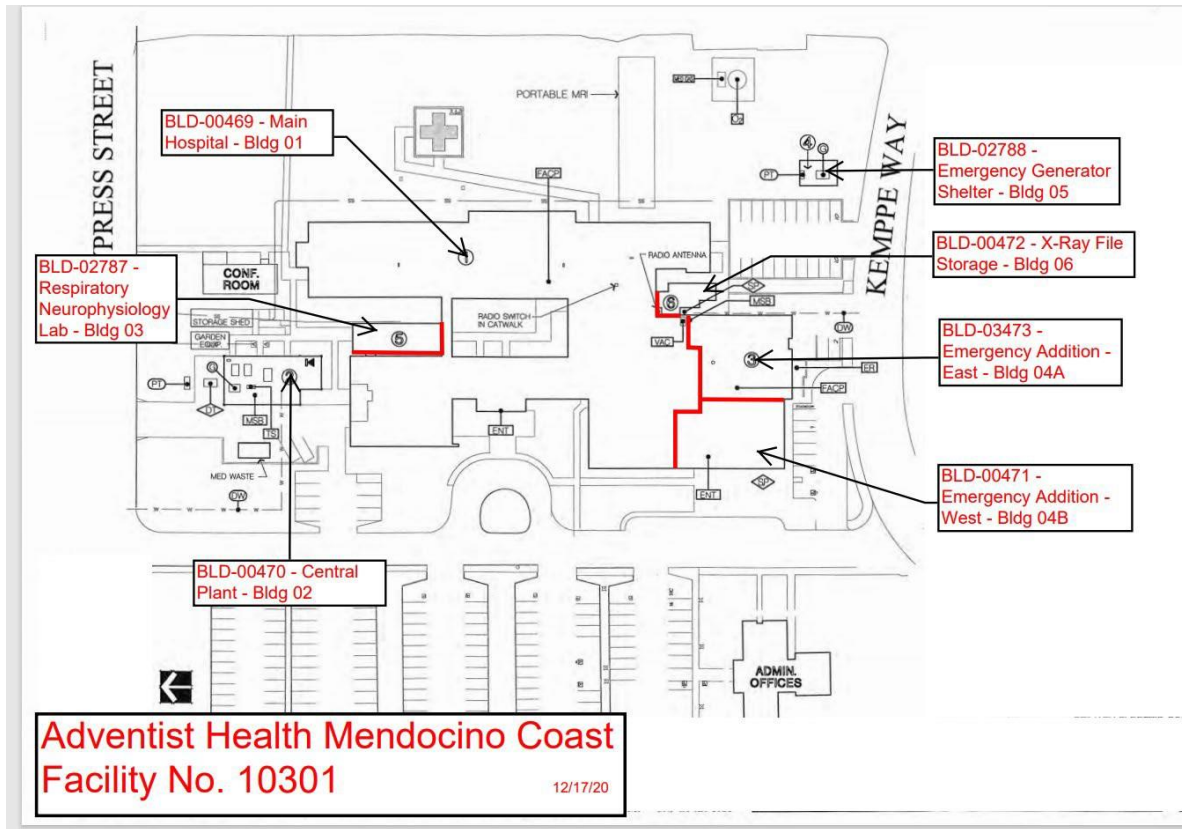
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# Update on Seismic Compliance

## 1. Buildings Subject to New Seismic Requirements



## 2. Current State of Seismic Compliance

		Actual SPC	SPC Required	Actual NPC	NPC Required
BLD-00469	Main Hospital	2	5	2	5
BLD-00470	Central Plant	2	5	2	5
BLD-00471	Emergency Addition - West	4	4	2	4
BLD-00472	X-Ray File Storage	5	5	4	5
BLD-02787	Respiratory Neurophysiology Lab	4	4	2	4
BLD-02788	Emergency Generator Shelter	4	4	3	4
BLD-03473	Emergency Addition - East	4	4	2	4

Source: OSHPD, Feb. 2021

SPC or Structural Performance Category is related to the foundations  
NPC or Non-Performance Category is related to pipes and equipment

### **3. Other Buildings to be Included**

"In the course of adding the new Medical Air System Shed to the building inventory done after my response to your request for information, it appears there are numerous buildings that need to be added to the general acute care building inventory.

I have relayed this information to (our contact person at the Adventist) for his comments and action. Without knowing their use and if they were constructed under OSA / OSHPD jurisdiction, we cannot yet assign the SPC and NPC ratings."

- Patrick Rodgers, Structural Engineer, OSHPD, email correspondence, Feb. 10, 2021

### **4. Schedule**

- Jan. 1, 2024 -- Submit compliance plan including architect-engineer plans and drawings, schedule, and cost.
- Jan. 1, 2028 – Submit certification that construction is underway or slated to start in time to meet deadline
- Jan. 1, 2030 – Upgrades complete

If a building a hospital is not in compliance as of 1-1-2030, its license will be revoked.

There is discussion in the Legislature to once again move the deadline this time to 2032.

## 5. Estimated Cost in Future Dollars is \$24.3 million

*This estimate may need to be updated to account for other buildings not previously identified and for inflation should it exceed 2%/year.*

### Seismic Upgrade Retrofit

Ft. Bragg, CA

Conceptual Statement of Probable Cost

05/24/19

#### PROJECT COST SUMMARY - SEISMIC RETROFIT

		Main Hospital 58,000 BGSF	Central Plant 3,200 BGSF	TOTAL 61,200 BGSF
<b>CONSTRUCTION</b>				
Construction Costs		\$13,831,443	\$611,717	\$14,443,160
Escalation to Midpoint of Construction		\$1,332,745	\$58,943	\$1,391,688
<b>Total Construction Costs</b>		<b>\$15,164,188</b>	<b>\$670,660</b>	<b>\$15,834,848</b>
<b>ARCHITECTURAL AND ENGINEERING</b>				
A&E Full Services Construction Administration	8.50%	\$1,288,956	\$57,006	\$1,345,962
A&E Construction Contingency	1.50%	\$227,463	\$10,060	\$237,523
<b>Total Architectural and Engineering Costs</b>		<b>\$1,516,419</b>	<b>\$67,066</b>	<b>\$1,583,485</b>
<b>CONSULTANTS</b>				
Other Consultant Fees	2.00%	\$303,284	\$13,413	\$316,697
Move Management	20.00%	\$3,032,838	\$0	\$3,032,838
<b>Total Consultant Costs</b>		<b>\$3,336,121</b>	<b>\$13,413</b>	<b>\$3,349,535</b>
<b>PERMITS AND FEES</b>				
OSHPD Permit Fees	1.64%	\$248,693	\$10,999	\$259,692
<b>Total Permits and Fees Costs</b>		<b>\$248,693</b>	<b>\$10,999</b>	<b>\$259,692</b>
<b>INSPECTION AND TESTING</b>				
QA Testing & Certified Inspections	2.00%	\$303,284	\$13,413	\$316,697
Commissioning	0.50%	\$75,821	\$3,353	\$79,174
<b>Total Inspection and Testing Costs</b>		<b>\$379,105</b>	<b>\$16,766</b>	<b>\$395,871</b>
<b>PROJECT MANAGEMENT</b>				
Owner/Outside Project Management Fees	2.50%	\$379,105	\$16,766	\$395,871
<b>Total Project Management Costs</b>		<b>\$379,105</b>	<b>\$16,766</b>	<b>\$395,871</b>
<b>OWNER'S CONTINGENCIES</b>				
Owners Contingency	10.00%	\$1,516,419	\$67,066	\$1,583,485
<b>Total Owner's Contingency Costs</b>		<b>\$1,516,419</b>	<b>\$67,066</b>	<b>\$1,583,485</b>
<b>SITE ACQUISITION</b>				
Entitlements		Excluded	Excluded	Excluded
<b>Total Site Acquisition</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FINANCING</b>				
Interim Financing (Capitalized Interest)	4.00%	\$901,602	\$34,509	\$936,111
<b>Total Financing</b>		<b>\$901,602</b>	<b>\$34,509</b>	<b>\$936,111</b>
<b>TOTAL PROJECT COSTS</b>		<b>\$23,441,651</b>	<b>\$897,246</b>	<b>\$24,338,897</b>
<b>COSTS PER SQUARE FOOT</b>				
Construction (Including Escalation)		\$261.45	\$209.58	\$471
Equipment & Furnishings		\$0.00	\$0.00	\$0
Architectural and Engineering		\$26.15	\$20.96	\$47
Consultants		\$57.52	\$4.19	\$62
Permits and Fees		\$4.29	\$3.44	\$8
Inspection and Testing		\$6.54	\$5.24	\$12
Project Management		\$6.54	\$5.24	\$12
Owner's Contingency		\$26.15	\$20.96	\$47
Site Acquisition		\$0.00	\$0.00	\$0
Relocation Expenses		\$0.00	\$0.00	\$0
Financing		\$15.54	\$10.78	\$26
<b>Total Cost per Square Foot</b>		<b>\$404.17</b>	<b>\$280.39</b>	<b>\$684.56</b>

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# STRATEGIC PLANNING

BE A LEADER  
CREATE A PLAN  
MAKE A DIFFERENCE



INTERIM LEADERSHIP  
& HEALTHCARE CONSULTING

[jpschuessler@sbcglobal.net](mailto:jpschuessler@sbcglobal.net)  
307-413-8114

**PLANNING IS THE KEY  
RESPONSIBILITY OF  
LEADERSHIP** f



**MANAGING  
REVOLVES AROUND "DOING THINGS RIGHT"**

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**LEADERSHIP  
REVOLVES AROUND "CHOOSING THE RIGHT  
THINGS TO DO"**

The process by  
which leaders  
“choose the right  
things to do”  
is called  
Strategic Planning





# STRATEGIC PLANNING IS AN ANALYTICAL AND CREATIVE LEADERSHIP ROLE

## ANALYTICAL

the need to honestly and thoroughly evaluate your current situation



## CREATIVE

the process of inventing a future for your organization





## LOOKING AHEAD

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Planning is not guessing about the future and then trying to position your organization to intersect with that possible future

## CREATE THE PATH

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Leaders will instead invent or create the future for themselves and the organization, and will do so in a way which shares ownership of that created future with their colleagues



**LET'S GET  
STARTED**

**ESTABLISHING A  
DIRECTION FOR YOUR  
ORGANIZATION**

## **OVERVIEW**

### **Building a Plan Using a 5-Step Process**

1. Clearly articulate the current state
2. Define desired future state
3. Identify obstacles
4. Brainstorm solutions to obstacles
5. Create action plans for strategic initiatives



# THIS PLANNING PROCESS IS:



Easy to Understand



Uncomplicated



Scalable



Flexible



Successful



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# PLANNING METHODOLOGY



## STEP 1

Define the  
Current State

## STEP 2

Define the  
Desired  
Future State

## STEP 3

Identify  
Obstacles

## STEP 4

Brainstorm  
Solutions to  
Overcoming  
Obstacles

## STEP 5

Create an  
Action Plan  
for each  
Strategic  
Initiative



# STEP I - DEFINE CURRENT STATE USING SWOT ANALYSIS

## STRENGTHS

Things your organization does well

Qualities that separate you from other organizations

Internal resources

Tangible assets

Uniquely positioned to provide support in the community

## WEAKNESSES

Things your organization lacks

Things your competitors do better

Resource limitations

Small footprint / database

Technology obsolescence

## OPPORTUNITIES

Undeserved markets

Emerging need for your service

Fundraising campaign

Partnerships

Increased community engagement

## THREATS

Emerging competitors

Changing regulatory environment

Lack of clear mission

Emerging technologies





## STEP 2 - DESIRED FUTURE STATE



### **ENVISION**

An ideal future for your organization

### **DEFINE**

What is the Desired Future State

- What would it feel like when achieved?
- What news headline would make you feel proud?

### **PROGRESS**

Meaningful change occurs when an organization progresses from the current state toward the desired future state

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## STEP 3 - IDENTIFY THE OBSTACLES

### FROM POINT A TO POINT B

Identify and describe the Obstacles challenging the organization

These Obstacles separate where we are now (Current State) from where we want to be (Desired Future State).



## STEP 4 - BRAINSTORM ALTERNATIVES



### **BRAINSTORM SOLUTIONS TO OVERCOMING OBSTACLES**

Refine, select, and clearly articulate five Strategic Initiatives that will overcome the Obstacles identified in Step 3



## STEP 5 - CREATE ACTION PLANS

### IMPLEMENTATION PLAN FOR EACH STRATEGIC INITIATIVE

The team will outline in detail what needs to be accomplished for each Strategic Initiative



METRICS



LEADER



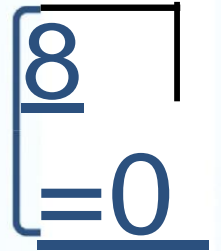
RESOURCES



ASSUMPTIONS



TIMELINE



MONITORING





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## ADDITIONAL CONSIDERATIONS FOR EACH ACTION PLAN

- Competitive intelligence
- Industry trends
- Analysis of stakeholder reaction
- Information on concerns
- Alternate strategies
- Major risk factors
- Major interdependencies
- Strategic alliances or partnerships required
- Technology implications
- Best, worst, most likely, case scenarios
- Current and evolving customer demand
- Current market position



# ACTION PLAN IMPLEMENTATION

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After the strategy has been decided upon in Step 4, the role of a board is mostly one of oversight and approval of resource allocations

Management is primarily responsible for developing and implementing the Action Plans



QUESTIONS?





# COMMUNICATING YOUR PLAN

## CONSIDERATIONS FOR IMPLEMENTATION





**LET'S CONTINUE**

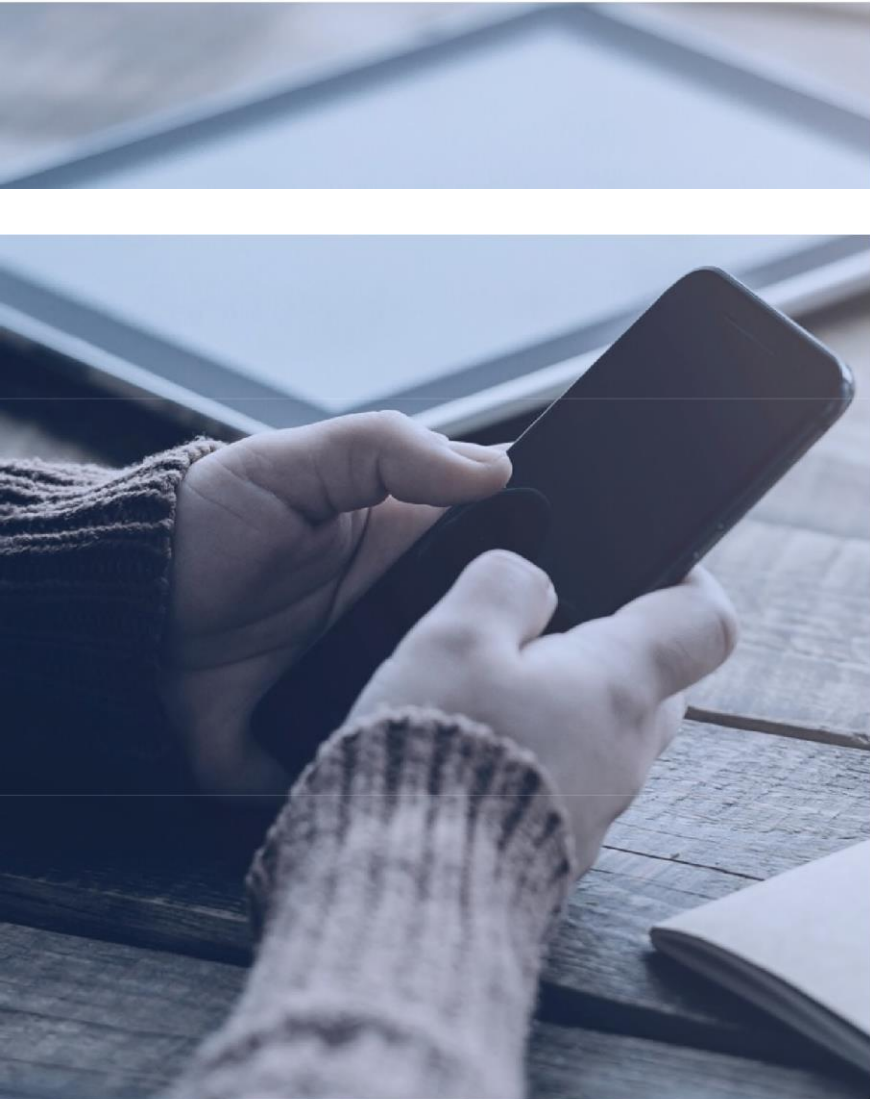
**PUTTING THE PLAN INTO  
ACTION**

## **OVERVIEW**

### **Considerations for Implementation**

- How to use the plan
- Presenting the plan to the team
- Vetting good ideas using the plan





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# A GOOD PLAN HAS SEVERAL USES

## COMMUNICATING GOALS WITH OTHERS

The power of the plan is its ability to focus priorities and mobilize teams towards common goals

How you communicate your plan with others will set the tone, direct resources, and manage expectations of everyone involved in the organization



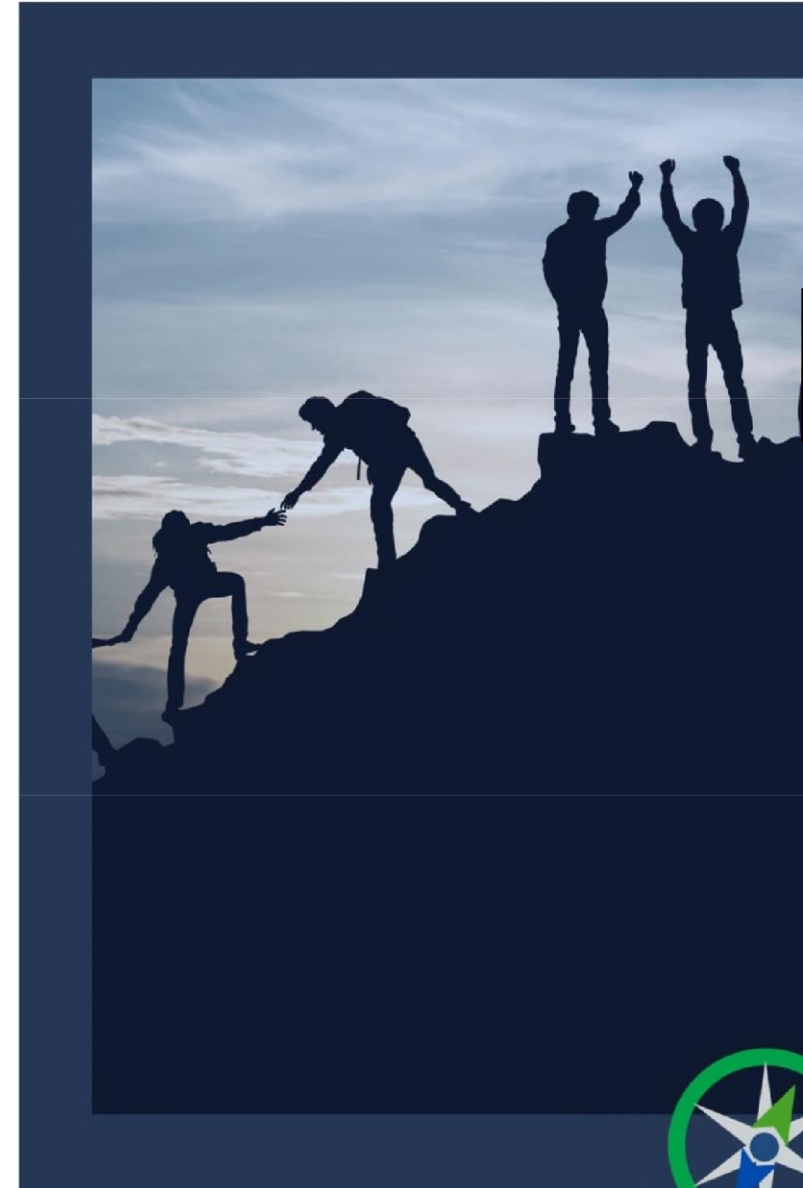
# HOW LEADERS UTILIZE THE PLAN

## POSITIONING YOUR TEAM TO ACHIEVE THEIR GOALS

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Each employee's job becomes more meaningful to him/her when a supervisor can tie effective job performance to organizational success

Good leaders teach everyone in the organization that there are no unimportant jobs



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## ALWAYS REMEMBER!

Leaders are constantly bombarded with “good ideas”  
When the “good idea” is proposed by a board member or powerful stakeholder, it is easy to lose focus

The Strategic Plan can provide a buffer for leaders to defer "good ideas" for future consideration during next year's planning conference

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& HEALTH CARE CONSULTING**

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**THANK YOU**

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Mendocino Coast Health Care District  
Statement of Cash Balances as of February 22, 2021

	Feb-21
Operating Account	\$9,650,000 Estimate
Bond Restricted Reserve Fund	\$407,350
Restricted Measure C	\$2,301,918
Board Special Appropriation	\$2,000,000
Restricted Capital Fund	\$1,000,000
Restricted LAIF Cash	\$3,464,297
	<hr/>
	<u>\$18,823,565</u>