

**MENDOCINO COAST HEALTH CARE DISTRICT
PARCEL TAX OVERSIGHT COMMITTEE
MINUTES
Feb 1 AND February 18 2021**

MEMBERS PRESENT FEBRUARY 1 AND 18:

Kaye Handley, Jim Hurst, Steve Antler, Lea Christensen, Kathe Charters, Dennette Sawyer

PUBLIC PRESENT FEBRUARY 18:

Wayne Allen, Judy Houglund

MCHCD BOARD MEMBERS PRESENT FEBRUARY 1 AND 18

Amy Mc Colley, Jessica Grinberg

FEBRUARY 1 Minutes

ELECTION OF OFFICERS

Jim Hurst was elected Chair. Dennette Sawyer was elected Vice President

REVIEW OF FINANCIAL REPORTS

The tri counties bank Statement for 12-01-20 thru 12-31-20 was presented showing an ending balance of \$2,303,933.80.

A summary of the Measure C Fund receipts and rebates was presented which balance with the Bank Statement Balance of \$2,303.933.80.

The Mendocino Coast Health Care District Improvements Fund related to the Lease stipulation with AHMC was discussed. The Measure C Balance of 12-31-20 and the Hospital Board Special Appropriation of 05-28-20 totaled \$4,228,933.80. It was noted that the Measure C Balance had yet to be allocated by the Measure C Committee

REVIEW OF RECOMMENDED CAPITAL EXPENDITURES FOR 2021

Following a discussion of the Facility Update priorities the committee members requested additional information before making any allocations. It was decided that the meeting would be continued to February 18 to provide ample time for the additional information to be obtained from Adventist Health.

ADJOURN

The meeting was adjourned to February 18, 2021

FEBRUARY 18 Minutes

Prior to the start of the meeting Kathe asked whether Jim could extend his term to 4 years by stepping into Kitty's vacant seat. Jim deferred to the bylaws and suggested he retain his current seat's term. He said the new member would serve out the term of Kitty.

CALLED TO ORDER 4:09 PM: Jim Hurst

AH (Adventist Health) provided the OC (Oversight Committee) with a list of prioritized capital needs for the hospital.

Amy and Jessica discussed the district's priorities.

The Committee proceeded to determine whether the capital items requested by AH qualified for Measure C funds based on the six categories outlined in the measure.

As of the meeting there was 2.3 M in the account. The district pays 2 M annually to AH. Measure C provides approx. 1.6 M in revenue per year.

Kaye asked to clarify how much the group is permitted to authorize.

Jim responded this would become evident in the discussion. He said the committee should discuss the proper allocation of capital requests based on the six categories. He also pointed out that Measure C funds are not the only source for the district's annual 2 M commitment to AH. There are other revenue sources.

Lea said she has trouble finding what was approved in 2020. She also has trouble understanding what was spent. She asked why AH was not present at the meeting to answer questions.

Jim asked Wayne to provide feedback on this issue. He explained the reason AH was not present at the meeting was because it would not be appropriate. Under the bylaws the district is the liaison between the OC and AH. Historically this role was carried out by the CFO for the district.

Steve questioned how these meetings are publicized. How do new members apply to join the Committee and how are they selected.

Kathe pointed out that the amount of funds already spent and how it was allocated was included in the materials for the meeting. A total of \$870,000 in funds were approved at prior meeting(s)(?)

ACTION ITEM: Review and Recommend Expenditures for 2021: Jim Hurst, Committee Chair

Jessica explained the list of needs from AH provided at the meeting was a comprehensive list to provide a broad view of needs. This allowed the group to have more options. It also allowed the OC to consider related ways to support the hospital. The example provided was the physician salary request. Measure C does not allow for salaries to be paid but perhaps the group could support physician recruitment.

Amy explained that funds for patient safety and critical improvements required to keep the facility open were recommended as priorities. These total 3.535 million (Note: minutes say 2.6 M which is HVAC only):

Roof repair -

HVAC systems for the emergency room and the cafeteria

Steve asked to clarify the timeframe for the requested projects. Amy informed the group that without these items being funded the hospital could be closed by OSHPD. We need to at least start the projects to show good faith that we are addressing the problems.

Lea did not want to move forward on approval of any projects without knowing what had already been spent from previously approved funds.

Wayne reported that the entire 1,080,260 in previously approved funds has been spent. (Note: this does not match the 870,000 figure stated above).

Kaye summarized the request being presented at the meeting to clarify what the committee was voting on.

Kathe expressed an interest in providing funds for multiple categories.

Lea did not want to vote on anything without understanding what had been requested and approved in prior meetings. She was particularly interested in whether funds would be used to reopen OB.

There was discussion regarding whether to follow the priorities set by AH or if funds should be distributed across broader categories.

Should the committee follow the MCHCD recommendation?

Should the funds be used for additional items on the AH request list?

Should additional Measure C categories be provided funding?

Should all categories in Measure C be provided some funding?

Amy stressed that the hospital will be shut down if the roof and/or the HVAC are determined to be unsafe.

Lea moved that the Oversight Committee approve the following items from the AH list of requests:

- 28,575 for fire sprinklers
- 900,000 for the roof repair
- 500,000 for the HVAC repair
- 260,000 to purchase an ambulance
- 41,903 for the surgery waste line repair

Steve Antler seconded the motion.

Discussion ensued. Wayne confirmed that fire sprinklers are an important requirement.

The committee decided to vote only if all available funds were allocated to specific requests.

Steve withdrew his second of the motion to allow the motion to fail.

Kaye introduced a new motion:

- 28,575 for fire sprinklers
- 935,000 for the roof repair
- 961,000 for the HVAC repair
- 260,000 to purchase an ambulance
- 41,903 for the surgery waste device repair

Steve seconded the motion. Discussion ensued. Jim suggested the ambulance not be funded at this time. Amy agreed that clarification is needed on this request. Jim provided a total for requested funds in the motion of 2,226,478.

(Note: total is off by \$1,000. Could be an error in one or more items or the total)

Vote: Kaye Yes
Lea Yes
Kathe Yes
Jim Yes
Steve Yes
Dennette Yes

FUTURE AGENDA ITEMS:

Jim reported future agenda items will be prepared by him. He suggested the bylaws be included in a future agenda because they were established when the district still operated the hospital and may no longer be accurate. He also suggested that a committee member be appointed as secretary to allow for greater control of information since the district does not currently have staff. He further proposed the committee discuss with legal counsel if Measure C funds may be used to pay for secretarial services for the committee.

Kathe requested the committee discuss a method of fund allocation among the six categories of Measure C.

Jessica suggested the committee create a list of platforms the group would like to use to advertise its meetings.

Kaye requested the committee get a report of funds that have been allocated to date and an update of how they were spent. She also requested the MCHCD Board continue to provide its full list of necessary capital expenditures in addition to its list of prioritized requests for Measure C funds. She felt that approach worked well for the committee when discussing options at this meeting. Jessica and Amy appreciated that request.

FUTURE MEETING DATES:

Jim suggested the dates be the second Thursday of the first month of each quarter. This was due to Dennette not being able to attend meetings on Wednesdays, the current day of the week the committee meets.

Motion made by Lea. Seconded by Kaye.

All were in favor.

Meeting closed with motion from Steve.

Meeting adjourned.

Respectfully submitted by Jessica Grinberg

Updated by Kaye Hanley on 11/16/2021