

North Sonoma County HealthCare District
March 7, 2022 Minutes
Special Meeting of the Board of Directors

CALL TO ORDER

The Board of Directors of the North Sonoma County Healthcare District met via Zoom on March 7, 2022.

Chair David Anderson called the meeting to order at 4:35 p.m.

California Governor Gavin Newsom issued Executive Order N-25-20 on March 12, 2020 relating to the convening of public meetings in light of the COVID-19 pandemic. Pursuant to the Governor's Executive Order, Board members will attend the meeting via Zoom.

Board Clerk called the roll. The following Board members were present via Zoom constituting a quorum:

David Anderson, M.D., Chair
Sue Campbell, Treasurer
Erin Gore, Director
Jim Nantell, Secretary
Danielle Streb, Director

Also present via Zoom:

Staff

Tucker Pinochi, Board Clerk
Bill Arnone, Esq.

Guests:

Susannah Labbe, CMO of Alliance Medical Center
Kim Bender, Exec. Director of the NSC Health Care Foundation
Jed Weissberg, MD

Absent: None

Public Comment for Open Session: None

REGULAR BUSINESS

1. Consent Calendar

- a. **March 7, 2022 Special Meeting Agenda**
- b. **January 27, 2022 Regular Meeting Minutes**
- c. **Resolution #2-22: Authorizing Teleconference Meetings**

A Motion was made by Director Nantell and seconded by Director Campbell to approve the Consent Calendar.

Vote: Anderson: Y Nantell: Y Campbell: Y Gore: Y Streb: Y The motion was approved unanimously (5-0).

- 2. Discussion / Possible Action: AMC to use forgiven vaccination funds to provide health/drug education programs for elementary and middle school students.**

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Sue Labbe reviewed the documents listed on the agenda as part of Alliance Medical Center's plan to repay the loan granted by the District. Per the Board's request to then-CEO Joan Churchill, these documents are to serve as the framework for conditional forgiveness of the loan.

Director Anderson asked Ms. Labbe to verify whether the dedicated drug abuse educator had yet been hired. Ms. Labbe responded no.

A Motion was made by Director Anderson and seconded by Director Campbell to authorize the preparation of documents providing for conditional forgiveness of the loan as stipulated by the education plan presented by Alliance CMO Labbe.

Vote: Anderson: Y Nantell: Y Campbell: Y Gore: Y Streb: Y The motion was approved unanimously (5-0).

Sue Labbe thanked the Board of Directors and left the meeting at 4:50 pm.

3. Discussion / Possible Action: NSC Health Care Foundation Request for Funding Of Process to Explore Development of Cloverdale Community Wellness Center

Director Nantell briefly introduced the topic by reviewing the Board's reason for inviting Ms. Bender back before the Board. Ms. Bender presented her funding proposal in January's regular meeting and returned in order to ensure Directors Gore and Streb (absent at January's regular meeting) were up to date on the Board's considerations before approving or rejecting the proposal.

The proposal requests that the District fund a consultant position to work with the community in Cloverdale to explore the development of a community wellness center.

Noting that the necessary materials were in the Board's packet for their review, Director Nantell opened the topic for questions. Director Campbell added that she recalled a follow up item from January's regular meeting minutes, namely Director Gore's request to hear from the team developing Alexander Valley's Community Wellness Center. Director Gore added that she is supportive of Ms. Bender's proposal and that her questions were meant to encourage discussion and inquiry by the rest of the Board.

Ms. Bender returned to Director Campbell's question about follow ups, and asked whether Campbell had Providence in mind specifically when she mentioned seeking external input as a follow up from January's regular meeting. Director Campbell recalled that there was potential overlap with a project from Alexander Valley Healthcare, and redirected the discussion to that potential overlap and what Ms. Bender had discussed with the team at AVH. She reported that there is indeed overlap between the two planning processes, and that AVH's team was open to hearing what the community in Cloverdale had to contribute to the development of their wellness center, even as needs differ between the precise target audiences for each center. Debbie Howell, Alexander Valley Regional Medical Center CEO, plans to join the in-community listening sessions for Cloverdale's NSCHF Wellness Center.

Director Campbell returned to the topic of outreach to Providence. Ms. Bender reported that there is interest at Providence and suggested that moving forward with her proposal as presented would make it clear to them that the District sees the NSCHF Wellness Center in Cloverdale as a worthwhile investment.

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She further suggested that a strong signal in support of such a Wellness Center in Cloverdale may entice Providence to put forth monies for similar sites in Healdsburg and Windsor.

Bender said she would like to meet with Providence in person to present the proposal scaled up to all of North Sonoma County. Director Campbell noted that Board Chair David Anderson is a member of Providence's Community Benefit Committee for Healdsburg and Petaluma Valley Hospitals, and that she hoped the proposal would be addressed in one of the meetings of that committee. She further suggested that Anderson could use that position to advocate for Ms. Bender's proposal.

A Motion was made by Director Gore to accept the NSCHF proposal to fund community listening sessions in Cloverdale regarding the development of a community wellness center there.

Director Streb interjected to clarify whether the focus of the proposal was narrowed to Cloverdale from its initial scope, which covered all of North Sonoma County. Bender replied that the proposed listening sessions were now centered on Cloverdale alone. She continued, affirming the need for each community to have input over the development of their local wellness center. The budget we are requesting from the Board is \$227,000 over two years. Director Gore expanded on Bender's point and said that the goal was to create a scalable model for other organizations to build upon. Director Gore noted that in spite of Director Anderson's concerns about the cost of the program to the District, the added value in Cloverdale would be significant due to the relative dearth of community-level activities there.

Ms. Bender went further and described the listening sessions as valuable indirect contributions to community health in themselves, relaying that research showed a measurable difference when planning included community listening sessions such as these. Director Gore summarized the point by saying that, the price tag was elevated because the District would be paying community members to attend and give their input. This ensures that those who otherwise may not attend have a chance to be heard on the development of the wellness center.

Director Streb returned to the importance of focusing on Cloverdale specifically, describing the scant landscape of community-based activities for families there. On The Margins, NSCHF's proposed partner for the project, is expected to orchestrate the engagement in Cloverdale, and she expected strong, positive results from their participation.

Jed Weissberg asked whether the proposal was a replication of another, or if it was only a proposal that Ms. Bender hoped would be replicated. Additionally, he asked whether District funds were set aside in her proposal for evaluation of outcomes, or if Ms. Bender's expectation was that Providence would fund that portion of the project.

Ms. Bender replied that On The Margins had incorporated evaluation processes in their proposal requesting funds from the District.

Director Nantell expressed his desire that Providence join the District in funding the second year of the exploration process. He said that although unrealistic, anything that helps the District expand its footprint outside of Healdsburg would be advantageous. Being the sole funder of the project is an opportunity to own it in the eyes of the public, but the project will be difficult to sustain without the addition of other sources of funding.

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District Counsel Bill Arnone interjected to say that approval of funding for Ms. Bender's proposal must be conditioned upon its compliance with the District's grant policy, currently being drafted.

A superseding Motion was made by Director Nantell, and seconded by Director Gore, to accept the NSCHF proposal to approve the request for funding at the dollar amount presented, subject to compliance with the District's forthcoming Grant Funding Policy.

Vote: Anderson: Y Nantell: Y Campbell: Y Gore: Y Streb: Y The motion was approved unanimously (5-0).

Ms. Bender thanked the Board for its approval of her proposal. She said that she will inform Providence and begin discussions on replicating the project in Windsor, and that she would report back to the Board in person. Director Anderson added that he would like to add a requirement to do so in the District's approval of Bender's proposal, and District Counsel advised that such a requirement would be included in the aforementioned Grant Funding Policy.

Director Gore suggested that she and Director Streb report back to the Board monthly using a standardized form, in addition to the quarterly reports that will be required by the Grant Funding Policy.

Finally, Director Anderson requested that Ms. Bender inform the Board when a time and location are determined for these community listening sessions in Cloverdale, in case any of the directors would like to attend.

Kim Bender left the meeting at 5:01 pm.

4. Discussion / Possible Action: Healdsburg City Council Vaccination Policy Letter of Support

Director Gore reviewed the December controversy surrounding the Healdsburg City Council's vaccination requirement for in-person attendance of City Council meetings. She received a request for a letter of support from the Board detailing why such a policy is advisable. Recognizing that these concerns were no longer currently top-of-mind in the District, Director Gore questioned whether such a letter would still be germane to the public conversation. Directors Nantell and Anderson both suggested that the time has passed, with the caveat that vaccination policy will likely be a topic of controversy for months if not years to come.

Since the Board may not be able to react in line with a future news cycle in which such a letter would be of use to the public, Director Nantell suggested granting the Chair advanced approval to draft and send a letter in support of the City Council's vaccination policy. The Board Clerk noted that the Petaluma Health Care District had recently seen the potential for controversy surrounding a vaccination requirement during one of its sponsored community events, and that therefore the issue was likely not confined to the past. Directors Campbell and Gore agreed with Director Nantell that it may be useful to draft the letter in advance, and Director Campbell suggested that similar to the parcel tax exemption letter written by the Board, a letter supporting vaccination for COVID-19 could be written and posted on the District's website.

Director Anderson referred Director Gore to a potential source of evidence to include in the draft.

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The Board agreed that Director Gore could move forward with a draft letter to be reviewed and approved by the Board at a later meeting.

5. Presentation: Statutory Responsibilities of the NSCHD Board

District Counsel Bill Arnone outlined the changed statutory responsibilities of the Board after the sale of Healdsburg Hospital. He noted that this was not a training, but a brief overview for the Directors' information.¹

Per Counsel, the Board no longer has responsibilities relating to credentialing, the Stark Law, or anti-trust enforcement. The ongoing statutory responsibilities of the Board are compliance with so-called "Sunshine Laws" (the CA Public Records Act and the Ralph M. Brown Act of 1953), the maintenance of contracts, the execution of elections for Board vacancies, and otherwise maintaining compliant policies and procedures such as the Grant Funding Policy described earlier in the meeting by Counsel.

6. Board Committee Assignments

Board of Directors Chair Anderson assigned committee memberships as shown on the attached document.² Director Campbell noted that the Board chose to wait to appoint a member to the Providence Quality Committee until that committee's first meeting.

7. Status Update: Alexander Valley Medical Center Repayment of Loan for Vaccinations

Director Streb reported on her conversation with Debbie Howell about repayment of this loan, and invited Ms. Howell to share how Alexander Valley Medical Center ("AVMC" hereafter) has used the funds. As with Alliance Medical Center's forgiven \$150,000 loan, the Board will discuss forgiveness of the loan to AVMC subject to conditions determined by the Board following Ms. Howell's report.

Director Campbell underlined that Ms. Howell is to present potential uses for the forgiven funds, not to simply show up with a request for unconditional forgiveness of the loan. Director Streb relayed the guidelines she shared with Ms. Howell, namely the restriction on use of loaned funds for infrastructure or operational purposes at AVMC. Director Nantell shared his position that loan forgiveness should not occur if AVMC received reimbursement from the Federal government. He said that determining whether AVMC has been reimbursed should be the first step in this conversation with Ms. Howell.

Director Streb confirmed that she would follow up with Ms. Howell and extend an invite for March's regular meeting, omitting the possibility of forgiving the loan until it has been determined whether AVMC received reimbursement. Further, Director Streb will request proposals from Ms. Howell for use of the loaned funds to address one of the District's health priority areas. Director Gore suggested an in person follow up with herself, Director Streb, and Ms. Howell.

8. Discussion / Action Regarding District Finances
a. Review and Accept District Financial Reports

¹ Attachment #1, "Statutory Responsibilities of the Board" PowerPoint by Bill Arnone

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Director Campbell shared the District's latest financial reports. She opened the floor for questions, with the note that this meeting's reports were relatively standard. She noted that there were items included for which the District is not in fact responsible, such as the final line item "Management Consulting," which is paid for by Providence.

A Motion was made by Director Nantell, and seconded by Director Campbell, to approve the District's financial report as presented.

Vote: Anderson: Y Nantell: Y Campbell: Y Gore: abs Streb: Y The motion was approved with four ayes, no nays, and one not voting (4-0-1).

b. Status of Sonoma Wealth Advisors Contract

Director Campbell reported that the contract with Sonoma Wealth Advisors ("SWA" hereafter) is finished and signed. She said that there was only one outstanding item before transferring funds to Sonoma Wealth Advisors for investment according to the forthcoming District Board investment policy. The finance committee will meet to discuss expected total investments with SWA, expected ROI, and what the District would like to have in the account at the end of 10 years. The finance committee will use these figures to determine the District's budget for the new fiscal year.

c. District Audit

Director Campbell reported that the 2020 MediCal and 2016 Electronic Health Record (EHR) audits are almost complete. RSM will conduct the audit for the District this year, after which Director Campbell anticipates the Board will be able to pursue more affordable service options.

d. Resolution #3-22 Authorization of Parcel Tax Exemption

A Motion was made by Director Nantell to approve resolution #3-22 Authorizing the Parcel Tax Exemption.

Director Anderson requested a brief explanation of the resolution prior to continuing the vote. District Counsel explained that this resolution was a yearly requirement associated with assessing the parcel tax to fund the District.

Director Campbell seconded Director Nantell's motion to approve resolution #3-22 Authorizing the Parcel Tax Exemption. Vote: Anderson: Y Campbell: Y Nantell: Y Gore: abs Streb: Y The motion was approved with four ayes, no nays, and one not voting (4-0-1).

9. Legal Report – Update for the Board on Any Legal Matters

District Counsel reported his additions to the SWA contract, namely the requirement that all investments conform with the Board's forthcoming investment policy.

10. Discussion / Possible Action Regarding New District Housekeeping (addressed after #12)

a. Update on shared resources to provide Bookkeeping and other services

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Director Campbell discussed her ongoing exploration of possible replacements for the services of Julie Hanamura. Potential vendors included Pasenti & Brinker. They are unavailable until May, but Director Campbell anticipates a cost estimate after they review the District's books. She also discussed her outreach to Sonoma Valley Hospital, noting that her pursuit of a shared services agreement for bookkeeping with them had been fruitless.

District Counsel noted Pasenti and Brinker's strong reputation in the field, with the caveat that they are known to be expensive among comparable firms. Director Campbell suggested that the District's limited needs, in terms of work hours, may mitigate the higher cost of their service.

b. Update on Website Editing (not addressed during this meeting)

11. Discussion / Possible Action: Hospital Matters

a. Community Board Meetings

Director Campbell reported that she has attended one meeting of the Hospital Quality Committee. She said that discussion centered around the eventual membership of the committee and asked the Board to begin considering potential nominees. Jed Weissberg asked, as a member of the public, whether the Board thought it important to exclude certain types of investments from the District's portfolio with SWA.

b. Update on Possible Appointments to Community Board and Other Hospital Committees

Director Campbell requested, and the Chair agreed, to postpone the discussion of this item until next Board meeting. She said that by then there should be a name for the Board to considering as its appointed representative on the relevant regional committees for Providence.

12. Consideration of Materials Disseminated by Board Members

- a. Form 700, Sexual Harassment Prevention Training and Ethics Training Certificat**
- b. Next Regular Meeting Scheduled for March 31, 2022.**

Directors Nantell and Campbell noted two correspondences they received requesting to present proposals to the Board at the next meeting. These were from Kristin Bongiovanni at LIFT, a for profit organization, and Ariel Kelley regarding an upcoming county-wide ballot initiative. The Board Clerk will reach out to schedule their attendance at the March 31, 2022 regular meeting.

13. Adjournment

Chair David Anderson adjourned the meeting at 6:45 pm.

Submitted & Recorded by Tucker Pinochi, Board Clerk
Contact info@nschd.com for more information.

Attachment #1

North Sonoma County Health Care District



Post Sale Legal Responsibilities

Attachment #1

Impact of Selling Hospital on Board Responsibilities



- Some duties end
 - Credentialing, Stark, Anti-trust
- Public entity duties remain
- Fiduciary duties remain

Attachment #1



Issues to be Addressed

- Sunshine Laws
- Financial Obligations
- Contracts
- Policies and Procedures
- Elections

Attachment #1



Sunshine Laws

- Brown Act
- Public Records Act
- Conflicts of Interest
- Registrar of Public Entities

Attachment #1



Brown Act

- Training: Ethics and Harassment
- Meetings
 - Agendas: Posting and Contents
 - Public Participation
 - Modifications repealed December 31, 2023
 - Location (quorum within District; public access)
- Website
 - Requirements listed in H&S Code Section 32139

Attachment #1



Public Records Act

- Responses are very time sensitive
- Maintain and follow a Policy for Handling

Attachment #1



Conflicts of Interest

- Conflict of Interest Code
 - Biennial Updates
- Form 700 Reporting
- Statements of Abstention
- Gift limitations
- Prohibited Contracts (GC 1090)

Attachment #1



Registrar of Public Entities

- Benefits of Compliance
- Need for Updates

Attachment #1



Financial Obligations

- Budget Adoption by September 1
- Audit
 - Statute (H&S 32133)
 - Best Practice
- Annual Report to Controller
- Gifts of Public Funds

Attachment #1



Financial Obligations (cont.)

- Grants
 - Power to make (H&S 32126.5)
 - Need for detailed policy (H&S 32139(c))
- Assessment of Special Tax
- Appropriations Limits
- Bond requirements

Attachment #1



Contracts

- Compliance with Hospital Sale requirements
- Shared Services Agreement with PHCD
- Agreements for Services
- Employment

Attachment #1



Policies and Procedures

- Investments
- Grants
- Reimbursements
- Board Compensation
- Inventory and Pruning needed

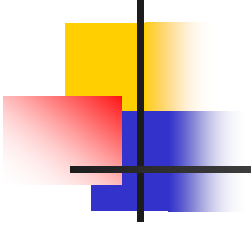
Attachment #1



Elections and Vacancies

- Work with County Registrar
- Timelines for Filling Vacancies

Attachment #1



Questions?
