

**DESERT HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
June 22, 2010**

---

A Regular Meeting of the Board of Directors of the Desert Healthcare District was held in the Arthur H. "Red" Motley Boardroom, Palm Springs, CA

Attendance:

Members

Glen Grayman, MD – President  
Mark Matthews - Treasurer  
Sidney Rubenstein, DDS - Director  
Michael Solomon, MD - Director

Staff

Lenny Pepper, Chief Executive Officer  
Peter Young, Chief Operating Officer  
Donna Craig, Chief Program Officer  
Tricia Wheeler, Program Manager  
Samantha Prior, Operations Support Manager  
Steve Brown, Executive Administrative Assistant

Legal Counsel

Jeffrey Scott, Esq

Guests

No Guests

**CALL TO ORDER**

The meeting was called to order at 2:00 pm by President Grayman.

**APPROVAL OF AGENDA**

President Grayman asked for a motion to approve the agenda. Director Solomon asked if the closed session item should be continued since Vice President Hazen was not present. It was agreed to discuss that in closed session.

**#10-50 MOTION WAS MADE by Director Matthews and seconded by Director Solomon to approve the agenda. Motion passed unanimously.**

**PUBLIC COMMENTS**

None

## **CONSENT AGENDA**

Submitted for approval:

1. Board Minutes
  - a. Regular meeting – May 25, 2010
2. District May 2010 financial statements.

President Grayman asked that each item on the Consent Agenda be taken separately for approval. President Grayman recommended two minor corrections to the May 25, 2010 Minutes regarding the Speakers Bureau (Page 7 of 178) and the language regarding the lease with Tenet to purchase Tenant owned capital assets (Page 8 of 178).

**#10-51 MOTION WAS MADE by Director Rubenstein and seconded by Director Matthews to approve the May 25, 2010 Board Minutes with the recommended corrections. Motion passed unanimously.**

Regarding the May Financial Statements, President Grayman inquired about a past due accounts receivable. Legal Counsel reported that it has been reviewed and addressed. Also, Director Matthews reported that the June 8, 2010 F & A Committee Meeting was cancelled.

**#10-52 MOTION WAS MADE by Director Matthews and seconded by Director Rubenstein to approve the May 2010 District Financial Statement. Motion passed unanimously.**

## **NEW BUSINESS**

1. Resolution 10-02 - Consideration to Approve Resolution 10-02 – Approving Statement of Investment Policy for Fiscal Year 2010/2011

**#10-53 MOTION WAS MADE by Director Matthews and seconded by Director Rubenstein to approve Resolution 10-02. Motion passed unanimously**

## **DIRECTORS' REPORTS AND COMMENTS**

Director Matthews indicated that the June F&A Committee Meeting was cancelled because he was subpoenaed by the State of California to Sacramento as a subject matter expert.

## **DRMC GOVERNING BOARD DIRECTORS' COMMENTS**

Director Rubenstein reported that the Board of Governors for Desert Regional Medical Center met on June 17, 2010. Director Rubenstein informed the Board that DRMC continues to monitor quality, participate in community activities, and is moving forward with various construction projects within the facility. Additionally, they discussed strategic planning and the collaboration with the University of California, Riverside Medical School for a future residency training program at DRMC.

## COMMITTEE REPORTS

### 1. Finance Committee – Director Matthews

Director Matthews stated the June agenda (although there was not a meeting) was included in the packet.

The COO, Las Palmas Medical Plaza, and RPP reports were reviewed as provided in the Board Packet.

Director Matthews requested that Mr. Pepper provide a status report for the Desert Hot Springs Medical Clinic and progress by County of Riverside on the DHS Family Care Center. Mr. Pepper reported that the County of Riverside is going forward with the bid process for the Center and they will know in mid July if bond proceeds are necessary for construction of the site. Mr. Pepper also visited the Desert Hot Springs Medical Clinic and assisted BCHF in receiving the building permit. The opening is still planned for the first or second week in August. Director Matthews commented that resources for the City of Desert Hot Springs are finally materializing at least partially due to the Board' efforts and the leveraging of funds.

### 2. Program Committee – Director Rubenstein

Director Rubenstein stated the agenda and meeting minutes of June 8, 2010, and the active grant requests with grant balances schedule were enclosed for review.

Director Rubenstein stated that the Final Grant Report for Grant #451 (California State University, San Bernardino/Coachella Valley Health Collaborative – Coachella Valley Hunger & Food Insecurity Project) was enclosed for review.

Director Rubenstein presented a grant request recommended by the Program Committee for approval:

1. Grant request #569 in the amount of \$8,630 to Christopher's Clubhouse to support radKIDS Personal Empowerment & Safety Education Training.

Director Rubenstein reported that at the Program Committee there was a question regarding the agency's proposed budget and that the Program Committee approved the request contingent upon the agency submitting a revised budget. Staff indicated that a revised budget was submitted and was included in the Board Packet.

**#10-54 MOTION WAS MADE by Director Rubenstein and seconded by Director Matthews to approve the grant request in the amount of \$8,630 from Christopher's Clubhouse to support radKids Personal Empowerment & Safety Education Training. Motion passed unanimously.**

2. No-Cost Grant Extension – Grant #437 – Project Linus - Consideration to approve a no-cost grant extension for one year.

**#10-55 MOTION WAS MADE by Director Rubenstein and seconded by Director Solomon to approve the request for a no cost grant extension for one year to Project Linus. Motion passed unanimously.**

3. Program Committee Members – Chart of Term Limits

Director Rubenstein reported that the chart was reviewed at the Program Committee Meeting and there were no concerns. Director Rubenstein also reported that at the meeting there was a CREWS earthquake simulation presentation. No request for funding has been submitted. There are alternative warning systems (similar to air raid sirens) being investigated.

President Grayman requested that on the Chart of Term Limits the “Future Term Column” be renamed with appropriate language to reflect that these are potential, or maximum terms, subject to the reaffirmation by the Board of Directors.

President Grayman also asked for clarification regarding the June 8<sup>th</sup> Program Committee Minutes, page 2 of 3, where the general consensus from the Committee was that the final report from CVHC CV Hunger & Food Insecurity Project did not provide a clear action plan with implementation. Ms. Craig clarified that CVHC, at the request of Staff, revised their original report to include a more in depth and detailed update of the Levinson Report and a clearer Strategic Plan. Also, FIND will be the central agency for the implementation of the report’s recommendations. Ms. Craig reported that Staff will be meeting with the Regional Access Project, Hidden Harvest, FIND and Bridges of Hope to brainstorm on how we can make more of an impact with our dollars for the food programs and taking it a step further to include the purchase of healthy foods.

**CHIEF EXECUTIVE OFFICER’S REPORT**

Mr. Pepper reviewed his report as provided in the Board Packet.

Mr. Pepper asked for direction regarding invitations for the District to be recognized or be honorees at events in the community. After much discussion the Board directed Staff that no policy was necessary and this would be addressed on an individual basis. Also, in response to a request from the Borrego Community Health Foundation, direction was given to have a plaque placed inside the Desert Hot Springs clinic to acknowledge the District’s contribution rather than have the clinic be named after the District. An update was provided on the tenant improvements for the clinic scheduled to open in early August.

Direction was given for Staff to follow legislative issues relating to healthcare and if letters of support are requested, use the committee process or talk to the Board President for a recommendation to provide one or not.

### 1. Draft East Valley White Paper

Two versions were presented to the Board along with the minutes from the Strategic Plan Special Board of Directors Meeting on January 29, 2010. The first version accomplished what the Strategic Planning Session asked Staff to do. The second version took a different tone. Since DHCD is not promoting anything specific now and rather is taking a wait and see approach as to what requests may eventually come from the East Valley, the second version focused on who we are, what we have accomplished historically, and included some recommendations. Direction was given to Staff to take the best parts of both versions and blend them together with the additional recommendation that the DHCD could offer technical assistance if the East Valley elects to form their own healthcare district. Also, it should be clear that these are just recommendations, possibilities, and are not directives. This draft will be brought back to the Board at the next scheduled meeting for consideration of approval at that time.

**#10-56 MOTION WAS MADE by Director Solomon and seconded by Director Matthews to blend the two versions of the Draft East Valley White Papers with the additional recommendation for technical assistance, if requested, and bring the blended version back to the Board at the next meeting. Motion passed unanimously.**

### 2. Draft Sustainability Program

This sustainability program has not yet been implemented in its entirety, but those items not yet accomplished represent goals to achieve. The policy also gives DHCD an opportunity to educate our grantees on sustainability issues. The policy can be amended if any additions or suggestions are brought forward, such as by Michele Mician of the City of Palm Springs, who is currently reviewing the program.

**#10-57 MOTION WAS MADE by Director Solomon and seconded by Director Matthews to approve the Sustainability Program as presented. Motion passed unanimously.**

### 3. Draft Board Meeting Policy

Board and Staff have previously discussed holding board meetings at different locations within the District twice a year to provide easier access for the residents to attend. Legal Counsel commented that setting different locations and times for a Board Meeting would require an amendment to the District's Bylaws. A better approach would be to occasionally hold "special meetings, study sessions or workshops" at alternate locations within the District. It was also commented that the posting of the agendas, minutes and availability of the packets are already being done and are requirements of the Brown Act. They do not need to be part of the policy. Director Matthew commented on video conferencing during meetings and how it could change the dynamics of the meeting. It was suggested that once or twice a year the District could schedule a workshop in an area of the District where a program/project is being planned or in place rather than rescheduling regular monthly board meetings whose time and place are exactly defined in our Bylaws. The District is already doing recommendation numbers 3, 4, 5 6, by law. Recommendation 7 is not necessary. Residents know where computers are located. The policy should be split into what we are currently doing and what are new recommendations.

**#10-58 MOTION WAS MADE by Director Matthews and seconded by Director Solomon to approve the Board Meeting Policy with the amendment to split the recommendations and what we currently do now and remove item number 7. Motion passed unanimously.**

## **ATTORNEY'S REPORT**

1. Resolution 10-03 - Consideration to Approve Resolution 10-03 – Approving a Prequalification Policy for Contractors

Because of the complexity of certain projects, a prequalification policy for contractors is necessary to ensure the contractor has the expertise to successfully complete the project. A Prequalification Packet is included but the Board needs to adopt a policy that includes this packet. Because DHCD is a public agency, the policy must also include a fair process (rating/grading system) and an appeal process for a bidder who may challenge the awarded contract. Since the architect, under contract with the District, will be scoring and recommending the contractor, there must be language in the contract that they are representatives of the owners of the project.

Due to the need for DHCD legal counsel to communicate further with the DRMC attorney, staff and architect, this item was continued and will be brought back to the Board at either a special meeting or the next scheduled board meeting.

2. Update on SB 894 (Local Government Omnibus Act)  
Legal Counsel discussed the update on SB 894 as presented in the packet.

## **ADJOURNMENT OF OPEN SESSION**

The meeting was adjourned at 4:14p.m.

## **RECONVENE TO CLOSED SESSION**

The meeting was reconvened to closed session at 4:15pm Topic discussed:

1. Government Code Section 54957 – Public Employee Performance Evaluation - CEO

## **ADJOURNMENT OF CLOSED SESSION**

The meeting was adjourned at 6:04p.m.

## **RECONVENE TO OPEN SESSION**

The meeting was reconvened to open session at 6:04p.m.

## **REPORT AFTER CLOSED SESSION**

Director Solomon indicated that he had excused himself from participating in the closed session as Mr. Pepper was a patient of his and therefore he might be perceived as having a potential financial conflict of interest. Thus, he would not be participating in the evaluation process and possible salary adjustment of the CEO until and unless the FPPC indicated that he, in fact, had no such conflict of interest. With Director Solomon out of the room, the Board discussed in closed session the annual evaluation of the Chief Executive Officer and directed that the General Counsel bring

back for Board consideration at the July 2010 Regular meeting, a draft amendment to the CEO's current employment agreement which would extend the CEO's contract through November 30, 2010 on the same terms and conditions.

**ADJOURNMENT**

The meeting was adjourned at 6:05p.m.

ATTEST: \_\_\_\_\_

Dr. Glen Grayman, President  
Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Steve Brown, Executive Administrative Assistant*