



**DESERT HEALTHCARE DISTRICT  
FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE  
MEETING MINUTES  
September 10, 2019**

<b>Directors Present</b>	<b>District Staff Present</b>	<b>Absent</b>
Chairman/Treasurer Mark Matthews Vice-President Leticia De Lara, MPH Director Arthur Shorr – <i>Telephonic</i>	Conrado E. Bázaga, MD, Chief Executive Officer Chris Christensen, Chief Financial Officer Stephen Huyck, Accounting Manager Andrea S. Hayles, Clerk to the Board	

<b>AGENDA ITEMS</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>I. Call to Order</b>	Chairman Matthews called the meeting to order at 3:00 p.m.	
<b>II. Approval of Agenda</b>	Chairman Matthews asked for a motion to approve the agenda.  Chairman Matthews moved to table Item VIII.8.	<b>Moved and seconded by Chairman Matthews and Vice-President De Lara to approve the agenda and tabling Item VIII.8.            Motion passed unanimously.</b>
<b>III. Public Comment</b>	There was no public comment.	
<b>IV. Approval of Minutes</b> 1. F&A Minutes – Meeting July 9, 2019	Chairman Matthews motioned to approve the July 9, 2019 minutes.	<b>Moved and seconded by Chairman Matthews and Director Shorr to approve the minutes.            Motion passed unanimously.</b>
<b>V. CEO Report</b>	Conrado E. Bázaga, MD, Chief Executive Officer, described his internal assessment of the District and the immediate staffing needs for reorganization that include costs savings, and outlining the agenda items and follow-up discussions on the Community Needs Assessment RFP.	
<b>VI. Chief Financial Officer's Report</b> 1. LPMP Leasing Update	Chris Christensen, CFO, explained the most recent lease renewals and three (3) vacancies with the goal of 100% occupancy.	
<b>VII. Financial Reports</b> 1. District and LPMP Financial Statements	Chris Christensen, CFO, described the financials such as the profit and loss net revenue	<b>Moved and seconded by Vice-President De Lara and Director Shorr to approve the July and August 2019</b>



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<p>2. Accounts Receivable Aging Summary 3. District – Deposits 4. District – Property Tax Receipts 5. LPMP Deposits 6. District – Check Register 7. Credit Card – Detail of Expenditures 8. LPMP – Check Register 9. Retirement Protection Plan Update 10. Grant Payment Schedule</p>	<p>and replying to inquiries on the A/R Aging summary.</p> <p>Director De Lara inquired if the District has assessed a company vehicle due to staff’s numerous trips to meetings throughout the valley and Los Angeles County. Staff explained that the District has a mileage reimbursement policy.</p> <p>Mr. Christensen explained that the participant funds for Retirement Protection Plan (RPP) participants whose annual letters have been returned undeliverable will be sent to the State. Accounting will contact Desert Regional Medical Center’s human resources department to verify the addresses before moving forward.</p>	<p><b>District Financial Reports - Items 1-10 and to forward to the Board for approval.</b> <b>Motion passed unanimously.</b></p>
<p><b>VIII. Other Matters</b></p> <p>1. LPMP Lease Extension – Suite 1W 201 – Peter Jamieson, MD</p> <p>2. LPMP Lease – Suites 1W 105-106 – Cohen, Musch, &amp; Thomas Medical Group</p>	<p>Chris Christensen, CFO, explained the 5-year lease renewal with a base rent of \$1.86/sq. ft., and \$15/sq. ft. tenant improvement allowance. The lease will commence on October 1.</p> <p>Chris Christensen, CFO, explained that Cohen, Musch, &amp; Thomas is moving to a new suite with tenant improvement work scheduled for completion in December, and a proposed Oct. 1 lease date. The term of the lease is 5-years at \$1.52/sq. ft.</p>	<p><b>Moved and seconded by Vice-President De Lara and Director Shorr to approve the LPMP Lease Extension – Suite 1W 201 – Peter Jamieson, MD and forward to the Board for approval.</b> <b>Motion passed unanimously.</b></p> <p><b>Moved and seconded by Director Shorr and Vice-President De Lara to approve the LPMP Lease – Suites 1W 105-106 – Cohen, Musch, &amp; Thomas Medical Group and forward to the Board for approval.</b> <b>Motion passed unanimously.</b></p>

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<p><b>3. LPMP Lease Extension – Suite 1W 204 – Dennis Spurgin, DC</b></p>	<p>Chris Christensen, CFO, explained that the lease is a 5-year renewal with a start date of Oct. 1, and tenant improvements at \$1.52/sq. ft.</p>	<p><b>Moved and seconded by Vice-President De Lara and Director Shorr to approve the LPMP Lease Extension – Suite 1W 204 – Dennis Spurgin, DC, and forward to the Board for approval. Motion passed unanimously.</b></p>
<p><b>4. Revised Organizational Chart, Proposed Salaries, and Job Descriptions</b></p>	<p>Conrado E. Bázquez, MD, Chief Executive Officer, explained the programmatic side of grant-making and the administrative side with legal and human resources – eliminating the Chief Financial Officer position and replacing with a Chief Administrative Officer. A human resources consultant is necessary to stay apprised on the legal aspects and updating the District’s employee manual. Supporting the two functions would require an administrative assistant – a total savings of \$155k.</p> <p>At the request of Vice-President De Lara, the committee directed staff to include legal on the organizational chart, reporting directly to the Board. Vice-President De Lara recommended a public policy intern or an intern in a similar position.</p>	<p><b>Moved and seconded by Director Shorr and Vice-President De Lara to approve the Revised Organizational Chart, Proposed Salaries, and Job Descriptions and forward to the Board for approval. Motion passed unanimously.</b></p>
<p><b>5. Human Resources Consultant Service Agreement</b></p>	<p>Conrado E. Bázquez, MD, Chief Executive Officer, described his request for a human resources consultant for the purposes of an immediate need to review</p>	<p><b>Moved and seconded by Director Shorr and Vice-President De Lara to approve the Human Resources Consultant Service Agreement</b></p>

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<p><b>6. First Amendment to CEO Employment Agreement – Auto Allowance \$500/month</b></p>	<p>the employee handbook, training compliance, and labor laws that require review of the District’s human resources processes.</p> <p>Chris Christensen, CFO, described the amendment to the CEO employment agreement based on extensive travel and the need for a \$500/month auto allowance.</p>	<p>and forward to the Board for approval. <b>Motion passed unanimously.</b></p> <p><b>Moved and seconded by Vice-President De Lara and Chairman Matthews to approve the First Amendment to CEO Employment Agreement – Auto Allowance and forward to the Board for approval. Motion passed unanimously.</b></p>
<p><b>7. Community Needs Assessment RFP – NTE \$300,000</b></p>	<p>Conrado E. Bárzaga, MD, Chief Executive Officer, explained that the Strategic Planning Committee will meet to discuss the views and opinions expressed in the Program Committee since the assessment is related to the strategic plan.</p>	
<p><b>8. Coachella Valley Association of Governments (CVAG) CV Link MOU Review and Analysis – Contingency and Conditions</b></p>	<p>The item was pulled from the agenda and tabled for the October meeting.</p>	
<p><b>9. Political Consultants for Potential Hospital Lease/Transaction</b></p>	<p>Conrado E. Bárzaga, MD, Chief Executive Officer, described the ad hoc committee Tenet lease meeting with Kaufman Hall, the committee’s understanding and the potential intentions of the</p>	



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	<p>voters with a request for a political consultant to provide services concerning the political implications, which would include polling, and determining a March 2020 or November 2020 ballot measure. In the event of the unknown, the District should be prepared including with talking points to present the sensitive information.</p> <p>Linda Evans, Chief Strategy Officer, Desert Regional Medical Center, explained that a proposal from the local firms with surveys and analysis to determine the strategic outreach throughout the District to pass the vote is underway.</p> <p>Chairman Matthews emphasized the upcoming ad hoc committee meeting with Tenet, he is uncomfortable with the timing, another month is necessary, and he will not be supporting the political consultant at this time.</p> <p>Since the other two committee members are hesitant to move forward, Vice-President De Lara requested more details if the matter will be moved to 30-days.</p> <p>There was no motion to approve the political consultant agreement, and the committee will await an update after the</p>	
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	upcoming ad hoc committee meeting.	
<b>IV. Adjournment</b>	Chairman Matthews adjourned the meeting at 4:06 p.m.	<b>Audio recording available on the website at <a href="http://dhcd.org/Agendas-and-Documents">http://dhcd.org/Agendas-and-Documents</a></b>

ATTEST:   
Mark Matthews, Chairman/Treasurer Finance & Administration Committee  
Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board*