

**BOARD OF DIRECTORS MEETING  
HOSPITAL REDWOODS ROOM  
THURSDAY, JANUARY 31, 2019  
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Ms. Arnold, Mr. Lund, Mr. Redding, Ms. McColley, Ms. Grinberg  
Mr. Bob Edwards, CEO  
Mr. Mike Ellis, CFO

**I. CALL TO ORDER:**

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Karen Arnold, Chair presiding

**II. ROLL CALL:**

PRESENT: Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding, Ms. Amy McColley, Mr. Steve Lund  
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. Mike Ellis, Interim CEO, CFO  
Ms. Noel Caughman, Legal Counsel (via Skype)  
Ms. Gayl Moon, Executive Assistant

**III. CLOSED SESSION MATTERS:**

The Board of Directors reviewed the following items in closed session:

- **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code January Quality Management and Improvement Council Reports
  - The Board approved the January Quality Management and Improvement Council Report
- **INFORMATION/ACTION:** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), Summit Pain Alliance
  - The Board approved the Summit Pain Alliance settlement
- 3. **INFORMATION/ACTION:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
  - Received a Medical Staff Credentials and Privileges Report.
- 4. **INFORMATION/ACTION:** Pursuant to Government Code §54957.6: Closed Session Board Meeting with the District's Labor Union Negotiators, CFO Mike Ellis, Mr. Dan Camp, Special Labor Union and Employment Counsel David Reis, and the District's General Legal Counsel. Government Code §54,957.6
  - The Board received a report.

5. **INFORMATION/ACTION:** Consideration of Government Claim against Mendocino Coast District Hospital by R. E. Corporation. Government Code §§910, et seq. and 54956.9(e)(3)
  - The Board rejected this Government Claim against Mendocino Coast District Hospital by R. E. Corporation
6. **INFORMATION/ACTION:** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
  - The Board did not receive a report on this item
7. **INFORMATION/ACTION:** Public Employee: Interim CEO discussion Government Code §54954.5 & 54957
  - This item will be discussed when the Board reconvenes Closed Session after Open Session.
8. **INFORMATION/ACTION:** Public Employment: Personnel Matter Government Code §54954.5 & 54957
  - This item was not discussed, as the incorrect Government Code was cited.
9. **INFORMATION/ACTION:** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), ACLU information
  - This item was tabled.
10. **INFORMATION/ACTION:** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), LAFCO Boundaries
  - Legal counsel is currently working on this issue
11. **INFORMATION/ACTION:** Craig Griffin settlement notification: Evidence Code §1152
  - This item was not discussed, as the incorrect Government Code was cited.

Karen Arnold stated that the Board does want to hear the public's thoughts/comments; however she asked that the comments are stated courteously and respectfully.

#### IV. **PUBLIC COMMENTS**

- Community members made comments regarding Hospital issues.

#### V. **REVIEW OF THE AGENDA**

- Remove "Bylaws Revision/Finance Committee Date and Time Change"; item #2 under New Business.
- Add Public Comments to the end of the agenda

**MOTION:** To add Public Comments at the end of the agenda

- Grinberg moved
- McColley second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None

- Motion carried

**MOTION:** To approve the agenda as modified

- Grinberg moved
- McColley second
- Roll call
  - Lund, McColley, Arnold, Grinberg, Redding

**VI. BOARD COMMENTS**

- Mr. Redding stated that he is disappointed that the Board’s decision to terminate Mr. Edwards is being viewed as an attack on Medical Staff. The Board is committed to and energetic about improving this Hospital, and the Board felt that was the first step, and there will be many more. The Board will be able to accomplish improving the Hospital if they have the communities’ support.
- Ms. Arnold stated that the decision to terminate Mr. Edwards was not made lightly or hastily. You don’t ever forget that you have taken someone’s job away; that is a tough thing to do. The decision was made with thought and discussion, and going forward what we want to do is pull together with the community and the staff so that we do have a successful Hospital. She stated the only reason she ran for this job was to help the Hospital stay open. The Board has asked Mike Ellis, and he has accepted being CFO & CEO for an interim period of time until a decision can be made on how the interim process will be handled. A search for a permanent CEO will be started as soon as the HR Director comes back.
- Dr. Kermen stated for the record that the Medical Staff does not feel under attack.

**VII. ACTION: APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT**

1. Minutes: Regular Session, January 10, 2019
2. Minutes: Special Board Meeting, January 3, 2019
3. Alysoun Huntley Ford Fund Draw – There were no requests

**MOTION:** To approve the Consent Calendar

- Lund moved
- McColley second
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**VIII. ACTION/INFORMATION: BYLAWS REVISION/PLANNING COMMITTEE DATE AND TIME CHANGE: MS. JESSICA GRINBERG**

- The Planning Committee Bylaws are to be changed to reflect the following:
  - The Planning Committee will meet at least bi-monthly; the time will be at the discretion of the Planning Committee Chair, on Monday of the week immediately preceding the Thursday of the regular monthly of the Board of Directors. This committee will consist of up to nine (9) members: two (2) members of the Board of Directors, one which will serve as Chairperson and one will serve as Vice Chairperson; the Chief Executive Officer; the President of the Board of Governors of

- the Mendocino Coast District Hospital Foundation; one (1) member of the Medical Staff; and up to four (4) community members that have relevant experience.
- The Planning Committee did approve this at their last meeting.

**MOTION:** To approve the change for the Planning Committee in the Bylaws

- Grinberg moved
- Arnold second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**IX. ACTION/INFORMATION: SUB-COMMITTEE TO REVIEW AND MAKE RECOMMENDATIONS TO BOARD ON POLICIES: MS. KAREN ARNOLD, CHAIR**

- Discussed having a sub-committee of two (2) Board Members to review and make recommendations on changing the policies.

**MOTION:** To approve a sub-committee to review and make recommendations to the Board on Policies and Bylaws

- Grinberg moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**X. ACTION/INFORMATION: BOARD MEETING VENUE CHANGE: MS. AMY MCCOLLEY**

- The Board discussed the possibility of changing the Board Meeting Venue.

**MOTION:** The Board of Directors will explore options for a different venue change

- McColley moved
- Redding second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**XI. ACTION/INFORMATION: RESOLUTION 2019-1 BANK OF AMERICA SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO**

**MOTION:** To approve Resolution 2019-1 Bank of America Signature Authority

- Arnold moved
- McColley second

- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**XII. ACTION/INFORMATION: RESOLUTION 2019-2 SAVINGS BANK SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO**

**MOTION:** To approve Resolution 2019-2 Savings Bank Signature Authority

- Grinberg moved
- Arnold second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**XIII. ACTION/INFORMATION: RESOLUTION 2019-3 TRI COUNTIES BANK SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO**

**MOTION:** To approve Resolution 2019-3 Tri Counties Bank Signature Authority

- Grinberg moved
- McColley second
- Roll Call
  - Ayes: Grinberg, Arnold, McColley, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**XIV. ACTON/INFORMATION: RESOLUTION 2019-4 LAIF ACCOUNT: MR. MIKE ELLIS, CFO**

**MOTION:** To approve Resolution 2019-4 LAIF Account

- Grinberg moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

**XV. INFORMATION: STRATEGIC PLAN UPDATE: MR. MIKE ELLIS, INTERIM CEO**

- This is still in progress. Mr. Ellis will have a more extensive report at the February Board meeting.

**XVI. ACTION/INFORMATION: MEDICAL STAFF APPOINTMENTS/REPORT: DR. JOHN KERMEN**

- There was no Medical Staff report.

**XVII. INFORMATION: CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY**

- Ms. Finley would like to introduce the Board to the departments of the Hospital. This month is the Food and Nutrition Service Department and following is what they wrote:
- The Food and Nutrition Service Department is staff with nine (9) long term dedicated and talented workers. We all enjoy our responsibilities of assuring that the patients at MCDH are provided with wholesome, from scratch, healthy meals to meet their specific nutritional needs. From the initial assessment by the Registered Dietitian to the cleaning of the kitchen, the Food and Nutrition Service Department complies with all the current standards of practice for the care and wellbeing of patients. Service is patient driven and within the past year, the cycle menu has been revamped to better suit our population. Patients are encouraged to make their own meal selections and are allowed to request off-menu items if it is deemed appropriate. The Food and Nutrition Service Department also provides meals to the outpatient setting by offering meals to go for the transient or homeless persons who present to counseling for diabetes and renal education. We are all proud to be valuable members of the interdisciplinary healthcare team servicing the Fort Bragg community.

**XVIII. INFORMATION: PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG**

- The Planning Committee is working on the Strategic Plan in such a way that it becomes an active living plan in which things can be rotated off of it and things can be added. It will constantly be modified.
- A report from the Parcel Tax Oversight Committee will be included.
- Swing Bed Utilization will also now become a part of the Planning Committee as their project. As a result of sharing this in the Planning Committee, the Hospital was able to get potentially 1 transfer coming from Willits tomorrow.
- Dr. Bellah will no longer be a member of the Planning Committee. Dr. Kilian will be the joining the Planning Committee.

**XIX. INFORMATION: PARCEL TAX OVERSIGHT COMMITTEE: MS. MYRA BEALS**

- Myra Beals, Chair reported the Measure C Oversight Committee had their first meeting.
- Myra Beals is chair, Robert Becker is vice chair. The Bylaws and Brown Act were reviewed.
- The Oversight Committee is a sub-committee of the Board. Following is their purpose:  
*The Committee shall review proposed spending of Measure C funds and make recommendations to the Board about whether the proposed spending is consistent with the purposes set forth in Measure C. The committee shall review and report on the expenditure of Measure C revenues to verify said revenues are expended solely to attract and to retain high quality doctors and nurses, maintain local Emergency Room, Obstetrics, Surgical, Ambulance and related 911 services, as well as make critical repairs and upgrades to medical equipment and facilities.*
- Implicit in that purpose is to create trust with the community around the above stated issues.
- The next meeting will take place on February 22.

**XX. ACTION/INFORMATION: FINANCE REPORT: MR. JOHN REDDING**

Mr. Redding announced there are four (4) openings on the Finance Committee.

- The committee set four (4) goals:
  1. To assist in the preparation of the budget
  2. Develop a Strategic Financial Plan
  3. Develop a process for when a service is proposed to be eliminated.
  4. Develop a Marketing Plan

**January Financial Statements Summary**

- Mr. Ellis presented the December 2018 Financial Statements

**MOTION:** To approve the Chief Nursing Officer Report, the Planning Committee Report, the Parcel Tax Oversight Committee Report and the Finance Committee Report as indicated under reports Section XII on the agenda

- Grinberg moved
- Redding second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Absent: None
  - Abstain: None
- Motion carried

**XXI. INFORMATION: ASSOCIATION AND COMMUNITY SERVICE REPORTS**

- There were no Association and Community Service Reports.

**XXII. PUBLIC COMMENTS:**

- Community members made comments regarding Hospital issues.

**XXIII. ADJOURN:**

Open Session adjourned at 7:20 pm

---

Steve Lund, Secretary  
Board of Directors

---

Gayl Moon, Secretary to the  
Board of Directors

Reconvened Closed Session at 7:30

1. Reconvocation of Open Session
  - A. Reporting out on Closed Session
    1. The Board heard a proposal from Mike Ellis regarding him staying Interim CEO/CFO for a longer period of time. No action was taken. Mike was asked to develop a formal proposal to be considered by the Board.

Closed Session adjourned at 8:00 pm