



**BOARD OF DIRECTORS  
BOARD MEETING  
December 10, 2015  
Millbrae City Hall**

- 1. CALL TO ORDER:** Chair Cappel called the meeting to order at 18:05 hours at Millbrae City Hall.
- 2. ROLL CALL:** Present were Directors Cappel, Galligan, Zell, Emmott and CEO Fama.
- 3. MINUTES:** Minutes from the November 3, 2015 regular Board meeting were presented.  
*Director Galligan moved and Director Zell seconded approval of the minutes as written.  
The motion passed 3/0/0*
- 4. ORAL COMMUNICATIONS:** No oral communication was offered.
- 5. REPORT OUT ON CLOSED SESSION:** There were no reportable actions to present.
- 6. PRESENTATIONS:**
  - A. ACHD Excellence in Governance Certificate: Ken Cohen, ACHD CEO**  
Mr. Cohen presented Certified Health Care District status for Best Practices to **Chair Cappel**.  
Director Zell commended Mr. Cohen for what ACHD is doing, and is excited at the possibility of health care districts being able to design-build in a more economical way mirroring the private sector.
  - B. Design-Build Legislation for Healthcare Districts – Update:**  
Mr. Cohen reported that Design-Build Legislation will allow districts to build in a faster, more cost effective way. A couple of sponsors have been approached to advance this for all health care districts. **Chair Cappel** mentioned the importance of design-build to all health care districts called it necessary for success.
- 13. NEW BUSINESS: [Item moved up to accommodate presenter's flight schedule.]**
  - A. Presentation of 2015 Audit – Derek Rampone, Moss, Levy & Hartzheim, LLP**  
Mr. Rampone reported there were 2 reports issued: the Financials distributed and the Management Report. He went through the highlights of the annual financial report. It was a clean audit with no recommendations.  
Director Zell thanked Mr. Rampone for the work done on this audit as it was his firm's first engagement with PHCD. **Chair Cappel** acknowledged Carole Sinay, PHCD's Accountant for all of her work on the audit, as well as, throughout the year.  
*Director Zell moved to accept the audit as presented; Director Emmott seconded.  
The motion passed 4/0/0*
- 7. COMMITTEE REPORTS:**
  - A. Long Term Planning December 1, 2015 meeting:** Chair Cappel reported on the two main items discussed - the update on the Trousdale Project and next steps in the process preparing to re-bid the project; the second was the Peninsula Wellness Community noting the EIR process and community outreach are progressing.
  - B. Community Health Investment- November 30, 2015 meeting:** Chair Galligan reported the final grant recommendations were determined and will be reported out under New Business later in the meeting. She

also reported Supervisor Dave Pine will be recognized as PHCD's 2016 Community Health Leader. Director Zell commended the choice.

**8. BOARD CHAIR'S REPORT:** Chair Cappel had no report.

**9. TREASURER'S REPORT:** Treasurer Zell met extensively with the auditors to review the report before presentation this evening. He continues to meet with developers and financing groups interest in the Wellness Community. He also met again with Community Gatepath leaders about their integration into the plan.

**10. DIRECTORS' REPORTS:** None were given.

**11. CEO REPORT:** CEO Fama supplemented her written report under Consent Calendar by commenting on the following:

- The Trousdale Project's presentation to the Burlingame Planning Commission previously reported as scheduled for December 14<sup>th</sup> has been moved to January 11<sup>th</sup>.
- The Peninsula Wellness Community's formal application for EIR/CEQA study will be submitted to the City in mid-December and has been tentatively scheduled for a Planning Commission scoping session for January 25<sup>th</sup>.
- The Apple Tree Dental Program (ATD) San Mateo Center is now fully operational and has seen over 700 patients. However, the slow licensing process has significantly impacted their progress in signing up nursing homes and group facilities and has delayed compliance with quarterly financial reports. A leadership team meeting with ATD President and CEO is planned in January.
- At the San Mateo Oral Health Coalition meeting on November 5<sup>th</sup>, the special guest presenter was Dr. Jay Kumar, the first Director of Dental Health for the state of California. He was fully aware of the ATD Programs and PHCD's role in bringing these services to our community.

**12. OLD BUSINESS:**

**A. Peninsula Wellness Community Outreach Activities: Ashley McDevitt, PHCD Community Outreach Coordinator and Candace Hathaway, Hathaway Consulting**

Ms. Hathaway reported the objective for outreach has moved into a new phase focused on stakeholder engagement to help identify and resolve any identified issues and build advocacy. The first round of outreach activities are planned through February, 2016. Ms. McDevitt reviewed the new Peninsula Wellness Community pages of the PHCD's website. Director Zell asked what meetings have good attendance and how difficult it is to reach out to the community if most people don't even know about the District.

Ms. Hathaway responded that outreach always starts slowly, but builds over time, especially closer to the start date. Director Zell asked if it would be a good idea to take out an ad in the local newspaper.

Ms. Hathaway responded yes, but further into the project. She mentioned that the Board needs to be involved in building advocacy by talking with people and spreading the word. She handed out a laminated card with key talking points that can be used as a convenient tool by the Directors.

**B. The Trousdale – Assisted Living/Memory Project: Proposed General Contractor Qualifications criteria and proposed bidding schedule – David Marks, Nova Partners**

Mr. Marks pointed out the new pre-qualification questionnaire outlining requirements for prospective bidders. The team has been working on value engineering for the past few months and has been able to eliminate about \$5 million including the rain harvesting system previously required which saved about \$400-\$500,000. New plans with changes to the lower level parking, the addition of 10 street level parking spaces at the north side of the building, and placing a mechanical shed on the roof were

submitted to the city of Burlingame in November. CEO Fama reported she and Joel Roos met had one-on-one meetings with three members of the planning commission and the changes were well-received.

Mr. Marks mentioned that on December 21<sup>st</sup> they will go out for re-bidding. Director Zell asked if it would be better timing to send out the re-bidding packet after the New Year. Mr. Marks replied that contractors are scheduling their work for next year, and are waiting for the package. The expectation is to get four bids. The goal is to start the project in March 2016, and will be 17-18 months long. Director Zell asked if there was another process than the way it was first put out to bid. Mr. Marks replied "Yes". Unlike the first time, this process is seeking a Gross Maximum Price which means when the bids come in, they will include the will be the general contractors as well as the qualified subcontractors. The lowest bids will be accepted if they are also responsible and responsive per their references. Chair Cappel asked that if any Board members have any contractors they know have expressed interest in project or they know who would be qualified, Directors need to forward that information to the District office by December 18<sup>th</sup>.

### **13. NEW BUSINESS:**

**A. Proposed revisions to the Internal Control Policy –** CEO Fama referred to the document distributed in the meeting materials. This policy is critical to sound operating procedures and practices for any organization and certainly for a small office such as PHCD's. Each year after the audit process, the policy is reviewed and revised as needed. The proposed revisions incorporate best practices recommended via the audit process.

*Director Zell moved and Director Galligan seconded approval of the motion.  
The motion passed 4/0/0*

**B. CHIC FY 2016 Grant Recommendations –** Director Galligan thanked Dr. Henry Sanchez, in attendance, and all the committee members for their help and involvement. Many committee members went on site visits and all actively participated in examining and evaluating the programs and applications of the requesting organizations. Director Galligan then presented a power point summary of the Committee's work and its recommendations as to the organizations, amounts, and uses of funding for PHCD's 2016 grants. (Presentation is appended to and made a part of these minutes.)

*Director Zell moved to approve the recommendations of the Community Health Investment Committee as presented. Director Emmott seconded approval of the motion.  
The motion passed 4/0/0*

Director Galligan then presented for approval the San Bruno Parks School District request of \$50,000 to support the School Health Clinic on the Belle Air Elementary school campus in eastern San Bruno. Approval now will secure funding to ensure the clinic can continue in the 2016-2017 school year.

*Director Galligan moved and Director Emmott seconded approval of the motion.  
The motion passed 4/0/0*

Director Galligan noted the total amount approved for this year's grants left a remaining balance of \$88,000 in the grant budget. This occurred because the Children's Health Initiative did not put in a grant request for January – June 2016; traditionally that grant has been for >\$500,000 to provide healthcare coverage for 100% of the low income children living within the District. Because of the Affordable Care Act, a majority of these children are now eligible for other coverage. This allowed the Committee to recommend all the grant requests and all but one at the requested level and still have remaining funds from the budget. [Note: PHCD already provided \$525,000 in FY 2016 grant funds; this amount was approved last year and issued in July 2015.]

Therefore, Director Galligan proposed that \$25,000 of remaining grant funds be transferred into the Discretionary Fund to expand the opportunity for staff to support activities and events of deserving community service agencies, and the remaining \$83,000 be transferred into the New Program Development line item of the budget with the caveat that any plan to use those funds must come before the Board for approval first.

*Director Zell moved and Director Emmott seconded approval of the motion.  
The motion passed 4/0/0*

- C. **Proposed Board Designated Funds Policy** – CEO Fama presented the draft Board Designated Funds Policy. The objectives are consistent with the Strategic Finance Policy of the Board and the target amount was determined based on current loan covenants and with consultation with the Board’s Treasurer and Financial Advisor, Gary Hick.

*Director Zell moved and Director Galligan seconded approval of the motion. The motion passed 4/0/0*

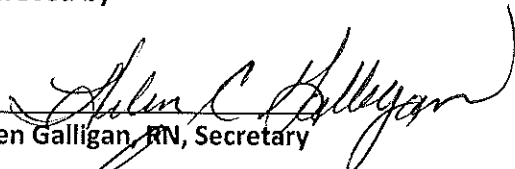
**14. MEDIA AND CORRESPONDENCE:** There were no comments on the items under this tab.

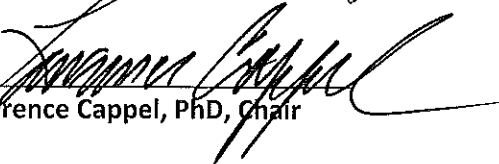
CEO Fama reminded members that the 2016 meeting calendar is attached in their packets and the ACHD Leadership Academy is taking place January 21-23 in Sacramento.

**ADJOURNMENT:** The meeting was adjourned by Chair Cappel 19:45 hours.

Written and submitted by Paul Wright, Office Coordinator.

Approved by

  
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Helen Galligan, RN, Secretary

  
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Lawrence Cappel, PhD, Chair