

BOARD OF DIRECTORS

MEETING MINUTES

January 26, 2017

Millbrae City Hall

1. **CALL TO ORDER:** Chair Cappel called the meeting to order at 17:53 hours.
2. **ROLL CALL:** Present were Chair Cappel, Vice-Chair Navarro, and Secretary Galligan. Also present were Counsel Coffey, CEO Fama, and PHCD Staff Paul Wright and Ashley McDevitt. Excused absences: Directors Frank Pagliaro and Dennis Zell

3. CONSENT CALENDAR

It was moved by Secretary Galligan and seconded by Vice-Chair Navarro to approve the Consent Calendar as presented. The motion passed 3-0.

4. **ORAL COMMUNICATIONS:** No oral communication was offered.

5. **REPORT OUT FROM CLOSED SESSION:** Chair Cappel reported discussions concerned real estate negotiations and the CEO annual performance review which will be covered under New Business.

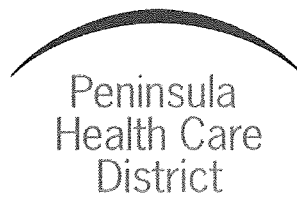
6. SPECIAL PRESENTATION: Bonnie Jue, DDS, Apple Tree Dental California Operations Director:

Dr. Jue introduced herself, her professional career as a private practice dentist, UOP Dental School instructor, and UCSF researcher. She also described her family's 40-year dental practice that had thrived in San Francisco's Chinatown and the family's reasons for moving to San Mateo to become part of the ATD model of care. The Jue family brought their practice of more than 800 patients to the Center with nearly all of their patients are now making the trip to San Mateo to stay with the Jue Family providers. Dr. Jue will be taking on the newly created role as ATD's California Operating Officer February 1st. She will be responsible for oversight of the Center's operations including quality of care, expanding outreach with the mobile capabilities of ATD, and patient and dentist recruitment. The biggest immediate challenge is to recruit sufficient insured patients to meet the pro forma payer mix target to make the Center sustainable to carry out its mission of serving the under and uninsured. She thanked the Board for her time and continued support.

Chair Cappel asked what her research showed as to marketing strategies that work. Dr. Jue replied that you need to develop your strategy according to the target population. Marketing flyers or mailers usually don't work the first time around, it takes about three attempts to be successful. Also it's much easier to have your current patients refer someone than to get a new patient. Chair Cappel asked if the dental market has changed in the last 15 years. Dr. Jue replied that the dynamics of the dental field have really changed in the last 5 years. You have to know what the trends are to be able to adapt.

Chair Cappel invited Mr. Nigel Taverner to comment. He is the Chair of Apple Tree Dental California Board. He added that his Board is looking at social media, the branding, and the website. He asked another dentist if they were threatened by Apple Tree and he said no, because many times it's the convenience that people are looking for. Dr. Jue said that Apple Tree is also very adept at emergency care, and that's where you really help the people. Chair Cappel said that the emergency aspect has tremendous potential, because it's difficult to find emergency treatment.

Chair Cappel thanked Dr. Jue and Mr. Taverner for their attendance and report.



7. COMMITTEE REPORTS:

A. Long Term Planning- January 4: Chair Cappel reported on the Palo Alto Medical Foundation presentation by Dr. Lam, Medical Director of the PAMF Gerontology Services. It was agreed that their many programs would be a good fit with the vision for the Peninsula Wellness Community.

B. Community Health Investment- Chair Galligan mentioned the Community Partners Awards Event coming up on February 1st. She also reported on the status of the RN Forgivable Loan program reminding directors that it was suspended three years ago because new graduates were unable to get jobs within the District. Currently all students approved for loans have graduated; some are working at MPMC and realizing loan forgiveness, some are paying off the loan as they had to take work outside of District, one has been turned over to collections, and all other files are closed.

C. Finance: CEO Fama reported on behalf of Treasurer Zell that the 3-year CD with Torrey Pines Bank as part of the loan covenant terminates January 31st, 2017. Treasurer Zell is recommending we reinvest in a 6 month or 12-month CD given the anticipated increase in interest rates. There was consensus that a short term CD is the way to go.

8. BOARD CHAIR'S REPORT: None was offered.

9. TREASURER'S REPORT: None was offered.

10. DIRECTORS' REPORTS: None was offered.

11. CEO REPORT: C. Fama

The Trousdale/Eskaton -

- Sylvia Chu will be the new Executive Director of The Trousdale. [Her resume was distributed.]
- Eskaton recently represented The Trousdale at a Daily Journal Senior Resource. In response to the unit rates that will be charged, these will be set by June when the marketing effort moves into the next phase.
- Also to be finalized is how the different units will be named. (E.g. 2-bedroom, 1-bedroom, studio, etc.) Team is evaluating local names (Mills, Anza, Ralston, etc.) or trees (Oak, Sequoia, Redwood, etc.) Board input is invited.

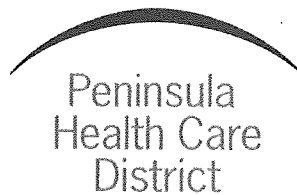
Municipal Service Review Progress

- LAFCO will be making a visit to the PHCD office as part of their review for interviews with the Board Chair and CEO; report targeted for presentation to the Commission in March.

FlashVote - December results; Next steps'

- The first survey produced 40% return rate, but only 20 votes and positive feedback.
- The voter registration email list was purchased containing 40,000 addresses. A general announcement email will go out about "letting your voice be heard" and will ask folks to choose to "opt in". This will create a new list to which the next survey will go to.

Vice-Chair Navarro asked how many voters did not provide email, or what percentage of the total voters. **Ms. McDevitt** responded there as a little over 100,000 voters on the list. **Vice-Chair Navarro** asked how much would it cost to send a mailer to the non-email voters. **CEO Fama** said probably a large amount, but with this tool 600 is statistically valid. **Chair Cappel**



asked what an all-in newsletter mailing costs; **CEO Fama** responded about \$15,000 for 40,000 copies.

Construction Report

- In addition to the rain delays, there have been rebar issues which have added 6 days of delay in December bringing project to 45 total days of delay. Rebar delays are the General Contractor's responsibility to "make up". However, they are still confident it will open by the end of 2017.
- Monday, January 30th at 8:30 am is the next Board Building Committee meeting.
- **CEO Fama** mentioned that after they receive all the RFQ's for the Peninsula Wellness Community, she would like to assemble a review committee and include some outside development experts with no relation to the project participate in the evaluation. Chair Cappel voiced support of that plan.

12. COMMUNITY OUTREACH COORDINATOR REPORT-A. McDevitt

Community Partners Event: Details of ceremony for the 2/1/17 event are being finalized.

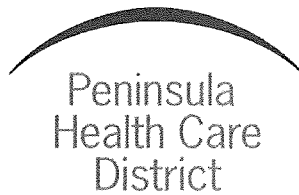
Teen Mental Health Project

- The student survey after 6 months of the program should be ready next month.
- There were 2,291 drop in student visits, 196 students receiving weekly or bi-weekly counseling, and sixty-three 5150's which is a significant increase over last year, some of which are multiple occurrences for one student.
- They are developing their intern program with the plan to recruit interns from local colleges to have in place at the start of the next school year.

13. OLD BUSINESS:

A. Apple Tree Dental Funding Agreement - Addendum #2 Implementation and Report on key activities- CEO Fama

- CEO is actively participating in weekly Management, Marketing, and Fundraising meetings, as well as, the first meeting of the ATD California Board's Fundraising Advisory Committee.
- Operating cost reductions have been implemented in January; financial impact will be seen in February.
- Dr. Bonnie Jue and her new role will be critical implementing needed changes and brings a strong community reputation and professional network to the role.
- The CSM contract is being fully implemented. Eight mobile visits have occurred the last quarter of 2016 and eight more are scheduled for the first quarter of 2017. A report on metrics from the visits is pending.
- Financial reporting has not been as timely as required. ATD MN's CFO explained that delays are due to setting up the different fiscal year for California- July-Jun vs. Jan-Dec in MN., revising the calendar year 2017 budget to reflect 2016 actuals, and the annual Audit process ATD going on.
- There were not additions or comments about the Performance Dashboard drafted by CEOs Helgeson and Fama. However, **Chair Cappel** encourage more timely short metrics also be tracked because that is how really need to get an idea of how an organization is doing. It's unnecessary to need them to get that from Minnesota. **Chair Cappel** said the Board if anyone wants to sit on the Apple Tree Board. **CEO Fama** presented the Board schedule.



ACTION ITEMS: PHCD appointments to ATD California Board and Committee:

Chair Cappel noted that this Board, per the Funding Amendment, #2, needed to make a nomination of a director to serve on the ATD California Board. The meeting schedule for the next six months was distributed. **Chair Cappel** requested and **Director Galligan** agreed to serve.

It was moved by Chair Cappel and seconded by Vice Chair Navarro to nominate Director Galligan to serve on the ATD, California Board. The motion passed 3-0

Chair Cappel noted that this Board also needed to make a nomination to serve on the ATD California Board's Fundraising Advisory Committee.

Chair Cappel nominated and Vice Chair Navarro seconded nominating CEO Fama to serve on the ATD California Board's Fundraising Advisory Committee. Motion passed 3-0

14. NEW BUSINESS:

A. Ratification of the Community Health Investment Committee's Selection of individuals to be honored at the February 1st Annual Community Partners Event: Director Galligan

As Chair of the Community Health Investment Committee, **Director Galligan**, announce that two local leaders were unanimously recommended by the Committee to be honored by PHCD at the 2017 Community Partners Event: Tippy Irwin, Executive Director of Ombudsman, who is retiring this April after serving as the Executive Director for the past 15 years; and, Arne Croce, recently retired Executive Director of Peninsula Family Service for the past 3 years and more than 30 years of community service prior to coming to Peninsula Family Service. The Committee also recommends honoring two Volunteers of the Year: Rickey Ono of CASA of San Mateo County and Paul Smith of Mission Hospice and Home Care. She is seeking ratification of these selections.

It was moved by Chair Cappel and seconded by Vice-Chair Navarro to ratify the Selections of the Community Health Investment Committee. The motion passed 3-0

B. Election of Board Officers, January 2017 through December 2019: Chair Cappel

Per the Bylaws, Board officers are to be elected every January of the odd numbered years. He then opened the floor for nominations. Vice-Chair Navarro asked Counsel Coffey if a slate of officers could be motioned. He advised each office should be nominated separately.

1. Board Chair:

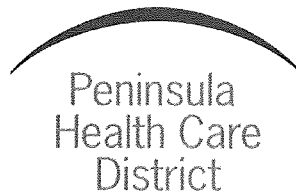
It was moved by Vice-Chair Navarro and seconded by Secretary Galligan to nominate Director Cappel to a two-year term as Chair. The motion passed 3-0

2. Board Vice Chair:

It was moved by Chair Cappel and seconded by Secretary Galligan to nominate Director Navarro to serve a two-year term as Vice-Chair. The motion passed 3-0

3. Secretary:

It was moved by Vice-Chair Navarro and seconded by Chair Cappel to nominate Director Galligan to serve a two-year term as Secretary. The motion passed 3-0



4. Treasurer: Chair Cappel acknowledged that, in the absence of the other two directors, those present do not directly know their interest in the position. Given Director Zell has been doing a fine job and Director Pagliaro is new and has not expressed interest in an officer position,

It was moved by Chair Cappel and seconded by Secretary Galligan to nominate Director Zell to serve a two-year term as Treasurer. The motion passed 3-0

C. CEO Annual Performance and Compensation Review - Report out from Closed Session:

CEO Employment Agreement and Compensation Adjustments

Chair Cappel reported that the following determinations were made in Closed Session based on a review of the CEO's employment contract, the CEO's performance to basic duties, and the CEO's performance to her 2016 Performance Plan. He reported that the Board was unanimous in their assessment that she met performance expectations. The automatic CPI adjustment per contract will be 3.5322% this year and will go into effect February 1st. The term of her contract will be extended to January 31, 2021 – a three-year extension.

It was moved by Vice-Chair Navarro and seconded by Secretary Galligan to Amend the CEO Employment Contract to recognize a 3.5322% CPI adjustment effective 2/1/17, and to extend the term of the agreement to 1/31/21. The motion passed 3-0

Chair Cappel also reported that, in recognition of a job well done over the past year, and as provided for in the Employment Agreement, the Board was unanimous in their agreement that the CEO was deserving of a performance bonus of 6% calculated on the 2016 base salary. Counsel Coffey advised to include in the motion to direct counsel to prepare an amendment for the employment contract and for the Chair to execute said amendment.

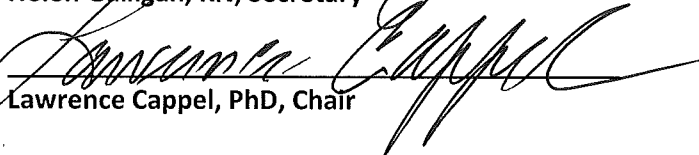
It was moved by Vice-Chair Navarro and seconded by Secretary Galligan to approve the motion to award the CEO a performance bonus of 6% on the 2016 base salary. The motion passed 3-0

15. ADJOURNMENT The meeting was adjourned by Chair Cappel at 19:30 hours.

Written and submitted by: Paul Wright, Office Coordinator

Approved by


Helen Galligan, RN, Secretary


Lawrence Cappel, PhD, Chair

**NEXT REGULAR BOARD MEETING:
February 21, 2017 5:45 PM
PHCD Offices 1819 Trousdale, Burlingame**

