



**Minutes of the Open Session of the Special Meeting of the
El Camino Healthcare District Board of Directors
Tuesday, June 16, 2020**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

Board Members Present

Peter C. Fung, MD**
Gary Kalbach, Chair**
Julia E. Miller, Secretary/Treasurer**
George O. Ting, MD, Vice Chair**
John Zoglin**

Board Members Absent

None

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the El Camino Healthcare District Board of Directors (the "Board") was called to order at 5:32pm by Chair Kalbach. A verbal roll call was taken. Chair Kalbach reviewed the logistics for the meeting. All Board members were present and participated via teleconference and videoconference pursuant to Santa Clara County's shelter in place order. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	
2. SALUTE TO THE FLAG	Dan Woods, CEO, led the Board members, staff, and members of the public present in the Pledge of Allegiance.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Kalbach asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
4. PUBLIC COMMUNICATION	None.	
5. CONSENT CALENDAR	Chair Kalbach asked if any member of the Board or the public wished to remove an item from the consent calendar. Chair Kalbach requested removal of Agenda Item 5b: Resolution 2020-05: Setting Regular Meeting Dates and Director Miller requested removal of Item 5c: FY20 Pacing Plan. Motion: To approve the consent calendar: Minutes of the Open Session of the District Board Meeting (5/19/2020). Movant: Fung Second: Miller Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None Chair Kalbach requested removal of the August 11, 2020 District Board meeting from the list of proposed dates. Motion: To approve the consent calendar: Resolution 2020-05b: Setting Regular Meeting Dates without an August 11, 2020 meeting. Movant: Miller Second: Zoglin	<i>Consent calendar approved</i>

	<p>Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>There was no motion on the FY20 Pacing Plan.</p>	
<p>6. COMMUNITY BENEFIT SPOTLIGHT</p>	<p>Motion: To approve <i>Resolution 2020-06</i>.</p> <p>Movant: Miller Second: Fung Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Barbara Avery, Director of Community Benefit, introduced Kathy Forward, Former Executive Director and Consultant to NAMI – Santa Clara County. Ms. Forward described NAMI’s programming designed to remove stigma around mental health conditions, including their Warmline Help Line and Community Peer Program. She highlighted that this work helps reduce hospital readmissions.</p> <p>Director Miller thanked Ms. Forward and the team for their work.</p>	<p><i>Resolution 2020-06 approved</i></p>
<p>7. FY20 YTD FINANCIALS (PERIOD 10)</p>	<p>Michael Moody, Interim CFO, provided an overview of the year-to-date District financials:</p> <ul style="list-style-type: none"> - On the consolidated balance sheet, the increase in cash and investments (up to \$400 million) was driven by CARES Act funding in April and Medicare Advance payments, which will El Camino Hospital will begin to pay back in July. - Patient Accounts Receivable is down due to the reduction in volume. Mr. Moody noted that volume began to recover in May. - The significant variance of Other Accounts and Notes Receivable and Accounts Payable and Accrued Expenses is due to inter-company payables and receivables between El Camino Hospital and its affiliated entities, which will be offset in June. - On the income statement, supplies and purchased services have unfavorable variances from budget; management continues to focus on these areas. - Overall, the organization is \$36 million behind plan. Mr. Moody projected that there will be positive operating income at end of fiscal year, but the organization will not meet budget targets. - The non-operating income loss is due to the market downturn. Mr. Moody commented that investment performance has recovered in April 2020, much more so in May 2020, and the portfolio has once again been valued at over \$1 billion. - He reviewed adjustments and items on the District standalone balance sheet, including short term investments, bond interest payments, and the capital appropriation fund. - The District recently received matching IGT payments. - Net income is \$13.2 million. <p>On outstanding items from the May meeting, Mr. Moody reported that 1) there is no breakdown available for prior postage expenses, but those expenses will be broken down going forward and 2) the team is working</p>	<p><i>FY20 YTD financials approved</i></p> <p><i>Amortization schedules to be included in next report</i></p>

	<p>on a risk assessment for investments to include in future reports.</p> <p>In response to Director Fung’s question related to District bonds, Mr. Moody explained that interest accrues on a monthly basis and payments are made twice per year. Director Fung requested annual amortization schedules by year from present until the bonds are paid off.</p> <p>Motion: To approve the FY20 YTD financials.</p> <p>Movant: Fung Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>8. DISTRICT CAPITAL OUTLAY FUND APPROVAL</p>	<p>Ken King, CASO, explained that the Women’s Hospital Expansion project is in the plan review and permitting stage; Mr. King anticipates an early 2021 project start date.</p> <p>In response to questions from the Board, Mr. King described 1) the review of potential projects for this funding, noting that radiation oncology, catheterization laboratory, and imaging equipment do not qualify; generally, a project must have a minimum 10-year life span (brick and mortar projects are often most suitable), 2) other upcoming projects, including campus completion and demolition of the Old Main Hospital, and 3) the relocation of physician tenants from the Women’s Hospital to the Sobrato Pavilion.</p> <p>Motion: To designate the FY2018 funds totaling \$7,830,671 in its Capital Outlay Fund in support of the Women’s Hospital Expansion renovation/reconstruction project, bringing the total fund to \$30,261,134.</p> <p>Movant: Miller Second: Zoglin Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None</p>	<p><i>Women’s Hospital Expansion funds designated</i></p>
<p>9. PROPOSED MODIFICATION TO DISTRICT-FUNDING COMMUNITY TESTING PROGRAM AUTHORIZATION</p>	<p>Dan Woods, CEO, explained that the COVID-19 testing program as approved by the District Board at its May 2020 meeting authorized \$1.2 million to be used by the end of FY20 (June 30, 2020). As the program cannot ramp up that quickly in the remainder of June, the proposed modification would allow for pre-payment of the FY20 approved funding of \$1.2 million to support the program’s operations in FY21.</p> <p>Director Fung encouraged using local media to increase awareness of the program and to make it as user-friendly as possible. Mr. Woods reported that there have been digital media announcements, an interview with the Los Altos Town Crier, and the team is exploring other avenues.</p> <p>In response to Director Zoglin’s questions, staff described fees and billing (\$100 per test, insurance is billed when possible), volumes (currently 30 individuals per day), and expansion plans, including other identified testing sites. Cindy Murphy, Director of Governance Services, reported that the team is working with local school districts on potential testing.</p> <p>Omar Chughtai, VP of Operations, described digital marketing efforts and collaboration with the County so the District site will be listed in their</p>	<p><i>Modification approved</i></p>

	<p>media.</p> <p>Motion: To approve the modification to the District-funded community testing program as proposed.</p> <p>Movant: Miller Second: Fung Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None</p>	
10. COMMUNITY BENEFIT SPONSORSHIPS (May-June 2020)	<p>Barbara Avery, Director, Community Benefit, reported that there have been fifteen sponsorships in FY20, including one successful virtual event for Bay Women’s Sports Initiative (BAWSI) in May 2020. She noted that many events have been canceled or moved to the fall.</p> <p>Director Miller described the success of BAWSI’s virtual event.</p>	
11. FY21 COMMUNITY BENEFIT PLAN	<p>Barbara Avery, Director of Community Benefit, described the survey of grantees to understand how programs are addressing the COVID-19 pandemic, including Shelter in Place orders and social distancing requirements, and how it will impact their programming for 2020. Responses indicated that there is high need for these programs, services are adapting to include telehealth, virtual classes, curbside services, sanitation and testing, and schools expressed strong desire to retain their grant programs. 90% of grantees reported they would spend the money they would receive for the first half of the year with the intended population.</p> <p>Ms. Avery reported that there were 63 proposals received, with a total of \$8.6 million requested, and \$7.4 million was available for FY21. She reviewed the largest proposals over \$200,000.</p> <p>She provided an overview of the process, including 1) geography requirement for District grantees; in the application, applicants must attest to and report on how District funds will serve only those who live, work, or go to school in the District, 2) the definition of “healthcare” in this context, based on the Community Health Needs Assessment (CHNA) and 3) the Community Benefit Advisory Council (CBAC) discussions, designed to solicit input about community needs.</p> <p>Motion: Do Not Fund Canopy, \$280,000 for CHAC, \$270,000 for Momentum, and \$30,000 for WomenSV.</p> <p>Movant: Miller Second: Ting</p> <p>In response to Director Ting’s questions, Director Miller described the discussions at the CBAC meeting regarding WomenSV and allocation of funding to other organizations; at the meeting, CBAC raised questions about WomenSV staff training. Ms. Avery explained that following the CBAC meeting staff conducted interviews and found that WomenSV’s supervision and training is appropriate and adequate.</p> <p>Director Zoglin expressed concerns about asking for CBAC feedback and time if the Board does not accept their recommendations, especially when those recommendations affect 1% of the plan funding. Chair Kalbach commented that this question should be addressed by the District’s Community Benefit Ad Hoc Committee chaired by Director Miller.</p> <p>The Board discussed the review process, including staff and CBAC and</p>	FY21 Community Benefit Plan as modified approved

recommendations, and the motion on the floor.

Director Miller restated her motion: Do Not Fund Canopy, to fund CHAC at the staff recommendation, to fund Momentum at the staff recommendation, and to fund WomenSV with an increase to their requested amount.

Ayes: Fung, Kalbach, Miller, Ting, Zoglin

Noes: None

Abstentions: None

Absent: None

Director Miller expressed concerns about increasing funding to RoadRunners and asked for staff comment on ridership. Ms. Avery described the volume in rides, which had temporarily decreased due to COVID-19, and the annual target metrics of 9,000 rides and 860 people served.

Motion: To decrease RoadRunners funding by \$10,000:

Movant: Miller

Second: Fung

The Board discussed the plan approval process, including consideration of modifications. Chair Kalbach described his intent to ask for approval of the plan with exceptions, rather than going through each individual grant proposal. He commented that the full plan has been approved and the motion on the floor is for another modification.

There was no vote on the motion. Director Fung withdrew his second and Director Miller withdrew her motion.

Director Miller expressed concerns about funding RoadRunners at \$240,000.

Motion: To fund Sunnyvale Police and Fire Foundation at their requested amount of \$25,000.

Movant: Miller

Second: Fung

Director Miller expressed concerns about the recommendation not to fund the Sunnyvale Police and Fire Foundation and stated that staff misrepresented the services that the Foundation provides. She commented that the District's Community Benefit grant funding should be geographically distributed across the District, and believes that Sunnyvale is underrepresented in this distribution.

Director Zoglin expressed concerns about one member putting forth one particular grant organization and suggested deferring to the recommendations that came through the process.

In response to Director Miller's comments, Ms. Avery quoted from the Sunnyvale Police and Fire Foundation's grant application and line-item budget, including \$5,000 for one individual's support as a canine officer and supplements to active and retired police and fire for the City of Sunnyvale. Ms. Avery commented that while it is a valuable program, it did not necessarily fit the core mission of District Community Benefit program, and there is limited funding for the whole plan.

Director Ting voiced his support of staff recommendation.

Ayes: Fung, Kalbach, Miller

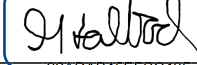
Noes: Ting, Zoglin

	<p>Abstentions: None Absent: None</p> <p>In response to Director Fung’s question, Chair Kalbach commented that the District’s Ad Hoc Committee, chaired by Director Miller, is working with Dan Woods, CEO, on Community Benefit process improvements and will make recommendations at future Board meeting sometime between August and October 2020.</p>	
12. FY21 CBAC LIAISON APPOINTMENT	<p>Chair Kalbach recommended re-appointment of Director Miller as the FY21 Liaison.</p> <p>Motion: To appoint Director Miller as FY21 CBAC Liaison.</p> <p>Movant: Fung Second: Ting</p> <p>The Board discussed the position: Director Zoglin commented that service should rotate among the five members over time. Director Ting declined to participate in this role. Director Zoglin noted that he would be open to participating as the District Board CBAC Liaison, but he is currently the liaison for the Hospital Board. Director Fung commented that there is a learning curve to the position.</p> <p>Ayes: Fung, Kalbach, Miller, Ting Noes: None Abstentions: Zoglin Absent: None</p>	<i>Director Miller appointed as CBAC Liaison</i>
13. FY21 PACING PLAN	<p>The Board discussed the pacing plan, including the need to reschedule the Board meeting currently scheduled for August 19, 2020.</p> <p>Motion: To approve the FY21 Pacing Plan with the following changes: to remove the August 11, 2020 meeting, to remove reference to “August 19th” and leave it as “August 2020,” and to update the October 20, 2020 meeting with the Ad Hoc Committee Community Benefit Report.</p> <p>Movant: Miller Second: Zoglin Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None</p>	<i>FY21 Pacing Plan approved as amended</i>
14. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 7:22pm.</p> <p>Movant: Fung Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None</p>	<i>Adjourned to closed session at 7:22pm</i>
15. AGENDA ITEM 19: RECONVENE OPEN SESSION REPORT OUT	<p>Open session was reconvened at 7:31pm by Chair Kalbach. Agenda Items 15-18 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the District Board Meeting (1/28/2020) by a unanimous vote in favor of all members participating in the meeting (Directors Fung, Kalbach, Miller, Ting, and Zoglin).</p>	
16. AGENDA ITEM 20: BOARD	<p>Director Miller reported that she attended an event for Cristo Rey.</p> <p>Director Miller noted that Congressman John Garamendi (D-CA) has</p>	

COMMENTS	introduced a bill to support Special Districts and asked for staff comment. Ms. Murphy commented that the federal bill would provide funding for Special Districts similar to the CARES Act. She explained that she has not conducted research on pursuing this funding, but can do so if desired by the Board. Ms. Murphy described the initial impressions from the Interim Director of Government & Community Relations and Interim CFO on the bill.	
17. AGENDA ITEM 21: ADJOURNMENT	Motion: To adjourn at 7:44pm. Movant: Ting Second: Fung Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 7:44pm</i>

Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Healthcare District:

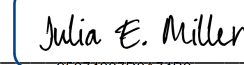
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Gary Kalbach
Chair, ECHD Board

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Julia E. Miller
Secretary, ECHD Board

Prepared by: Cindy Murphy, Director of Governance Services
Sarah Rosenberg, Contracts Administrator/Governance Services EA