

TEHACHAPI VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES

116 W E Street

Tehachapi, CA 93561

June 16, 2020

Meeting held via teleconference

4:30pm

Board Present: Mike Nixon, President; Sam Conklin, Vice-President; Duane Moats, Treasurer; Christine Sherrill, Secretary; William Steele

Staff Present: Lisa Hughes, Business Manager; Caroline Wasielewski, District Manager; Chet Beedle, CFO and Scott Nave, Counsel

Guest Speakers: Fady Ghobrial and Eric Hayes, Engie; Dave Scriven and Victoria Morrell, Krieger & Stewart.

I. CALL TO ORDER

President Mike Nixon called the meeting to order at 4:30 pm

II. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

No public present.

IV. CONSENT AGENDA

A. Approval of Minutes

- a. Strategic Planning, 5/14/2020, Receive and File
- b. Board Meeting, 5/19/2020, Receive and File

Consent Agenda Approval, **MSA: STEELE/SHERRILL; ROLL CALL 5-0.**
APPROVED

V. REPORTS

A. Chief Financial Officer Report (Beedle)

Mr. Beedle urged the Board to read the Variance Analysis at their leisure.

B. District Manager Report

District Manager Wasielewski reviewed the report in the Board packet. Items mentioned were the move of District office to 116 W E Street. Trees at the new location will be trimmed the week of June 15, 2020. Randy Weinstein, architect for the 115 W E project is working on new drawings for the renovation and is meeting prospective tenants, Mountain Pathways this week. Ms. Wasielewski also reminded the Board that a new lease needs to be signed for the use of the building at 101 W E Street. It is currently leased by the Guild of Tehachapi

Hospital. TVHD terminated the previous lease on 8/7/2020 with a 12 month notice.

C. Strategic Planning Report (Nixon)

Mike Nixon addressed the Board about prioritizing district resources on disaster planning for the community. Citizens are unprepared and are relying on Kern County and the State of California for resources and response teams. Mr. Nixon suggested the District spend time working on ways to help Tehachapi in the event of additional disasters and the continuation of the Covid19 pandemic. These items will be the focus of the Strategic Planning Committee.

VI. NEW BUSINESS

A. FY21 Budget Summary (Beedle)

CFO Beedle reviewed the FY21 budget handout. He considered budget variances from FY17, FY18 and FY19 in the development. Proceeds from IGT programs account for most of the Healthcare District's revenue. Other sources are interest income and property taxes. The deferred income is from the General Obligation Bonds. CFO Beedle asked the Board for approval of the FY21 Budget. *Mr. Moats noticed a \$330K loss. Mr. Beedle stated the IGT monies make up that difference. Will the IGT go away? Beedle thinks all looks healthy and good. He reminded the Board that IGT is contingent on owning the hospital.*

B. WIPFLI FY17 Audit Report

CFO Beedle presented Audit Report for Fy17. He noted that this period was the transition from TVHD to Adventist Health. The management discussion was deemed not necessary and eliminated. Mr. Beedle continued to explain the FY17 audit and described the revenue and expenses. The FY16 WIFPLI audit showed a \$7 million positive. This FY17 audit got rid of \$6 million. Mr. Beedle suggested the Board reads the notes. He continued to review other items related to the audit: *Management Letter* – auditors concerned with the account receivable adjustments. Chet is comfortable with them. WIPFLI letter describing various behaviors they found questionable. For each example, the District Manager and Business Manager have put a remedial procedure into place. *Director Conklin asked CFO Beedle and DM Wasielewski to write a statement for each Internal Control Measure.*

C. TVHD Initial Study and Draft Mitigated Negative Declaration for the Adventist Health Tehachapi Valley Solar Project

Victoria Morrell and Dave Scriven representing Krieger & Stewart, the consulting firm contracted to do the CEQA study for the solar panels at 1100 Magellan Drive took the floor, addressed the Board, and presented the Initial Study. Fady Ghobrial, from Engie, was on the call as well. Mr. Scriven reviewed the document noting the informational piece describing the project. He reviewed the environmental checklist and summarized no significant issues were found. Legal counsel Scott Nave expressed his concern with the City of Tehachapi and their issue with placement of the panels. He asked if anyone from Engie had spoken to the City Planning or Zoning departments. Mr.

Ghobrial responded he has been in contact with Cory and Kim with the City. They have asked for a rendering of the project. K&S asked for a copy of that rendering as well. The City had no suggested changes to the design, they did have an issue with the hillside placement due to its grade. Mr. Scriven asked if the Board would accept the CEQA in its current form, and if the city has any issues, all parties can revisit and address. Mr. Nave advised that a reduction in scope, due to different placement would not be cause for a second review, merely an addendum. Mr. Ghobrial agreed to go forward with the current document and send to the City of Tehachapi for comments and review. Mr. Nave stressed again that Engie should continue to talk with the City and begin a discussion about the next steps in getting to the Planning Commission. He stated TVHD approval is contingent upon City approval. After listening to the presentation, a motion was entered to move forward with the negative mitigated declaration and allow Caroline Wasielewski to handle the process. It was seconded, and a roll call vote came up all ayes.

MSA; SHERRILL/ CONKLIN; ROLL CALL 5-0

D. District Manager Compensation

Mike Nixon presented the issue of District manager compensation increase for Cost of Living. He mentioned 3% seemed fair. A motion was entered by Christine Sherrill to increase District Salary for Cost of Living by 3%. Mr. Steele seconded the motion. Seeing no discussion, Mike Nixon called to question and a roll call vote was taken.

VII. OLD BUSINESS

None

Board of Director Travel

None

VIII. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

None

IX. ADJOURNMENT

Meeting adjourned at 6:09 pm

Respectfully,



Christine Sherrill
Secretary