



SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306**

Regular Meeting
Wednesday, February 21, 2018

11:30 A.M.

BOARD RECONVENED

Directors present: Bigler, Lawson, McGauley, McLaughlin, Pelz (arrived at 11:55 a.m. after the vote on the consent agenda and item 4)

Directors absent: Berjis, Sistrunk

NOTE: The vote is displayed in bold below each item. For example, Lawson-McLaughlin denotes Director Lawson made the motion and Vice Chair McLaughlin seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" WERE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

DOMINIC BROWN, ACTING EXECUTIVE DIRECTOR, KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION, HEARD REGARDING HIS WILLINGNESS TO ASSIST THE BOARD WITH ANY QUESTIONS OR CONCERNS RELATED TO THE RETIREMENT PLAN

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

NO ONE HEARD

ITEMS FOR CONSIDERATION

CA

- 3) Minutes for Kern County Hospital Authority Board of Governors regular meeting on January 18, 2018 –
APPROVED

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

- 4) Proposed Report of Independent Auditors from Moss-Adams LLP, an independent contractor, regarding the audit of Kern Medical Center financial statements for the year ending June 30, 2017 –

RECEIVED AND FILED; REFERED TO KERN COUNTY BOARD OF SUPERVISORS
McLaughlin-Lawson: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

- 5) Proposed update regarding the California section 1115 Medi-Cal 2020 Demonstration Waiver specific to the Kern Medical Center Whole Person Care Pilot program –
RECEIVED AND FILED

Pelz-McLaughlin: 5 Ayes; 2 Absent - Berjis, Sistrunk

CA

- 6) Proposed 2017 Achievement Award from state of California Health and Human Services Agency for meeting or exceeding the Healthy People 2020 target for low-risk, first-birth cesarean deliveries –
RECEIVED AND FILED

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 7) Proposed 2017 Comprehensive Annual Financial Report and 2017 Actuarial Valuation from Kern County Employees' Retirement Association –
RECEIVED AND FILED

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 8) Proposed retroactive Amendment No. 10 to Agreement 042-2015 with Cantu Management Group, Inc., an independent contractor, for Chief Financial Officer and healthcare financial management services, revising the methodology for the monthly staffing fee for additional staff from hourly rates plus 44% to hourly rates plus a percentage of costs (benefits and expenses) not to exceed 44%, and increasing the maximum payable by \$7,500,000, from \$30,038,240 to \$37,538,240, effective January 1, 2018 –

APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 006-2018

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 9) Proposed retroactive Amended and Restated Membership Agreement with California Perinatal Quality Care Collaborative (CPQCC), an independent contractor, containing nonstandard terms and conditions, for statewide reporting and collection of hospital-level performance data on California maternal and neonatal care from December 1, 2017 through November 20, 2020, in an amount not to exceed \$30,000 –

APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN AGREEMENT 007-2018

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 10) Proposed Agreement with Arturo Gomez, M.D., a contract employee, for professional medical services in the Department of Surgery, Division of Orthopedic Surgery from March 16, 2018 through March 15, 2021, in an amount not to exceed \$3,690,000 –

APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 008-2018

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 11) Proposed retroactive Statement of Commitment to Graduate Medical Education in support of residency and fellowship training programs sponsored by Kern Medical Center, as required by Accreditation Council for Graduate Medical Education, effective July 1, 2016 –

APPROVED; AUTHORIZED CHAIRMAN TO SIGN

Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 12) Proposed retroactive Change Order No. 1 to Agreement 077-2017 with James E. Thompson, Inc., doing business as JTS Construction, an independent contractor, for construction management services related to the NOC IT hub project at Sagebrush Medical Plaza, increasing the maximum payable by \$3,756, from \$717,500 to \$721,256, to cover the cost of additional services –

MADE FINDING PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 009-2018; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 10% OF THE TOTAL CONTRACT PRICE OR \$789,250
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 13) Proposed retroactive Agreement with MedHub, LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of E*Value software license and maintenance to support graduate medical education from November 10, 2017 through November 9, 2020, in an amount not to exceed \$250,000 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 010-2018; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN SALES ORDERS TOTALING AN AMOUNT NOT TO EXCEED \$250,000
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 14) Proposed Agreement with Siemens Healthcare Diagnostics Inc., an independent contractor, containing nonstandard terms and conditions, for the acquisition of three chemistry analyzers and purchase of equipment service and support, reagents, consumables, and supplies from March 1, 2018 through February 28, 2025, in an amount not to exceed \$2,826,913 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 011-2018
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 15) Proposed Agreement with Hitachi Capital America Corp., an independent contractor, containing nonstandard terms and conditions, for capital lease with option to purchase three chemistry analyzers from Siemens Healthcare Diagnostics Inc., an independent contractor, for a term of 60 months commencing upon receipt of equipment, in an amount not to exceed \$534,332 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 012-2018; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN SUPPORTING DOCUMENTATION
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

- 16) Proposed Agreement with Charter Communications Operating, LLC on behalf of its operating subsidiary Spectrum, an independent contractor, containing nonstandard terms and conditions, for purchase of cable TV, phone, internet and related services, effective February 21, 2018 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 013-2018; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN SERVICE ORDERS EACH TOTALING AN AMOUNT NOT TO EXCEED \$250,000
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

CA

17) Proposed retroactive Resolution revising the authority of Counsel to contract for expert legal services for claims and litigation management, effective January 1, 2018 – APPROVED; ADOPTED RESOLUTION 2018-003
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

18) Kern County Hospital Authority Chief Financial Officer report – RECEIVED AND FILED
Lawson-McGauley: 5 Ayes; 2 Absent - Berjis, Sistrunk

19) Kern County Hospital Authority Chief Executive Officer report – RECEIVED AND FILED
Pelz-McGauley: 5 Ayes; 2 Absent - Berjis, Sistrunk

CA

20) Claims and Lawsuits Filed as of January 31, 2018 – RECEIVED AND FILED
Lawson-McGauley: 4 Ayes; 3 Absent - Berjis, Pelz, Sistrunk

ADJOURNED TO CLOSED SESSION
McGauley-Pelz

CLOSED SESSION

- 21) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 22) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(2).) Number of cases: One (1) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the Authority and that are known to a potential plaintiff or plaintiffs – SEE RESULTS BELOW
- 23) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – SEE RESULTS BELOW
- 24) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Russell V. Judd, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – SEE RESULTS BELOW

- 25) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Hadie Vanessa Alvarez v. County of Kern, et al., Kern County Superior Court, Case No. BCV-15-101754 TSC – SEE RESULTS BELOW
- 26) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521 v. County of Kern, et al., Public Employment Relations Board, Case No. LA-CE-1084-M – SEE RESULTS BELOW
- 27) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)) Name of case: Brandy Hernandez aka Brandy Desrocher, an individual v. County of Kern, et al., Kern County Superior Court, Case No. BCV-17-102820 SDS – SEE RESULTS BELOW
- 28) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer
(Government Code Section 54957) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION

Lawson-Pelz

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 21 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR LAWSON, SECOND BY DIRECTOR MCGAULEY; 2 ABSENT - DIRECTORS BERJIS AND SISTRUNK), THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, REVIEW AND RELEASE OF PROCTORING, CHANGE IN STAFF STATUS, VOLUNTARY RESIGNATION OF PRIVILEGES, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item No. 22 concerning CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(2).) Number of cases: One (1) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the Authority and that are known to a potential plaintiff or plaintiffs – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 23 concerning Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 24 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Russell V. Judd, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 25 concerning CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Hadie Vanessa Alvarez v. County of Kern, et al., Kern County Superior Court, Case No. BCV-15-101754 TSC – HEARD; NO REPORTABLE ACTION TAKEN

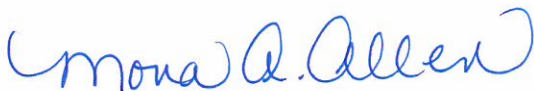
Item No. 26 concerning CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Service Employees International Union, Local 521 v. County of Kern, et al., Public Employment Relations Board, Case No. LA-CE-1084-M – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 27 concerning CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Brandy Hernandez aka Brandy Desrocher, an individual v. County of Kern, et al., Kern County Superior Court, Case No. BCV-17-102820 SDS – HEARD; NO REPORTABLE ACTION TAKEN

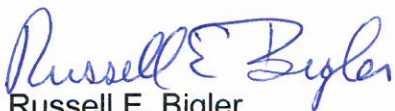
Item No. 28 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, MARCH 21, 2018, AT 11:30 A.M.

Pelz



/s/ Mona A. Allen
Authority Board Coordinator



/s/ Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority