



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 15, 2017

11:30 A.M.

BOARD RECONVENED

Directors present: Berjis, Bigler, Lawson, McGauley, McLaughlin, Pelz, Sistrunk
Directors absent: None

NOTE: The vote is displayed in bold below each item. For example, Lawson-McLaughlin denotes Director Nilon 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!**
NO ONE HEARD

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

RECOGNITION

- 3) Presentation recognizing Vice President of Ambulatory Services Renee Villanueva and her team for their work on the PRIME program –
MADE PRESENTATION

ITEMS FOR CONSIDERATION

- CA
4) Minutes for Kern County Hospital Authority Board of Governors regular meeting on January 18, 2017 –
APPROVED
Lawson-McGauley: All Ayes
- CA
5) Proposed retroactive Amendment No. 8 to Agreement 911-2013 with Meridian Healthcare Partners, Inc., an independent contractor, for Chief Executive Officer and healthcare management services, revising the compensation methodology effective January 1, 2017 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-009
Lawson-McGauley: All Ayes
- CA
6) Proposed Amendment to the Kern County Hospital Authority Bylaws for Governance, reflecting recent changes to the enabling ordinance –
APPROVED; REFERRED TO KERN COUNTY BOARD OF SUPERVISORS FOR APPROVAL
Lawson-McGauley: All Ayes
- CA
7) Proposed retroactive Agreement with Mesa Energy Systems, Inc., an independent contractor, for construction management services related to the E wing heating and cooling controls replacement project, effective January 18, 2017, in an amount not to exceed \$335,500 –

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 2017-010; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 20% OF THE ORIGINAL CONTRACT PRICE

Lawson-McGauley: All Ayes

CA

- 8) Proposed Change Order No. 1 to Agreement 2016-074 with Anderson Group International, an independent contractor, for construction management services related to the Pharmacy USP 797 clean room modifications, increasing the maximum payable by \$16,770.40, from \$588,018.07 to \$604,788.61, 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 2017-011; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 20% OF THE ORIGINAL CONTRACT PRICE

Lawson-McGauley: All Ayes

CA

- 9) Proposed retroactive Agreement with JTS Construction, an independent contractor, for construction management services related to the Sagebrush Medical Plaza tenant improvements project, effective November 16, 2016, in an amount not to exceed \$1,095,821 –

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 2017-012; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 20% OF THE ORIGINAL CONTRACT PRICE

Lawson-McGauley: All Ayes

CA

- 10) Proposed retroactive Agreement with Anderson Group International, an independent contractor, for construction management services related to Sagebrush Medical Plaza infusion clinic project, effective November 16, 2016, in an amount not to exceed \$391,720 –

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 2017-013; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 20% OF THE ORIGINAL CONTRACT PRICE

Lawson-McGauley: All Ayes

CA

- 11) Proposed Change Order No. 2 to Agreement 2016-086 with Black/Hall Construction, Inc., an independent contractor, for construction management services related to the G wing decommission project, increasing of the maximum payable by \$35,886, 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 2017-014; AUTHORIZED CHIEF EXECUTIVE OFFICER TO APPROVE ANY FUTURE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 20% OF THE ORIGINAL CONTRACT PRICE
Lawson-McGauley: All Ayes

CA

- 12) Proposed Resolution and acquisition of vacant land from Gerald T. Smith, Jr. and Mary Ann Smith, and Ronald A. Hevle and Kay Hevle, located as APN/Parcel ID(s) 126-041-17 adjacent to Sagebrush Medical Plaza, 1111 Columbus Street, for use as additional parking, in an amount not to exceed \$2,507 –
MADE FINDING PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301 AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVED; ADOPTED RESOLUTION 2017-003; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN ESCROW INSTRUCTIONS AND CORRESPONDENCE
Lawson-McGauley: All Ayes

CA

- 13) Proposed retroactive Schedule No. 2 to Agreement 2016-036 with Cerner Corporation, an independent contractor, for Clarvia software and services to support the nurse staffing and acuity system, effective February 9, 2017, with one-time fees in an amount not to exceed \$638,821, and a monthly fee in an amount not to exceed \$9,445, for software support, subscriptions, and remote hosting –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-015 SUBJECT TO APPROVAL AS TO FORM BY COUNSEL
Lawson-McGauley: All Ayes

CA

- 14) Proposed Agreement with John E. Tidwell, M.D., a contract employee, for professional medical services in the Department of Surgery, Division of Orthopedic Surgery from September 16, 2017 through September 15, 2020, in an amount not to exceed \$2,762,500, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-016
Lawson-McGauley: All Ayes

CA

- 15) Proposed retroactive Amendment No. 4 to Agreement 016-2012 with Ravi Patel, M.D., Inc., doing business as Comprehensive Blood and Cancer Center, an independent contractor, for professional medical oncology and hematology services, extending the term for three years from January 27, 2017 through January 26, 2020, increasing the maximum payable by \$198,000, from \$1,500,000 to \$1,698,000, to cover year one of the extended term –
APPROVED; AUTHORIZE CHAIRMAN TO SIGN AGREEMENT 2017-017
Lawson-McGauley: All Ayes

CA

- 16) Proposed retroactive Agreement with Truven Health Analytics LLC, an IBM Company, an independent contractor, for Micromedex® medication, disease and toxicology software and services from December 4, 2016 through December 3, 2017, in an amount not to exceed \$40,562 –
APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN AGREEMENT 2017-018
Lawson-McGauley: All Ayes

CA

- 17) Proposed rescission of Agreement 2017-002-A with HealthTrust Purchasing Group, L.P., and retroactive approval of Participation Agreement with HealthTrust Purchasing Group, L.P., an independent contractor, for group purchasing services from February 1, 2017 through January 31, 2022, in exchange for an administrative fee equal to 3% or less of the purchase price of the goods and services purchased from participating vendors –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-019
Lawson-McGauley: All Ayes

CA

- 18) Proposed retroactive Amendment No. 1 to Agreement 552-2016 with the County of Kern, as represented by the County Administrative Office, for the provision of transition administrative services, extending the term for the services provided by the county Information Security Officer from October 1, 2016 through September 30, 2018 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-020
Lawson-McGauley: All Ayes

CA

- 19) Proposed Amendment No. 1 to Agreement 27716 with Hill-Rom Company, Inc., an independent contractor, for products and services related to the 2nd floor, C wing new nurse call system project, adding products and services to include the 3rd floor, D wing, and increasing the maximum payable by \$265,000, to cover the cost of additional products and services –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 2017-021
Lawson-McGauley: All Ayes

CA

- 20) Proposed Report of Independent Auditors from Moss-Adams LLP, an independent contractor, regarding the audit of Kern Medical Center financial statements for the years ended June 30, 2016, and 2015 –
RECEIVED AND FILED; REFERRED TO KERN COUNTY BOARD OF SUPERVISORS

Lawson-McGauley: All Ayes

- 21) Request for appropriation of unanticipated revenue in the amount of \$22,940,785 from the state of California, Department of Health Care Services for increased operating expenses and additional capital expenditures –
APPROVED; AUTHORIZED CHIEF FINANCIAL OFFICER TO PROCESS THE SPECIFIED BUDGETARY ADJUSTMENTS AND ACCOUNTING TRANSACTIONS

McLaughlin-Pelz: All Ayes

- 22) Kern County Hospital Authority Chief Executive Officer report –
RECEIVED AND FILED

Berjis-Sistrunk: All Ayes

- 23) Kern County Hospital Authority Chief Financial Officer report -
RECEIVED AND FILED

Pelz-Lawson: All Ayes

CA

- 24) Claims and Lawsuits Filed as of January 31, 2016 –
RECEIVED AND FILED

Lawson-McGauley: All Ayes

MISCELLANEOUS LETTERS AND DOCUMENTS

CA

- 25) Letter from Kern County Employees' Retirement Association re 2016 Comprehensive Annual Financial report and 2016 Actuarial Valuation –
RECEIVED AND FILED

Lawson-McGauley: All Ayes

ADJOURNED TO CLOSED SESSION

Berjis-McGauley

CLOSED SESSION

- 26) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW

- 27) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 28) PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Title: Chief Executive Officer (Government Code Section 54957) – SEE RESULTS BELOW
- 29) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Rosemarie Thompson v. County of Kern, Workers' Compensation Appeals Board Case Nos. ADJ-258405, ADJ-1640644 – SEE RESULTS BELOW
- 30) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(3).) 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: The receipt of a claim pursuant to the Government Claims Act or some other written communication from a potential plaintiff threatening litigation, which non-exempt claim or communication is available for public inspection – SEE RESULTS BELOW
- 31) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(1).) Number of cases: Three hundred sixty-seven (367) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the authority but which the authority believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION

Berjjs-Pelz

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 26 concerning a Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE (MOTION BY DIRECTOR MCGAULEY, SECONDED BY DIRECTOR SISTRUNK), THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, RELEASE OF PROCTORING, ADVANCE IN STAFF STATUS, FOCUSED PROFESSIONAL PRACTICE EVALUATION, AND AUTOMATIC AND VOLUNTARY RESIGNATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item No. 27 concerning a Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) – 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

Item No. 29 concerning CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Rosemarie Thompson v. County of Kern, Workers' Compensation Appeals Board Case Nos. ADJ-258405, ADJ-1640644 – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR MCLAUGHLIN, SECONDED BY DIRECTOR PELZ; 1 ABSENT - MCGAULEY), THE BOARD APPROVED SETTLEMENT BY WAY OF A COMPROMISE AND RELEASE IN AN AMOUNT NOT TO EXCEED \$190,000; AUTHORIZED THE CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO ISSUE SETTLEMENT CHECKS AS REQUESTED BY COUNSEL; AND AUTHORIZED COUNSEL OR HER DESIGNEE TO PRESENT THE PROPOSED SETTLEMENT TO THE WORKERS' COMPENSATION APPEALS BOARD AND TO EXECUTE ALL NECESSARY CLOSING DOCUMENTS

Item No. 30 concerning CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(3).) 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: The receipt of a claim pursuant to the Government Claims Act or some other written communication from a potential plaintiff threatening litigation, which non-exempt claim or communication is available for public inspection – HEARD; NO REPORTABLE ACTION TAKEN

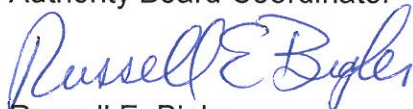
Item No. 31 concerning CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2), (e)(1).) Number of cases: Three hundred sixty-seven (367) Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the authority but which the authority believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, MARCH 15, 2017 AT 11:30 A.M.

McLaughlin



/s/ Raquel D. Fore
Authority Board Coordinator



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