



SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

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

Regular Meeting
Wednesday, June 18, 2025

11:30 A.M.

BOARD RECONVENED:

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard, Stout
Roll Call: 6 Present; 2 Absent - Berjis, Pollard

NOTE: The vote is displayed in bold below each item. For example, Berjis-Pelz denotes Director Berjis made the motion and Director Pelz seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" 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. In addition, 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

ITEMS FOR CONSIDERATION

- CA
3) Minutes for the Kern County Hospital Authority Board of Governors regular meeting on May 21, 2025 –
APPROVED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- CA
4) Proposed renewal and binding of insurance coverages for hospital professional liability, general liability and umbrella/excess liability, workers' compensation and employers liability, automobile liability, heliport and non-owned aircraft liability, directors and officers liability, employment practices liability, healthcare regulatory liability, crime, privacy and security (cyber) liability, premises pollution liability, underground storage tank liability, employed lawyers professional liability, fiduciary liability, with option to finance selected premiums through PRISM and AFCO Direct Capital Finance in an amount not to exceed \$2,122,052, effective June 30, 2025 –
APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO BIND COVERAGE; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN COMMERCIAL INSURANCE PREMIUM FINANCE AGREEMENT-PROMISSORY NOTE 059-2025 WITH AFCO DIRECT CAPITAL FINANCE SUBJECT TO APPROVAL AS TO FORM BY COUNSEL
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- CA
5) Proposed retroactive Assignment and Assumption Amendment to Agreement 036-2024 between Moss Adams LLP, Baker Tilly US LLP and Kern County Hospital Authority, effective June 3, 2025 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 060-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- CA
6) Proposed retroactive Amendment No. 1 to Agreement 036-2024 with Baker Tilly US LLP (formally Moss Adams LLP), an independent contractor, for financial auditing services for the period April 1, 2024 through March 31, 2025, extending the term for one year from April 1, 2025 through March 31, 2026, and increasing the maximum payable by \$217,650, from \$198,750 to \$416,4000, to cover the term, effective April 1, 2025 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 061-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- CA
7) Proposed Engagement Letter from Baker Tilly US LLP (formally Moss Adams LLP), an independent contractor, regarding the audit of Kern Medical Center financial statements for the fiscal year ended June 30, 2025, in an amount not to exceed \$217,650 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 8) Proposed Amendment Number 1 to Agreement 079-2022 with Verity Solutions Group, Inc., an independent contractor, for 340B split billing services and software for the period June 24, 2022 through June 27, 2025, extending the term for five years from June 28, 2025 through June 27, 2030, an increasing the maximum payable by \$162,000, from \$115,000 to \$277,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 062-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 9) Proposed acceptance of donation from Federal Emergency Management Agency Center for Domestic Preparedness for travel and related expenses to cover all costs for three Kern Medical Center employees to attend the "Healthcare Leadership for Mass Casualty Incidents" training in Anniston, Alabama, from July 6, 2025 through July 12, 2025 –
APPROVED; ADOPTED RESOLUTION 2025-015
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 10) Proposed BD Quote Form with BD, C.R. Bard Inc., an independent contractor, containing nonstandard terms and conditions, for purchase of Enspire breast biopsy machine in an amount not to exceed \$5,502 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 063-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 11) Proposed Software License Agreement with TruAsset, LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of a computerized maintenance management system for medical equipment from June 18, 2025 through June 17, 2028, in an amount not to exceed \$14,700 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 064-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 12) Proposed Sales Order CPQ-3491752 with Oracle America, Inc., an independent contractor, for purchase of a laboratory interface with maintenance for the electronic health record for the period June 18, 2025 through June 17, 2028, in an amount not to exceed \$25,000 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 065-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 13) Proposed Agreement with Katelyn B. Furey, M.D., a contract employee, for professional medical services in the Department of Obstetrics and Gynecology from October 4, 2025 through October 3, 2028, in an amount not to exceed \$3,150,000, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 066-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 14) Proposed Agreement with Karim R. Merchant, M.D., a contract employee, for professional medical services in the Department of Medicine from August 9, 2025 through August 8, 2028, in an amount not to exceed \$2,000,000, plus applicable benefits –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 067-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 15) Proposed Amendment No. 3 to Agreement 041-2023 with Tarun Rustagi, M.D., a contract employee, for professional medical services in the Department of Medicine for the period March 16, 2023 through March 15, 2026, increasing the maximum payable by \$750,000, from \$5,726,435 to \$6,476,435, to cover the term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 068-2025
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 16) Proposed Compliance Program for Fiscal Year 2025-2026 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

CA

- 17) Report on upcoming anticipated retroactive agreements –
RECEIVED AND FILED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- 18) Report on the Cisco Telephony Upgrade –
CO-CHIEF INFORMATION OFFICER EZZAT KHALIL HEARD; DIRECTOR ANDERSON ASKED IF AN INVENTORY ASSESSMENT HAD BEEN DONE TO ENSURE A SYSTEM REPLACEMENT IS NEEDED; DIRECTOR STOUT ASKED ABOUT THE STATUS OF THE LICENSE AFTER SEVEN YEARS AND WHETHER MAINTENANCE IS COVERED UNDER THE AGREEMENT; DIRECTOR MCLAUGHLIN ASKED HOW THE PROPOSED VENDORS, CISCO AND PRESIDIO, WERE VETTED BY STAFF; MR. KHALIL RESPONDED; RECEIVED AND FILED
Stout-Merz: 5 Ayes; 2 Absent - Berjis, Pollard

- 19) Proposed Lease Agreement with Cisco Systems Capital Corporation, an independent contractor, containing nonstandard terms and conditions, to finance the purchase of equipment and services for the Cisco Telephony Upgrade from July 1, 2025 through June 30, 2030, in an amount not to exceed \$1,808,039 –
CO-CHIEF INFORMATION OFFICER EZZAT KHALIL HEARD; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 069-2025; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN RELATED DOCUMENTS SUBJECT TO APPROVAL AS TO FORM BY COUNSEL
Merz-Pelz: 5 Ayes; 2 Absent - Berjis, Pollard

- 20) Proposed Quote 2003225501586 with Presidio Networked Solutions Group, LLC, an independent contractor, containing nonstandard terms and conditions, for purchase of equipment and services for the Cisco Telephony Upgrade from July 1, 2025 through June 30, 2032, in an amount not to exceed \$1,867,642 –
CO-CHIEF INFORMATION OFFICER EZZAT KHALIL HEARD; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 070-2025; AUTHORIZED CHIEF EXECUTIVE OFFICER TO ACKNOWLEDGE RECEIPT OF EQUIPMENT; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN RELATED DOCUMENTS SUBJECT TO APPROVAL AS TO FORM BY COUNSEL
Stout-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

- 21) Proposed Statement of Work with Presidio Networked Solutions Group, LLC, an independent contractor, for professional services to support the Cisco Telephony Upgrade from July 1, 2025 through June 30, 2026, in an amount not to exceed \$165,275 –
CO-CHIEF INFORMATION OFFICER EZZAT KHALIL HEARD; APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 071-2025
Merz-Pelz: 5 Ayes; 2 Absent - Berjis, Pollard
- 22) Kern County Hospital Authority Chief Financial Officer report –
CHIEF FINANCIAL OFFICER ANDREW CANTU HEARD; DIRECTOR MCLAUGHLIN ASKED WHY THE NUMBER OF DAYS IN ACCOUNTS RECEIVABLE HAS INCREASED; MR. CANTU INDICATED THERE WAS A SYSTEMS ISSUE THAT HAS SINCE BEEN CORRECTED BY THE IT DEPARTMENT; RECEIVED AND FILED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard
- 23) Kern County Hospital Authority Chief Executive Officer report –
CHIEF EXECUTIVE OFFICER SCOTT THYGERSON HEARD; RECEIVED AND FILED
Stout-Merz: 5 Ayes; 2 Absent - Berjis, Pollard
- CA
24) Monthly report on What's Happening at Kern Medical Center –
RECEIVED AND FILED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard
- CA
25) Claims and Lawsuits Filed as of May 31, 2025 –
RECEIVED AND FILED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard
- CA
26) Miscellaneous Correspondence as of May 21, 2025
RECEIVED AND FILED
Pelz-Anderson: 5 Ayes; 2 Absent - Berjis, Pollard

ADJOURNED AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS;
RECONVENED AS KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS
Pelz-Stout

- C-27) Kern Medical Surgery Center, LLC, Administrative Report –
RECEIVED AND FILED
Pelz-Merz: 5 Ayes; 2 Absent - Berjis, Pollard
- C-28) Proposed credentialing recommendations –
APPROVED
Pelz-Merz: 5 Ayes; 2 Absent - Berjis, Pollard
- C-29) Proposed retroactive Rental Service Agreement and Addendum with Mission Linen Supply doing business as Mission Linen and Uniform Service, an independent contractor, from April 28, 2025 to April 27, 2030, in an amount estimated not to exceed \$375,000 –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 072-2025
Pelz-Merz: 5 Ayes; 2 Absent - Berjis, Pollard

C-30) Miscellaneous Correspondence as of May 31, 2025 –
RECEIVED AND FILED
Pelz-Merz: 5 Ayes; 2 Absent - Berjis, Pollard

ADJOURNED AS KERN MEDICAL SURGERY CENTER, LLC BOARD OF MANAGERS;
RECONVENED AS KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS
Pelz-Anderson

ADJOURNED TO CLOSED SESSION
Anderson-Stout

CLOSED SESSION

- 31) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 32) 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
- 33) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Scott Thygerson, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – SEE RESULTS BELOW
- 34) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – SEE RESULTS BELOW
- 35) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(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 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 (Government Code Section 54956.9(e)(1)) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION

Pelz-Anderson

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item 31 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 MERZ, SECOND BY DIRECTOR ANDERSON; 2 ABSENT - BERJIS, POLLARD), THE BOARD APPROVED ALL PRACTITIONERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, RELEASE OF PROCTORING, VOLUNTARY RESIGNATION OF PRIVILEGES, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item 32 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 33 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Chief Executive Officer Scott Thygerson, and designated staff - Employee organizations: Service Employees International Union, Local 521 (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

Item 34 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

Item 35 concerning CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(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 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 (Government Code Section 54956.9(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, JULY 16, 2025 AT 11:30 A.M.

Stout

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Philip McLaughlin
Chairman, Board of Governors
Kern County Hospital Authority