

**Tulare Local Healthcare District
Board of Directors Meeting AGENDA
Wednesday, July 25, 2018 6:30 PM
City of Tulare Council Chambers
475 M Street, Tulare, CA**

AGENDA

Tulare Local Healthcare District Board Members:

Kevin Northcraft	President of Directors	District 4
Mike Jamaica	Vice President	District 2
Senovia Gutierrez	Secretary/Treasurer	District 3
Xavier J. Avila	Director	District 5
Stephen Harrell	Director	District 1

1. **Call to Order**
 - a. Roll Call
 - b. Welcome/Introductions
 - c. Pledge of Allegiance

2. **Public Comment:** The public may comment on any item of public interest within the jurisdiction of the Tulare Local Healthcare District Board of Directors. In the interest of time and equal opportunity, speakers are requested to observe a 3-minute maximum time limit (subject to change at the Chair's direction). In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no response, or action on the item may occur during the meeting.

3. **Approve Agenda, Acceptance of Minutes:**
**To be presented at next meeting

4. **Announcements --Board**

5. **Foundation Report**

6. **Report on Evolutions**

7. **Consideration of and action on Resolutions enacting the terms of the settlement of the matter of *TRMC Medical Staff v. Tulare Local Healthcare District, HCCA et al*; Tulare Case No. 264227 and reinstating the status of the TRMC Medical Staff and Bylaws**

8. **Discussion of Items Related to Reopening Tulare Regional Medical Center**
 - a. Update on Hospital and Lease Fair Market Study
 - b. Discussion of Ballot Measure language for November 6, 2018 Ballot Measure concerning leasing of Hospital Report bid – Update
 - c. Recommendation regarding bids for repairs needed for hospital reopening - Update
CEO

9. **Chief Executive Officer Update**
 - a. Rural Health Clinic Update

- b. Special Legislative Audit
- c. Licensing and OSHPD Policy - Update Survey Preparedness
- d. VA Clinic and Continued Relationship
- e. Provider Progress - MEC
- f. Posting Information Capabilities
- g. Construction Progress - Safety issues
- h. Communication Response - CEO and Leadership Team

10. Chief Financial Officer Report

- a. March, April, and May, 2018 Draft Internal Financial Statements:
Note: Reports Not Included in this Packet will be provided, as available, at the Board Meeting. Comments, Balance Sheets, and Statements of Revenue and Expenses
- c. Cash Report Update
- d. Financial Audit FYE 2017, FYE 2018, and FYE 2019 – Recommend for Approval: Award Financial Audit to JWT and Associates, LLP, CPA's
- e. District Insurance Coverages Renewal and Approval: Crime and Fiduciary Liability Coverages Extension until Sept 1, 2018 with Chubb/Federal Insurance Company (via Marsh & McLennan Agency, TLHCD Broker)

11. Discussion -Proposed definitive agreements between Adventist Health System West and Tulare Local Healthcare District related to the lease of Tulare Regional Medical Center and affiliated real properties and the purchase/sale of specified assets to include the following documents:

- a. Lease between Tulare Local Healthcare District and Adventist Health System West affiliate whereby the affiliate would lease the real property commonly known as the Tulare Regional Medical Center and other properties operated under the license associated with that hospital and operate the hospital as a general acute care hospital for a period of five years with Guarantee and Memorandum of Lease;
- b. Agreement for Purchase and Sale of Assets by and Among Tulare Local Healthcare District and Adventist Health System West affiliate whereby Tulare Local Healthcare District would sell and Adventist Health System/West would purchase assets associated with and affixed to the Tulare Regional Medical Center and other properties operated under the hospital license.
- c. Debtor-in-Possession Credit Agreement by and between Tulare Local Healthcare District and Adventist Health System West affiliate whereby Tulare Local Healthcare District would borrow and Adventist Health System/West would lend up to \$10,000,000 for Tulare Local Healthcare District to use to open the Tulare Regional Medical Center by October 28, 2018;
- d. Security Agreement and Chattel Mortgage by and between Tulare Local Healthcare District and Adventist Health System West affiliate whereby Tulare Local Healthcare District would pledge collateral in the form of title to the assets which are the subject of the Agreement for the Purchase and Sale of Assets between the parties and books and records of the Tulare Local Healthcare District;
- e. Short Form Deed of Trust and Assignment of Rents by and between Tulare Local Healthcare District and Adventist Health System West affiliate whereby Tulare Local Healthcare District would provide Adventist Health System/West a secured interest in the specified real property and assign the rents of such property to Adventist Health System/West;

- f. Interim Management Services Agreement by and between Tulare Local Healthcare District and Adventist Health System West affiliate whereby Adventist Health System/West would provide Tulare Local Healthcare District management services related to the Tulare Regional Medical Center from the date that the Tulare Local Healthcare District reinstates the Tulare Regional Medical Center license to operate through the closing of the lease and related transactions.

12. Suspend open session – recess to closed session

13. Closed Session

- a. Conference with Interim Legal Counsel – Existing litigation (Government Code 54956.9)
 - (1) *In re Tulare Local Healthcare District dba Tulare Regional Medical Center* --United States Bankruptcy Court Eastern District of California Case No. 17-13797
 - (2) *HCCA v. Tulare Local Healthcare District, and Counterclaim*, U.S. Bankruptcy Court Eastern District of California Adv. Proc. No. 17-01095 – B
- b. Interim Financing Update
- c. End close Session

14. Reconvene Open Session -- Public report of action taken in closed session (if necessary) pursuant to Government Code 54957.1

- 15. Adjournment** Special Meeting scheduled for 6:30 PM on Wednesday August 1, 2018 at the Tulare City Council Chambers. *Next regular meeting scheduled for 6:30 PM on Wednesday, July 25, 2018 at the Tulare City Council Chambers*