

**Minutes of the Regular Meeting
Board of Directors
of The El Camino Healthcare District
Wednesday, March 5, 2014**

1. **Call to Order.** The Open Session meeting of the Board of Directors of El Camino Healthcare District (“Board”) was called to order by Chair Patricia A. Einarson, MD at 5:30 pm on Wednesday March 5, 2014, Conference Rooms E, F and G at El Camino Hospital, 2500 Grant Road, Mountain View, California.
2. **Roll Call.** Roll call was taken. Board members present were Dennis Chiu; Patricia A. Einarson, MD; Julia Miller; David Reeder; and John Zoglin.
3. **Potential Conflict of Interest Disclosures.** Director Einarson asked if any Board member or anyone in the audience believes that a Board member may have a conflict of interest on any of the items on the agenda. No conflict was reported.
4. **Consent Calendar.** Director Miller made a motion, seconded by Director Zoglin and approved by a vote of five Directors in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to approve the following items on the consent calendar: Minutes of the Regular District Board Meeting, January 21, 2014; FY 2014 Period 7 Stand-Alone and Consolidated ECHD Financials; Board member Compensation Policy; Resolution 2014-01 and Resolution 2014-02.
5. **Board Officer Job Descriptions.** The Board members discussed the revised Draft Board Officer Job Descriptions for the Board Chair, Vice Chair, and Secretary/Treasurer. Director Miller suggested that two of the duties in the proposed Board Chair job description [items 4 (Governing Documents) and 9 (Board Learning and Development)] could be moved to the Vice Chair job description and Director Chiu noted that some of the duties in the proposed Secretary/Treasurer job description are currently (and appropriately) being done by staff. The Board members discussed both of these issues. Cindy Murphy, Board Liaison, commented that the proposed Secretary/Treasurer job description was taken from the Bylaws.

Action: Director Zoglin made a motion seconded by Director Chiu and adopted by a vote of five Directors in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to adopt the Draft Board Officer Job descriptions modified by moving Item 4 of the Draft Board Chair Job Description “Governing Documents: Leads Periodic Review of ECHD bylaws and policies” to the Vice Chair Job Description.

Staff was directed to add a review of Article III (Officers) Section 3 (Secretary) and 4 (Treasurer) of the Bylaws to the Board’s pacing plan.

6. **Agenda Item 10 – Community Benefits Grants Policy.** Cecile Currier, VP Corporate and Community Health Services & President Concern, EAP explained the provisions of a proposed policy to allow staff some flexibility during the course of the fiscal year to reallocate unused community benefit funds either between existing grantees or to new grantees. Ms. Currier explained that under the terms of the proposed policy the reallocation would not

result in total expenditures in excess of the aggregate amount approved by the Board, but that the CEO would have authority to approve reallocations to existing grantees of up to \$500,000 and reallocations to new grantees of up to \$50,000 without Board approval.

The Directors discussed in detail whether the proposed grant of authority to the CEO is appropriate and, if not, what grant of authority would be appropriate.

Action: Director Miller made a motion, seconded by Director Zoglin and adopted by a vote of five members in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to approve the Proposed Community Benefit Grants Policy with the following amendment:

“Section C(2) – Approved individual grant amounts, as stated in the annual Plan, may be increased after need is demonstrated. Grant metrics must be revised to reflect the additional resources. Increases to these previously awarded grants in excess of \$50,000 up to \$150,000 require approval by the CEO. Increases to these previously awarded grants in excess of \$150,000 must be presented to the Community Benefit Advisory Council (“CBAC”), receive their recommendation for support and be approved by the Board.”

7. **Resolution 2014-03: Proposed Bylaw Amendment (Term Limits).** Mitchell J. Olejko of Buchalter, Nemer explained the differences between the two alternative draft amendments to the El Camino Hospital Bylaws, Article IV, Section 4.6 presented by staff. The first draft proposal (Draft Resolution 2014-3) provided that any Director serving as a Director as of January 1, 2014, may only serve twelve (12) consecutive years as a Director from the anniversary date of such Director’s appointment that occurs during 2014. Alternative 1 provided that any Director serving as a Director as of January 1, 2014, may only serve twelve (12) consecutive years as a Director from the beginning of such Director’s next term of office commencing after January 1, 2014.

Director Miller suggested that the proposals be modified to provide for three 4-year terms for those Hospital Board Members who are also members of the District Board and four 3-year terms for those Hospital Board members who are not also members of the District Board. The Directors discussed the pros and cons of imposing a term limit of 12 consecutive years on the members of the El Camino Hospital Board of Directors as recommended by the Hospital’s Board.

Action: Director Miller made a motion, seconded by Director Chiu and approved by a vote of four Directors in favor (Chiu, Einarson, Miller and Zoglin) and one opposed (Reeder) to approve Draft Resolution 2014-3 Alternative 1 modified to provide for three 4-year terms for those Hospital Board Members who are also members of the District Board and four 3-year terms for those Hospital Board members who are not also members of the District Board.

8. **Draft Board Retreat Agendas.** The Directors discussed the proposed Draft Board Retreat Agendas for sessions on March 18, 2014 and March 25, 2014 and complimented Chair Einarson with regards to the selection of topics.

No action was taken.

9. **Appointment of ECHD Board Member to Silicon Valley Tobacco Securitization Authority.** In response to questions from the Board members, Mr. Olejko of Buchalter, Nemer explained the legal structure and the likely reasons for creation of a Joint Powers Authority such as the Silicon Valley Tobacco Securitization Authority. Director Miller volunteered to accept the appointment. The Directors commented that in the future this is a duty they might be able to rotate.

Action: Director Reeder made a motion, seconded by Director Chiu and adopted by a vote of five members in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to appoint Director Miller to the Silicon Valley Tobacco Securitization Authority.

10. **Process for Re-Appointment of El Camino Hospital Board Members.** The Directors discussed the proposed process for reappointment of the Non-District Board Members to the El Camino Hospital Board. The Directors discussed whether the proposed timeline and the competencies set forth in the proposal were adequate and, if not, how they might be modified. The Directors also discussed the need to add a process for recruitment in the event a Member of the El Camino Hospital Board of Directors whose term is expiring is either not available or is not re-elected by the District Board.

Action: Director Zoglin made a motion, seconded by Director Chiu and adopted by a vote of five members in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to approve the proposed process with the following modifications: (1) The Ad hoc committee would be appointed no later than Q1, (2) The Ad hoc committee would further develop the competencies especially with respect to portfolio skills set and (3) Addition of a process for recruitment.

11. **Public Communication.** None.

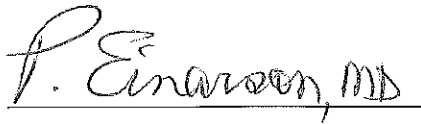
12. **Board Comments.** None.

13. **Adjourn to Closed Session.** Director Einarson made a motion, seconded by Director Zoglin and approved by a vote of five Directors in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to adjourn to closed session at 6:50 pm.

14. **Agenda Item 18 – Reconvene Open Session.** Open Session was reconvened at 7:00 pm. During the closed session, the Board approved the closed session minutes of the Regular District Board meeting of January 21, 2014 by a vote of five Directors in favor (Chiu, Einarson, Miller, Reeder and Zoglin).

15. **Agenda Item 19 – Adjournment.** Director Einarson made a motion, seconded by Director Miller and approved by a vote of five Directors in favor (Chiu, Einarson, Miller, Reeder and Zoglin) to adjourn at 7:00 pm.

**Attest as to the approval of the
foregoing minutes by the Board of
Directors of El Camino Healthcare
District:**



Patricia A. Einarson, MD
Chair, ECHD Board of Directors



Dennis Chiu
ECHD Board Secretary