

**Minutes of the Regular Meeting**  
**El Camino Healthcare District Board of Directors**  
**Tuesday, March 17, 2015**  
**El Camino Hospital 2500 Grant Road, Mountain View, CA 94040**  
**Conference Rooms E, F and G**

1. **Call to Order.** The Open Session meeting was called to order by Chair Julia Miller at 5:32 pm.
2. **Salute to the Flag.** At Chair Miller's request, Director Zoglin led the Board, staff and members of the public present in reciting the Pledge of Allegiance.
3. **Roll Call.**  
**Board Members Present:** Dennis Chiu; Julia Miller; David Reeder; and John Zoglin.  
**Board Members Absent:** Peter Fung, MD was absent at the time of roll call, but arrived at 5:36 pm following approval of Resolution 2015-02.
4. **Public Communication.** Deferred.
5. **Potential Conflict of Interest Disclosures.** Chair Miller 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.
6. **Special Order of the Day: Community Benefit Spotlight – 5210 Program.**

**Motion:** To approve Resolution 2015-02

**Movant:** Reeder

**Second:** Chiu

**Ayes:** Chiu, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** Fung

**Recused:** None

Barbara Avery, Director of Community Benefits, presented Resolution 2015-02 to Jeremy Loader, 5210 Program Specialist with the Palo Alto Medical Foundation. Mr. Loader thanked the Board for its support and explained that the 5210 program is working to spread the word to school children throughout Santa Clara County that they should eat 5 servings of fruits and vegetables, have no more than 2 hours of screen time, have at least 1 hour of physical activity and have 0 sugary beverages daily. He reported that in year 1 the program was in 3 schools, now in year 5 is in 22 schools as well as after-school programs and reaches 15,000 school children. He also reported that they are seeing positive measurable outcomes in high school students who attended an elementary school with the 5210 program as compared to those who did not.

7. **Agenda Item 4 - Public Communication.** Cesar Molina MD, Medical Director, South Asian Heart Center (“SAHC”), thanked the Board for its support of the organization. In response to Chair Miller’s question, Dr. Molina explained that the SAHC is a community driven organization that trains and deploys volunteer heart health coaches to help facilitate behavior and lifestyle changes.

8. **Agenda Item 7 - Consent Calendar.** Director Zoglin requested that Item 7c “Draft Revised ECHD Rules of Order” be removed from the consent calendar.

**Motion:** To approve the Consent Calendar (Minutes of the Regular Meeting January 20, 2015 and FY 2015-2017 El Camino Hospital Physician Recruitment Plan).

**Movant:** Reeder

**Second:** Chiu

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

Agenda Item 7c - In response to Director Zoglin’s question, Mary Rotunno, Associate General Counsel, responded that the proposed changes to ECHD Rules of Order, Chapter III, Section 9.3 would not preclude the Board from asking members of the public addressing the Board to give their names and addresses, but that the public cannot be required to provide this information. Chair Miller requested that the final document reflect the original date, as well as the revised date.

**Motion:** To approve Agenda item 7c – Draft Revised ECHD Rules of Order

**Movant:** Chiu

**Second:** Zoglin

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

9. **Agenda Item 8 – ECHD Financials FY 2015 YTD.** Iftikhar Hussain, CFO, reported that the consolidated financial statement reflects an operating margin close to target with both revenue and expenses being lower than budgeted. He also explained that delayed receipt of funds from the Intergovernmental Transfer Program had a major impact on revenue, but payment is expected in March. Mr. Hussain also reviewed the El Camino Healthcare District Stand-Alone Financials.

**Motion:** To approve the ECHD Financials FY 2015 YTD (1/31/15).

**Movant:** Chiu

**Second:** Fung

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin  
**Noes:** None  
**Abstentions:** None  
**Absent:** None  
**Recused:** None

10. **Agenda Item 9 – Second Amendment to Ground Lease Agreement with El Camino Hospital: Full Discussion and First Open Meeting Regarding a Proposed Amendment to the Ground Lease as Described in Health and Safety Code Section 32121(p)(5).** Mary Rotunno, Associate General Counsel, reported that the proposed amendment would extend the Ground Lease Agreement from December 31, 2039 to December 31, 2049 to permit El Camino Hospital to refinance a portion of its existing debt that was used for construction at the Mountain View campus and to permit financing of other Hospital projects now and in the future, as and when approved by the ECH Board. Ms. Rotunno reviewed some of the lease terms and advised the Board that the current payment is \$88,000 annually. She also explained that this proposal would be brought back to the Board, for public comment and approval on April 8, 2015.

Director Zoglin asked if any research into comparable leases between other Districts and District Hospitals had been done. Director Reeder noted that he had been on the Board when the 1<sup>st</sup> Amendment to the Ground Lease Agreement was approved in 2004, he did not recall any discussion about comparables at that time and that it might be useful to get some comparables, though an exhaustive search is not necessary and may not be fruitful due to the unusual nature of the lease. Directors Chiu and Fung also noted that some additional due diligence might be in order, but significant resources should not be dedicated to exhaustive research,

Ms. Rotunno agreed to attempt to find comparables and bring that information back to the Board on April 8, 2015.

11. **Agenda Item 10 – Process for Bi-Annual Election of Board Officers.** The Directors discussed the pros and cons of various processes for election of Board officers including (1) a competency-based approach by which candidates would self-nominate for the office of Board Chair, submit a statement in advance of the meeting and make a presentation to the Board during an open meeting with other offices to be filled by nomination from the floor. (2) automatic advancement of the Vice Chair to the Chair position, automatic advancement of the Secretary/Treasurer to the Vice Chair position and acceptance of nominations from the floor for the office of Secretary/Treasurer; or (3) acceptance of nominations from the floor for all offices.

**Motion:** To adopt the competency-based process used by El Camino Hospital in 2013 as presented in the Board materials with the following modifications: (1) change the title, (2) modify the dates for an election in 2015, (3) provide for a dual process for declaration of interest to the Board Liaison whereby, following an initial period for declaration of

interest, the Board Liaison shall provide the Board with a list of those Directors who have expressed interest and there shall be a second period for declaration of interest.

**Movant:** Reeder

**Second:** Zoglin

**Ayes:** Reeder and Zoglin

**Noes:** Miller and Chiu

**Abstentions:** Fung

**Absent:** None

**Recused:** None

The motion failed.

The Directors continued discussions on the various proposed processes.

**Motion:** To adopt a process that provides for automatic advancement of the Vice Chair to the Chair position, automatic advancement of the Secretary/Treasurer to the Vice Chair position and acceptance of nominations from the floor for the office of Secretary/Treasurer.

**Movant:** Chiu

**Second:** Miller

Director Zoglin expressed concern about adopting this process since, when the Board held its last election of officers, this process was not in place and the Board was unaware that the officers elected would automatically be promoted to higher offices.

**Ayes:** Chiu and Miller

**Noes:** Reeder and Zoglin

**Abstentions:** Fung

**Absent:** None

**Recused:** None

The motion failed.

Director Fung suggested that a process be adopted that does not require candidates to declare their competencies for office as the Board members all know each other well.

**Motion:** To accept nominations from the floor for all Board offices at the April 2015 Board meeting.

**Movant:** Fung

**Second:** Miller

Director Reeder commented that he was not in favor of this process as he believes a competency-based approach would be best, but this process is the second most favorable of the three. Director Chiu commented when he was elected to the Vice Chair position he assumed he would automatically ascend to the Chair position. Chair Miller commented that she had the option of withdrawing her second to the motion, or calling for a vote.

She further commented that it would be most democratic to call for vote and then called for the vote.

**Ayes:** Fung, Reeder and Zoglin

**Noes:** Chiu and Miller

**Abstentions:** None

**Absent:** None

**Recused:** None

The motion passed.

12. **Agenda Item 11 – Proposal to Adopt Ethics Policy: Draft Standards of Conduct.** The Directors discussed whether the Draft Standards of Conduct as presented in the Board packet are necessary and what gaps or issues need to be addressed. The Board members noted that there are other documents in place such as the Bylaws, the Rules of Order, and the El Camino Hospital Board Management Compact that may overlap with the Draft Standards of Conduct. Chair Miller commented that the actual signing of this document would enhance public accountability.

**Motion:** To approve the Draft Standards of Conduct.

**Movant:** Miller

**Second:** Chiu

**Ayes:** Chiu, Fung and Miller

**Noes:** None

**Abstentions:** Reeder and Zoglin

**Absent:** None

**Recused:** None

The motion passed.

13. **Agenda Item 12 - Hospital Board Member Election Ad Hoc Committee Report: Consider Re-Election of Hospital Board Member with Term Expiring June 30, 2015.** Tomi Ryba, CEO requested direction in regards to next steps for possible recruitment of a Non-District Board Member (“NDBM”) for the El Camino Hospital Board. The Directors reviewed ECH Director Tandon’s attendance in CY 2015 and for the period July 2013 – March 2015. Director Reeder asked when the Board is expected to make a decision regarding whether to re-elect ECH Director Tandon. Director Reeder also asked for clarification regarding the ECH Governance Committee’s role in the recruitment process. Director Zoglin noted that he did not believe it was the Ad Hoc Committee’s intent for the Governance Committee to drive the recruitment effort as noted in the NDBM Re-Election Process adopted by the Board in December 2014, but rather to identify 1 or 2 members of the ECH Governance Committee to assist the District Board.

In response to Director Fung’s question, Ms. Ryba commented that, when present, Director Tandon has contributed greatly to the ECH Board, and that the three current priority

competencies were identified by the ECH Governance Committee and approved by the ECH Board and the ECHD Board in January 2015. Director Ryba also reported to the Board that ECH Director Tandon has attended less than 2/3 of the Board and assigned committee meetings in calendar year 2015.

Ms. Ryba asked if the Board might consider ranking the three priority competencies to facilitate recruitment activities, and the Directors discussed ranking the competencies.

**Motion:** The Board should suggest to the CEO that the priorities #1 and #2 below are very closely related and they should be the primary competencies with Healthcare IT Transformation/EMR being a secondary competency.

1. Assumption of risk for population health (pacing)
2. Experience in specific areas of the continuum of care (e.g. SNFs and HHC)
3. Healthcare IT Transformation/EMR

**Movant:** Reeder

**Second:** Miller

Dr. Fung commented that the Board needs to consider whether it is going to re-elect Director Tandon

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

Director Reeder asked Chair Miller to report on what discussions have been had with Director Tandon. Chair Miller stated that she believes Director Tandon understands the attendance expectations. In response to Director Chiu's question Ms. Ryba commented that she believes that Director Tandon understands the attendance requirements, but didn't know what Director Tandon may have understood about the time period that she would be measured against. The Directors discussed the weight that should be attributed to attendance and what time period Director Tandon's compliance would be measured against.

**Motion:** To place a decision to re-elect or not re-elect Director Tandon to the ECH Board of Directors on the District Board's agenda for its next meeting and to direct staff to begin recruitment activities in the meantime.

**Movant:** Chiu

**Second:** Zoglin

Following discussion on the motion, Director Chiu withdrew his motion and explained his reasoning.

**Motion:** To agendaize a decision on the Re-Election of ECH Director Tandon to the ECH Board of Directors for the April 21, 2015 District Board meeting, that the Ad Hoc

Committee meet with her prior to explain the situation and to offer the opportunity for Director Tandon to come speak with the Board, and to authorize the CEO to proceed with recruitment based on the competencies we approved earlier.

**Movant:** Reeder

**Second:** Miller

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

Director Zoglin noted that he believed that the Re-Election Process document, though presumably correctly presented, did not reflect the Ad Hoc Committee's or the Board's intent regarding the level of involvement of the ECH Governance Committee in the recruitment process. Director Zoglin suggested that staff amend the document to reflect that the Governance Committee will participate in the recruitment process but not drive it, and the Board directed staff to do so.

14. **Agenda Item 13 – Pacing Plan.** Cindy Murphy, Board Liaison, reported that a meeting was added April 8, 2015 at 5:30 pm for the second full discussion and public hearing as well as for possible approval of a second amendment to the Ground Lease Agreement with El Camino Hospital. Ms. Murphy also noted that the appointment of Laura Macias to the Community Benefit Advisory Council would also be placed on that agenda. The Directors confirmed that it is not necessary to have a financial report at the April 21, 2015 meeting.

15. **Agenda Item 14 - Board Comments.** Chair Miller commented that she enjoyed attending the Scarlett Night event benefiting the South Asian Heart Center.

16. **Agenda Item 15 - Adjourn to Closed Session.**

**Motion:** To adjourn to closed session at 7:38 pm for a report pursuant to *Gov't Code Section 54957.2*: Approval of the Closed Session Minutes of January 20, 2015;

**Movant:** Chiu

**Second:** Reeder

**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

*Agenda Items 16-19 were considered in closed session.*

**Agenda Item 20 – Reconvene Open Session.** Open Session was reconvened at 7:39 pm. Chair Miller reported that during the closed session, the Board approved the closed

session minutes of the January 20, 2015 meeting by a vote of all Directors present in favor (Chiu, Fung, Miller, Reeder and Zoglin). Executive session was deferred.

17. **Agenda Item 23 – Adjournment.**

**Motion:** To adjourn at 7:40 pm

**Movant:** Chiu

**Second:** Fung

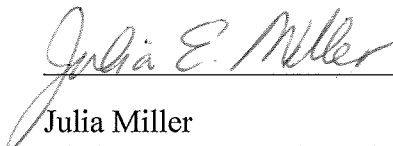
**Ayes:** Chiu, Fung, Miller, Reeder and Zoglin

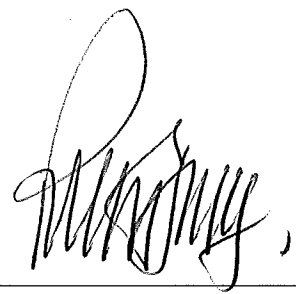
**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

  
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Julia Miller  
Chair, ECHD Board of Directors

  
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Peter C. Fung, MD  
ECHD Board Secretary/Treasurer

Prepared By: Cindy Murphy, Board Liaison