

**Minutes of the Special Meeting of the
El Camino Healthcare District Board of Directors
Wednesday, April 8, 2015
El Camino Hospital 2500 Grant Road, Mountain View, CA 94040
Conference Rooms F and G**

1. **Call to Order.** The Open Session meeting was called to order by Chair Julia Miller at 5:31 pm.
2. **Salute to the Flag.** At Chair Miller's request, Director Reeder led the Board, staff and members of the public present in reciting the Pledge of Allegiance.
3. **Roll Call.**
Board Members Present: Dennis Chiu; Peter Fung, MD; Julia Miller; David Reeder; and John Zoglin.
4. **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. Director Fung, MD, noted that he might have a remote conflict of interest with item #7. Therefore, he will recuse himself from voting.

5. **Agenda Item 5 - Consent Calendar.**

Motion: To approve the Consent Calendar (Minutes of the Regular Meeting March 17, 2015 and Appointment of Community Benefit Advisory Council Member Laura Macias).

Movant: Chiu

Second: Reeder

Ayes: Chiu, Fung, Miller, Reeder and Zoglin

Noes: None

Abstentions: None

Absent: None

Recused: None

6. **Agenda Item 6 – Second Amendment to Ground Lease Agreement with El Camino Hospital: Full Discussion and Second Open Meeting Regarding a Proposed Amendment to the Ground Lease as Described in Health and Safety Code 32121(p)(5).**

Ken King, Chief Administrative Services Officer, gave a report responsive to questions raised by the Board at its meeting on March 17, 2015. He noted that the California Health and Safety Code outlines the conditions for the District's transfer of assets to and lease agreements with non profit organizations and that there is no legal requirement for the District to lease land to ECH at "fair market value," in accordance with the California Health and Safety Code which outlines the conditions for transfer of assets to and lease agreements with non profit organizations. He further reported that he had reviewed the minutes of the District Board meeting when the original lease was being contemplated, and discovered that the original lease rate of \$50,000 for the first

year was decided based on the need to ensure that funds were available to operate the properties and land not transferred to ECH.

Mr. King reported that he discovered two lease agreements publically available online when researching comparable agreements between California healthcare districts and non profit hospitals: 1) Marin Healthcare District and 2) Grossmont Healthcare District in San Diego County. Mr. King noted that neither of these leases agreements represents "fair market value." However, in both agreements, the tenant is required to operate the hospital in the best interest of the community it serves. Board members commented on Mr. King's report.

Chair Miller opened the discussion for public comment. No members of the public made any comment.

7. Agenda Item 7 – Approval of Second Amendment to Ground Lease with El Camino Hospital. Director Fung recused himself from voting. Chair Miller opened up the agenda item for public comment.

Motion: Approve the second amendment to ground lease with El Camino Hospital

Movant: Chiu

Second: Reeder

Ayes: Chiu, Miller, Reeder and Zoglin

Noes: None

Abstentions: None

Absent: None

Recused: Fung

Chair Miller announced that the Regular Meeting of the District Board scheduled for April 21, 2015 has been cancelled and a new meeting has been scheduled for May 19, 2015.

8. Agenda Item 8 – Adjournment.

Motion: To adjourn at 5:45 pm

Movant: Fung

Second: Chiu

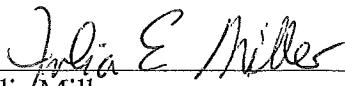
Ayes: Chiu, Fung, Miller, Reeder and Zoglin

Noes: None

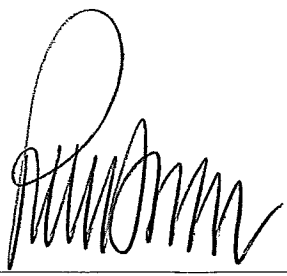
Abstentions: None

Absent: None

Recused: None



Julia Miller
Chair, ECHD Board of Directors



Peter C. Fung, MD
ECHD Board Secretary/Treasurer