

EL CAMINO HEALTHCARE DISTRICT
BOARD OF DIRECTORS

Special Meeting – May 1, 2013

The special meeting of the Board of Directors of El Camino Healthcare District (the "District") was called to order by John Zoglin, Chairman, at 5:30 p.m. on Wednesday May 1, 2013 in Conference Rooms E, F, and G, ground floor, El Camino Hospital, 2500 Grant Road, Mountain View, California

Roll call was taken. The Directors present were Dennis Chiu, Julia Miller, David Reeder, and John Zoglin. Director Patricia Einarson, MD, was absent.

CONFLICT OF INTEREST DISCLOSURES:

Director Zoglin asked if there was any Board member or anyone in the audience who believes any Board member may have a conflict of interest on any of the items on the agenda. No conflict was stated.

CONSENT CALENDAR:

Director Zoglin asked if anyone wanted to remove an item from the consent agenda. Tomi Ryba, CEO requested that item 1-b be removed as it was not intended as a matter for approval, but for information only. Ms. Ryba also requested that item 1m, Resolution 2013-4, be removed. Director Chiu asked that item 1a, Cover Letter from District Board to LAFCo regarding Response Documents and El Camino Healthcare District Responses to LAFCo requests be removed from the consent agenda. Director Zoglin removed item 1k, Policy and Procedure Regarding District Director Compensation from the consent agenda.

ITEM 1a - Cover Letter from District Board to LAFCo regarding Response Documents and El Camino Healthcare District Responses to LAFCo requests

Director Chiu respectfully dissented from certain portions of the Draft El Camino Healthcare District Responses to LAFCo requests, stating it is his preference that, (1) in the unlikely event that the Attorney General does decide that the Gann-Act Limitation applies to the District, all tax monies collected by the District be used for Community Benefit, (2) the District hire its own attorneys and consultants, and (3) the District agree to obtain LAFCo approval for any the future acquisition of property outside the District's boundaries by the Hospital Corporation.

Director Miller commented that there should be some clarifying language in the cover letter regarding the composition of the El Camino Hospital Advisory Board Committees and the posting of El Camino Hospital Advisory Board Committee Agendas and meeting materials on the Hospital's website.

The Directors discussed at length the votes that were made at the March 19, 2013 Regular Board Meeting, Director Chiu's areas of dissent and the advantages and disadvantages of revising the

Response Document. Ms. Ryba and Gregory Caligari (of Cox, Castle & Nicholson) addressed the Board on these issues.

Following those discussions, Director Chiu indicated that, although he continues to have these reservations, he would be able to support approval of the Cover letter and Response Document.

Public comment: Community member Paul Donahue commented that he would support as much transparency as possible. He requested that the Board provide further education to the public regarding the separation between the District and the Hospital Corporation.

Action: Upon motion duly made by Director Miller and seconded by Director Reeder, Item 1a, Cover Letter from District Board to LAFCo regarding Response Documents and El Camino Healthcare District Responses to LAFCo Requests with language added to the cover letter regarding the composition of the El Camino Hospital Advisory Board Committees and listing of the committee names and the posting of the El Camino Hospital Advisory Board Committee Agendas and meeting materials on the Hospital's website was approved, by a vote of four Directors in favor; Director Einarson absent.

Item 1m – Resolution 2013-4 Amendment to ECH Bylaws regarding two-year requirement for Board Chair Article VII, Section 7.6 ; Article VII, Section 8.3 and 8.8(a) and Amending and Restating of Bylaws

Mitchell Olejko, of Buchalter, Nemer, stated that there is no proposed amendment to Section 7.6 at this time (and that the reference to Section 7.6 in this consent item to the agenda was incorrect), and that the redlined document in the packet shows the proposed revisions to El Camino Hospital Bylaws section 8.3 and 8.8 which are presented to the Board for approval.

Action: Upon motion duly made by Director Reeder and seconded by Director Miller, Resolution 2013-4 was approved, by a vote of four Directors in favor; Director Einarson absent.

Item 1k – Policy and Procedure Regarding District Director Compensation

The Directors discussed the Draft Policy thoroughly. Discussion was particularly focused on Sections A(3) and (4)(a)-(f). The Directors also raised several questions regarding the Draft Policy and Draft Procedure. Mr. Olejko addressed the Board's questions on these issues, and explained that the governing statute was actually broader than the Draft Policy as written. Some of the Directors commented that they would be more comfortable with an even narrower definition of those meetings for which compensation would be paid.

Public Comment: Community member Paul Donahue commented that he was pleased that the Directors were considering omitting some items from the Policy, particularly section A (4).

Action Upon motion duly made by Director Miller and seconded by Director Chiu, the Draft Director Compensation and Reimbursement Policy and Draft Director Stipend Payment and Expense Reimbursement Procedure was approved, as amended by deleting with Sections A(3) and (4) by a vote of four directors in favor, Director Einarson absent.

Remaining Consent Calendar Items

Action: Upon motion duly made by Director Reeder, seconded by Director Chiu, four Directors in favor, Director Einarson absent, the remaining items on the Consent Calendar (Resolution 2013-1, establishing funding of capital; Resolution 2013-2, establishing certain District Funds; Resolution 2013-3, ECHD Regular Meeting Dates for 2013; District Financial Reserves Policy; District Community Benefit Policy and Procedures; District Community Benefit Advisory Council Charter; Statement of Work Under Management Services Agreement; Resolution 2013-6 Amending and Restating District Bylaws -- Name and Payment to Directors; Resolution 2013-5 Changing Name of District) were approved.

PUBLIC COMMENT

Paul Donahue asked if he could receive District Agenda's via e-mail. Director Zoglin confirmed that the agenda is available by e-mail and asked staff to meet with Mr. Donahue to obtain needed information.


Director Miller thanked everyone involved in putting together the fabulous Hospital Foundation Event that occurred over the last weekend.

ADJOURN TO CLOSED SESSION


No motion made to adjourn to closed session

ADJOURNMENT

Action: Upon motion duly made by Director Miller, seconded by Director Chiu, and approved by a vote of four directors in favor, Director Einarson absent, the meeting was adjourned at 6:35 pm.



John Zoglin, Chairman
ECHD Board of Directors



David Reeder, Secretary
ECHD Board of Directors