



June 10, 2024, Meeting Minutes
 Location: Conference Room A

BOARD MEMBERS/ DISTRICT PRESENT	LEGAL COUNSEL PRESENT	ALSO PRESENT	
Robert Deutsch, MD Gayle Codiga, Stewart Chen, DC Jeff Cambra David Sayen	Tom Driscoll Debi Stebbins	Dr. Elizabeth Mahler Chris Adams Mario Harding James Helena Louise Nakada Richard Espinoza	Gary Hicks Brian Quint Kristen Thorson

Agenda Item/Topic	Presentation and Discussion Notes	Action/Follow-Up
Call to Order	The meeting was called to order at 5:30 p.m. by the Board president Dr. Robert Deutsch.	
Roll	Roll was called prior to the start of the closed session. A quorum of Directors was present.	
AHS/ AH Update	<p><u>HVAC Update:</u> Mr. Harding informed the group that the chillers are tentatively scheduled to be replaced in November 2025 and completed by February 2026. The boilers are tentatively scheduled to be replaced in July 2026 and completed by September 2026. Additionally, AHS is collaborating on a marketing communications plan to inform neighbors in the community about changes during construction.</p> <p><u>Quality of Care:</u> Based on the True North Metric Report for April 2024, there are several areas of improvement that the quality team is working towards, as well as goals for 2025. Notably, the ambulance offload time has a requirement of no more than 30 minutes, and Alameda Hospital is currently under 20 minutes.</p>	
Patient Care Experience Report	Mr. Adams informed the group that there is still a vacancy for a Nurse Educator; however, the overall vacancy rate has decreased significantly from 35 percent in October 2023 to 21 percent currently. The turnover rate for Alameda Hospital is 5 percent compared to 18.4 percent nationally.	

	<p><u>Contract Negotiations:</u></p> <p>Nursing contract negotiations are still ongoing, and there will be a follow-up meeting at the end of June. A few tentative agreements are in place, with one of the main goals being to obtain a single contract for both the Alameda and San Leandro campuses. This would allow nurses to float between the two campuses, minimizing staffing issues.</p> <p><u>Nurse Recognition:</u></p> <p>Fred Reynado was recently awarded the Daisy Award, a quarterly recognition given to nurses who demonstrate exemplary nursing values. Maria Vegara, the wound care nurse for both the Alameda and San Leandro campuses, received the Nightingale Award.</p>	
Financial Update	<p>Ms. Miranda highlighted some areas in the April Financial Report. Overall hospital volume was a bit low; however, year-to-date, there has been a lot of improvement in the census. The total paid FTEs are positive, and notably, the Emergency Room was over budget by 12 percent. This is slightly lower than it has been throughout the year but is still maintaining a positive trend. Surgery services were in the negative, except for outpatient surgery, which was green due to the pain procedures being done at Alameda Hospital.</p> <p><u>Skilled Nursing:</u></p> <p>Although patient days and the ADC (Average Daily Census) are in the red, discharges are in the green, indicating improved throughput. Paid FTEs (Full-Time Equivalents) are also positive.</p> <p><u>AH April Financial Statements:</u></p> <p>There was a negative contribution margin of \$2.4 million, bringing the year-to-date total to a negative \$24.1 million. The collection ratio has remained fairly consistent with the budget, slightly exceeding year-to-date expectations. Salaries and benefits are within budget for the year so far.</p> <p>Notably, \$80 million of the \$100 million gap has been closed due to performance initiative improvements, such as decreasing Length of Stay (LOS) and revenue cycle enhancements. To address the remaining \$20 million gap, staffing efficiencies are under review. Currently, there is no final report or plan to share on how this will be achieved; however, the goal is to have this completed by June 26 for presentation at the Alameda Hospital Board of Trustees and Finance Committee meeting.</p>	
Presidents Report	<p>Dr. Deutsch noted that CNAs have initiated a work action in response to the news of elective surgery closures. AHS is awaiting a decision from CDHP regarding a waiver to proceed with closing the operating rooms for elective surgeries.</p> <p>Dr. Mahler added that elective pain procedures will continue at Alameda Hospital through September. AHS is currently assessing the clinical implications of closing the operating rooms and emergent</p>	

	<p>surgical services in the upcoming months. 60 percent of the services provided at Alameda Hospital are emergent procedures rather than surgeries. On average, there are only 100 general emergent surgery cases annually. As part of the plan, AHS aims to establish a surgery room with lower overhead costs compared to a traditional operating room.</p>	
AHS Liaison Report	<p>Mr. Sayen informed the group that following an AHS retreat last month, the board would like to place a stronger focus on primary care. There is a large panel of patients who have not yet been seen, and the process to get a primary care appointment can sometimes be lengthy. Alameda residents who receive their primary care services are seen either at the Highland or Eastmont campuses.</p> <p>Dr. Deutsch asked about the opportunities for Alameda Medi-Cal patients to choose which campus they are seen at. Dr. Mahler will investigate where and how Alameda Alliance patients are assigned.</p>	<p>Dr. Mahler will look into where Alameda Alliance patients are assigned.</p>
Executive Director Report	<p>Ms. Stebbins noted that AB 2157 passed the Assembly and local Senate with an amendment. The process has been slightly halted due to concerns from labor regarding the closure of surgery services. If the bill does not pass, the project can still be financed, but at increased interest rate estimated at \$1 million, over the life of the \$13.5 million tranche. Ms. Stebbins also noted that AHCD is one of the few districts in California that has established a financing plan.</p>	
Property Oversight Committee Update	<p>Mr. Cambra updated the group on inspection findings following a property inspection of both Jaber properties. There were no notable findings at the Encinal Property. However, at Pearl Street, several maintenance-related items such as drains and faucets require attention, though they are not urgent. Three major areas needing replacement were identified: water heaters, the electrical panel, and windows. Mr. Cambra will present estimates for these items to the board. Additionally, the roof replacement at Pearl street has been completed.</p>	<p>Mr. Cambra will obtain estimates for the following items at Pearl Street: water heaters, electrical panel, and windows.</p>
Seismic and Operational Update	<p>Ms. Thorson from Porter Consulting introduced herself to the group. She will be the project manager overseeing the 2030 Seismic Upgrades and provided an update on the project's status.</p> <p>NPC 4 work for schematic and design development started in May, pending tonight's approval, NPC 5 SPC work will commence within a week. The Two South validation study is also in progress. Ratcliff plans to take a footprint of the space and propose a design that fits the bed configuration and programs within the space.</p> <p>Ms. Thorson also noted there is a tracking system in place for invoice and contract review, which allows both AHS and the District to monitor ongoing activities.</p> <p>Ms. Stebbins noted that there is a significant amount of relocation involved in the 2-South upgrade. However, the cost of this was not included in the cost estimate previously provided by Ratcliff and may need to be discussed during the second tranche of funding. It is still being determined where the relocation of rooms and services in 2-South would be most cost-effective.</p>	



Consent Ageda		
Meeting Minutes from April 30, 2024 and Financial Statements	A motion to approve the meeting minutes from April 30, 2024, and the March and April Financial Statements was made by Ms. Codiga and seconded by Mr. Sayen. The motion was unanimously approved.	Motion Approved

Action Items		
Approval of Resolution 2024-1 Initial Resolution	<p>Brian Quint provided the group with background on the Initial Resolution. This resolution grants Mr. Quint and Mr. Hicks preliminary authority to proceed with securing the Certificate of Participation (COP). This includes obtaining a rating that could lead to better interest rates, retaining necessary consultants to finalize the financing process, and planning future steps.</p> <p>Mr. Quint and Mr. Hicks will return to the Board on July 15, 2024, with final documents that establish the parameters of the COP for the Board's approval. At that time, they will seek authorization to issue and sell the certificates.</p> <p>Public offerings may allow for loan terms of up to 35 years. The transactions will involve two underwriters, Piper Sandler and Hilltop Securities.</p> <p>A motion to approve the Initial Resolution for Mr. Quint and Mr. Hicks to proceed with the COP process and return to the Board on July 15, 2024, with the final documentation was made by Mr. Cambra and seconded by Ms. Codiga. The motion was unanimously approved.</p>	Motion Approved
Approval of Debt Management Policy Resolution 2024-2	Mr. Quint informed the group that all California municipalities conducting any form of financing are required to have a debt management policy in place. A motion to approve the Debt Management policy was made by Ms. Codiga and seconded by Dr. Chen, and it was unanimously approved.	Motion Approved
Project Financing Schedule	Mr. Hicks briefly reviewed the updated financing schedule with the group, highlighting the rating meeting from Moody's rating agency. A higher rating will result in a lower interest rate.	No Action Needed
Approval of Proposal from Ratcliff	A motion to approve the second phase of Ratcliff's proposal from April 17, 2024 and the validation survey for 2-South to determine what will be workable in space.	Motion Approved
Review and Approval of District	Ms. Stebbins provided an overview of the FY 24-25 Jaber and General Operating budgets. Most of the general operating expenses will not change substantially. There where some unusually high expenses	Motion Approved

<p>Priorities and Budget</p>	<p>for strategic planning, advocacy and legal fees. \$525,000 has been allocated to cover these costs for FY 2025 however, they will not be repeat expenses after that. Beginning August 2024 parcel taxes will not be issued to the District rather they will be redirected to US Bank to secure the COPs. After the loan repayment is secured; US Bank will release the residual funds to the District, the District will only take out what is necessary for operating expense and forward the rest to AHS as usual. There are two Board members that are up for reelection; as long as they are not contested there will be not associated fees for them running. Ms. Stebbins noted that FY 2025 budget does not to continue to support the CARE program. Ms. Stebbins will come back to the board with a more detailed list of properties during the July 15th meeting.</p> <p>A motion to approve the General Operating budget for FY 2025 was made by Ms. Codiga and seconded by Mr. Cambra. The motion was unanimously approved.</p> <p>A motion to approve the Jaber Operating budget for FY 2025 was made by Mr. Cambra and seconded by Mr. Sayen. The motion was unanimously approved. Jaber and General Operating Budget.</p>	
<p>Distribution of Residual Jaber Funds</p>	<p>A motion to approve the residual Jaber funds of \$124,796 for the purchase of nine defibrillators was made by Ms. Codiga and seconded by Mr. Cambra. The motion was unanimously approved.</p>	<p>Motion Approved</p>
<p>Partial Distribution of Parcel Taxes to AHS</p>	<p>Ms. Stebbins recommended that the District transfer \$3.1 million to AHS for a partial Parcel Tax distribution, as there have been no distributions to AHS so far this year. A motion to transfer \$3.1 million to AHS was made by Dr. Chen and seconded by Ms. Codiga.</p>	<p>Motion Approved</p>
<p>Recommendation to Engage Vox Pophil</p>	<p>Ms. Stebbins presented the group with a proposal to engage Becca Perata as a Public Affairs consultant. The goal would be to assist the District with their communication strategy surrounding the upcoming construction and general messaging in Alameda and the County, as well as to update the District's website for better public understanding of its work. Ms. Perata has proposed a six-month engagement with a \$12,000 monthly retainer.</p> <p>A motion to approve a two-month contract with Ms. Perata, based on an amended proposal outlining specific deliverables and including a 30-day cancellation clause, was made by Ms. Codiga and seconded by Mr. Cambra. The motion was unanimously approved.</p>	<p>Motion Approved w/ Provisions</p>
<p>Approval of Resolution 2024-3 Spending Authority</p>	<p>A motion to continue to the spending authority until AHS has approved the District budget in June was made by Dr. Chen and seconded by Ms. Codiga</p>	<p>Motion Approved</p>
<p>Adoption of Parel</p>	<p>A motion to assess the Parcel Tax for FY 24-25 was made by Ms. Codiga and seconded by Mr. Cambra. The motion passed with one recusal from Dr. Deutsch.</p>	<p>Motion Approved</p>



Tax Levy Resolution 2024-4 for FY 24-25		
Adoption of Mutual Certification and Indemnification w/ Alameda County	A motion to adopt the Mutual Certification of Indemnification agreement with Alameda County, removing fault from either party should a mistake occur with the Parcel Tax, was made by Mr. Cambra and seconded by Mr. Sayen. The motion was unanimously approved.	Motion Approved

Minutes submitted by: Alixandria Williams, Executive Assistant

Approved: _____