

# MARIN HEALTHCARE DISTRICT

100B Drakes Landing Road, Suite 250, Greenbrae, CA 94904

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**TUESDAY, JULY 14, 2015**

**REGULAR OPEN MEETING @ 7:00 PM**

## **Board of Directors:**

**Chair:** Harris Simmonds, MD

**Vice Chair:** Ann Sparkman, JD

**Secretary:** Jennifer Rienks, PhD

**Directors:** Larry Bedard, MD  
Jennifer Hershon, RN, MSN

## **Location:**

Marin General Hospital, Conference Ctr

250 Bon Air Road

Greenbrae, CA 94904

## **Staff:**

Lee Domanico, CEO

Colin Coffey, District Counsel

Louis Weiner, Executive Assistant

## **AGENDA**

**Tab #**

- |  |          |    |
|--|----------|----|
| 1. Call to Order   | Simmonds |    |
| 2. Roll Call   | Simmonds |    |
| 3. General Public Comment<br><i>Any member of the audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.</i> | Simmonds |    |
| 4. Approval of Agenda (action)   | Simmonds |    |
| 5. Approval of Consent Agenda  |          |    |
| a. Minutes of the Special Study Session of June 9, 2015 (action)   | Simmonds | #1 |
| b. Minutes of the Regular Meeting of June 9, 2015 (action)   | Simmonds | #2 |
| c. Minutes of the Special Study Session of June 10, 2015 (action)  | Simmonds | #3 |
| 6. MHD Resolution 2015-04: Requesting the Board of Supervisors of the County of Marin to Establish a Tax Rate for Bonds of the District Expected to be Sold During the Fiscal Year 2015-16; and Authorizing Other Necessary Actions (action)                       | Domanico | #4 |
| 7. MHD Bond Oversight Committee Charter (action)   | Domanico | #5 |
| 8. Committee Meeting Reports   |          |    |
| a. MHD Finance and Audit Committee (did not meet in June)  | Bedard   |    |
| b. MHD Lease and Building Committee (met 06-22-2015)   | Sparkman |    |
| 9. Reports   |          |    |
| a. District CEO's Report   | Domanico |    |
| b. Hospital CEO's Report   | Domanico |    |
| c. Chair's Report  | Simmonds |    |
| d. Board Members' Reports  | All      |    |
| 10. Adjournment of Regular Meeting   | Simmonds |    |

*Next Regular Meeting: Tuesday, August 11, 2015 @ 7:00 p.m.*

A copy of the agenda for the Regular Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting.

American Sign Language Interpreters may be requested by calling (415) 464-2090 (voice) or (415) 464-2094 (fax) at least 48 hours in advance of this meeting.

Meetings open to the public are audio-recorded. Recordings are posted on the District web site and retained for one (1) year.

**Tab 1**



**MARIN HEALTHCARE DISTRICT**  
100-B Drakes Landing Road, Suite 250  
Greenbrae, CA 94904

**BOARD OF DIRECTORS  
SPECIAL STUDY SESSION**

**MINUTES**

**Tuesday, June 9, 2015 @ 6:00 pm**  
Marin General Hospital, Conference Center

**6:00 pm: Special Study Session**

**1. Call to Order**

Chair Simmonds called the Special Study Session to order at 6:05 pm.

**2. Roll Call**

BOARD MEMBERS PRESENT: Chair Harris Simmonds, MD; Vice Chair Ann Sparkman; Secretary Jennifer Rienks; Director Larry Bedard, MD; Director Jennifer Hershon

ALSO PRESENT: Lee Domanico, Chief Executive Officer; Colin Coffey, District Counsel; Louis Weiner, Executive Assistant to the Boards; Kevin Coss, Vertran Associates; Jason Haim, Perkins Eastman Architects; Cinda Gilliland, SWA; Kevin Lew, McCarthy Construction

**3. Update on MGH 2.0**

Kevin Coss, Vertran Associates, presented a slide show (on file). He reported that the project team is preparing the next presentation to the County Planning Commission in July. The garage permits are done and work has begun. The West Wing Make Ready project preparation is nearly finalized. Work is on track to break ground on the Hospital Replacement Building in the first quarter of 2016.

Jason Haim, Perkins Eastman Architects (formerly LBL) presented slides of the progress of the building exterior. The site plan has not changed from what has been presented previously. Exterior details have been refined and altered, shown on before/after slides: roof mechanical enclosures (“penthouse”), sunshades, landscaping. These changes afford cost benefits and provide design compatibility with the West Wing.

The Building Height Analysis showed requirements and allowances of Marin County codes and the calculation of the allowable slope on the site.

Cinda Gilliland of SWA Landscape Architects presented the objectives of landscaping: native habitat, water usage/conservation, healing spaces, architectural harmony. The tree planting plan includes redwoods, deciduous trees and accent plantings; floral color will be present through the seasons year-round. She showed proposed details of the entry garden,



meditation garden, donor garden, sunken garden, and roof gardens. Concern was raised about the problem of the oak trees' spiky leaves on the ground, and SWA will look into that. The healthy date palms currently in place will be transplanted to the entry area; other palms are not healthy and won't be saved.

Kevin Lew of McCarty Construction presented the update on the subcontracting process for both the Make Ready and the Hospital Replacement Building projects. The same subcontractor will be used for both projects to provide continuity and coordination of activity and budget, good relationships with the OSHPD onsite team, and smooth connections with the hospital's day-to-day operations and with the general community.

Jason Haim commented about the attainment of LEED certification above Silver, including the use of solar, and that a cost benefit analysis is in process. Kevin Coss has met with Marin Clean Energy (MCE), and possibilities are being researched.

**4. General Public Comment**

No public comment.

**5. Adjournment of Special Study Session**

Chair Simmonds adjourned the Special Study Session at 6:52 pm.

## Tab 2



**MARIN HEALTHCARE DISTRICT**  
100-B Drakes Landing Road, Suite 250  
Greenbrae, CA 94904

**BOARD OF DIRECTORS  
REGULAR MEETING**

**MINUTES**

**Tuesday, June 9, 2015 @ 7:00 pm**  
Marin General Hospital, Conference Center

**7:00 pm: Regular Meeting**

**1. Call to Order**

Chair Simmonds called the Regular Meeting to order at 7:00 pm.

**2. Roll Call**

BOARD MEMBERS PRESENT: Chair Harris Simmonds, MD; Vice Chair Ann Sparkman; Secretary Jennifer Rienks; Director Larry Bedard, MD; Director Jennifer Hershon

ALSO PRESENT: Lee Domanico, Chief Executive Officer; Colin Coffey, District Counsel; Louis Weiner, Executive Assistant to the Boards

**3. General Public Comment**

No public comment.

**4. Approval of Agenda**

Director Bedard moved to approve the agenda as presented. Director Hershon seconded.  
Vote: all ayes.

**5. Approval of Consent Agenda**

**a. Minutes of the Regular Meeting of May 12, 2015**

Vice Chair Sparkman moved to approve the minutes. Director Bedard seconded. Vote: all ayes.

Chairs Simmonds showed thank you letters received from recipients of the Community Benefit Grants recently awarded.

**6. Safety Update**

CEO Domanico reported that Operation Safety continues its success for patient safety, and the Patient Experience program is now being expanded to include the other two “legs” in addition to Patient Safety: Patient Service and Patient Satisfaction. The new Executive Director of Patient Experience is in place, reporting to CAO Friedenber. A Patient Experience Advisory Committee will be formed, which will include former patients.



Public comment: Catherine Taylor.

**7. Nomination of Ching-Hua Wang for MGH Board of Directors**

CEO Domanico presented Dr. Wang’s application materials presented to the MGH-MHD Joint Nominating Committee, which recommended her to the MGH Board of Directors at their meeting of May 5, 2015 and at which the MGH Board unanimously approved recommending her to the MHD Board. Director Bedard moved to approve Ching-Hua Wang’s nomination for membership on the MGH Board of Directors. Chair Simmonds seconded. Vote: all ayes.

**8. MHD Resolution 2015-03**

Counsel Coffey presented the Resolution (Tab 3 of the packet) and the Term Sheet for the Two Agreements (Tab 4) as one unit of discussion and approval. The Resolution is accompanied by a memo of Summary and Recommendation from Kevin Coss, Project Director.

Kevin Coss explained the qualification process for contractors, and the public works contracting process: Proposals from contractors were received, a Committee including both MHD and MGH Board members selected three finalists based on best value, experience, life cycle costs and other considerations, and McCarthy Construction was recommended to be chosen as Construction Manager for the West Wing Make Ready Project. The MGH Board Building Committee reviewed all proposals and considerations, and agreed upon McCarthy. SB 785 authorizes the Design-Build method whereby a single entity is responsible for the project’s design (Architect Agreement) and construction process (West Wing Make Ready). Resolution 2015-03 assigns to McCarthy the status of serving as that single entity.

Director Bedard moved to adopt Marin Healthcare District Resolution 2015-03, “Adoption and Implementation of Design/Build Construction Process, Approval of Site Make Ready Agreement and Assignment of Architect Agreement.” Vice Chair Sparkman seconded. Vote: all ayes.

**9. Review and approve Design Build Agreement**

This discussion was included in item #8 above.

**10. Approve selection of G.O. Bond Underwriters**

CFO James McManus explained the process of choosing, with consultant firm Hammond Hanlon Camp (H2C) beginning in April 2015, the bond underwriter for the upcoming \$394 million General Obligation Bond. Out of 10 proposals requested, three final proposals were chosen whose agents were interviewed by a committee comprising MHD CEO and CFO, MGH Finance Committee members, and H2C officers. Morgan Stanley and Stifel, Nicolaus were chosen.

Jeremy Fair, MGH Board member and member of MGH Finance Committee, commented on the process and effects. The entire plan of bond financing includes the G.O. bonds recently approved by the voters and, later, revenue bonds. Criteria for choosing underwriters included



pricing, qualifications, and quality of planning in placing and distributing bonds. Morgan Stanley was the clear standout for their quality of research, planning and ideas. Stifel, Nicolaus is very strong on underwriting California municipal bonds. Wells Fargo is extremely capable to pick up if Morgan and Stifel underperform in the initial tranche.

CFO McManus reported that in the Fall of 2015 – before the first tranche of bonds is issued in November – a Community Bond Oversight Committee will be formed; the Charter for this Committee will be presented to this Board for approval. Members of the Committee will be chosen, and properly vetted, from the community.

Director Bedard move to approve the selection of Morgan Stanley and Stifel Nicolaus as underwriters for the issuance of the Marin General Hospital General Obligation Bonds. Director Sparkman seconded. Vote: all ayes.

## **11. Committee Meeting Reports**

### **a. MHD Finance and Audit Committee**

No report. The Committee did not meet in May.

### **b. MHD Lease and Building Committee**

No report. The Committee did not meet in May.

## **12. Reports**

### **a. District CEO's Report**

CEO Domanico referenced the Special Study Session on MGH 2.0 earlier tonight as the main of his report. He also offered responses to some of the comments offered by Sterile Processing Dept. staff and organized labor at the previous MHD Board meeting. He has met with the Teamsters representative, sent him a letter, and offered to work directly with him to resolve issues.

### **b. Hospital CEO's Report**

CEO Domanico reported that the construction project is on schedule and the garage work has begun. The hospital's financial performance continues favorably with high patient volume and good management of expenses. The recent MGH Foundation Gala raised over \$850,000 from a sold-out crowd. Major donor pledges for the Capital Campaign continue to come in. MGH-UCSF joint venture for pediatric diabetes care is being formed. The new vascular surgeon from Stanford joins MGH July 1. The new Emergency Department IT system has been activated to the universal approval of users.

Public comment: Catherine Taylor.

### **c. Chair's Report**

No report.

### **d. Board Members' Reports**

Secretary Rienks has obtained additional Quality information from recent annual meeting of the Association of California Healthcare Districts (ACHD).





Tomorrow, June 10, is the Special Study Session of the MHD Board to review and revise the Policy and Procedure for MHD Board Meetings.

**13. Adjournment of Regular Meeting**

Chair Simmonds adjourned the meeting at 7:39 pm

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## Tab 3



**MARIN HEALTHCARE DISTRICT**  
100-B Drakes Landing Road, Suite 250  
Greenbrae, CA 94904

**BOARD OF DIRECTORS  
SPECIAL STUDY SESSION**

**MINUTES**

**Wednesday, June 10, 2015 @ 5:30 pm**  
100-B Drake's Landing Rd., Suite 190, Greenbrae

**5:30 pm: Special Study Session**

**1. Call to Order**

Chair Simmonds called the meeting to order at 5:34 pm.

**2. Roll Call**

*Board Members Present:* Chair Harris Simmonds, MD; Vice Chair Ann Sparkman;  
Secretary Jennifer Rienks

*Board Members Absent:* Director Larry Bedard, MD; Director Jennifer Hershon

*Also Present:* Lee Domanico, Chief Executive Officer; Colin Coffey, District Counsel;  
Louis Weiner, Executive Assistant

**3. Public Comment**

No public comment.

**4. Updating Policies and Procedures for MHD Board Meetings**

Chair Simmonds stated that the objective of this Special Study Session is to revise "Policies and Procedures for Board Meetings, Marin Healthcare District (Amended July 10, 2007)." Recommendations may be made but no official action would be taken.

Counsel Coffey noted that this Policy was formed and amended during a time when MHD Board meetings were contentious and seriously challenged by ongoing conflicts and that, for current purposes, many details of the policy are now extraneous. Most of the necessary procedures in this Policy are covered in (1) The Brown Act, which is law, (2) the Bylaws of Marin Healthcare District, and (3) generally accepted parliamentary procedure as found in "Robert's Rules of Order" or "The Standard Code of Parliamentary Procedure" ("Sturgis"). His research showed that few healthcare districts in California have such a policy, but he located three locally – West Contra Costa, Palm Drive, and Sequoia – and presented them for comparison. He also presented a copy of "Section 49: Procedure in Small Boards" from Robert's.

It was acknowledged that, since the Transfer in June 2010, procedures at MHD Board meetings have gone smoothly and it has proven largely not necessary to refer to this Policy for guidance. There are, however, some details – e.g. decorum, meeting notification and



agenda timeline, agenda item submission and agenda setting, and discussion of an item before a motion has been carried – that warrant particular attention in the interests of the current MHD Board.

Counsel Coffey suggested that he could reduce the existing policy greatly, excising all items already covered by the Brown Act, the Bylaws, and Roberts/Sturgis, and retaining those items of particular interest to the current MHD Board. It was agreed that he would thus draft a revised policy, and present it to the Board for further discussion and approval.

Secretary Rienks remarked, to general agreement, that even if this policy or its revision is not followed precisely, any action taken by the Board would still be valid, so long as the Brown Act is not violated.

It remained open whether Robert's or Sturgis would be used as the parliamentary guide, and this will be discussed further.

Discussion ensued regarding the annual organization meeting of the MHD Board. According to the Bylaws, officers are elected at the December meeting, and committee members are appointed at the January meeting (or first regular meeting of the year). It was suggested to amend the Bylaws so that the January meeting would handle both officers and committees, and that this issue would be on the agenda of the next regular Board meeting on July 14, 2015.

## **5. Adjournment**

Chair Simmonds adjourned the meeting at 6:46 pm.

**Tab 4**

**RESOLUTION NO. 2015-04**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MARIN HEALTHCARE DISTRICT REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN TO ESTABLISH A TAX RATE FOR BONDS OF THE DISTRICT EXPECTED TO BE SOLD DURING FISCAL YEAR 2015-16; AND AUTHORIZING OTHER NECESSARY ACTIONS**

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**WHEREAS**, an election was duly called and regularly held in the Marin Healthcare District (the “District”), located in the County of Marin, California (the “County”), on November 5, 2013, at which the following proposition was submitted to the electors of the District (the “Bond Measure”):

*“To make seismic upgrades to Marin General Hospital to meet stricter California earthquake standards and keep open Marin County’s only Designated Trauma Center; to expand and enhance emergency and other medical facilities; to provide the latest lifesaving medical facilities for treatment of heart, stroke, cancer and other diseases, and to reduce ER wait times, shall the Marin Healthcare District issue \$394,000,000 in bonds to improve Marin General Hospital and related facilities with new construction, acquisitions, and renovations?”*

**WHEREAS**, at least two-thirds of the votes cast on the proposition were in favor of issuing the bonds; and

**WHEREAS**, this Board of Directors deems it necessary and desirable that a series of the District’s bonds be issued during Fiscal Year 2015-16; and

**WHEREAS**, the District’s financial advisor (the “Financial Advisor”) has advised the District, and this Board of Directors has determined, that it is not possible or advisable to sell the District’s bonds in time to calculate the tax rate necessary to pay debt service on such bonds in order that such tax rate may be reflected on Fiscal Year 2015-16 property tax bills of taxpayers in the District; and

**WHEREAS**, this Board of Directors deems it necessary and desirable that a tax rate for bonds of the District expected to be sold during Fiscal Year 2015-16 be established based on an estimate of all payments of principal and interest which shall become due on bonds of the District expected to be sold prior to the making of the tax levy for Fiscal Year 2016-17; and

**WHEREAS**, this Board of Directors has been presented with an estimate of all payments of principal and interest which shall become due on bonds of the District expected to be sold prior to the making of the tax levy for Fiscal Year 2016-17 and deems it necessary to levy the tax for such bonds at the rate of 2.35 cents/\$100 (\$23.50/\$100,000) of assessed valuation;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Marin Healthcare District, as follows:

**Section 1.** All of the above recitals are true and correct and the Board of Directors so finds.

**Section 2.** This Board of Directors hereby establishes the tax rate for bonds of the District expected to be sold during Fiscal Year 2015-16 at the rate of 2.35 cents/\$100 (\$23.50/\$100,000) of assessed valuation.

**Section 3.** The Board of Supervisors of the County, pursuant to California Health and Safety Code Section 32312, is hereby requested to levy a tax rate for bonds of the District expected to be sold during Fiscal Year 2015-16 at the rate of 2.35 cents/\$100 (\$23.50/\$100,000) of assessed valuation.

**Section 4.** In the event that bonds of the District are not sold during Fiscal Year 2015-16, this Board of Directors hereby requests that the Auditor-Controller cause the proceeds of the tax levied to pay the anticipated debt service on such bonds to be deposited in the bond interest and sinking fund of the District for credit against payments which shall come due on outstanding bonds of the District, including bonds to be sold during Fiscal Year 2016-17.

**Section 5.** The Secretary of this Board of Directors is hereby authorized and directed to file a certified copy of this Resolution with the Secretary of the Board of Supervisors of the County, and to cause a copy of this Resolution to be delivered to the Auditor-Controller and the Treasurer and Tax Collector of the County.

**Section 6.** The members of this Board and the other officers of the District shall be and they are hereby authorized and directed to take such additional actions consistent with the intent of this Resolution in connection with the sale of bonds of the District, which any of them deem necessary and desirable to accomplish the purposes hereof.

**Section 7.** The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees (“Indemnified Parties”) against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action related to the levy of the tax for the bonds of the District expected to be sold during Fiscal Year 2015-16.

**Section 8.** This resolution shall take effect from and after its adoption.

**PASSED AND ADOPTED** this 14th day of July, 2015, by the following vote:

AYES: \_\_\_\_

NOES: \_\_\_\_

ABSTAIN: \_\_\_\_

ABSENT: \_\_\_\_

APPROVED:

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Chair of the Board of Directors  
of the Marin Healthcare District

ATTEST:

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Secretary of the Board of Directors  
of the Marin Healthcare District



## Tab 5

# **Marin Healthcare District Bond Oversight Committee Charter**

## **Background**

The role of the Marin Healthcare District Bond Oversight Committee shall be to represent, advocate and promote the interests of the District taxpayers and to inform the public concerning the District's expenditure of revenues received from the sale of general obligation bonds authorized by the voters on November 5, 2013.

## **Purpose**

The purpose of the Committee is to inform the public about the expenditure of Measure F bond funds and to ensure that proceeds are expended for the purpose described in Measure F: to make seismic upgrades to Marin General Hospital to meet stricter California earthquake standards and to keep open Marin County's only Designated Trauma Center; to expand and enhance emergency and other medical facilities; to provide the latest lifesaving medical facilities for treatment of heart, stroke, cancer and other diseases, and to reduce ER wait times, ensure continued local access to emergency room care, acute hospital care, and other medical services for residents of the District and visitors to the area. The Committee shall monitor expenditures to ensure that funds are used to improve Marin General Hospital and related facilities with new construction, acquisitions and renovations. The Committee will not be engaged in facility design or construction oversight.

## **Duties**

1. Review copies of any construction and project financing audits performed by the District in accordance with construction and financial standards.
2. Inspect District construction to ensure that proceeds are being spent in accordance with the mandates of Measure F.
3. Review any efforts by the District to maximize bond revenues by implementing project cost-saving measures.
4. Review with the CFO the annual written report to the Marin Healthcare District Board of Directors required by Government Code Section 53411 covering amounts of funds collected and expended and the status of the project funded by Measure F GO Bonds.
5. Inform the public about the expenditure of Measure F bond proceeds.
6. Report to the public annually on the activities and findings of the Committee.

## **Committee Operations**

The Committee shall be appointed by the Marin Healthcare District Board of Directors. The Committee shall determine its meeting schedules according to the flow of information to evaluate. It is estimated that the Committee will meet quarterly. Committee decisions will be made by a majority vote of the members present. A majority of the appointed Committee members will constitute a quorum for conducting a meeting. The Committee shall consist of up to seven (7) members. Each member will serve for a term of four (4) years without compensation. Agendas and minutes of Committee meeting will be made available on the Marin Healthcare District Website.