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Website: [www.marinhealthcare.org](http://www.marinhealthcare.org) Email: [info@marinhealthcare.org](mailto:info@marinhealthcare.org)  
Telephone: 415-464-2090 Fax: 415-464-2094

**CITIZENS BOND OVERSIGHT COMMITTEE**  
**September 18, 2019, 4:30 PM**

**MINUTES**

- I. **Call to Order** – Chair Lava called the meeting to order at 6:00pm.
- A. **Roll Call**
- ✓ Committee Members Present: Leslie Lava, Chair; Jonathan Frieman, Vice-Chair; Steven Dely, George Feiss, Charles Reite, Jeffrey Tsai.
  - ✓ Staff Members Present: Jon Friedenberg, Dennis Stillman, Beverly Wells, Ron Peluso, Michael Lighthawk.
- B. **Approval of Agenda** - Chair Lava introduced three changes to the agenda adding:
1. Add a leadership update from Mr. Friedenberg.
  2. Move the MGH 2.0 Project Status Report & Tour to the end of the agenda.
- Chair Lava asked for a motion to approve the agenda as amended. Member Dely so moved. Member Reite seconded. Vote: All Ayes.
- Agenda Approved with changes.**
- C. **Minutes Approval for February 20, 2019** - Member Dely so moved. Member Reite seconded. Vote: All Ayes. Vote: five ayes & one abstention.  
**Previous Minutes approved.**
- D. **Minutes Approval for May 15, 2019** - Member Dely so moved. Member Reite seconded. Vote: five ayes & one abstention.  
**Previous Minutes Approved.**
- E. **General Public Comment** – No Public.

II. **Leadership Transition Update**

Jon Friedenberg thanked the committee members for their service to the community and their expertise in overseeing the General Obligation Bond expenditures.

Jon informed the committee that Jim McManus followed an opportunity to be the Chief Financial Officer of an 8 hospital system for Multi-Care in Tacoma, WA. Following his departure, Jean Noonan received an offer for a position in the same system. During this transition, Beverly Wells has stepped in as Interim Controller. Eric Brettner from Peace Health, also in the Northwest region, will be arriving in September as the new MarinHealth CFO. Subsequently a new Controller will be selected by Eric soon after his arrival.

Member Feiss asked for a clarification of UCSF's role in billing for the Marin Clinics. Mr. Friedenberg clarified that, yes, the clinic billing is now being overseen by UCSF under the affiliation agreement. Also included in the agreement was the installation of the EPIC Electronic Medical Record System in the outpatient clinics. The billing, EPIC installation and signage are the biggest changes resulting from the affiliation so far.

III. **MGH 2.0 Project Status Report & Tour**

Ron Peluso, MGH 2.0 Construction Manager, referred to Page 11 of the packet pointing out that he is working with the California Department of Public Health (CDPH) to schedule a



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tour and inspection of the buildings. CDPH Will return 100 days before the opening to sign off on construction after the OSHPD final approval.

The OSHPD sign off on the steel issues is still in progress. McCarthy still hasn't come to a settlement with the responsible contractor and they have run out of money for general requirements. There is still contingency money available (\$12M) and 45 staff have been added to keep on track for finishing the project.

### **Construction Milestones**

- Permanent power has been routed by to the substation two weeks ago by PG&E and we are meeting this Friday with OSHPD to get power to the building.
- One S-1 service elevator has been approved by the state so the temporary elevator on the outside of the building can start to be dismantled.
- Exterior horizontal sunshades will be pushed out to the end of the year as well as drop down shades in the rooms.

### **Upcoming Activities for Construction**

- West wing addition for the temporary lobby, canopy, and gift shop is targeted to begin in January 2020
- Canopy has been approved by OSHPD.
- Electrical site work is mostly completed. Med gas lines are still being worked on.
- Sanitary tank is completed and fuel reserve tank is scheduled to be covered.
- West wing project will move the roundabout access through the median changing the current access from Bon Air road.

### **Project Risks**

- Fire alarm system is completed and testing underway.
- Current Cash Flow spending is at about \$231M.
- There are about 400 people in the building with the addition of a 2nd shift.
- Available Contingency Fund remaining is \$12.6m.
- We are still on target and on budget for opening in late June 2020 for the first patient.

## **IV. Status of General Obligation Bonds, Funding & Project Costs**

Dennis Stillman (Interim CFO) referred to page 14 of the packet pointing out at the end of July there was \$89M left in the G.O. Since the last report in May there have been 9 new requisitions to the Bond Fund totaling about \$27M. \$311M have been expended so far on the project from the G.O. Bonds. Details are illustrated on page 11 of the packet.

## **V. Agenda Items for Next Meeting**

- Follow up on steel negotiations.

## **VI. Adjournment** – Chair Lava adjourned the business portion of the meeting at 5:30pm. The committee then accompanied Mr. Ron Peluso for a tour and walk through of the MGH 2.0 construction site.