

CALL TO ORDER                    The meeting was called to order at 5:30 p.m. by Peter Watercott, President.

PRESENT                            Peter Watercott, President  
John Ungersma, M.D., Vice President  
M. C. Hubbard, Secretary  
D. Scott Clark, M.D., Director  
Charlotte Helvie, MD, Chief of Staff

ALSO PRESENT                    John Halfen, Administrator  
Douglas Buchanan, District Legal Counsel  
Sandy Blumberg, Administration Secretary

ABSENT                             Michael Phillips, M.D., Treasurer

OPPORTUNITY FOR  
PUBLIC COMMENT                Mr. Watercott asked if any members of the public wished to address the Board on any items of interest and/or on any items listed on the agenda for this meeting. No comments were heard.

MINUTES                            The minutes of the June 3, 2009 special meeting and the June 17, 2009 regular meeting were approved.

EMPLOYEE  
GRIEVANCE                        Mr. Watercott stated an employee grievance agendized under New Business would be addressed at the start of this meeting for the convenience of persons present for discussion of that issue. Former Northern Inyo Hospital (NIH) Emergency Room (ER) nurse Andrea Pucci, R.N. was present to state her disagreement with her recent termination from employment at NIH and to discuss the reasons she feels her termination was unjustified. Numerous hospital employees were present to speak on Ms. Pucci's behalf and to state their support of her reinstatement. Ms. Pucci stated her belief that her termination was "malicious and without cause", and expressed her feeling that the hospital Employee Advocate was not allowed to investigate the allegations against her and take action on her behalf. Ms. Pucci defended her actions regarding several incidents which were included in her personnel file as being part of the reason for her termination. She requested reinstatement of her employment with back pay, and asked that further investigation be conducted in regard to the circumstances surrounding her termination.

Before hospital management began discussion of Ms. Pucci's personnel file and the reasons for her termination, Mr. Watercott advised Ms. Pucci that it might be in her best interest if the case against her were not presented in a public forum such as open session. He informed Ms. Pucci of her right to agendize further discussion of her grievance during closed session, and after brief consideration Ms. Pucci requested this item be

continued during closed session at the next regular meeting of the District Board. Mr. Halfen noted his feeling that it is his obligation to explain the Hospital's 'at will' employment policy to Ms. Pucci, and District Legal Counsel Douglas Buchanan assisted with the explanation. Ms. Pucci was additionally advised to fully prepare her case for reinstatement prior to discussion at the next regular meeting.

FINANCIAL AND  
STATISTICAL REPORTS

John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of May 2009. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$320,025. Mr. Halfen called attention to the following:

- *Inpatient revenue was under budget, however outpatient revenue was over budget for the month*
- *Total Expenses were over budget*
- *Salaries and wages and employee benefits expense were over budget*
- *Professional Fees expense continues to be over budget*
- *The Balance Sheet shows no significant change*
- *Total Assets continue to grow*
- *Year-to date Net Revenue totals \$3,837,341*

Mr. Halfen reviewed the status of the Hospital's investments which continue to experience very little risk exposure at this time. He additionally noted total revenue is currently 8% over budget for the year, and it appears the month of June 2009 will be a profitable one. It was moved by D. Scott Clark, M.D., seconded by John Ungersma, M.D. and passed to approve the financial and statistical reports for the month of May 2009 as presented.

CLOSED SESSION

At 6:16 p.m. Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

- A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code section 54962).
- B. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).
- C. Confer with legal counsel regarding an amended claim filed by John Nesson, M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
- D. Discussion with counsel of pending litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).

RETURN TO OPEN  
SESSION AND REPORT  
OF ACTION TAKEN

At 6:55 p.m. the meeting was returned to open session. Mr. Watercott reported the Board took action to deny the amended claim filed by John Nesson, M.D. against Northern Inyo County Local Hospital District and other Defendants.

ADMINISTRATOR'S  
REPORT

BUILDING REPORT

Mr. Halfen stated the building report would be presented during the New Business portion of this meeting.

FYI SECTION

Mr. Halfen noted he is looking into the possibility of the Hospital receiving federal stimulus money but details on that subject are unclear at this time. Stimulus money is expected to be available in particular for assistance in funding purchases of electronic hospital information systems and other Information Technology (IT) projects. Mr. Halfen additionally noted he recently attended a healthcare conference conducted by McKesson Corporation where stimulus money and current healthcare issues were discussed in detail.

CHIEF OF STAFF  
REPORT

Chief of Staff Charlotte Helvie, M.D. reported that results of the recent Medical Staff elections for the 2009/2010 year are as follows:

- Chief of Staff; Charlotte Helvie, M.D.
- Vice Chief of Staff; Helena Black, M.D.
- Immediate Past Chief of Staff; Richard Nicholson, M.D.

Members of the Medical Executive Committee for the fiscal year include Charlotte Helvie, M.D.; Helena Black, M.D.; Richard Nicholson, M.D.; L. Jeanine Arndal, M.D. Amr Ramadan, M.D.; Thomas Reid, M.D.; Taema Weiss, M.D., and John Halfen (Ex-Officio non-voting member).

OLD BUSINESS

Mr. Watercott expressed the Board's appreciation to Doctor Helvie for her service as (incoming) Chief of Staff for the 2009/2010 fiscal year.

REAFFIRMATION OF  
NEGOTIATOR

Mr. Halfen asked for reaffirmation of himself as negotiator regarding the potential acquisition of real property at Barlow Lane and Highway 395 in Bishop, California. Negotiation will be with the Designee/s of Inyo Mono Title. It was moved by Doctor Ungersma, seconded by M.C. Hubbard, and passed to approve the reaffirmation of Mr. Halfen as negotiator as requested.

POSSIBLE  
TERMINATION OF  
PROFESSIONAL  
SERVICES CONTRACT

Mr. Watercott reported he has received a request to table discussion of the possible termination of a professional services contract until a final report on this subject has been received from the ad hoc committee convened for the purpose of looking into this matter. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to table this agenda item to the next regular meeting of the District Board.

NEW BUSINESS

SECURITY REPORT

Mr. Halfen referred to the Security report for May 20 through June 22 2009, which reported no significant security issues for the month.

APPROVAL OF  
BUILDING PROJECT  
EXPENDITURES  
OUTSIDE OF TURNER  
GMP

Kathy Sherry, Project Manager for Turner Construction Company distributed a handout of cost increases for Phase II of the building project, which have caused the total cost of the project to exceed Turner's previously established Guaranteed Maximum Price (GMP). Cost increases include additional expenditures for electrical services, concrete, mechanical engineering, piping, and framing. Ms. Sherry explained design plan changes which have caused the price increase, many of which are a result of the Office of Statewide Healthcare Planning and Development's (OSHDP) review of the design plans. A proposal from Sierra Geotechnical Services for structural inspection and testing was also presented for a total cost of \$585,650. Ms. Sherry requested Board approval to increase Turner Construction's GMP by \$150,000 to allow for the additional costs, and she also noted another increase may be necessary in the future. Mr. Halfen distributed a cash flow projection illustrating where he intends to obtain the funds needed to complete the project, and stated his opinion that the project can still be completed with the District incurring minimal debt service. Following review of the additional projects costs it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the proposed agreement with Sierra Geotechnical Services and to approve an additional \$150,000 increase to Turner Construction's GMP for Phase II of the Hospital rebuild project.

STAT CENTRIFUGE  
AND PLASMA THAWER  
PURCHASES

Laboratory Director Leon Freis, RPh, referred to a proposal to purchase a Stat centrifuge for the hospital's Chemistry Lab at a cost of \$3,316.99. Purchase of the centrifuge would allow for improved turn-around times delivering test results to the Intensive Care Unit (ICU) and the Emergency Department (ED) without incurring significant cost. Mr. Fries also referred to a proposal to purchase a plasma thawer for the Lab at a cost of \$5,274.09. The Hospital's existing plasma thawer is in need of an upgrade and the proposed equipment purchase would allow for a larger amount of plasma to be thawed at one time when needed for emergency cases. Both pieces of equipment would create time-savings for emergency care at a relatively insignificant cost. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the purchase of both the Stat centrifuge and the plasma thawer as requested.

VIDEO INTERPRETING  
PROPOSAL

Interpretive Services Director Jose Garcia presented a proposal for the Hospital to join the Health Care Interpreter Network (HCIN) in order to improve interpretive services offered at NIH. HCIN ensures availability of interpretive services for all languages through utilization of video and voice networks, via internet access. In particular, video capabilities would allow for sign language interpreting, a need currently under-served

by the Hospital. It was moved by Doctor Ungersma, seconded by Ms. Hubbard and passed to approve the Hospital joining HCIN as requested.

RATIFICATION OF  
CLARKE STREET AND  
PINE STREET LEASES

Mr. Halfen requested ratification of the Hospital's one-year lease of a property located at 331 Clarke Street in Bishop, California; and ratification of NIH's one-year lease of a property at 768 Pine Street in Bishop, California. Both properties are being leased at a low cost in order to help provide housing for traveling nurses and other healthcare professionals transitioning into this area to work at NIH. Housing issues are an ongoing challenge in recruiting healthcare professionals to this area, and having these two units available should significantly help with the housing shortage. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to ratify both one-year leases as requested.

PEDIATRIC EEG  
AGREEMENT

Mr. Halfen referred to a proposed agreement for pediatric electrocardiograph (EEG) services with Marie Toczek, M.D., and noted a change has been requested to item 13 of the agreement to include a 15-day termination clause. Following review it was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to approve the agreement for pediatric EEG services with Marie Toczek, M.D. as requested, including the requested change.

BOARD MEMBER  
REPORTS

Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma updated the Board on legislative issues discussed at the most recent meeting of the Association of California Healthcare Districts (ACHD).

PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if any member of the public wished to comment on any items of interest and/or on any items listed on the agenda for this meeting. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 7:43 P.M..

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary