PAJARO VALLEY HEATH CARE DISTRICT HOSPITAL

BOARD OF DIRECTORS

REGULAR MEETING AGENDA
Virtual/Teleconference Only

(Immediately following the Pajaro Valley
Health Care District Board Meeting)

5:00 p.m.

ZOOM LINK https://zoom.us/j/93443061917

TELEPHONE +1 669 900 9128 WEBINAR ID: 934 4306 1917

July 7, 2022

Agenda documents are available for review in person at the office of the Clerk of the Board, Government Center, 5th Floor, 701 Ocean Street, Room 520; and electronically on the Pajaro Valley Healthcare District's website, at: PVHCD.org and at PVHCDHospital.org

To view online, visit the Board's website at: PVHCD.org. or PVHCDHospital.org Select the meeting date to view the agenda and supporting documents.
Written comments must be received before 4:00 p.m. the day of the meeting to be included with agenda materials. Comments received after 4:00 p.m. on meeting day will be included in the minutes record. For additional information, call the Clerk of the Board's office at 831-454-2323 (TTY/TDD call 711).

CONSENT AGENDA

Consent items include routine business that does not call for discussion. One roll call vote is taken for all items. Only a Board Member may pull items from Consent to Regular agenda. Members of the public must request that a Board Member pull an item from the Consent Agenda prior to the start of the meeting.
Staff is available to address public concerns Monday through Friday, 8:00 a.m. to 5:00 p.m.

TRANSLATION SERVICES/SERVICIOS DE TRADUCCION

Spanish language translation is available on an as needed basis. Please make advance arrangements at Clerk of the Board, Room 520, 701 Ocean St., Santa Cruz; or by telephone at (831) 454-2323.
Las sesiones de la Mesa Directiva pueden ser traducidas del inglés al español y del español al inglés. Por favor haga arreglos anticipadamente con la Secretaria de la Mesa Directiva de los Supervisores en el cuarto número 520, 701 Ocean St., Santa Cruz; o por teléfono al número (831) 454-2323.

ACCOMMODATIONS FOR PERSONS WITH DISABILITIES

The Pajaro Valley Health Care District Hospital does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. If you are a person with a disability and wish to participate in the meeting and require special assistance in order to participate, please contact the Clerk of the Board at (831) 454-2323 [TDD: call 711] at least 72 hours in advance of the meeting to make arrangements.
Persons with disabilities may request a copy of the agenda in an alternative format.

Pajaro Valley Health Care District Hospital – Board of Directors

Public Participation Guidelines

PUBLIC COMMENT

Participating by Phone:

To address the Board, dial the telephone number provided and you will be prompted to enter the meeting ID number. After that, you will be able to listen to the meeting and speak during public comment as announced by the Chair. The Clerk will call on people by the last four digits of their phone number.

The following commands can be entered via DTMF tones using your phone's dial pad while in a Zoom meeting:

- ***6** - Toggle mute/unmute
- ***9** - Raise hand

Participating online via Zoom:

You may download the Zoom client or connect to the meeting in-browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.

You will be asked to enter an email address and name. **Please identify yourself by any name** you choose (you are not required to state your real name to participate) as this appears online and is how we notify you when it is your turn to speak.

When the Board Chair calls for the item on which you wish to speak, click on "raise hand." The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak.

When called, please limit your remarks to the time allotted.

RELATED CORRESPONDENCE

Written comments on agenda items may also be submitted to the Board by email or US Mail

Email: info@pvhcdhospital.org or info@pvhcd.org

- Emailed documents may take up to 24 hours to be posted
- Please include the agenda item number

U.S. Mail:

PCHVD Hospital Board of Directors
c/o Clerk of the Board
701 Ocean Street, Room 520
Santa Cruz, CA 95060

Comments received after 4 p.m. the day of the meeting and before the end of the meeting will be included with the minutes record. General comments not related to topics on the agenda will be included with the next Written Correspondence Listing.

For the latest COVID-19 updates, please visit the County Health Services Agency website at:

http://santacruzhealth.org

*Published in PDF, and available online at:
PVHCD.org

INTRODUCTORY ITEMS

1. **CALL TO ORDER**

2. **CONSIDERATION OF LATE ADDITIONS TO THE AGENDA**

3. **PUBLIC COMMENT**

Any person may address the Board during its Public Comment period. Speakers must not exceed two (2) minutes in length, or the time limit established by the Chair, and individuals may speak only once during Public Comment. All Public Comments must be directed to an item listed on today's Consent Agenda, Closed Session Agenda, yet to be heard on Regular Agenda, or a topic not on the agenda that is within the jurisdiction of the Board. Board members will not take actions or respond immediately to any public communication presented regarding topics not on the agenda but may choose to follow up later, either individually, or on a subsequent Board of Director's Agenda. Public Comments will normally be received by the Board for a period not to exceed thirty (30) minutes. If, at the end of this period, additional persons wish to address the Board, the Public Comment period may be continued to the last item on the agenda.

4. **ACTION ON THE CONSENT AGENDA (ITEMS 11 – 12)**

REGULAR AGENDA

5. **FUNDRAISING AND EXPENSES UPDATE (EDUCATIONALONLY)**

Recommended Action(s):
Consider update on fundraising and expenses related to the acquisition and operation of Watsonville Community Hospital.

6. **APPROVAL OF RULES OF CONDUCT FOR THE PAJARO VALLEY HEALTH CARE DISTRICT HOSPITAL (ACTION ITEM)**

Recommended Action(s):
Consider and approve the Rules of Conduct for the Pajaro Valley Health Care District Hospital.

7. **EXECUTORY CONTRACTS (ACTION ITEM)**

Recommended Action(s):

1. Authorize staff to renegotiate real estate leases as they come up for renewal, and direct staff to track leases monthly and market excess real estate to potential tenants; and
2. Authorize staff to renegotiate executory contracts related to nine managed care contracts.

8. **TRANSITION UPDATE (EDUCATIONAL ONLY)**
Recommended Action(s):
Consider presentation on the transition of the Watsonville Hospital Corporation to new ownership.

9. **BOARD MEMBER AND STAFF ANNOUNCEMENTS AND REQUESTS TO PLACE ITEMS ON A FUTURE AGENDA**

CLOSED SESSION

10. **SCHEDULE A CLOSED PERSONNEL AND LITIGATION SESSION TO BE HELD AT THE CONCLUSION OF THE BOARD'S CONSENT OR REGULAR AGENDA, OR AT ANY OTHER TIME DURING THE COURSE OF THE MEETING ANNOUNCED BY THE CHAIRPERSON OF THE BOARD.**

A. PUBLIC EMPLOYMENT (Government Code Section 54957(b)(1))
Title: Chief Executive Officer

B. CONFERENCE WITH LABOR NEGOTIATOR (Government Code Section 54957.6)
Agency Negotiator: Monica Morales
Employee: Chief Executive Officer

Report of PVHCDH Counsel will be given at the conclusion of the Closed Session on any reportable actions(s) taken in the Closed Session.

CONSENT AGENDA

11. **Approval of Minutes**
    a) Board of Directors – Regular Meeting – June 16, 2022 - 5:00 p.m.

12. **AB 361 Resolution Authorizing Teleconference Meetings**
    Recommended Action(s):
    1) Adopt resolution making findings and ordering the use of teleconference meetings of the Board of Directors due to COVID-19, pursuant to the requirements of Assembly Bill 361: and
    2) Direct Interim Administrative Staff to return within 30 days with a new resolution addressing the need to continue holding teleconference meetings consistent with the requirements of Assembly Bill 361.

- End of Consent Agenda -

Agenda Item 5
From: Interim Administrative Staff
Subject: Fundraising and Expenses Update
Meeting Date: July 7, 2022

Recommended Actions

Consider update on fundraising and expenses related to the acquisition and operation of Watsonville Community Hospital.

Executive Summary

Staff have prepared an update on fundraising and expenses for the acquisition and operation of Watsonville Community Hospital. Expenses towards the acquisition of the hospital include categories such as: Acquisition, Admin and Transition, Deficit Funding, and Working capital. The Capital requirements for the purchase and operational deficits of the hospital total $62,710,000 as of early June, with a stretch fundraising goal of $63,000,000. As of June 28, 2022, the Pajaro Valley Healthcare District Project's efforts have raised $25,438.501 in committed funds towards this effort. Staff anticipate a projected $25,000,000 from the State of California, which was recommended in its FY23 budget, but as of 6/28/22 has not yet been signed by the Governor of California.

Background/Analysis

Notable Contributions as of June 23, 2022 include:

PVHDP Donors over $5,000	
To be listed as:	Amount
Blue Shield of California	$1,000,000
Central California Alliance for Health	$3,000,000
Chinese Community of Watsonville	$50,000
City of Watsonville	$130,000
Donald Cooley	$10,000
Community Health Trust of Pajaro Valley	$6,000,000
County of Santa Cruz	$5,500,000
Dobler & Sons	$100,000
Dominican Hospital	$300,000
Bruce and Heidi Donald	$5,000
Driscoll's, Inc.	$1,750,000
John & Caroline Eiskamp and J.E. Farms, Inc.	$10,000
Graniterock	$10,000
Graniterock/Woolpert Family Fund	$10,000
Kaiser Permanente	$3,000,000
Kimberly and Paul Lego	$10,000
Michael and Mary Anne Lutz	$5,000
County of Monterey	$3,000,000
Amy Newell	$10,000
Rowland and Pat Rebele	$50,000
Robert and Carol Simpkins Family Fund	$50,000
Stanford Children's Hospital	$1,084,000

Betty Sutherland	$20,000
Tut Family	$10,000
Watsonville Community Hospital Medical Staff	$55,000
WCH Emergency Department Vituity Providers	$50,000
Connie and Tom Wilson	$5,000
Geo H. Wilson Fund	$7,500
Sue H. Wilson and Family	$25,000

During the period from June 6 through June 28, 2022:

- As of June 28, 2022, the Driscoll's challenge grant raised $3,424,502; Driscoll's confirmed that they will donate $1.75 million
- As of June 23, 2022, 310 donors have contributed to the hospital campaign
- On June 9, the PVHDP Capital Campaign Fundraising Committee hosted a Meet and Greet event at Watsonville Community Hospital, where donors and prospective donors learned more about the fundraising campaign and celebrated the impact of their generosity.

Financial Impact

There is no financial impact associated with this item.

Agenda Item 6
From: Interim Administrative Staff
Subject: Approval of Rules of Conduct for the Pajaro Valley Health Care District Hospital
Meeting Date: July 7, 2022

Recommended Actions
Consider and approve the Rules of Conduct for the Pajaro Valley Health Care District Hospital.

Executive Summary
This item requests that the Board consider and approve the Rules of Conduct for the Pajaro Valley Health Care District Hospital, which set forth basic regulations encompassing requirements of the Political Reform Act and other laws concerning ethics.

Background/Analysis
Attached to this item are proposed Rules of Conduct for the Hospital Board that outline the Hospital Board's policy to maintain the highest standard of personal honesty and fairness in carrying out its duties. The objectives of the policy are to 1) provide guidance for dealing with ethical issues; 2) heighten awareness of ethics and values as critical elements of Board decision-making; and 3) improve ethical decision-making and values-based management.

The proposed Rules are based on those used by similar organizations responsible for Hospital operations. They contain separate sections on the responsibilities of public office, fair and equal treatment, use of confidential information, conflict of interest, incompatible offices, compliance with the Brown Act, and a number of other important topics. They also incorporate a separate "Exhibit A" which is the proposed Conflicts of Interest Policy for the Board.

Noel Caughman will give a short presentation to the Board to walk through the proposed Rules, after which the Board will have an opportunity to pose questions, discuss the proposed Rules, and instruct staff as to any requested changes. If there are no requested changes, staff's recommendation is that the Board approve the Rules of Conduct as presented.

Financial Impact
There is no financial impact associated with this item.

Attachment:

A. Board of Directors Rules of Conduct

Attachment 6A

PAJARO VALLEY HEALTH CARE DISTRICT HOSPITAL CORPORATION

BOARD OF DIRECTORS
RULES OF CONDUCT

PURPOSE AND SCOPE:

The policy of Pajaro Valley Health Care District Hospital Corporation, a California nonprofit public benefit corporation doing business as Watsonville Community Hospital, a licensed general acute care hospital (the "Hospital"), is to maintain the highest ethical standards for its Board members. The proper operation of the Hospital requires decisions and policy to be made within the proper channels of governmental structure, the public office not be used for personal gain, and that Board members remain objective and responsive to the needs of the public they serve. Accordingly, it is the policy of the Hospital that Board members and employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. This policy sets forth the basic ethical standard to be followed by the Board of Directors of the Hospital. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Board members' conduct, and (3) improve ethical decision-making and values-based management.

The Hospital Board of Directors, acting as a Board, is the governing body of the Hospital and sets policy for the Hospital. The Board shall act only at its regular, regularly adjourned, special or emergency meetings. All powers of the Hospital shall be exercised and performed by the Board as a body. Individual Board members, except as otherwise authorized by the Board shall have no power to act for the Hospital, or the Board, or to direct any staff of the Hospital.

Correspondence paid for with public funds or on Hospital stationery must relate to bona fide Hospital business and must not purport to advance or advocate a policy not previously approved by the Board of Directors. No individual Board member, except as otherwise authorized by the Board, shall transmit any Hospital correspondence without authorization from the Board to serve as spokesperson for this purpose. When otherwise signing correspondence using their title as Director and presenting their individual opinions and positions, members of the Board shall explicitly state they do not represent the Hospital and will not allow the inference that they do.

RESPONSIBILITIES OF PUBLIC OFFICE:

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Board members will strive to work in cooperation with public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work. (Government Code Section 1360; Article 20, Section 3 of the California Constitution).

FAIR AND EQUAL TREATMENT:

Board members, in the performance of their official duties and responsibilities, will not discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition or disability. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

PROPER USE AND SAFEGUARDING OF DISTRICT PROPERTY AND RESOURCES:

Except as specifically authorized, a Board member will not use or permit the use of Hospital owned vehicles, equipment, telephones, materials or property for personal benefit or profit. A Board member will not ask or require a Hospital employee to perform services for the personal benefit or profit of a Board member or employee. Each Board member must protect and properly use any Hospital asset within his or her control including information recorded on paper or in electronic form. Board members will safeguard Hospital property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. (Article 16, Section 6 of the California Constitution, Government Code Section 8314; Penal Code Section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

USE OF CONFIDENTIAL INFORMATION:

A. A Board member is not authorized, without approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, or (2) is protected from disclosure under the attorney/client or other evidentiary privilege.

B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of the law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the Hospital, an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the Hospital in closed session, including disclosure of the nature and extent of the allegedly illegal actions, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2) above, however, a Board member will first bring the matter to the attention of either the Chair of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

C. A Board member who willfully and knowingly discloses for pecuniary gain any confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code Section 1098. (California Government Code Section 54963.)

CONFLICT OF INTEREST:

Board members are subject to the Political Reform Act (Gov. Code § 81000 et seq.)("PRA"), Government Code Section 1090 (Gov. Code § 1090)("Section 1090"), and California Nonprofit Public Benefit Corporation Law (Corp. Code § 5110 et seq.)("Nonprofit Law"). To the extent there is a conflict between these bodies of the law, the more restrictive shall apply.

A. PRA. Board members are required to file Statements of Economic Interests (Form 700) in compliance with the PRA. Form 700s are filed upon assuming office, annually thereafter, and upon leaving office.

A Board member will not participate in any Hospital decision that would have a reasonably foreseeable material financial effect on one of the Board member's financial interests enumerated in Fair Political Practices Commission ("FPPC") Regulation §18700(c)(6). The enumerated financial interests are summarized as follows:

(1) Any business entity in which the Board member has a direct or indirect investment worth at least $2,000;

(2) Any real property in which the public official has a direct or indirect interest of at least $2,000;

(3) Any source of income, amounting to a total of at least $500, provided or promised to, and received by the Board member within 12 months before the decision is made;

(4) Any business entity in which the Board member is a director, officer, partner, trustee, employee, or holds any position of management;

(5) Any donor of, or any intermediary or agent for a donor of, a gift or gifts amounting to a total of at least $520 provided to, received by, or promised to the Board member within 12 months before the decision is made; and

(6) The personal finances of the Board member and his or her immediate family (spouse and dependent children). (See 2 Cal. Code Regs. § 18700(c)(6).)

If a Board member believes that a Hospital decision may result in a financial effect on one of the Board member's enumerated financial interests, the Board member will, before participating in the decision in any way, contact the Hospital's General Counsel to determine whether a disqualifying conflict of interest exists. If a disqualifying conflict exists and no exception applies, the Board member must disclose, on the record, his or her financial interest, and recuse himself or herself from any participation in the Hospital decision.

B. Section 1090. A Board member may not participate in the making or approval of a contract involving the Hospital, or be a purchaser at a sale by the Hospital or a vendor at a purchase made by the Hospital, if that Board member has a financial interest in the contract, sale, or purchase, unless the Board member's interest is considered a remote interest or noninterest under Government Code Sections 1091 or 1091.5, or the Board member's participation is authorized under other provisions of law. A financial interest in a contract is any potential financial benefit or detriment, and does not have to be certain in order for a conflict to exist. If a conflict exists and no exception applies, the Board member must recuse himself or herself from any participation in the making of the contract, and the Hospital will likely be prohibited from contracting with the entity in which the Board member has a financial interest.

C. Nonprofit Law. Where there is not a conflict of interest under the PRA or Section 1090, a conflict may still exist under Nonprofit Law. Accordingly, Board members must also adhere to the conflict of interest policy attached as Exhibit A.

D. A Board member will not recommend the employment of a relative by the Hospital. A Board member will not recommend the employment of a relative to any person known by the Board member to be bidding for or negotiating a contract with the Hospital.

E. A Board member who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code Section 70. (Government Code Sections 1090 and following and Penal Code Sections 68 and 70.)

INCOMPATIBLE OFFICES:

A Board member shall not hold a public office, the duties of which may require action contradictory or inconsistent with his or her duties as a Board member (as determined under applicable law). (See, generally, 73 Cal.Op.Atty. Gen. 357 (1990). See also Government Code Section 53227.)

IMPROPER ACTIVITIES AND THE REPORTING SUCH ACTIVITIES; PROTECTION OF WHISTLE BLOWERS:

A. The Chief Executive Officer has the primary responsibility for (1) ensuring compliance with the Hospital's Policies and Procedures and ensuring that Hospital employees not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the Chief Executive Officer is operating the Hospital according to laws and the policies approved by the Board. Board members are encouraged to fulfill their obligation to the public and the Hospital by disclosing to the Chief Executive Officer to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the Chief Executive Officer's responsibilities in identifying, investigating and correcting improper activities, unless the full Board of Directors determines that the Chief Executive Officer is not properly carrying out these responsibilities.

B. A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the Chief Executive Officer or the Board any information that , if true, would constitute: a work-related violation by a Board member or Hospital employee of any law or regulation, gross waste of Hospital funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a Hospital official or employee, use of a Hospital office or position or of Hospital resources for personal gain, or a conflict of interest of a Hospital Board member or Hospital employee.

C. A Board member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a Hospital board member or Hospital employee who reports or otherwise brings to the attention of the Chief Executive Officer any information regarding the subjects described in this section. (Labor Code Section 1102.5 and following; Government Code Sections 53298 and 53298.5.)

COMPLIANCE WITH THE BROWN ACT:

The members of the Hospital Board of Directors and persons appointed but who have not yet assumed office as members of the Board, will fully comply with the provisions of the state's open meeting law for public agencies (the Brown Act). (Government Code Sections 54950 and following, and 54952.1 and 54959.)

BOARD MEMBERS EXPENSE REIMBURSEMENT:

A. Travel Guidelines

1. Expenses will be paid for the period of any conference attended and all conference-related activities scheduled prior to and after the conference, with a reasonable time allowed to travel to and from the conference/related activities. This guideline acknowledges that if early arrival or stay-over is required because of transportation scheduling, expenses will be paid for that period. Conference lodging expenses shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use comparable lodging.

2. Expenses for travel by personal automobile will not exceed those paid to Board members traveling by scheduled airlines to attend the same conference. Reimbursement for mileage will be in accordance with the IRS standard mileage rate.

3. If a spouse travels with the Board member, and expenses are pre-paid by the Hospital for the spouse, those pre-paid expenses must be reimbursed to the Hospital as soon as is practical upon the Board member's return.

4. Meal reimbursement of $50 per day including a limit of $30 for the dinner meal, with the remainder reimbursable for other meals during the same day, will be reimbursed when traveling at the Hospital's expense for conferences, seminars, and/or business meetings.

5. All reimbursed expenses require receipts to be attached to the expense claim form. If a receipt is not provided by a vendor or is lost, an explanation of the expenditure shall be included on the expense claim form and approved by the Board for payment.

6. If Board member expenses are prepaid by the Hospital and are not used, the Hospital will require reimbursement unless the reason for not attending was due to personal illness or an event that impeded good faith efforts to attend. Such events could include flight or other public transportation delays or cancellations, meeting cancellations or date changes, or sudden events within the Hospital which would serve the Hospital's best interest that the individual not be away. However, a Board member would still be responsible for prepaid spouse expenses.

The Hospital does not make credit cards available to Board members. Payment for Board expenses will be made by personal check or credit card and reimbursed following the trip.

7. At the following Board meeting, each Board member shall briefly report on meetings attended at the Hospital's expense. If multiple Board members attended, a joint report may be made.

ETHICS TRAINING:

All members of the Hospital Board of Directors will complete a 2-hour course of training in ethics similar to that required of publicly elected officials (AB1234).

This training is required of all newly appointed Board members within one (1) year of assuming a position on the Board and must be renewed thereafter every two (2) years.

All Board members must be current with their AB1234 training in order to receive any reimbursement or stipends.

VIOLATION:

A perceived violation of these Rules by a Board member should be referred to the Chair of the Board or the full Board of Directors for investigation. If the conduct is found to be a violation of these Rules by an affirmative vote of a majority of members of the Board in an open and public meeting, the violation may be addressed by the use of such remedies as are available by law to the Hospital, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated these Rules, (b) injunctive relief, or (c) referral of the violation to the District Attorney and/or the Grand Jury, if applicable.

GIFT OF TICKETS AND/OR PASSES:

A. The purpose of this policy is to ensure that all tickets and/or passes to attend a facility, event, show, or performance for an entertainment, amusement, recreational, or similar purpose, made available to or for the Hospital, are distributed in furtherance of governmental and/or public purposes as required under Fair Political Practices Commission ("FPPC") Regulation 18944.1.

B. The Hospital finds that the receipt of all such discounted, free or purchased tickets and/or passes are public resources. The Hospital desires to distribute these public resources in a manner that furthers its public purposes as reasonably described herein, such as the promotion of the Hospital, the marketing of Hospital services, and the recognition of the Hospital and its community and government partners for these purposes. In addition, a ticket or pass distributed to a Hospital official for the official's personal use, other than a member of the Board, the chief executive officer of the Hospital, a political appointee, or department head, to support general employee morale, retention, or to reward public service is deemed to serve a public purpose.

C. This policy shall be subject to the following limitations:

1. This policy applies solely to the distribution of a ticket or pass, as those terms are defined in FPPC Regulation 18946, to an event or function provided by the Hospital to an

official of the Hospital, or at the behest of an official of the Hospital, where such distribution serves a public purpose.

2. The Hospital must determine, in its sole discretion, who uses the ticket or pass, and the ticket or pass must not be earmarked by an outside source for use by a specific Hospital official.

3. Transfer of any ticket received by a Hospital official pursuant to this policy is prohibited except to members of the official's immediate family or no more than one guest solely for their attendance at the event.

4. Disproportionate use of tickets or passes by a member of the Hospital Board, chief executive officer, political appointee, or department head is prohibited.

5. Unless exempted otherwise under state law, any ticket and/or pass received or directed for use by a Hospital official not in conformance with this policy remains subject to separate disclosure requirements and the annual gift limit.

6. This policy does not generally apply to political or nonprofit fundraisers which are governed under a separate FPPC Regulation.

7. Tickets and/or passes to events that primarily provide informational material and are provided to assist the Hospital official in the performance of his or her duties sought are also not generally subject to this policy. As any event becomes more entertainment oriented, this policy as well as Hospital counsel should be consulted.

8. The provisions of this policy apply only to the benefits the official receives from the ticket or pass that are provided to all members of the public with the same class of ticket or pass. This policy does not apply to the following: (1) An admission provided to a school, college, or university district official, coach, athletic director, or employee to attend an amateur event performed by students, which are neither gifts nor income; or (2) An admission identified in FPPC Regulation 18942(a)(13) relating to an official performing a ceremonial role.

D. Definitions:

Hospital Officials: Hospital officials shall mean all public officials and those appointed officials as that term is defined by Government Code Section 82048 and FPPC Regulation 18700.

Tickets/Passes: A "ticket" is anything that provides access, entry, or admission to a specific future event or function and for which similar tickets are sold to the public to view, listen to, or otherwise take advantage of the attraction or activity for which the ticket is sold and includes any benefits that the ticket provides. A "pass" is a ticket that provides repeated access, entry, or admission to a facility or series of events and for which similar passes are sold to the public. (FPPC Regulation 18946.)

E. The Chief Executive Officer or his/her designee shall be responsible for managing all donations of tickets and/or passes and for the accounting and inventory of all donated tickets

and/or passes. In such case, where the Chief Executive Officer desires to obtain a ticket or pass, the Hospital Board authorizes the Board Chair to exercise the Hospital's sole discretion in determining whether the Chief Executive Officer's use or behest of tickets and/or passes is in accordance with the terms of this policy.

F. Any Hospital official or any member of the Hospital's immediate family may return any ticket unused to the Hospital for redistribution pursuant to this policy. Government Code Section 82029 has defined immediate family to mean spouse and dependent children.

G. A ticket or pass is not subject to the provisions of this policy, and not a gift for purposes of the Political Reform Act (1) if it is taxable income to the official, or (2) if the official reimburses the agency for the ticket within 30 days of receipt.

H. This policy shall be posted on the Hospital's website in a prominent fashion within 30 days of adoption or amendment and the Hospital must send to the FPPC by e-mail the Hospital's website link that displays this policy. This policy shall be maintained as a public record and is subject to inspection and copying under Government Code Section 81008.

I. The distribution of tickets and/or passes pursuant to this policy shall be posted on the Hospital's website in a prominent fashion within 45 days after the ticket distribution and shall include all the information as required under Section 18944.1. Any such posting shall use FPPC Form 802 or such alternative form as may be approved or amended from time to time. Original Form 802s must be retained by the Hospital for at least seven years. (Government Code Section 81009.)

Exhibit A

Pajaro Valley Health Care District Hospital Corporation

CONFLICTS OF INTEREST POLICY

Article I

The purpose of the conflicts of interest policy is to protect the interest of the Pajaro Valley Health Care District Hospital Corporation (the "Hospital") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Hospital. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations and foundations.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with board delegated powers who has a direct or indirect Financial Interest, as defined below, is an interested person ("Interested Person"). If a person is an Interested Person with respect to any entity in the health care system of which the Hospital is a part, he or she is an Interested Person with respect to all entities in the health care system.

2. Financial Interest

"Financial interest" means a financial interest where the person has, directly or indirectly, through business, investment or family—

a. an ownership or investment interest in any entity with which the Hospital has a transaction or arrangement, or

b. a compensation arrangement with the Hospital or with any entity or individual with which the Hospital has a transaction or arrangement, or

c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Hospital is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

Article III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an Interested Person must disclose the existence of his or her Financial Interest and must be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

   a. An Interested Person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

   b. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

   c. After exercising due diligence, the board or committee shall determine whether the Hospital can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

   d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Hospital's best interest and for its own benefit and whether the transaction is fair and reasonable to the Hospital and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy

a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

1. the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

2. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Article V

Compensation

1. A voting member of the board of directors who receives compensation, directly or indirectly, from the Hospital for services is precluded from voting on matters pertaining to that member's compensation.

2. A physician who is a voting member of the board of directors and receives compensation, directly or indirectly, from the Hospital for services is precluded from discussing and voting on matters pertaining to that member's and other physicians' compensation. No physician or physician director, either individually or collectively, is prohibited from providing information to the board of directors regarding physician compensation.

3. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Hospital for services is precluded from voting on matters pertaining to that member's compensation.

4. Physicians who receive compensation, directly or indirectly, from the Hospital, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

Article VI

Annual Statements

Each director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms that such person:

1. has received a copy of the conflicts of interest policy,

2. has read and understands the policy,

3. has agreed to comply with the policy, and

4. understands that the Hospital is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII

Periodic Reviews

To ensure that the Hospital operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.

2. Whether acquisitions of physician practices and other provider services result in inurement or impermissible private benefit.

3. Whether partnership and joint venture arrangements and arrangements with management service organizations and physician hospital organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Hospital's charitable purposes and do not result in inurement or impermissible private benefit.

4. Whether agreements to provide health care and agreements with other health care providers, employees, and third party payors further the Hospital's charitable purposes and do not result in inurement or impermissible private benefit.

Article VIII

Use of Outside Experts

In conducting the periodic reviews provided for in Article VII, the Hospital may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conduct.

Agenda Item 7
From: Interim Administrative Staff
Subject: Executory Contracts
Meeting Date: July 7, 2022

Recommended Actions

1. Authorize staff to renegotiate real estate leases as they come up for renewal, and direct staff to track leases monthly and market excess real estate to potential tenants; and
2. Authorize staff to renegotiate executory contracts related to nine managed care contracts.

Executive Summary

Pajaro Valley Healthcare District Project (Project) staff recommend assumption of selected real estate leases listed in Attachment A. Project staff have conducted a real estate analysis, which suggested that current market rates are higher than those in the current leases. Project consultants recommended that (1) as these leases come up for renewal that they be renegotiated at market rates; (2) that hospital staff be assigned to track leases as well as rent receipts on a monthly basis, and (3) the hospital actively market excess real estate to potential tenants. Two real estate leases have been excluded from the assumption recommendation related to a conflict of interest as well as an excessive term.

The business plan also calls for the renegotiation of the nine largest managed care contracts. Remaining insurance agreements are recommended for assignment at closing due to either low volumes or satisfactory terms.

Background

When a buyer is acquiring the assets of a bankrupt entity through a Section 363 sale process, it has the right to assume existing executory contract with vendors. Alternatively, the buyer can reject those agreements and seek new agreements with the same or different vendors.

Executory contracts not only include agreement with supply vendors, but they also include services agreements, physician agreements, payor agreements and real estate leases. Under the law, real estate leases cannot be terminated, nor can the rent be increased through the bankruptcy process. The hospital has approximately 615 executory contracts in place.

Project consultants have collaborated with hospital management to understand the nature of these agreements. At the June 16th, 2022, meeting, the Board authorized negotiation of executory contracts with supply vendors with no cure and supply vendors that are no longer used, including critical contracts with Medhost, ADP and Heroic.

Analysis

Project staff recommend assumption of selected executory contracts related to real estate and managed care. In both cases, these agreements should be considered for renegotiation at the end of their term. Under State law, real estate leases cannot be terminated, nor can the rent be increased through the bankruptcy process. The business plan also calls for the renegotiation of the nine largest managed care contracts. Remaining insurance agreements are recommended for assignment at closing due to either low volumes or satisfactory terms.

Fiscal Impact

No cure amounts are associated with these agreements.

Attachment: A. Leases authorized for monitoring and market adjustments

Attachment 7A

Leases authorized for monitoring and market adjustments

Location	Lessor/ Sublessor*	Lessee/ Sublessee*	Square Feet	$/Month	$/SF/Year	Expiration Date
65 Nielsen (Suite 125/A)	WHC	CHP / WHM	170	$0	$0.00	1/31/2021
75 Nielson, Suite B-1432	WHC	SAMB	859	$2,704	$37.77	11/30/2022
65 Nielson (storage space)	WHC	CSC	560	$0	$0.00	10/31/2022
65 Nielsen (Suite 135)	Neven	CHP	1,820	$3,714	$24.49	11/1/2022
65 Nielsen (Suite 125/A)	Neven	WHC	1,544	$3,827	$29.74	12/16/2022
65 Nielson	WHC	WFCU	1,600	$1,067	$8.00	1/31/2023
65 Nielsen (Suite 135)	CHP	GSH	1,820	$4,660	$30.72	9/9/2023
65 Nielsen (Suite 102)	Neven	CHP	1,926	$4,605	$28.69	10/31/2023
45/65 Nielsen	WHC	SRS	7,303	$9,616	$15.80	7/14/2025
1820 Main Street	WHC	CHP	3,310	$10,443	$37.86	9/30/2025
85 Nielsen	WHC	PVCHT	1,000	$2,158	$25.90	9/7/2025
1820 Main Street	WSQ	WHC	3,310	$10,406	$37.73	9/30/2030
45, 65, 75 & 85 Nielson	MPT	WHC	Unknown	$339,150	Unknown	9/30/2034

Acronyms*

- WHC – Watsonville Community Hospital
- CHP – Coastal Health Partners
- WHM – Watsonville Healthcare Management
- SAMB – Surgical Associates of Monterey Bay Medical Corporation
- CSC – County of Santa Cruz
- WFCU – Watsonville Hospital Federal Credit Union
- SRS – Sanderling Renal Services USA, LLC
- PVCHT – Pajaro Valley Community Health Trust
- MPT – Medical Properties Trust

Agenda Item 8
From: Interim Administrative Staff
Subject: Transition Update
Meeting Date: July 7, 2022

Recommended Actions
Consider presentation on the transition of the Watsonville Hospital Corporation to new ownership.

Executive Summary
Pajaro Valley Healthcare District Project (Project) staff continue to work diligently to purchase the hospital and transfer ownership to the Pajaro Valley Health Care District (PVHCD). This update will cover key areas of the workplan, including finance and accounting, human resources, and technology infrastructure. There are no board actions recommended with this item.

Background
The Project team, under the leadership of project manager Cecilia Montalvo, are working to transition hospital ownership to PVHCD. The two main aspects of this work are:

- Raising the funds to purchase the assets
- Planning and implementing the ownership transition

A fundraising update is provided as a separate item on this agenda. The ownership transition plan addresses key areas of work, including:

- Communications
- Finance and Accounting
- Human Resources
- Physician Agreements
- Purchasing
- Revenue Cycle Management
- Real Estate
- Information Technology
- Managed Care Contracting

Analysis
The focus of Project consultants has shifted from implementation planning to execution. This update will focus on assignment of accountability in key areas.

Financial Impact
None

PAJARO VALLEY HEALTH CARE DISTRICT HOSPITAL

BOARD OF DIRECTORS

REGULAR MEETING MINUTES

JUNE 16, 2022

5:17 p.m.

Meeting was held via teleconference

INTRODUCTORY ITEMS

1. CALL TO ORDER

PRESENT: Directors Gabriel-Cox, Nuñez, Nájera, Pimentel, and Friel

ABSENT: NONE

2. CONSIDERATION OF LATE ADDITIONS TO THE AGENDA – None

3. PUBLIC COMMENT – None

REGULAR AGENDA

4. ACTION ON THE CONSENT AGENDA (ITEMS 9-13)

MOTION: Director Pimentel motion to approve the Consent Agenda. Seconded by Director Gabriel-Cox and carried by the following vote:

AYES:	Directors: Gabriel-Cox, Nájera, Nuñez, Pimentel, and Friel
NOES:	NONE
ABSENT:	NONE

5. TRANSITION UPDATE (EDUCATIONAL ONLY)

A presentation was given by Founderwerk Healthcare Division Managing Director Cecilia Montalvo.

Public Input
Dr. Gallagher expressed concerns with the MedHost software utilized in the past and Coastal Health Partners' past administration practices with Watsonville Community Hospital.

6. EXECUTORY CONTRACTS (ACTION ITEM)

A presentation was given by Founderwerk Healthcare Division Managing Director Cecilia Montalvo.

Public Input
None

MOTION: Director Pimentel motion to authorize consultants to take recommended actions on certain subsets of executory contracts as specified in the Executive Summary. Seconded by Director Nuñez and carried by the following vote:

AYES:	Directors: Gabriel-Cox, Nájera, Nuñez, Pimentel, and Friel

NOES: NONE
ABSENT: NONE

7. BOARD MEMBER AND STAFF ANNOUCEMENTS AND REQUESTS TO PLACE ITEMS ON A FUTURE AGENDA – None

The meeting was adjourned into Closed Session at 6:21 p.m.

8. CLOSED SESSION

A. PUBLIC EMPLYOMENT (Government Code Section 54957(b)(1))
Title: Chief Executive Officer

B. CONFERENCE WITH LABOR NEGOTIATIOR (Government Code Section 54957.6)
Agency Negotiator: Monica Morales
Employee: Chief Executive Officer

Report of District Counsel could be given at the conclusion of the Closed Session on any reportable action(s) taken in the Closed Session.

ADJOURNMENT

The meeting adjourned at 7:35p.m.

CONSENT AGENDA

9. APPROVAL OF MINUTES

a) Board of Directors –Regular Meeting – June 2, 2022 – 5:00 p.m.

10. AB 361 Resolution Authorizing Teleconference Meetings

1) Adopt resolution making findings and ordering the use of teleconference meetings of the Board of Directors due to COVID- 19, pursuant to the requirements of Assembly Bill 361.

2) Direct Interim District Administrative Staff to return within 30 days with a new resolution addressing the need to continue holding teleconference meetings consistent with the requirements of Assembly Bill 361.

11. Authorize Interim Administrative Staff to Open a Bank Account for PVHCDH

Authorize Interim Administrative Staff to open a bank account for PVHCDH in order to receive funds and issue payments to vendors as necessary and authorize the Chairperson or Treasurer of the Board to sign any documents necessary to accomplish this.

12. Authorize Interim Administrative Staff to Apply for 501 (c)(3) Status for PVHCD

Authorize Interim Administrative Staff to submit an application with the Internal Revenue Service to obtain tax-exempt status as a “501(c)(3)” non-profit corporation and submit any applications associated with equivalent state laws and authorize the Chairperson or Treasurer of the Board to sign any required documents associated with the applications.

13. Broker of Record (BOR) Appointment and Benefits Consulting Agreement

Authorize the Board of Directors Chairperson to designate Marsh & McLennan LLC (MMA) as the Broker of Record (BOR) for employee benefit insurances and retirement programs and to sign an Employee Benefits Consulting Agreement (BCA) to design plans, seek providers and administer employee benefits coverage for medical, dental, life, disability and stop loss insurances with Flexible Spending and Health Reimbursement Accounts (FSA, HRA).

Approved: _____

John Friel, Chair

Attest: _____

Irwin Ortiz, City Clerk

Consent Item 12
From: Interim Administrative Staff
Subject: AB 361 Resolution Authorizing Teleconference Meetings
Meeting Date: July 7, 2022

Recommended Actions:

1) Adopt resolution making findings and ordering the use of teleconference meetings of the Board of Directors due to COVID-19, pursuant to the requirements of Assembly Bill 361; and

2) Direct Interim Administrative Staff to return within 30 days with a new resolution addressing the need to continue holding teleconference meetings consistent with the requirements of Assembly Bill 361.

Executive Summary
As a result of the continuing impacts of the COVID-19 pandemic, many local agencies have been holding teleconference meetings under the modified rules authorized under Assembly Bill 361. This item asks the Board to adopt a resolution ordering the use of teleconference meetings under the modified rules. This will allow Hospital Board members to appear at meetings remotely if they choose to do so.

Background
On March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic pursuant to Government Code section 8550 et seq., which remains in effect. Assembly Bill 361 ("AB 361") allows legislative bodies to hold teleconference meetings during declared emergencies as long as they follow designated rules, and the legislative body routinely reviews the need to continue holding such teleconference meetings.

On September 30, 2021, Santa Cruz County Public Health Officer Dr. Gail Newel issued a strong recommendation that legislative bodies in Santa Cruz County continue to engage in physical/social distancing by meeting via teleconference as allowed by AB 361 and confirmed that she will regularly review and reconsider this recommendation and notify the public when it is no longer recommended. Dr. Newel's recommendation remains in effect.

Analysis
Many local legislative bodies have recognized that COVID-19 presents a continuing threat to the Santa Cruz County community and that there is an important governmental interest in protecting the health, safety, and welfare of those who participate in public meetings. Requiring all members of legislative bodies to appear in-person at meetings presents greater risk to the health and safety of meeting participants, including reduced social distancing among people of different communities, increased exposure for those who are immunocompromised or unvaccinated, and challenges associated with fully ascertaining and ensuring compliance with vaccination, face coverings, and other safety measures at such public meetings.

Pursuant to AB 361, a legislative body can hold teleconference meetings under the modified AB 361 teleconferencing rules if a state of emergency remains active, or local officials have recommended measures to promote social distancing, as long as the legislative body reconsiders the circumstances of the state of emergency and determines either that the state of emergency continues to directly impact the ability of the members to meet safely in person or that local officials continue to recommend measures to promote social distancing.

The Governor's emergency proclamation has not been lifted and Dr. Newel's social distancing recommendation remains in effect. The dangers presented by returning to non-emergency meeting protocols remain. Staff recommends that the Board adopt the draft resolution accompanying this item, which contains the findings necessary to hold teleconference meetings under the modified Brown Act rules.

Financial Impact
There is no financial impact associated with this item.

Attachment(s)

A. Resolution AB361

BEFORE THE BOARD OF DIRECTORS
OF THE PAJARO VALLEY HEALTH CARE DISTRICT HOSPITAL

RESOLUTION NO._____

On the motion of Director
Duly seconded by Director
The following resolution is adopted.

RESOLUTION AUTHORIZING TELECONFERENCE MEETINGS UNDER ASSEMBLY BILL 361 AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY AND HEALTH OFFICER RECOMMENDATION FOR SOCIAL DISTANCING

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic pursuant to California Government Code section 8550 et seq., which remains in effect; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, known as the Ralph M. Brown Act, and codified in California Government Code section 54950 et seq., provided that certain requirements were met and followed; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 which further extended the suspension of the teleconferencing rules set forth in the Brown Act and clarified that the provisions issued in N-29-20 would remain in effect through September 30, 2021; and

WHEREAS, on September 16, 2021, Governor Newsom signed Assembly Bill 361 (“AB 361”), which amended Government Code section 54953 to permit legislative bodies subject to the Brown Act to continue to meet under modified teleconferencing rules provided that they comply with specific requirements set forth in the statute; and

WHEREAS, pursuant to AB 361, a legislative body may hold an initial teleconference meeting under the modified teleconferencing rules during a proclaimed state of emergency where local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on September 30, 2021, Santa Cruz County Public Health Officer Dr. Gail Newel strongly recommended that legislative bodies in Santa Cruz County

continue to engage in physical/social distancing by meeting via teleconference as allowed by AB 361 and confirmed that she will regularly review and reconsider this recommendation and notify the public when it is no longer recommended; and

WHEREAS, after its initial AB 361 teleconference meeting, a legislative body can continue to hold such teleconference meetings if a state of emergency remains active, or local officials have recommended measures to promote social distancing, if the legislative body has reconsidered the circumstances of the state of emergency and determined either that the state of emergency continues to directly impact the ability of the members to meet safely in person or that local officials continue to recommend measures to promote social distancing; and

WHEREAS, the findings set forth in the paragraph immediately above must be made within 30 days of the date the legislative body first held a teleconferenced meeting pursuant to AB 361, and every 30 days thereafter, for as long as the legislative body wishes to hold such teleconference meetings; and

WHEREAS, the Hospital has an important governmental interest in protecting the health, safety, and welfare of those who participate in meetings of the Hospital Board of Directors; and

WHEREAS, this Board finds that there is a continuing threat of COVID-19 to the community and finds that requiring all Board members to appear in-person at meetings presents greater risk to the health and safety of meeting participants stemming from reduced social distancing among people of different communities, increased exposure for those who are immunocompromised or unvaccinated, and challenges associated with fully ascertaining and ensuring compliance with vaccination, face coverings, and other safety measures at such public meetings; and

WHEREAS, this Board meets in-person in a facility where other functions take place, such that increasing the number of people present may impair the safety of participants and members of the public; and

WHEREAS, as required by AB 361, this Board has considered the circumstances of the current state of emergency and finds that the COVID-19 pandemic continues to directly impact the ability of Board members to meet safely in person and further finds that the Santa Cruz County Public Health Officer continues to recommend measures to promote social distancing; and

WHEREAS, in the interest of public health and safety, due to the emergency caused by the spread of COVID-19 the Board of Directors deems it necessary to utilize the modified teleconferencing rules set forth in AB 361;

NOW, THEREFORE, the Board of Directors of the Pajaro Valley Health Care District Hospital hereby RESOLVES and ORDERS as follows:

Section 1. The foregoing recitals are adopted as findings of the Board of Directors as set forth within the body of this Resolution.

Section 2. Effective immediately, for the next 30 days the Board of Directors will meet using the modified teleconference rules authorized under AB 361 and Government Code section 54953(e)(3).

Section 3. Interim Administrative Staff is directed to return no later than thirty (30) days after the adoption of this Resolution with an item requesting the Board to reconsider the circumstances of the COVID-19 state of emergency and, if necessary, consider adoption of a subsequent Resolution to continue using the modified teleconference rules for meetings in accordance with Government Code section 54953(e)(3).

Section 4. Interim Administrative Staff is authorized and directed to take all such other necessary or appropriate actions to implement the intent and purposes of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Pajaro Valley Health Care District Hospital this _____day of _____, 20__, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Chair, Board of Directors

ATTEST: _____
Clerk of the Board

Approved as to Form:

_____
PVHCDH Counsel