



REGULAR MEETING OF THE BOARD OF DIRECTORS  
MENDOCINO COAST HEALTH CARE DISTRICT

**DRAFT** MINUTES

Thursday, June 27, 2024, at 6:00 PM

Redwoods Room, Adventist Health Mendocino Coast Hospital Campus  
700 River Drive, Fort Bragg, CA.

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**CONDUCT OF BUSINESS**

**1. CALL THE MEETING TO ORDER**

Chair Garza called the meeting to order at 6:00 p.m.

This meeting was held in-person and by teleconference in accordance to the Brown Act.

Directors Present:	Chair Paul Garza, Jr.	Vice Chair Paul Katzeff (joined by teleconference)
	Secretary Susan Savage	Treasurer Sara Spring
	Jan McGourty	

A quorum of the Board was present.

Management Team:	Agency Administrator Katharine Wylie
	Chief Financial Officer Wayne Allen
	Clerk of the Board Norma I. Alley, MMC
	Craig Steele, General Legal Counsel

**2. NEW BUSINESS**

**2a) MCHCD Board Chair's Report**

Chair Garza provided a general update on Board and District matters.

**2b) Receive Mendocino County Grand Jury Report, dated June 12, 2024, entitled, "MENDOCINO COAST HEALTH CARE DISTRICT - Sick, but Returning to Health" and consider statutory report response**

Chair Garza introduced the items and general Board comments commenced.

Chair Garza appointed Secretary Savage and himself to an ad hoc committee charged with drafting a response to the Grand Jury report, for Board review and approval, to be completed within the 90-day statutory requirement. There were no objections from the Board.

Chair Garza called for public comment. Seeing no one come forward, he closed public comment.

## **2c) Consideration of approval of Draft 2024-25 Board Budget and Statement of 5-year Annual Cash Flow Report**

Secretary Savage and Chief Financial Officer Allen presented the report and fielded inquiry from the Board.

Secretary Savage suggested creating a new line item for Board Education and allocating \$25,000 in that line and increasing the Board Health Benefits by \$11,000 to make it a total of \$36,000. Chief Financial Officer Allen stated there is a pending legal opinion regarding the legality of this fund currently with General Legal Counsel. Discussion commenced amongst the Board regarding this matter.

Vice Chair Katzeff suggested creating a new line item for Community Organization and Outreach and allocating \$50,000 in that line and adding \$35,000 to hire a Communications Director.

Chief Financial Officer Allen noted the District could anticipate an additional \$1,025,000 increase in cash flow, which would need to be added to the revenue cash flow line and could accommodate these requests.

Chair Garza called for public comment.

Linda Williams provided general comments regarding the presentation.

Terry Ramos provided general comments regarding the presentation.

Mr. Wade provided general comments regarding the presentation.

Seeing no further comments, Chair Garza closed public comment.

Motion: Secretary Savage made a motion to create a new line item for Board Education and allocate \$25,000 in that line. Motion was seconded by Treasurer Spring. The motion was approved by a 5 Yes/0 No vote.

Motion: Secretary Savage made a motion to increase the Board Health Benefits by \$11,000 making it a total of \$36,000. Motion was seconded by Treasurer Spring. The motion was approved by a 5 Yes/0 No vote.

Motion: Vice Chair Katzeff made a motion to create a new line item for Community Organization and Outreach and allocate \$50,000 in that line. Motion was seconded by Secretary Savage. The motion was approved by a 5 Yes/0 No vote.

Motion: Vice Chair Katzeff made a motion to add \$35,000 to the Budget to hire a Communications Director or staff to support communication efforts. Motion was seconded by Secretary Savage. The motion was approved by a 5 Yes/0 No vote.

It was noted by Chief Financial Officer the Budget revenue cash flow would be adjusted in accordance to these approved amendments to ensure a balanced Budget.

Motion: Secretary Savage made a motion to adopt the 2024-2025 Board Budget, as amended, and direct staff to provide a final Budget reflecting all the amendments at a future meeting. Motion was seconded by Director McGourty. The motion was approved by a 5 Yes/0 No vote.

**2d) Consideration of approval of engagement letter with DZA for required audit services for 2020-21, 2021-22 and 2022-23 fiscal years and a Single Audit for Federal Covid Relief funds.**

Chair Garza introduced the item, called for public comment, seeing no one come forward, he closed public comment.

Motion: Treasurer Spring made a motion to approve the engagement letter with DZA for required audit services for 2020-21, 2021-22 and 2022-23 fiscal years and a Single Audit for Federal Covid Relief funds. Motion was seconded by Secretary Savage. The motion was approved by a 5 Yes/0 No vote.

**2e) Consideration of approval of contract renewal with Regional Government Services for professional administrative services - Chair Garza and Sophia Selivanoff, Executive Director, Regional Government Services**

Chair Garza introduced the item and provided a report. Regional Government Services Executive Director Sophie Selivanoff provided a brief report and fielded inquiries from the Board.

General discussion commenced amongst the Board.

Chair Garza called for public comment.

Mendocino County Supervisor Ted Williams spoke in support of the approval.

Gabriel Maroney spoke in support of the approval.

Terry Ramos submitted written testimony, which was entered into the record, and spoke in support of the approval.

Seeing no further comments, Chair Garza closed public comment.

Motion: Director McGourty made a motion to approve the contract renewal with Regional Government Services. The motion was approved by a 4 Yes/1 No (Spring) vote.

**2f) Consider authorization for the Agency Administrator to dispose of surplus items in the Pelican and Coast Storage Sheds, not to exceed \$5000.00**

Agency Administrator Wylie presented the report and fielded inquiry from the Board.

Chair Garza called for public comment. Seeing no one come forward, he closed public comment.

Motion: Vice Chair Katzeff made a motion to authorize the Agency Administrator to dispose of surplus items in the Pelican and Coast Storage Sheds, not to exceed \$5000.00. The motion was approved by a 4 Yes/0 No/1 Abstain (Spring) vote.

Chair Garza called a break at 7:57 p.m. The meeting reconvened at 8:03 p.m.

**2g) Receive the Operations Cash Report 6/18/24, the Treasury Bill Inventory Portfolio 6/18/24, and the May 2024 Check Register**

Chief Financial Officer Allen presented the report.

**3. PUBLIC COMMENT FOR ITEMS ON THE AGENDA**

Chair Garza called for public comment. Seeing no one come forward, he closed public comment.

**4. REPORTS**

**4a) Adventist Health Mendocino Coast Hospital**

Adventist Health Mendocino Coast Hospital President Judy Leach presented on general Adventist Health Mendocino Coast Hospital matters pertaining to the District and fielded inquiry from the Board.

Chair Garza requested a Facilities Maintenance Plan be put into place as quickly as possible.

**4b) Mendocino Coast Healthcare Foundation**

Foundation Chair Ramos provided a brief report.

**4c) Receive Seismic Compliance Team Progress Reports**

Props and Measures Chair Robin Gerrity provided a brief report and fielded inquiry from the Board.

**4d) Receive Seismic Compliance Team Progress Reports**

Devenney Group Representative Dudley Campbell provided a brief report and fielded inquiry from the Board.

Dr. William Miller provided general comments and support regarding the presentation.

Vice Chair left the meeting at 8:32 p.m.

**5. CONSENT CALENDAR**

**5a) Draft Minutes of the May 23, 2024 Regular Meeting**

**5b) Approve changes in ad hoc committee assignments for the remainder of 2024**

Request was made to pull item 5a for separate discussion.

## **Item 5a**

Treasurer Spring requested financial documents be attached and entered into the record.

Chair Garza called for public comments. Seeing no one come forward, he closed public comment.

Motion: Treasurer Spring made a motion to approve Consent Calendar Item 5a. Motion was seconded by Secretary Savage. The motion was approved by a 4 Yes/0 No/1 Absent (Katzeff) vote.

## **Item 5b**

Discussion amongst the Board ensued regarding the appointments to the Finance Committee. Treasurer Spring noted concern with Chair Garza serving on the Finance Committee.

Chair Garza called for public comment.

Linda Williams spoke in support of the appointments.

Seeing no further comments, Chair Garza closed public comment.

Motion: Secretary Savage made a motion to approve Consent Calendar Item 5b. The motion was approved by a 3 Yes/1 No (Spring)/1 Absent (Katzeff) vote.

## **6. COMMENTS FROM THE BOARD**

Treasurer Spring requested a special meeting be called to discuss and debrief on the community meetings. The Board supported the request and directed staff to look into a special meeting date.

## **7. APPOINT REAL PROPERTY NEGOTIATORS**

### **7a) Consider Appointment of Real Property Negotiator ad hoc subcommittee for Fort Bragg River Drive Properties.**

Chair Garza appointed Treasurer Spring, himself, Agency Administrator Wylie, Chief Financial Officer Allen, and General Legal Counsel Steele as the to an ad hoc committee. There were no objections from the Board.

## **8. CLOSED SESSION**

**8a) Gov. Code §54956.8: Conference with Real Property Negotiators, 721 River Drive, Fort Bragg. Ca.  
District Negotiators: Appointed District ad hoc Subcommittee and legal counsel**

**Negotiating parties: GL Bruno, Agent**

**Under negotiation: price and terms of payment of possible purchase**

**8b) Gov. Code §54956.8: Conference with Real Property Negotiators, Adjacent vacant lot to 721 River Drive, Fort Bragg. Ca.**

**District Negotiators: Appointed District ad hoc Subcommittee and legal counsel**

**Negotiating parties: City of Fort Bragg**

**Under negotiation: price and terms of payment of possible purchase**

**8c) GC § 54956.9(d)(2): Conference with Legal Counsel — Significant Exposure to Litigation (1 potential matter).**

Chair Garza read the matters into the record, called for public comment, and seeing no one come forward, he closed public comment.

Closed session convened at 8:46 p.m. The regular meeting reconvened at 9:10 p.m.

Chair Garza reported there were no reportable actions.

## **9. ADJOURNMENT**

Seeing no further business, Chair Garza adjourned the meeting at 9:12 p.m.

Respectfully Submitted,

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Norma I. Alley, MMC, Clerk of the Board