



TO: BOARD OF DIRECTORS **BOD Meeting: 03/27/2025**
FROM: Paul Garza, Board Chair **Item: 5d)**
**SUBJECT: REVIEW AND CONSIDER APPROVAL OF AMENDMENT No. 2 TO
THE CONTRACT FOR ADMINISTRATION SERVICES WITH
REGIONAL GOVERNMENT SERVICES**

RECOMMENDATION

Board to consider and approve an amendment to the existing contract for administration services with Regional Government Services Authority.

BACKGROUND

Upon affiliation with Adventist Health in 2020, the District Board relinquished an active operational role in the Mendocino Coast District Hospital. As the District had relied upon hospital administration for staff support, this resulted in the Board of Directors operating without any administrative support. In December of 2023, the Board retained Regional Government Services Authority (RGS), a JPA providing administration consulting services to other public agencies, to address a range of critical agency administration issues, particularly the effective use of Board meetings to accomplish necessary work, and to provide transparency to the community. In March of 2024, the Board retained a contract CFO to address financial management and records needs. RGS and the contract CFO are working effectively together to provide a high-functioning administrative resource to support the Board's decision making around critical health care facility needs, which are essential to the community.

In June of 2024, RGS proposed to extend their service agreement with the District for an additional 12 months (through June 30, 2025) in order to accomplish critical foundational administrative infrastructure and guidance for the District. It was anticipated that the District would be positioned to reduce administration services by 50% in January 2025, with stable administration achieved and goal clarity established. However, since June 2024, a range of emergent and high-priority issues and options to ensure ongoing hospital access for the community have been a key focus of the Board. The Board's consideration of these issues, while a necessary and positive step, has resulted in ongoing need for substantial administration, along with a clear value derived from the continuity of the administrative team to the extent possible. In October of 2024, RGS notified the District that the project to identify and present ongoing administrative options had been placed on hold as immediate

consideration of long-term administration needs is not required at this time and would in fact represent a diversion of Board focus that does not serve the District or community well at this time. Other projects described, election support and strategic planning services are completed or in process.

ANALYSIS

The District has made outstanding progress, with updated bylaws, a set of Board policies, transparent financial reports, and effectively run Board meetings. The creation of the District's administrative foundation has positioned the Board to engage in the serious and significant work of grappling with the complex and costly issues of an aging facility which no longer aligns with state requirements or the needs of modern medical technology and health care workflows.

Extending the District's agreement with RGS through June 30, 2026 will allow the District to complete a strategic framework, and act promptly to maintain a health care facility to meet the needs of the community. This dynamic work will continue to need the full-time support of a key administrator, as well as RGS team support for the work of the Board and Standing Committees; this support includes clerking public meetings, providing appropriate outreach to the community if needed, and maintaining website and social media resources for community information and engagement.

Failure to take this action compromises the District's ability to achieve necessary landlord responsibilities, and undermines the District's long-term capacity to sustain healthcare access for this community.

A draft amendment and revised scope of services to amend and extend the RGS contract is attached for the Board's consideration.

FISCAL IMPACT

The additional funds needed to retain these services through the remainder of this FY total \$39,600.00, and are available; authorization to expend them will be approved via this action to amend the agreement. Funds for this agreement for the next FY total \$182,400.00, and will be included and approved in the FY25-26 budget.

Exhibit B-2

Scope of Services

1. Agency administration services – Flat Fee of \$13,200 per month

- Includes an average of 40 service hours per week.
- Key activities include but are not limited to:
 - Prepare reports and agendas for Board and committee meetings in Consultation with the Board Chair in accordance with agency By-laws.
 - Arranging relevant presentations, information, updates, and analysis for Board consideration at meetings.
 - Coordination of committee and Board activity and communication.
 - Facilitating the policy decisions and priorities of the District's Board of Directors.
 - Coordinate District administrative and project activities with other contracted service providers, District partnering organizations including Adventist Health, and others.
 - Ensure District records are maintained in compliance with applicable law and Board policy.
 - Serve as an information provider for the District's residents via website updates, press releases, and other means; attend meetings with community stakeholders, and represent the District at public and professional functions as needed.
 - Ensure the office is a functional and usable space.
 - As requested by the Chair, provide local support for and facilitate the actions of the District's contracted CFO.

2. Supplemental administration consulting and support services – Hourly billing per Exhibit A of the agreement

- Service hours vary, based on agency needs, requests, and events.
- Key activities include but not limited to:
 - Facilitate timely and compliant governance meeting practices; production of Board actions and minutes.
 - Compliance with Public Records Act requests in appropriate collaboration with District counsel.
 - Prepare RFP's and other procurement processes
 - Develop, negotiate, and monitor District contracts for technical and other services as needed.
 - Ensure effective implementation of appropriate website and social media messaging, and coordinating media relations if needed.
 - Consult on any required matter in the field of public administration.