



**BOARD OF COMMISSIONERS
PUBLIC HOSPITAL DISTRICT NO. 1 OF KLICKITAT COUNTY**
Regular Meeting Minutes August 15, 2018; 4:00 p.m.
KVH Conference Rooms A&B

REGULAR MEETING MINUTES

A regular meeting of the Klickitat Valley Health (KVH) Board of Commissioners was held on Wednesday, August 15, 2018 at 4:04 p.m. in the KVH Conference Rooms A&B. Commissioner Sigfrinius, President of the Board of Commissioners, was the presiding officer. A quorum was present including: Commissioners John Quinn, Connie Pond, Jim Daniel and Dennis Carver.

Also present were: Leslie Hiebert, CEO; Jamie Eldred, Director of Finance; Jacinto Orozco, MD, Chief of Medical Staff; Charis Weis, Director of Human Resources and Community Outreach; Jonathan Hatfield, IT Director and Senior Compliance Officer; and Barbara Bostick, Executive Administrative Assistant.

**CALL TO ORDER, APPROVAL OF AGENDA & CONFLICT OF INTEREST
DISCLOSURE**

President Sigfrinius called the meeting to order at 4:05 p.m. Commissioner Carver made a motion to approve the Agenda as presented. Commissioner Pond seconded, the motion carried unanimously. Board President Sigfrinius requested disclosure from the Commissioners of any conflict of interest with items on the Agenda. All Commissioners present noted that they had no conflict of interest.

BUSINESS FROM THE AUDIENCE

Nick Gonzales of BouTen Construction noted that he is interested in the project and is here to get a feel for the project and the community.

SPECIAL PRESENTATION/BOARD EDUCATION

Leslie Hiebert presented information regarding Health Equality. She noted that it is imperative when working with many different people to keep in perspective unconscious bias that is determined by our own background and personal experience and how that impacts our interactions with others as well as the care that we provide. Please see associated handouts that were provided included in the Board Book.

CONSENT AGENDA

Commissioner Daniel moved that the consent agenda be approved as follows:

- Regular meeting minutes from July 18, 2018; and Special meeting minutes from July 24, 2018; and
- Accounts Payable in the amount of \$523,204.07
- Payroll Warrants in the amount of \$ 65,254.76
- Electronic Transfers in the amount of \$1,193,639.72
- Bad Debt Write-Offs \$10,290.72
- Charity Care \$72,523.92

The motion was seconded by Commissioner Pond. The motion carried unanimously.

CONTINUING BUSINESS

Medical Staff Report.

Dr. Orozco provided a brief overview of his submitted written report. He noted that there may be a change in the Hospitalist program in the future with consideration being made regarding the use of mid-levels instead of Physicians. He reported that the Medical Staff is reviewing the Death with Dignity policy and will be ready to make a recommendation to the Board at next month's Board of Commissioners meeting.

Family Medicine Clinic Report.

Annie Stone previously submitted a written report for Board review and consideration.

Bold Vision 20/20 Update

Leslie Hiebert reported that Mahlum had presented an idea between meetings in July that would scale down the originally planned square footage of the surgery and acute care area to 12,000 square feet by keeping them on the same floor and sharing common spaces like breakrooms and waiting rooms, and patient care areas. This would also potentially allow for patient care staff to be shared between the two. She explained that by doing this and having them on the second floor, the bottom floor could be used for non-clinical areas which would be a lower cost per square foot, which would reduce the overall construction cost of the project. There would be an increase to the originally determined project cost, which was approximately \$15 million. The estimated cost for constructing a 24,000 square feet of new construction, renovating the front parking lot, and not doing any remodeling (which was included in the original plan) is between \$18 and \$19 million. Leslie noted that she felt that interim financing would be the best way to go. There was some discussion regarding the 5.25 inflation number provided by Dick Bratton in his analysis. Nick Gonzales of BouTen noted that they historically used 3% as an inflation factor, but with the recent increase in the cost of construction materials the projected increase is 4-5%, so he would consider 5.25 at the higher end, but that it would be a safe number to use. Leslie reiterated that it would be cost effective to obtain interim funding to begin the project sooner

than would be possible if relying on the bond passage only because by starting it 18 months sooner the savings would be approximately a million plus dollars. She also noted that information from the energy assessment and evaluation of a Central Utility Plan (CUP) should be received from the Department of Commerce by January, and there could be brand funding available for a portion of that project. She asked that the Board give her direction regarding whether they are comfortable going forward with 24,000 square foot project without remodeling. Commissioner Pond asked if it would be compromising future space needs by going with 12,000 Square feet per floor. Leslie replied that she didn't believe so and that it would be beneficial to use shared space. John Quinn noted that he felt that the additional "couple million" would get a lot more for the money for future growth and not remodeling the old portion of the hospital. The overall consensus of the Board was that they would like for Leslie to continue moving forward and gathering additional information regarding the change to the 24,000 square feet plan, with surgery and acute care on the 2nd floor, non-clinical functions on the lower floor and no remodel of the current acute care wing.

NEW BUSINESS

Resolution 2018-11 Line of Credit

Jamie Slater noted that previously the District had a \$500,000 line of credit with Columbia Bank, that line of credit was not renewed and so she took the opportunity look at other options. She reported that she looked at Umpqua Bank, Columbia Bank and Bank of the West. She noted that Greg Gallagher recommended Bank of the West. She also reported that the commitment fee required by Columbia Bank was ½ percent or \$2,500 for \$500,000. The Bank of the West commitment fee quote was for ¼ percent for \$1,000,000 or \$2,500. Commissioner Quinn inquired as to whether we have ever used the line of credit? Jamie Slater replied that it had not been used as long as she has been in the Accounting department. Jamie noted that it is her recommendation that the Board approve Resolution 2018-11 establishing a \$1,000,000 line of credit with Bank of the West. Commissioner Carver made a motion to approve Resolution 2018-11 as written and to authorize and direct the Superintendent of the District to execute the related documentation. The motion was seconded by Commissioner Pond. The motion carried unanimously.

Resolution 2018-12 Surplus Property

Commissioner Pond made a motion to approve Resolution 2018-12 Surplus Property as presented. The motion was seconded by Commissioner Carver. The motion carried unanimously.

Orthopedic Specialty Clinic

Leslie Hiebert reported that she went over the financial analysis of Cascade Orthopedics group coming to KVH one day a week in depth with the Finance Committee. She noted that there is a possibility that the KVH Orthopedic clinic will not be profitable, but that loss would be offset with increased use of ancillary services, particularly diagnostic imaging, therapy services and swing bed. Commissioner Pond made a motion to authorize Leslie Hiebert, CEO to negotiate and execute an agreement with Cascade Orthopedics to provide orthopedic and podiatry services at KVH. The motion was seconded by Commissioner Carver. The motion carried unanimously.

ADMINISTRATIVE REPORTS

Written reports were presented from Leslie Hiebert, CEO; Jamie Eldred, Director of Finance; Kasey Schneider, CNO and Director of Quality and Risk; Jonathan Hatfield, Director of Compliance and IT; Charis Weis; Director of Human Resources and Community Outreach; Annie Stone, ARNP FMC Director and Jacinto Orozco, MD, Chief of Medical Staff. Commissioner Carver made a motion to accept the reports as presented; Commissioner Quinn seconded the motion. The motion carried unanimously.

EXECUTIVE SESSION

President Sigfrinius announced that the Board of Commissioners would go into an approximately 10 minute Executive Session beginning at 6:15 p.m. for the purposes permitted by RCW 70.44.062 (1) regarding Medical Staff. The Board returned to public session at 6:25 p.m.

COMMENTS OR ACTIONS RESULTING FROM EXECUTIVE SESSION

Commissioner Daniel moved to approve the following individual(s) for initial appointment to Medical Staff: Robert Lotstein, MD (Provisional Active Physician – Emergency Room); William Coyne, MD and the following individuals for re-appointment to Medical Staff: Nartnucha Unhanand, MD. (Courtesy Physician – Radiology); Nathan Armerding, DO (Active Physician); Rod Krehbiel, MD (Active Physician), as well as the following individual for delegated credentialing: Michael Grant, MD Privileged as Telemedicine Physician, Diagnostic Radiologist (Teleradiologist only). Commissioner Pond seconded the motion. The motion carried unanimously.

ADJOURNMENT

There being no further business to come before the Board of Commissioners, Commissioner Quinn moved that the meeting be adjourned at 6:29 p.m. The motion was seconded by Commissioner Carver. The motion carried unanimously.


Mark Sigfrinius, Board President


Jim Daniel, Board Secretary