



**MINUTES OF THE AUGUST 4, 2020 SPECIAL MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

1) CALL TO ORDER

President Hempel called the meeting to order at 5:04 PM via Zoom virtual meeting.

PRESENT (VIDEOCONFERENCE CALL)

Elece Hempel, President
Crista Nelson, Vice President
Jeffrey Tobias, MD, Treasurer
Gabriella Ambrosi, Director-at-Large

ALSO PRESENT (VIDEOCONFERENCE CALL)

Ramona Faith, CEO, PHCD
Andrew Koblick, Controller, PHCD
Donald Bouey, Attorney
Cathy Salenko, Attorney
Jonathan Spees, Consultant
Halley Cloud, Program Community Manager, PHCD
Gina Studebaker, Board Clerk, PHCD

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

President Hempel read the mission and vision of the Petaluma Health Care District.

The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships and education.

The Petaluma Health Care District envisions a healthy community, a thriving hospital and equitable access to health and wellness services for all.

2) CONSENT CALENDAR

A MOTION was approved as submitted for the August 4, 2020 agenda. This motion was PASSED by a vote of 5 ayes (Directors: Adams, Ambrosi, Hempel, Nelson, and Tobias) and 0 noes.

3) PUBLIC COMMENTS ON NON-AGENDIZED ITEMS

There were no public comments.

4) BOARD COMMENTS

There were none.

5) ANNOUNCEMENT OF CLOSED SESSION ITEMS

President Hempel announced closed session pursuant to **Government Code §54956.8** Closed Session; real property transaction; meeting with negotiator – 400 North McDowell Boulevard.

6) PUBLIC COMMENTS ON CLOSED SESSION ITEMS

There were none.

7) ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session at 5:09 PM for discussion pursuant to **Government Code §54956.8** Closed Session; real property transaction; meeting with negotiator – 400 North McDowell Boulevard.

8) ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting to open session at 6:08 PM and reported that no decisions were reached in closed session.

Director Adams joined the meeting during the closed session.

9) PROPOSAL OF PETALUMA VALLEY HOSPITAL RENT AND TOLLING AGREEMENT

Jonathan Spees provided an update on the Hospital Rent and Tolling Agreement. The proposed PVH rent and tolling agreement amends and restates the letter dated May 15, 2020 with regard to Petaluma Valley Hospital (PVH). District and SRM Alliance desire to reach an agreement with respect to SRM Alliance's rent obligation related to PVH. As such, SRM Alliance shall pay monthly rent of \$66,666.67 from December 1, 2019, until certification of voter approval of the transaction. Upon voter approval and in accordance with Fair Market Value, SRM Alliance shall pay rent on a monthly basis in the amount of \$208,333.33 as the rent obligation.

PUBLIC COMMENTS

There were none.

A MOTION was made by Director Tobias, Board Treasurer and seconded by Director Adams, Board Secretary to approve the proposal of Petaluma Valley Hospital Rent and Tolling Agreement. This motion was PASSED by a vote of 5 ayes (Directors: Adams, Ambrosi, Hempel, Nelson, and Tobias) and 0 noes.

10) RESOLUTION 20-04 APPROVAL OF TERM SHEET FOR PURCHASE AND SALE OF PETALUMA VALLEY HOSPITAL, ITS REAL AND PERSONAL PROPERTY AND RELATED BUSINESS AND ASSETS, BY NORCAL HEALTHCONNECT, LLC, A SECULAR AFFILIATE OF PREOVIDENCE ST. JOSEPH HELATH, AND ITS CONTINUED OPERATION AS AN ACUTE CARE HOSPITAL WITH AN EMERGENCY ROOM FOR 20 YEARS.

President Hempel read Resolution 20-04

Mr. Spees presented an overview of the Term Sheet for purchase and sale of Petaluma Valley Hospital and summarized the presentation that was presented at the July 22 and 30, 2020 board meetings regarding the

proposal for the purchase of Petaluma Valley Hospital (PVH) by NorCal HealthConnect, LLC, (NCHC) a secular affiliate of Providence St. Joseph Health (PSJH), for a purchase price of \$52.6 Million. Mr. Spees recommended the Boards consideration for approval.

PUBLIC COMMENTS

There were two public comments sent via email and read out loud at the meeting. They are as follows:

Anonymous, PVH Nurse (sent via email 7/29/2020)

As a nurse that works at PVH, I have questions and concerns about what will happen if St. Joe's actually owns the building. Will it mean that St Joe's will finally care for the building and their staff? Finally show us the care, benefits, pay and credit that we deserve?

Working at the hospital now, we feel like the ugly stepchildren. There are signs around the hospital showing the public that St Joe's cares about their staff, but that is not what we are shown or told behind closed doors. We work in the same county as Santa Rosa Memorial Hospital. We share some of the same staff. Yet, we are paid less, we are beat down when asking for similar wages and benefits. St Joe's wants to get rid of language that has been in our contract for the last 30 years! They want to take away things that keep the staff safe, that keep the patients safe!

St Joe's does not practice what they preach. The morals and values that they so strongly hold the staff accountable for, they do not practice themselves. Recently, a nurse in our community, who happens to also for Santa Rosa Junior College, wrote into the Argus to help support the nurses. Nothing she said was incorrect. She wrote of her experiences. Things that all of us nurses and staff have experienced ourselves. St Joe's did not like the bad publicity and has now banned this instructor from teaching at PVH and SRMH. They could have taken this opportunity to actually change something from within the system, but instead they punished her.

The public and staff need to know the specifics of this contract if St Joe's purchases the building. We need to know that the staff will be well taken care of as well as the patients. Currently, we are working very hard with this pandemic. We are working long hours, short staffed, have broken or not enough equipment. We have pyxis machine in the hallway because our main medication room has been boarded up for over a year. We have rooms that have been moved around and changed several times due to mold.

We do not have enough nurses and staff to take care of the patients safely on the floor. We have had several good nurses leave the hospital due to lower pay and poor staffing. This just leads to worse staffing and it is so unsafe!

What will St Joseph's promise us if they purchase the building? I am afraid we will lose even more nurses and staff because of our poor working conditions and the fact that PVH seems to be an afterthought to the company.

Jim Goerlich, PVH Nurse (sent via email 8/4/2020)

So far, anyone I have heard who has spoken up in favor of the sale has not been a bedside caregiver. They have not had to work in the rough work environment that Providence has been directly responsible for creating in PVH since their merger with St. Joe. I do not understand how these individuals can have an opinion on whether this be a good or a bad deal for our community hospital. How would they know? Seems to me, the community should be, and I believe does, look to its Nurses and our colleagues who work on the inside, to find out if this deal is a safe deal in trying to deliver their future healthcare. Our focus as Nurses, is on advocating for

the best possible daily outcomes and the continuation of the services needed and expected by our community from their hospital. On that note, a 5 year commitment to OB/GYN is a death nail for that unit. Right now, at the start of a 20 year commitment on the part of Providence to run PVH, is when investment in attracting and retaining much needed staff and a clear plan for growth of services, is what the Petaluma Community and that includes it's Nurses, needs to see. To date, this is not happening and if things don't change drastically prior to the vote, Nurses will be out in opposition to the sale. We could never endorse the sale of our beloved Hospital to an entity that will not commit to providing us with the tools we need to safely take care of our community. I personally hope things change, change for the better and change quickly. PVH Nurses deserve and have longed to work for an employer that they can be proud of. The situation is fixable, but time is short. Come on Providence, show this community you really care!

Thank you,
Jim Goerlich, 20 year PVH RN

BOARD COMMENTS

Director Adams made a comment that nurses do not feel respected and no one seems to care when the nurses attend the SRM Alliance Board Meeting. She feels frustrated that she is unable to help.

Director Tobias, who sits on the SRM Alliance Board, understands the nurses may feel that their voices are not being heard, but the SRM Alliance Board has been conducting the meeting in a respectful way and the board's actions have reflected the willingness to cooperate. He hopes the nurses are able to separate some of those issues and encourages them to continue to work with the SRM Alliance Board.

A MOTION was made by Director Ambrosi, Director at Large and seconded by Director Tobias, Board Treasurer to approve Resolution 20-04 the Term Sheet for purchase and sale of Petaluma Valley Hospital by NorCal HealthConnect, LLC, a secular affiliate of Providence St. Joseph Health. This motion was PASSED by a vote of 5 ayes (Directors: Adams, Ambrosi, Hempel, Nelson, and Tobias) and 0 noes.

11) RESOLUTION 20-05 THE BOARD OF DIRECTORS OF THE PETALUMA HEALTH CARE DISTRICT, COUNTY OF SONOMA, STATE OF CALIFORNIA, CALLING AN ELECTION TO PLACE A MEASURE ON THE NOVEMBER 3, 2020 BALLOT AND REQUESTING CONSOLIDATION OF THIS ELECTION WITH THE ESTABLISHED ELECTION TO BE HELD ON NOVEMBE 3, 2020, REQUESTING THE SERVICES OF THE SONOMA COUNTY REGISTRAR OF VOTERS, AND PROVIDING THAT A COPY OF THE MEASURE WILL BE TRANSMITTED TO THE COUNTY COUNSEL FOR PREPARATION OF AN IMPARTIAL ANALYSIS

President Hempel read Resolution 20-05

PUBLIC COMMENTS

There were no public comments.

A MOTION was made by Director Tobias, Board Treasurer and seconded by Director Nelson, Board Vice President to approve Resolution 20-05 for the Board of Directors of the Petaluma Health Care District calling an election to place a measure on the November 3, 2020 ballot. This motion was PASSED by a vote of 5 ayes (Directors: Adams, Ambrosi, Hempel, Nelson, and Tobias) and 0 noes.

12) ADMINISTRATIVE REPORTS

CEO REPORT

The Petaluma Health Care District (PHCD) reached out to PVH administration to discuss the nurses request to coordinate a Stewardship Committee meeting. Tyler Hedden, CEO of SRMH and PVH, agreed to call upon an emergency meeting with members of the SRM Alliance Board to bring this topic forward, however, the nurses declined to participate at this time. The nurses are having further discussion on various topics and plan to bring forward their concerns within the next couple of weeks.

The 2019/2020 community grant program has been on hold due to the impact of COVID 19 and how the pandemic may create new and significant community need. Organization who were recipients of District community grant funding have been contacting the District to determine status of the 2019/2020 community grant process. The District will be notifying the organizations letting them know that the District is looking into defining a new process for community grant funding. It was suggested that CEO Faith and the PHCD Program Community Manager strategize on where the gaps are, internally identify and explore the needs; and bring a recommendation back to a future board meeting.

PHCD has contracted with Sobel Communication to create a community education and outreach plan in coordination and collaboration with the Districts negotiation team, PR team and staff. The District and Sobel Communications are currently working the first of two community mailers that will be mailed directly to residents. The ballot measure will be submitted to the county before Friday August 7, 2020. Four public forums are being planned for the purpose of having a community conversation regarding the purchase and sale of PVH. CEO Faith, Board President Hempel will host and provide a general presentation followed by questions and answers from the public. The proposed dates and times of the meeting are as follows:

- Wednesday, August 19: 12:00 – 1:00 pm
- Saturday, August 22: 9:00 – 10:00 am
- Tuesday, August 25: 6:00 – 7:00 pm
- Friday, August 28: 12:00 – 1:00 pm

ADJOURN

The next Board meeting will be on August 19, 2020 at 5:00 PM.

President Hempel adjourned the meeting at 6:48 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Gina Studebaker, Board