

PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS
MINUTES OF THE OCTOBER 19, 2022 REGULAR MEETING

Please note that copies of all pertinent materials considered by the Board in Open Session are included in the final Board Packet. Agenda items may be taken out of order and will be so indicated in the minutes.

1) CALL TO ORDER

The Board of Directors of the Petaluma Health Care District (“District”) met at 1425 N. McDowell Blvd., Suite 100 and via Zoom on Wednesday, October 19, 2022. Director Nelson called the meeting to order at 5:30 pm.

• **ROLL CALL**

Note: the Board of Directors and District staff attended this meeting in person. The public had the opportunity to participate in person or via Zoom. Teleconference information was included on the publicly noticed agenda published on October 14, 2022.

The Board Clerk called the roll. **The following Board members were present, constituting a quorum:**

Directors Ambrosi, Dufour, Hempel, Nelson, Tobias

The following Board Members were absent at roll call:

None

Also present:

Staff:

Ramona Faith, CEO

Andrew Koblick, Controller

Benjamin Spierings, Community Health Program Manager

Tucker Pinochi, Board Clerk

Jonathan Spees, Consultant, Marine Street Consulting

Melinda Hepp, Studio PR

Guests:

Tony Buettner, Sr. Director of Business Development, Blue Zones

Christine Walker, Founder of the Design Guild

• **CALL FOR CONFLICT**

Director Nelson called for conflicts of interest pertaining to the items listed on the agenda. There were none.

Before moving to the District’s Mission and Vision, Director Nelson called for a moment of silence to honor the passing of a reporter for the Argus-Courier, Hannah Beausang. The Board, District Staff, and attendees observed a minute of silence accordingly.

• **MISSION & VISION**

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CEO Ramona Faith read the Petaluma Health Care District’s Mission and Vision into the record.

Mission: 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.

Vision: The Petaluma Health Care District envisions a healthy community and equitable access to health and wellness services for all.

2) CONSENT CALENDAR

- Approval of the October 19, 2022 Regular Board Meeting Agenda
- Approval of the September 21, 2022 Regular Board Meeting Minutes
- Approval of the August 31, 2022 Unaudited District Financial Statements

Director Hempel moved for approval of the Consent Calendar items.

Director Tobias requested an edit to the September 21, 2022 Meeting Minutes. He asked to strike the sentence “He [Director Tobias] also told the Board that Petaluma Valley Hospital has successfully implemented a new payment processing system” due to its inaccuracy.

Director Nelson asked if there were any other objections to the approval of the consent calendar items with the changes requested above. Seeing none, Director Ambrosi seconded Director Hempel’s motion.

The Board directed staff to make the requested changes, and with those edits the Consent Calendar items were approved unanimously.

3) Public Comments (Non-Agenda Items)

Director Nelson asked if there were any members of the public present that would like to comment. There were none.

4) Activate Petaluma – Blue Zones Engagement

- **Approval to Plan and Implement a Blue Zones Project in the City of Petaluma**

Ms. Faith informed the Board that Mr. Buettner was present in case there were any questions about this item. She began with an update on the fundraising and outreach activities she is conducting with Director Hempel, confirming that the City of Petaluma has committed \$100,000 or more to the Blue Zones project and noting the City Manager’s enthusiasm and support. She also reported that discussions with Kaiser were ongoing, and that more information was needed for Kaiser to move forward, who indicated a follow up call with additional team members may be needed.

Ms. Faith moved to review her discussion with Laureen Driscoll from Providence, who suggested part of the proceeds from the sale of Petaluma Valley Hospital could serve as Providence’s contribution to a Blue Zones engagement in Petaluma. Ms. Faith and Ms. Hempel reminded Ms. Driscoll of Providence’s obligation to invest a minimum of \$700,000 annually in South Sonoma County per the purchase agreement, and that approximately \$100,000 in Providence Community Benefit funds for Petaluma Valley Hospital had not yet been allocated for 2022.. In a follow up with Community Benefits staff, Ms.

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Faith learned that a determination for those remaining 2022 community benefits funds would be made internally. Ms. Faith requested more information about how the District could contribute to that decision.

Ms. Faith then moved to her conversations with Teresa Scott from Western Health Advantage (WHA). Ms. Faith had given Ms. Scott more information about the project, and was waiting for a response about scheduling a meeting with the team at WHA.

Relatedly, Ms. Faith noted the delay associated with logistics – from initial outreach to eventual commitment, multiple meetings must be scheduled to get all stakeholders the information they may need to feel comfortable making a commitment.

She added that she and Director Hempel had met with Troy Sanderson, CEO of Exchange Bank (EB), to discuss their possible financial contributions to a Blue Zones project in Petaluma. She said that he wanted to have a follow up discussion with her, and that EB had been reevaluating its community benefit investment strategy. Ms. Faith expects to schedule a second meeting with him.

She concluded her review of activities to date, noting that she and Directors Hempel and Nelson were meeting with the Blue Zones Team weekly. She highlighted the supportive outlook of the Blue Zones team and their willingness to be available for follow up discussions with potential funding partners. Ms. Faith said that, in consideration of what she described above, more time was needed before the Board could make a final commitment to support the project. Director Hempel concurred, and added that the level of interest was such that prospective funders needed more time than expected to digest the information.

Ms. Faith asked the Directors for their thoughts, and there were brief discussions on potential strategic directions for the fundraising effort. Director Tobias suggested the District identify a “closer” with the credibility to bring funding partners on Board, such as a respected stakeholder from the City of Petaluma. The Board agreed but noted that Director Hempel’s profile in the community matched what Director Tobias was suggesting.

Ms. Faith then asked for Mr. Buettner’s thoughts. He first commended the District’s leadership in this effort, noting the quality of the in-community kick off event. He also congratulated the District on securing the commitment from the City of Petaluma and expressed enthusiasm about the interest from Kaiser.

Director Tobias asked Mr. Buettner if there was an individual on the Blue Zones team with the kind of credibility required to obtain a commitment from still-reticent potential funders. Mr. Buettner responded that he was currently filling those shoes for his brother, Dan Buettner, Blue Zones’ founder.

Ms. Faith said that outreach would continue through November. Director Dufour asked whether there was time in her schedule to broaden the search for funding partners. She responded that their strategy currently centered around securing one or two “anchor” funders, around which she expected other interested businesses to align. Mr. Buettner interjected to ask about discussions with Amy’s Kitchen and the Sonoma Community Foundation. Ms. Faith responded that yes, Amy’s had demonstrated interest and that the Sonoma Community Foundation is sharing information about the project with their donors. We have been clear with potential funding partners that we will work with them to align their interest with our need.

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Director Dufour asked Mr. Buettner about Whole Foods and their participation as funders for other Blue Zones projects. Mr. Buettner responded that they were not funders of any Blue Zones project, but that they were enthusiastic participants and that his brother was working with Whole Foods to release a line of Blue Zones inspired products. He told Director Dufour that he would reach out to the appropriate contact at Whole Foods and follow up with Director Hempel and Ms. Faith. Ms. Faith added that her contact with Clover Sonoma had been productive, but that given their array of dairy and meat products Clover may have difficulty aligning support for Blue Zones with their brand.

Christine Walker, in attendance to discuss agenda item #6, suggested that Nancy Sands would be a credible stakeholder for the purposes of outreach to potential funders.

Ms. Faith concluded by telling the Board that she recommended tabling the approval vote until the December 2, 2022 Regular Meeting of the Board of Directors. The goal of this delay is to get a clearer response from local health systems and others prior to making a final decision to move forward.

Director Hempel moved to table the approval to plan and implement a Blue Zones project in the City of Petaluma until the December 2, 2022 Regular Meeting. Director Dufour seconded the motion.

Director Nelson asked the Directors to vote by show of hands, and the vote was as follows: Ambrosi Y; Dufour Y; Hempel Y; Nelson Y; Tobias Y. The motion passed unanimously, 5-0.

5) BOARD COMMENTS

• **52 Ways to be a Better Board: Chapters 29, 30**

Director Ambrosi reviewed the chapters for the Board of Directors. Chapter 29 encourages boards to regularly self-assess to ensure alignment with its goals and best practices. Chapter 30 encourages board members to put aside their ego at all times when participating in Board business.

• **Petaluma Valley Hospital Community Board Update**

Director Tobias noted that besides the items considered in closed session, there was little activity to report at the latest meeting of the PVH Community Board. He moved on to the Community Board's Quality Committee, reporting that the committee discussed ongoing difficulties in maintaining a positive patient and staff experience, at least in part due to the strain of the pandemic on recruitment and other operational concerns.

Ms. Faith asked Director Tobias about the hospital census. Director Tobias said that there were upward trends in inpatient census.

6) Branding, Logo, and Website Development: District Rebrand

• **Approval of District Name Change**

Ms. Faith briefly reviewed the work that she, Ms. Hepp, and Ms. Walker had done in response to the Board's feedback during the September meeting. It consisted of reviewing the recording from the meeting, aggregating the feedback for each name presented, establishing meaningful criteria for evaluating names, and reviewing options accordingly to refine the list. Then, they selected two names for

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the Board to consider in addition to developing a rationale for each. These two names were “Healthy Petaluma District and Foundation” and “Petaluma Health District and Foundation,” each able to be separated into District, Foundation, or both depending on the use case.

Greater detail on the rationale, feedback considered, and legal considerations for each name is contained in the Board’s materials for this meeting. The information as presented is available as an attachment to these minutes.

After the presentation of each names’ rationale, feedback, and legal parameters, Ms. Faith asked for feedback from the Board. Director Ambrosi said that she liked the name “Healthy Petaluma,” and clarified the necessity of two separate names for legal purposes. Ms. Walker added that, legal considerations notwithstanding, a benefit of using a combined name for both entities is cross promotion – when “Healthy Petaluma” or “Petaluma Health” appears in public for either the District or Foundation, the other entity will also be brought to mind for the audience.

Director Tobias commented that much of his feedback for “Healthy Petaluma” had not changed from the previous Board meeting. He emphasized the original intention of the process (to change the District’s name to align with its post-sale priorities) and suggested that the District’s work on this topic had gone beyond that scope to focus primarily on branding. Returning to his feedback from September, he expressed his support for the second option, “Petaluma Health District and Foundation.”

Director Nelson brought up that Health Action 2.0 was exploring the use of the name “Healthy Sonoma” in their new branding, and Ms. Faith confirmed that she had heard the same thing. Ms. Faith said that she had informed Health Action 2.0 regarding the District’s possible use of “Healthy Petaluma,” and that she wasn’t sure what the timeline for their decision was. Ms. Walker mentioned that this had been addressed in her meeting with Ms. Faith and Ms. Hepp.

Director Hempel recalled that one of the motives for changing the name in the first place was to prevent confusion with the Petaluma Health Center (PHC), and suggested that “Healthy” as the first word our audience sees may work against that confusion. She also recalled the feedback shared by Director Tobias that “Healthy Petaluma” may lack gravitas relative to our current name, and suggested that a cost of using that name may be greater confusion on official documents like the ballot.

Director Tobias noted that there seemed to be a focus on the word “healthy” and added that, with the addition of a tagline, a name which incorporates “healthy” may be possible as part of the second naming option, “Petaluma Health District and Foundation.” Ms. Hepp responded that while it was strictly true that the addition of a tagline provided that opportunity, the tagline should not be the focal point of the District’s new name. She cited the example of Clover Sonoma’s rebranding process, noting that in spite of the other recognizable components of the rebrand, few of those present could recall their new tagline.

Director Dufour commented that he did not feel equipped/qualified/ready to criticize/evaluate/respond to the recommendations made by the design and marketing experts engaged by the District. He noted all the same that some of the negative feedback for “Healthy Petaluma” resonated with him, such as Director Hempel’s note that it seemed to describe an initiative, not an entity that would last beyond 5-10 years. He then added that if the District chose Healthy Petaluma, the team at Design Guild would be challenged to tell that story in a way that avoids the impression that “Healthy Petaluma” is a temporary initiative. He

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also said, though, that “Petaluma Health District and Foundation” did not meet the mark in terms of preventing confusion with the PHC.

Ms. Faith thanked the Directors for their feedback so far, and returned to Director Tobias’s remark that branding was driving the name change. She suggested that the dynamic was different, and that the discussion about a new name for the District had progressed here organically based on a holistic evaluation of the District’s current public presence and its desired public presence. Ms. Walker interjected to add that marketing concerns per se were not driving this process – rather, the Design Guild had looked at the District’s strategic plan and other materials to determine the direction they wanted to recommend.

Directors Dufour and Nelson returned to their concern about possible confusion with “Healthy Sonoma,” and Ms. Faith, Ms. Walker, and Ms. Hepp responded that they understood the concern but were unable to incorporate it into their recommendation since they only heard about “Healthy Sonoma” two days prior to this meeting.

Ms. Faith recalled a conversation with Ms. Walker about the possibility to retain a more formal name, like Petaluma Health District, while using “Healthy Petaluma” for marketing materials and other outreach. Ms. Walker said that their discussions included that possibility, and that the Design Guild can structure the rollout like a long-term marketing campaign in lieu of a cut-and-dry name change announcement. She noted, however, that even if that was possible, it did not make sense to her to use “Healthy Petaluma” for marketing if it was not going to be the new name for the District and Foundation.

Director Tobias made a final suggestion that the District could be named “Petaluma Health District” and the Foundation could take the name “Healthy Petaluma Foundation.”

Director Nelson added, in closing, that she thought it best to allow the opinions of branding and design experts to guide this decision instead of what any one Director may like or dislike. Then Director Dufour asked what the next step was, at which point Director Hempel made the following motion:

Director Hempel moved to adopt “Healthy Petaluma District and Foundation” and to reject “Petaluma Health District and Foundation” as the new name for the Petaluma Health Care District and the Petaluma Health Foundation. Director Nelson seconded the motion.

Director Nelson asked for a roll call vote on this motion.

Ambrosi Y ; Dufour Y ; Hempel Y ; Nelson Y ; Tobias N. The motion passed 4-1 with Ambrosi, Dufour, Hempel and Nelson voting “Yes” and Tobias voting “No.”

Director Nelson thanked Ms. Walker, Ms. Hepp, Ms. Faith and staff for their efforts and patience.

Ms. Walker left the meeting at 6:45 pm.

7) Petaluma Health Foundation Conflict of Interest Policy

Director Hempel explained the rationale for agendizing this policy at the District’s Board meeting, noting the importance of alignment between the District’s Conflict of Interest (COI) Policy and the Foundation’s. To accomplish this alignment while avoiding the onerous task of combing through each

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policy word by word, the suggestion from the District's legal counsel was to adopt the District's's COI policy as an addendum to the Foundation's corresponding policy. Importantly, this required the addition of a clause which applies the policy with the strictest interpretation in the event of a conflict between the two.

Director Hempel moved to adopt the Conflict of Interest policy and addendum as presented.

Director Tobias asked when would be the appropriate time to request edits to the policy. Director Hempel responded that the best time would be during the annual review of District policies at the January meeting. He mentioned that one document identifies "interested persons" and the other identifies "members," and requested that these changes be made before the January meeting.

Director Hempel rescinded her motion, and moved to adopt the Conflict of Interest policy and addendum with the above edits. Director Nelson seconded. Director Nelson then asked for a show of hands, and the vote was as follows:

Ambrosi Y; Dufour Y; Hempel Y; Nelson Y; Tobias Y. The motion passed unanimously (5-0).

8) PHCD Res. #6-22: Resolution of the PHCD Board of Directors Declaring Its Intention to Transition from At-Large to District-Based Elections Pursuant to CA Elections Code §10010(e)(3)(A)

Ms. Faith reminded the Board of the discussions which took place during last month's meeting regarding the eventual establishment of by-district elections to the Board of Directors. She mentioned that one of the prospective vendors had suggested the passage of a resolution to formally demonstrate the Board's intention to make the change.

Director Nelson read PHCD Resolution #6-22 into the record.

Director Dufour made a motion to approve PHCD Resolution #6-22. Director Ambrosi seconded the motion. Director Nelson asked for a show of hands, and the vote was as follows:

Ambrosi Y; Dufour Y; Hempel Y; Nelson Y; Tobias Y. The motion passed unanimously (5-0).

Ms. Faith then laid out the next steps for the process. She reminded the Board that it had established the Ad Hoc Committee for Redistricting, consisting of Directors Nelson and Tobias, to review the proposed contracts from the prospective vendors and determine which will present to the full Board.

9) Financial Sustainability

• September 12, 2022 Finance Committee Meeting Minutes

Andrew Koblick, the District's Controller, briefly reported on the activities of the Finance Committee during their last meeting. This included the establishment of more clear parameters for presenting information and ensuring that the meeting remains on schedule. He also addressed the rate of return on the District's funds in LAIF.

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Ms. Faith recalled a question Mr. Koblick had raised regarding moving funds from one location to another in order to get a greater return. Mr. Koblick noted that the budget approved by the Board assumed a 1% return only. Mr. Koblick will discuss with the finance committee.

- **Business Development Update**

Ms. Faith began the Business Development Update while Mr. Spees worked to join the meeting. She highlighted the ongoing negotiations with Providence regarding the lease of the Hospice Facility (416 Payran St.). She also mentioned that the District's maintenance obligations for 1550 Professional Drive included carpeting, so staff is currently exploring options to fulfill that obligation.

Mr. Spees joined the meeting and picked up Ms. Faith's report by noting that their counteroffer to Providence was a strong one. He added the caveat that he could not speculate as to whether it would be acceptable to Providence.

Mr. Spees then reported on the District's other ongoing contacts for business development such as Living Unlimited. Developments in the local real estate market have seemed to slow down, allowing the District to explore possible properties to develop in concert with Living Unlimited. Among these was a modular set up with up to 20 bedrooms as determined in conversation with Living Unlimited. He also reported that he had reached out to potential funding partners for this partnership with Living Unlimited.

He moved on to discuss the District's Lynch Creek parcel and possible uses for that space, such as a multi-use development in partnership with Living Unlimited or another organization. The development could be part commercial, part residential, and may allow the District to fulfill several of its objectives for its business development activities. He asked the Directors if they had any thoughts or feedback.

Director Hempel said that she was enthusiastic about the idea, and that the site was well situated for such a development. Director Dufour also expressed enthusiastic approval of Mr. Spees' efforts. Director Nelson asked how a modular development would obtain the necessary water rights, noting that water access and septic were the biggest hurdles in many such development projects. Mr. Spees responded that the relevant locations he was looking at were all on municipal water (one in Cotati, one in Petaluma).

He also reviewed his work on developing a location for sober living in Petaluma, another business opportunity under exploration by the District. He added that such a development would fulfill a health need locally while generating a reasonable return on the District's investment.

Mr. Spees left the meeting at 7:50 PM.

10) PHCD Response to Dobbs V. Jackson Women's Health

- **Revised Draft from 9/21/2022 PHCD Board Meeting**

Ms. Faith reminded the Directors that they had seen a previous draft of this paper during the September meeting and asked if they would like to hear it read out loud. The Board responded that this was not necessary since it was included in the packet.

Director Nelson made a motion to approve the draft response as presented to the Board of Directors. Director Hempel seconded the motion. Director Nelson called for a show of hands, and the vote was as follows:

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Ambrosi Y ; Dufour Y ; Hempel Y ; Nelson Y ; Tobias Y. The motion passed unanimously (5-0).

Director Hempel suggested that the District consider directing Ramona to write an op-ed in support of Measure 1. Mr. Pinochi interjected to note that advocacy on behalf of a numbered measure, proposition, or a candidate for office is not permitted for the District, but that in theory an op-ed highlighting the Board's response to the decision would be permitted.

11) Administrative Reports

• **President's Report**

Director Nelson reminded the Board that this was Director Ambrosi's last meeting, and staff presented Director Ambrosi with a card and a small potted plant in appreciation for her service. Director Ambrosi thanked the Board and staff, and underlined that she will remain involved in work on behalf of the community even after exiting the Board of Directors.

• **CEO Report**

Ms. Faith referred to her written CEO report and asked if the Board had any questions for her. Director Tobias asked what the status of the District's CHW grant from the County. Ms. Faith responded that the broad RFP for the new grant had been issued and was due in November. She also reported that she had notified the District's community health workers of the need to complete an RFP seeking funding for the next two years to support CHW program.

Ms. Faith mentioned that in her conversations on this matter, she had emphasized the District's significant investment to date in its community health workers. Because of that investment, she hoped the District would receive priority consideration of its application for funding to continue the program. She was tentatively optimistic that the County would reissue grants to the organizations who have already been in receipt of funding. She added also that should the worst case scenario occur, she had communicated to each community health worker that the District would assist in the transition to another organization or work to figure out a solution internally.

Ms. Faith discussed the District's work to apply for CSDA's Special District Leadership Foundation Transparency Certification, and mentioned that among its requirements was the disclosure of reimbursements to Board members in excess of \$100. She noted that staff had submitted the District's reimbursement policy to CSDA for their review as part of fulfilling this requirement. She also mentioned the next step up, CSDA's "District of Distinction" certification, and asked the Directors to let staff know if they were interested in the final virtual governance training session, scheduled for December. If they do not attend the virtual session, the governance training requirement will need to be satisfied in person.

Accordingly, Ms. Faith reviewed the request submitted by Director Tobias for reimbursement of his necessary expenses for the ACHD conference and used it as an example of the purpose of that certification requirement.

She also reminded the Board of the annual self-assessment requirement, and mentioned that it should take place next month. Relatedly, she noted that the Board would need to begin thinking about its upcoming 2024 – 2029 Strategic Planning Process.

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Finally, Ms. Faith reported that she was working with external HR consultants to explore and develop a new merit-based compensation framework for board consideration and approval.

- **District News / Articles / Ads**

12) Informational Items

- **Upcoming Events**

Ms. Faith reminded the Board of Directors that there will be a meeting of the Board on December 2, 2022, beginning at 12:00pm. This meeting will include the administration of the oath of office for Director Nelson and Cheryl Negrin, NP, the Director appointed by the Sonoma County Board of Supervisors to fill Director Ambrosi's seat.

Director Hempel mentioned the upcoming "Night In Tuscany" Event put on by the North Bay Children's Center on October 29th. She and Director Nelson will both attend as representatives of the District.

13) ADJOURNMENT

Director Nelson adjourned the meeting at 8:15pm.

Recorded & Submitted by Tucker Pinochi, Board Clerk
Please send any questions about Board of Directors Minutes to tpinochi@phcd.org