****

PO BOX 213, Vashon WA 98070

vashonhealthcare.org

**BOARD MEETING MINUTES**

Date: July 6, 2022

Time: 18:00

Place: Vashon Presbyterian Church and ZOOM Meeting, <https://zoom.us/j/94707956113>

Present: Tom Langland, President, Position 1

Wendy Noble, Position 4

Alan Aman, Position 3

Don Wolczko, Position 5

Eric Pryne, Position 2

Eric Jensen, Superintendent

1. The meeting was called to order at 18:01 by Tom Langland.
2. Approve/Amend July 6 Agenda

Don moved to approve the agenda, Wendy seconded the motion, motion approved unanimously.

1. Approve/Correct June 15, 2022 Regular Meeting Minutes

Alan moved to approve the June 15 minutes. Don 2nd  motion. Motion passed unanimously.

1. Superintendent’s Report

**Sea Mar Financials** – Superintendent Jensen presented the May 2022 financials which showed a Net Gain of $34,136. 340b pharmacy revenue again represented all of the Net Gain.

**Sea Mar CEO Meeting –** Superintendent Jensen reported on the meeting with Rogelio Riojas that he and commissioners Langland and Aman attended. He shared Mr. Riojas’ position, which was that Sea Mar sees no reason for them to vary from their usual process for designing and building the project given Sea Mar’s in-house architecture and construction expertise and resources. He again emphasized the need to move fast in order to utilize the $3 million capital allocation from the State Legislature.

Superintendent Jensen then invited the Board’s discussion regarding the value of District ownership of the project and the new clinic, which he highlighted in his report. The values that he identified included:

* *Community ownership of the building as a true community asset*
* *The increase in asset value over time through ownership of the building*
* *District control over use of the building*
* *A reduction in the annual operating subsidy associated with debt service incurred by Sea Mar in financing the balance of project costs beyond the State appropriation.*

It was noted by one of the commissioners that District ownership also opens the pathway for philanthropic giving to the District. The superintendent also spoke about his meeting with the Dept. of Commerce. It was clearly stated that there can only be one Grantee for the $3 million – either Sea Mar or the District. A joint project utilizing State funds is out of the question. The grantee is responsible for repayment of pro-rated grant funds should the project not be in place for a 10-year period.

Discussion followed. Commissioners commented on the concern over possible loss of the $3 million grant by maintaining our position on ownership and control of the project. One suggestion was that we may consider giving up the ownership position for increased accountability in the operating agreementand other contractual safeguards to protect the district’s interests in design, construction, use and financial responsibility for the new facility, with possible consideration of transferring the federal grant request to Sea Mar. The importance of pursuing modifications to the operating agreement were discussed as an area of focus. The Superintendent will continue to work with commissioners Aman and Pryne on language changes to propose. Commissioner Pryne asked Superintendent Jensen to ask for a legal opinion related to the stated location of the clinic in the agreement.

**Property Appraisal and Sales Agreement –** Superintendent Jensen has retained a commercial appraisal firm to move forward with that work. The cost is about $4000. He also reported receiving a draft of a purchase and sales agreement from Brad Berg.

1. Committee Reports
   1. Finance Committee

The daily cash balance as July 3 was $-382,060.05.

The June 16-30 payroll report included with the Board materials totals $3,994.36. A motion was made and seconded to approve it. The motion was approved unanimously.

Commissioner Wolczko requested approval of a debit charge of $16.24, and the following warrants:

LAKE KENNEDY MCCULLOCH CPA Warrant 9981447 1,827.09

SEA MAR COMMUNITY HEALTH CLINICS Warrant 9981448 125,000.00

SUNRISE RIDGE HEALTH SERVICES Warrant 9981449 7,524.40

A motion was made and seconded to approve the warrants and debit charge. The motion passed unanimously.

* 1. Clinic Relation Committee – No report.
  2. Outreach Committee

The Board was updated on progress towards revision of the District website.

* 1. Strategic Planning Task Force

Superintendent Jensen reported on the most recent task force meeting, which included a discussion regarding the possibility of seeking a 3rd party intermediary to reach out to Rogelio on behalf of the District in the interest of changing Sea Mar’s position on the project. Superintendent Jensen recommended against this effort.

1. Adjourn to Executive Session

President Langland adjourned the Board to executive session at 7:05 p.m. for the Board to discuss among themselves the Superintendent’s evaluation.

1. Reconvene Regular Session

The Board reconvened executive session at \_\_\_\_\_\_\_\_\_\_\_\_\_\_. There being no action, the meeting was adjourned.