

THE HEFFERNAN MEMORIAL HEALTHCARE DISTRICT MET IN REGULAR SESSION ON THE 17th OF APRIL 2019 AT 608 HEBER AVE. CALEXICO, CA. CITY OF CALEXICO ON THE DATE, HOUR AND PLACE DULY ESTABLISHED OR THE HOLDING OF SAID MEETING.

TO CALL ORDER:

The meeting was called to order at 5:30p.m. by Gloria Romo and Blanca Morales led those present in the pledge of allegiance.

ROLL CALL-DETERMINATION OF QUARUM:

Chairperson	Gloria G. Romo
Vice Chairperson	Rodolfo Valdez
Secretary	Norma M. Apodaca
Chief Financial	Gloria Grijalva
Trustee	Hector Martinez

GUESTS:

Tomas Virgen-Executive District Manager
Eduardo Rivera- Attorney
Brenda Ryan-Board Clerk
Tony Pimentel-Public Relations

APPROVAL OF AGENDA:

Motion was made by Board Member Valdez and second by Board Member Apodaca to approve the agenda for April 17, 2019. Motion passed by the following vote wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

PUBLIC COMMENT TIME:

Karina Kuljacha from Auti Foundation is here to thank the district for their donation and support. The comments of event were very good. It was the first time Calexico had this type of event and this may continue in the city of Calexico because the word will go out to our community. Board Member Martinez asked how many families attended this event and Mrs. Kujacha replied that 50 families attended this event. Mr. Martinez asked if there was a list of people that attended or sign in sheet to verify how many people exactly attended. Mrs. Kujacha replied with no that they are going by the amount of tables that they had and they have a video to prove how many people were there. They worked with San Diego State and they confirmed 100 people would be attending by out of those 100 only 50 people attended. Mrs. Kujacha invited the board to their next committee meeting and they are looking for a place to conduct these meetings and she is requesting if they can you use the office to conduct these meetings with committee. Board Member Romo informed her to present something in writing and the board will gladly consider it.

Jesse Garcia he is here to see if there is a status on the exercise equipment's or the park because people have been asking them around the neighborhood because he had already told them that they were going to

put some equipment at Rodriguez Park. Board Member Romo informed him that they are having a meeting with the city manager on Friday concerning the equipment. Board Member Grijalva also informed him that we do want to cover 2 more parks. Mr. Virgen informed Mrs. Garcia that for that he is going to have to give us a chance because we are working on strategic planning and it's not something that is going to happen overnight or before the fiscal year. We still have to look at number 1 we are waiting on an agreement with the city that we are still waiting on a signature to have the maintenance on the current parks and add the additional 2 parks and extra parks if we move forward. Then we have to decide on or budget to see if we are going to move forward and add more parks and once that budget is approved then we can go out and look for equipment. So it is not as quick as we would like it to be. Board Member Romo recommended to Mr. Garcia that it would be good for him to mention this to the city council.

CONSENT CALENDAR:

Motion was made by Board Member Apodaca and seconded by Board Member Grijalva to approve the minutes for February 6, 2019 February 20, 2019, March 6, 2019 and March 13, 2019. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

REPORTS ON MEETING AND EVENTS ATTENDED BY DIRECTORS AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS/DIRECTORS COMMENTS

Board Member Apodaca reported that yesterday she attended to the report that the mayor presented and it was very good report.

Board Member Grijalva reported also attended the state of the city report yesterday plus the Sacramento conference.

Board Member Valdez reported that he was also at the state of the city address and attended the Sacramento conference and the autism program and he is disappointed to say that there were less than 0 people at that event.

Board Member Romo also attended the Sacramento conference and the autism event.

COMMENTS BY TONY PIMENTEL

Mr. Pimentel reported that we have a busy week. He also congratulated Mrs. Romo for here Sure help Line award. He presented a video of the all events attended.

COMMENTS BY EXECUTIVE DISTRICT MANAGER:

Mr. Virgen wanted to explain a little bit on the trip to Sacramento. The trip was very beneficial. The new administration the governor Newson their priorities are early childhood education, affordable housing of homelessness and obviously expanding access to care. As we discussed in our strategic plan those were taken into account so as we are looking into whether to expand services into bringing an additional clinic and working with other people and as well as working with childhood education with a local group or a

hospital but that is something that is going to be a lot of essence and maybe even money's worth. He thanked everyone who attended the conference in Sacramento.

We have been busy in the week because we have been working on the strategic planning after the workshop. He believes that next week we will be able to have draft of the actual 5 year strategic plan and he already asked Mr. Valdez and Mr. Martinez so that we can meet and once we clean that up a little bit we be ready to present to the board but we still need a couple of weeks to make sure we get it right.

COMMENTS BY GENERAL COUNSEL:

None

DISCUSSION/ACTION ITEMS:

1. Discussion and/or action on reopening the Calexico High School Scholarships applications and/or solicitation of additional scholarships to include other higher education institutions like IVC and San Diego State Calexico.

Mr. Virgen reported that this morning he received an email from the high school and they wanted for Mr. Virgen to ask if we were interested in extending the deadline. They felt that they did not do enough marketing because only 4 students did apply. The last time we discussed this we did talk about discussing to expand to other students like IVC students that are in nursing that want to go into medicine and obviously students that are from Calexico and that in reality is for the board to decide. His only thing is that we gave ample time for the deadline and deadline was not met and only 4 people applied. If we extend it this item is not on the agenda for the extension for the high school. This item was more for if we can include other students. He will be leaving that up to the board but he will be bringing the other one to the board for the next meeting. Right now it is if you want to offer the difference to IVC and San Diego State students.

Board Member Martinez thinks we still have time to extend the deadline for the high school there might be more applicants. Given the applicants that applied we are going to have to lower the GPA.

Mr. Virgen recommends tabling for next meeting that way we can expand and bring to local solutions for the high school.

Motion was made by Board Member Martinez and second by Board Member Valdez to table this item. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

2. Discussion and/or action on status of swimming pool program with Calexico Unified School District; Update by the District Manager.

Mr. Virgen reported that he is in discussion with the Calexico Unified School District and the person who manages this as well as the person from the city that does this they did bring us a letter today and we will putting on the agenda for the next meeting. What we are looking at and trying to find out is what are the dates we are going to have access to the pool and it may be less days then we constipated and they just brought this letter earlier today. This item is not on the agenda and we will be bringing it to the next meeting. But pretty much it is going to be the time

frame and hopefully we can get 6 weeks out of it. He was asked to go talk to the school district board tomorrow night and he will be letting them know that we want to continue and there along with the city are doing the proposal like they did last year. We are hoping for 6 weeks and hopefully we won't be running into any hiccups as far as time because it's really up to them how much free time they have. They just can't intermingle the summer school program with our program and that important for us to know that. Board Member Grijalva asked if they are still going to have swimming lessons and Mr. Virgen replied that, that is still up for discussion. This is something that they whipped up very quickly similar to what they did last year. But we asked for the acro aerobics for senior instructors and hopefully we get someone certified so we are waiting for it to come back.

Board Member Romo informed the board that Fabiola Calderon from Calexico Unified School District sent her several documents for the summer pool. This item will be placed on the next agenda to discuss.

No action will be taken on this item

3. Discussion and/or action on Heffernan Memorial letters of appreciation and thank you to various elected officials and public entities.

Mr. Virgen reported that he is working on templates to thank Assembly Men and representative and also to start developing a relationship. He will send the board templates by next week and then we can take action on them or the board can give him direction to send them.

No action needed for this item.

4. Discussion and/or action concerning the Calexico Wellness Park agreement with the City of Calexico and the maintenance responsibility of the city of Calexico in maintaining the Wellness Park equipment in a safe and functional manner.

Mr. Virgen reported that he did receive multiple costs from the city and his back in forth with them. Since last week we met with them and asked them where the agreement was at because President Romo did send them the agreement two month ago and they final called and told us that they are taking care of that today. The just could not find the original but he believe that they found the yellow folder with the documents.

No action needed for this item.

5. Discussion and/or action on status of 400 Mary Ave update.

Mr. Virgen reported that although we did bring somebody it would be nice to get an RFP. But more than anything we have a strategic plan and it would nice if whatever we decide on the strategic plan to have the building occupied it or have it as an asset for an investment because of the site it is close to everything. There is a big opportunity to partner with somebody and rent it and at fair market that is a sizable building. He is going to present it to the planning committee when he talks to them about the strategic plan but that is something that will need to come back because he wants you to consider that this site as well will have to get redone the building we are in right now. That will be matter for the board to decide of both buildings.

No action needs to be taken on this item.

6. Discussion and/or action on independent contractor agreements for Rosario Montoya-Bookkeeper, Brenda Ryan-Board Clerk, Tomas Virgen-District Manager and Maria Tavera-Office Maintenance to be referred to the finance committee.

Board Member would like to know why Mr. Rivera's contract was not added to this item. Mr. Virgen informed her that, that is a different agreement but it should also be on her as well. This agreement of discussion was should we make employees of Heffernan, should we use an employment agency as a third party or should we keep them as independent contractors but make that contracts current. Which means full agenda contract for independent contractors and that was an issue that was discussed with the committee and wanted to bring that here for your discussion that what's the best thing for the district and do we want to make the employees and manage them. That initial a lot of work and some tracking or keep them independent but have the right agreements so the agreement allows you to manage them as employees because you have everything very specific, and the right process is on there, termination process, what their scope of work is. If they are going to be on vacation or what days they are going to be here or not because then you can really hold it up to somebody and say you know what they are not meeting this you are supposed to be holding this accountable. That is part of the board functions. That is important and discussing that with our attorney we are recommending that maybe instead of making them employees like we have talked about before through an outside agency that maybe we just need to clean up and make our agreements current and that is going to be more feasible. It may cost you a little bit because he does not know we may need to bring up their salaries up to market but that will have to be a proposal that has to come back to you. Board Member Valdez asked Mr. Virgen that when he say bring up to market does that mean he is going to do a study of the light duties and the amount of work that they do and compensation. Mr. Virgen informed the board that it could be for all positions. Board Member Grijalva would like to keep like an independent contractor with cleaning up the contract like Mr. Virgen said. Board Member Apodaca agrees with Mrs. Grijalva and Board Member Romo agrees with Mrs. Grijalva. If the board is in agreement with it he will start drafting them and bring them back for their consideration.

Motion was made by Board Member Martinez and second by Board Member Apodaca to approve keeping as independent contractors and draft up the agreements. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

7. Discussion and/or action on review and approval of grant agreement with Proactive in the amount of \$41,940.00 for 90 days from May 1, 2019 – July 31, 2019.

Mr. Rivera reported to the board that he had a discussion with board members and he emailed you one agreement for your review late and he apologizes for that. He was not her for the last April meeting and the instructions he received on April 11th and the documents he received on April 12th. He just prepared the agreement yesterday and he circulated and he did not receive any comments. But in discussing the agreement he was informed that some of you had objections to the format so he reformatted the agreement and forward a copy to Mr. Ramirez and in the discussion we have had pending your discussion of your earlier item he believes that Mr. Ramirez

and him with your conquers would like to table this item so that he and Mr. Rivera can reword the agreement in fashion #1 specifically where the actual grant amount is reduced by the amount of reimbursement amount as oppose to the agreement of having a grant amount to be reduced in 3 equal payments during the 3 month term of the agreement. He feels a little more comfortable trying to do it that way and he can tell you himself.

Mr. Ramirez informed that board that he guesses he does not want to run into the same issue. He is just going to throw the number out there like \$13 thousand and we are deducting \$3 thousand he is paying back \$9 thousand in three amounts per say it might be ore give or take. What he is trying to say is lets shake hands and say goodbye to what is owed but instead of giving him \$13,980 just give him the rest which is the \$10 thousand that way in case you are not happy with the program and the way things are running there is a clause here that says 30 day notice to cancel. He would not want for us to cancel the program and he is responsible for the remaining \$6 thousand in change that would be left.

Mr. Rivera does not have an objection to that. One of things Mr. Rivera did tell Mr. Ramirez is that under is belief that the board took action and the agreement would run from May 1st to July 31st. The agreement would now run from May 15th to July 15th even though it would go through the next fiscal year he believes all the board took that into account and that way he won't feel under the gun trying to sign a document because balance of the board isn't going to be available if we were not to agree with. So he has agreed to continue it to the May 1st meeting and by that time we will have an agreement that he's reviewed and ready to sign and the board will probably be in agreement also. If it is okay with the board then it would mean a 15 day delay in the program and gives him a little bit of more time.

Board Member Grijlava asked if this would change the original agreement and MR. Rivera replied that it would supersede the agreement. The language and both contracts calls for the supersede in other words you cancel out the prior agreement with this new agreement and this new agreement has a release of the prior agreement. Neither of us will have responsibility to the prior agreement based upon the terms either the 13 minus 3 months or 10 for 3 months and the reduction will include the repayment.

Mr. Virgen is getting whiplashed with all the changes. It seems like every time there is something new and he thinks that the board was more generous in looking at this program again. He just wants to make sure that whatever we get it's the best for our customers and our clients and that we get to an agreement because we are dragging it on and now it is another 15 days. If it is going to be a new contract or considering a new contract it will need to go to LAFCO for approval.

Mr. Rivera informed that board that they have to make the decision. He finds it very simple in either way because you are going to get reimbursed because you already authorized \$13 thousand for 3months. That is what the board was prepared to sign right now and he was prepared to take \$3 thousand dollars less with each of the 3 monthly \$13 thousand dollar payment. Why, well because there was a dispute about \$9 thousand dollars. We have waivers and releases in the agreement were by nobody, we are not responsible under the initial July 11th 2018 contract and for anything under that contract and through that \$9 thousand dollar reimbursement he is not responsible for anything else to the district. That is the way it is set up in both of those contracts that the board has before them. Right now his only concern is that we have been including now and will be including now and in all grant agreements that we have the right to cancel with 30 day notice.

Board Member Valdez informed Mr. Rivera that on the continues of the program the majority of the board voted to continue the contract as is and to finish the 3 months remaining with only 2 amendments and Mr. Rivera informed him that, that is in there. Board Member Valdez asked why the first contract has to be canceled or why does this contract supersedes the other contract and Mr. Rivera replied because we are going to have two pending contracts. Supposedly if we give them a new contract, what happens to the old contract, Mr. Valdez informed Mr. Rivera that it is not a new contract. That it is a continuous of the previous contract and that is how we voted. Mr. Rivera informed him that is supersedes it in other words it takes the place of. So it's not really a new contract it supersedes. In other words I am going to substitute this contract for this contract for the same services. The terms of services will be 90 days and so forth. Board Member Valdez asked that if that's the case does it have to go to LAFCO for approval and Mr. Rivera replied with he does not think so. In other word he thinks that what the board and the community wants is for the program to get started he means at least the majority of the board voted to fund the program so let's fund it. It's a proposal that was authorized by Mr. Heuburger and we made a determination not he that there was some difficulty or misunderstanding on some accounting procedures so account was suspended. Now we want to reinstitute it but because we are doing it in different fashion we just substituting one document for the next. If he yells and screams then we will send it up to them and we will proceed with it. Mr. Virgen will send it to him either way because it is transported. He is here to protect the board and is here for the best interest of the board and there is nothing wrong with sending him the contract if we are being legitimate and being honest what is wrong with sending him the agreement. Because we did suspend and LAFCO is aware that we did suspend it now that we are going to make a change why not go ahead and inform them that are intent is to bring it back.

Mr. Rivera did inform Mr. Ramirez that it really is his call and he has not had the opportunity to review this document and his concern is the thirty day cancelation clause. Mr. Rivera certainly has not objection to just initially it out have the Board President crossing out and him initial it and then the \$9 thousand dollars is reduced on a monthly basis but it is his call. Mr. Ramirez agrees and that was his main concern that it could be canceled and he would be responsible for \$6 thousand dollars and that the other one would be what budget would he be enforced to follow since it does go down. Mr. Rivera replied that he would need to bring a new budget to attach to the new agreement. What the budget is going to be has to be resolved. Mr. Ramirez asked if that is something that needs to be approved by the board is that something that just goes through because if that is the case he needs to look at those numbers once again and present it to you then have the board agree to it and if that is the case than why is he signing an agreement when he doesn't know what his budget is. Mr. Rivera informed him that the conclusion is based upon this discussion is it would be his recommendation to him and the board that we continue this until May 1st so that he can get his budget squared away and so the board knows what your need budget is and we can get started and kick it over to May 15th. Board Member Martinez asked if services should remain the same as the \$13 thousand dollars with those \$10 thousand dollars that we are giving out and Mr. Rivera's response was yes. That would be the more prudent way to handle it and he can discuss his budget with Mr. Virgen and they can come to an agreement before coming to the board. Mr. Virgen.

Board Member Romo opinion is that at the last meeting we voted for his contract and then now we have two ways. She already voted in a way and now we have to vote again. This matter is going to take more time. Mr. Ramirez would like to show his budget because the first one that came out was completely different then what he saw was successful. Mr. Virgen feels that the matter is simple and this is going to come back the next board meeting and Mr. Ramirez get your documents together and if there is going to be changes to the original budget the board will have to approve them and act on them.

Mr. Rivera recommends to Mr. Ramirez to ask the board to postpone the vote from today to the first of May to allow some of these difficulties to be cleared up so when we come back in May 1st there shouldn't be the discussions we are having right now and there will be clarification of your obligations, the budget questions and the boards questions will be answered at that time based upon the new document.

Board Member Valdez asked Mr. Ramirez if he is in agreement for us to postpone this for May 1st and you come back with the final budget because this is taking too much time and he is not willing to entertain this anymore. Mr. Ramirez said if the board is willing to except that budget and he can make checks to everything that is on there and take away the 30 days we can just do it now and we can start May 1st. Board Member Martinez said that would take away our power and what if the program doesn't run as well and we lose that money. Mr. Virgen would not want to put the board in a position to negotiate. This is something like almost trying to modify and RFP and getting somebody to get it. He will be very concerned about this so his recommendation is that either Mr. Ramirez excepts as is or it has to get tabled and come back and the board gets to review it as the way it is supposed to be.

Mr. Rivera informed the board that the document the board has now dated March 29th Proactive and he has an option 1 and option 2 and if you go to the 2nd and 3rd page those pages are going to become part of the contract. That is going to be the scope of work the 2nd and 3rd page although they are not numbered in the documents. Now after those 2 pages you get an option A and an option B. Now option A is what the current contract that you have now is based upon. It is for \$41, 940.00. This is the budget that is going to occupancy that contract except the agreement he is going to sign is going to reduce this budget by \$2,000.00 more or less per month. He has to adjust his line items to incorporate \$3,000.00 less per month on option A which is the \$41, 940.00. The board if it agrees on the 2nd contract this agreement incorporates the 2nd and 3rd page plus option A budget. That goes into the agreement. That agreement calls for the \$13 thousand plus per month which totals out to \$41, 940.00. This agreement then requires Heffernan to deduct \$3,000.00 in 3 checks that are going to be paid for him for the 3 months of the program. It is all ready to go. His concern is that we put in a 30 day clause to terminate without cost. Mr. Ramirez informed the board that Mrs. Romo agrees to take away that 30 days and put that budget he would have no problem signing today. Mr. Rivera said that the question before the board is, yes we take out that 30 days termination clause without cost or we don't and he as to decide but we can get started today. Mr. Virgen's concern is that, that motion was made last meeting to approve it pending on the original budget. Something we would have to do about that motion because that motion has already been documented and he wants to make that that is very clear. Mr. Rivera informed Mr. Virgen that this motion is to adopt this agreement. This agreement is an identical agreement to the one that he proposed July 1st, 2019 and we adopt it. The changes to these agreements are that we are getting a reimbursement clause and getting a release of any obligation under the first agreement and that's in here and it replaces the first agreement basically but instead of a 12 month agreement we now have a 90 day agreement. He thinks he is protected and he wouldn't tell us we were not protected if he did not feel that way. The budget that is going to be adopted is budget A which is based upon the \$41 thousand which requires a reduction of \$3 thousand dollars. Which requires on him a unilateral reduction in the line items in the budget?

Board Member Apodaca feels uncomfortable with this situation and honestly she does not want to make a motion or decide on this right now and would like to table this for the next meeting.

Board Member Valdes agrees with Mr. Rivera and takes his recommendation to take the 30 days out and finish with this contract.

Motion was made by Board Member Valdez and second by Board Member Grijalva to approve the agreement with the 3 pages, his scope of work and the \$41 thousand dollar budget for the 4 months. Motion passed by the following wit:

AYES: Romo, Valdez, Grijalva

NOES: Apodaca, Martinez

8. Discussion and/or action the Treasurer Report.

Motion was made by Board Member Martinez and second by Board Member Valdez to approve the treasurer report. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

9. Discussion and/or action Callexico Wellness Center proposal for Development and Implementation of Geriatric Health Strategies in the amount of \$559,940.00 for the period of 1 year. This matter is a trade secret item which will be discussed in executive session.

Blanca Morales apologized for submitting the information a few minutes late. She is requesting to be tabled and for also table there item in closed session.

This item will be placed on the next meeting.

Motion was made by Board Member Valdez and second by Board Member Apodaca to approve tabling this item for the next meeting. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

10. Discussion and/or action on Mega Park (to be discussed in executive session)

This item will be discussed in closed session

Motion was made by Board Member Martinez and second by Board Member Apodaca to approve the treasurer report. Motion passed by the following wit:

AYES: Romo, Valdez, Apodaca, Grijalva, Martinez

NOES: None

ITEMS FOR FUTURE AGENDA:

Callexico Wellness Center

Cost and benefits of each project

Scholarships

CLOSED SESSION:

No action taken in closed session.

ADJOURNMENT:

With no future business to discuss Board Member Martinez made motion to adjourn the meeting at 6:37 p.m. Second by Board Member Apodaca. All in favor.