



# SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES

Friday, May 1, 2015 at 4:00 p.m.

Eskridge Conference Room,  
Tahoe Forest Hospital, 10121 Pine Avenue, Truckee, CA

**1. CALL TO ORDER**

Meeting called to order at 4:00 p.m.

**2. ROLL CALL**

Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

Staff: Jake Dorst, Interim Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Nursing/Operations Officer; Jayne O’Flanagan, Director Human Resources; Patricia Barrett, Clerk of the Board

Other: Steve Gross, General Counsel

**3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA ◆**

None.

Director Sessler indicated that Closed Session item 7.2 would be moved to the end of the meeting.

**4. INPUT – AUDIENCE**

None.

**5. INPUT FROM EMPLOYEE ASSOCIATIONS**

None.

**6. DESIGNATE LABOR NEGOTIATOR FOR ADDENDUM TO EMPLOYMENT AGREEMENT OF CIO TO SERVE IN DUAL CAPACITY AS INTERIM CEO AND CIO**

Discussion took place regarding the ability to appoint more than a single negotiator and whether, in this case, a negotiator need be appointed.

**ACTION:** Motion made by Director Sessler, seconded by Chamblin, to appoint Director Jellinek and CHRO as labor negotiators for the employ. Motion withdrawn.

**ACTION:** Motion made by Director Sessler, seconded by Director Zipkin, to appoint the Chief Human Resources Officer as labor negotiator. Roll call vote taken. Approved by a vote of 4-0-1.

Mohan - abstained

Zipkin - Aye

Sessler - Aye

Jellinek - Aye

**Chamblin - Aye**

Director Mohun requested to have a board member appointed as a second negotiator.

**ACTION: Motion made by Director Mohun, seconded by Director Chamblin, to appoint Director Jellinek as second labor negotiator for the employment of the interim CEO. Roll call vote taken. Approved unanimously.**

**7. CLOSED SESSION**

Discussion held on privileged matters

**8. OPEN SESSION**

Open session reconvened at 4:51 p.m.

**9. ITEMS FOR BOARD DISCUSSION AND POSSIBLE ACTION**

**9.1. Addendum to Employment Agreement of CIO to serve in dual capacity as Interim CEO and CIO**

Chief Human Resources Officer (CHRO) provided an update related to the status of the transition of Interim CEO and present proposed contract addendum for approval.

The proposed addendum will amend the CIO's current contract to reflect that the employee will work as the interim CEO for a period of time up to six months. Director of Zipkin asked for clarification on the process should an interim CEO be needed beyond the six months and it was confirmed that a new agreement would need to be negotiated at that time.

Mr. Dorst confirmed for Director Mohun that he has the bandwidth to absorb the additional role as interim CEO for the next six months.

**ACTION: Motion made by Director Jellinek, seconded by Director Mohun, to approve the addendum to amend the CIO contract. Roll call vote taken. Approved unanimously.**

**9.2. Agreement with HFS Consulting for CEO Search and Discussion of CEO Search and Selection Process**

The Board discussed formalizing the engagement of HFS Consulting and reviewed the preliminary steps and process related to the recruitment of the Chief Executive Officer.

Discussion took place related to the reference to average CEO salary and how this is determined. The CHRO provided clarification and noted that TFHD is set at the mid range at \$277k annually.

Mr. Whiteside, HFS Consulting, had referenced in his earlier presentation to the Board that it was his practice not to solicit his newly placed CEO for future opportunities. Director Mohun recommends language reflecting this commitment be included in the contract and that the period on non-solicitation be extended beyond the industry standard of one year to reflect three years.

Discussion took place regarding a potential delay in the search process caused by negotiating the contract to include this language. It was noted that Mr. Whiteside had indicated that this was his personal practice and not a policy of HFS Consulting.

**ACTION:** Motion made by Director Sessler, seconded by Director Jellinek, to approve the contract with HFS Consulting with an amendment to include language that they will not solicit the CEO placed with THFD for a period of 3 years

Motion amended to include authorization to sign the agreement.

**ACTION:** Motion made by Director Chamblin, seconded by Director Zipkin, to approve the contract with HFS Consulting with an amendment to include language that they will not solicit the CEO placed with THFD for a period of 3 years, and to authorize the Board President to execute the agreement. Roll call vote taken. Approved unanimously

Discussion took place related to the formation of an advisory group to assist with the search. Director Zipkin indicated that the hospital advisory group would meet with Mr. Whiteside to advise on criteria being sought in a CEO and would not be an official committee. This would be an internal group and would not remove the possibility of engaging the community nor reduce or change Mr. Whiteside's approach to speaking with staff, physicians, public, etc.

Director Jellinek shared feedback from community member, Gaylan Larson, requesting that someone from his community group be put on the advisory group. Director Chamblin recommends keeping the advisory group to strictly employees.

Community member, Randy Hill, shared that he has conducted executive recruitment for over 30 years and shared his experience in using a group to develop a profile compiled from all stakeholder groups. At no time did anyone see candidate's names and participants should be required to sign confidentiality agreements.

The advisory group will be comprised of primarily members of the Board Personnel Committee with the addition of the Chief of Staff, Jeffrey Dodd, and Dr. Shawni Coll.

Director Mohun inquired if physicians that are not part of the MSC are to be included. It was confirmed that neither Dr. Dodd nor Dr. Coll are part of the MSC.

CHRO shared that she had reached out to Mr. Whiteside and he has agreed to change the contract as requested by the Board.

### **9.3. Updated TF2020 Contract Template and Routing Form**

Interim CEO provided the board a summary of the updates made to the TF2020 contract template and Contract Routing Form and requested feedback.

Director Mohun indicated his core concern relates to verification of commercial reasonableness. Discussion took place related to how the scope of services will be measured. The Fox Group will be providing back up related the number of their clients who have these types of contracts.

Interim CEO requested that the Board, as a professional courtesy, call him prior to the board meeting to address issues in advance of the meeting. The types of issues brought up during the meetings can be addressed in advance or the topic pulled pending further review in order to make better use of time available during the board meeting.

**10. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS**

CEO evaluation

**11. ITEMS FOR NEXT MEETING**

Potential special session to be scheduled on June 18<sup>th</sup> for budget review.

**Open session recessed at 5:35 p.m.**

**12. BOARD MEMBERS REPORTS/CLOSING REMARKS**

**13. CLOSED SESSION CONTINUED, IF NECESSARY**

**14. OPEN SESSION**

**Open session reconvened at 6:06 p.m.**

**15. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

No reportable items out of closed session.

**16. MEETING EFFECTIVENESS ASSESSMENT**

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

**17. ADJOURN**

**Meeting adjourned at 6:06 p.m.**