

**FALLBROOK REGIONAL HEALTH DISTRICT  
REGULAR BOARD MEETING  
Wednesday, May 10, 6:00 p.m.  
Fallbrook Public Utilities District, 990 E. Mission Rd., Fallbrook**

**MINUTES**

**A. CALL MEETING TO ORDER – PLEDGE OF ALLEGIANCE**

President Tinker called the meeting to order at 6:02 p.m. and led the pledge of allegiance.

Present: Directors Stephen Abbott, Bill Leach, Barbara Mroz, Howard Salmon and Gordon Tinker.

Also present: Executive Director Bobbi Palmer, Legal Counsel Blaise Jackson

**B. ADDITIONS TO AGENDA**

None

**C. PRESENTATIONS**

**C1. Crestwood Behavioral Health, Inc.**

President Tinker introduced Patti Blum, Ph.D., Regional V.P. and Operations Director for Crestwood Behavioral Health, Inc. She provided a history of when and how Crestwood Behavioral Health, Inc. began. She said there are currently two Crestwood facilities in San Diego. If approved to purchase the former hospital building, they will call it the *Fallbrook Healing Center* and it will be an inpatient mental health rehabilitation center. Crestwood's Vision is to create a continuum of services that will empower clients to live and succeed in their community. Their values include family, compassion, commitment, enthusiasm, flexibility, collaboration and character. Dr. Blum said mental health issues such as depression and suicide affect one out of every four families in our county. Crestwood Behavioral Health is a fully-accredited Sacramento –based healthcare provider, founded in 1968. Benefits to the community include that Crestwood plans to invest more than \$2 million to transform the abandoned Fallbrook Hospital building into a much-needed treatment center; construction related activities will provide an immediate economic boost to the community and Fallbrook Healing Center will create more than 108 permanent jobs for residents of Fallbrook and surrounding communities, as well as benefits to local vendors and suppliers. Following Dr. Blum's presentation, she answered questions from the audience. When asked about Crestwood's success rate, she responded that their success rate is 86-88 percent. Her complete presentation is available on our website at [fallbrookhealth.org](http://fallbrookhealth.org).

**D. BOARD MEMBER AND PUBLIC COMMENTS**

- D1. Board recap of questions raised at April Board Meeting  
President Tinker and legal counsel noted that the questions asked at the April Town Hall/Board meeting and from a Coffee Chat held subsequent to the meeting had been typed and displayed on the back table with answers and supporting documents.
- D2. Public Comment

Debra Lorenzen of North Inland Community Prevention Program (NICPP) addressed the Board regarding upcoming activities in the community. She said she works with youth in Fallbrook and on Memorial Day weekend the youth will be placing stickers on 12-packs or more of beer which remind purchasers to refuse to buy these products for youth noting that underage drinking is to be discouraged. In addition, on June 3<sup>rd</sup> at the Community Center, the NICPP is sponsoring a Youth Advocacy Leadership Event (YALE) which teaches youth leadership skills, drinking and drug use prevention and how to be an advocate in these matters for their peers. She invited one of the members of the FRHD Board of Directors to join them and perhaps address the youth.

Robert (Bob) Leonard had provided a list of comments and questions for the Board. (See attached). He read his multiple questions which included questions about the Contingency Plan and noted a housekeeping item regarding the District's bylaws. President Tinker invited Mr. Leonard to come to the District office and meet with him and the executive director at which time they would answer his questions.

Timothy Murphy, M.D., a psychiatrist who has lived in Fallbrook for 31 years and is the immediate past president of the California Psychiatric Association was the next person to address the Board. He said it is a national tragedy that the largest institution housing most mentally ill people is our jails and prisons. Many are also on the streets due to lack of adequate care and residential facilities like Crestwood provides. He said this facility would be a great benefit to the mentally ill, and he appreciates that the County is moving forward to fund this facility.

#### E. CONSENT ITEMS

- E1. Minutes of April 7, 2017 Finance Committee Meeting
- E2. Minutes of April 12, 2017 Regular Board Meeting
- E3. Minutes of April 22, 2017 Board Workshop
- E4. Approval of March 2017 Financial Statements

**Action:** Director Salmon moved to approve the consent items. Director Mroz seconded the motion. Motion carried. (5-0)

#### F. REPORTS

- F1. Finance Committee – Committee of the Whole, Chair: Director Mroz  
Chairperson Mroz presented the Finance Committee meeting report. All financial reports through March 2017 had been reviewed and any variances were easily explained with no concerns. The balance in the LAIF account was \$1,445,721.62. The balance in the Cal-Trust account was \$4,238,968.45. As of the end of March, a deposit was received totaling \$457,124.14 which brought the total of property tax revenue fiscal year to date to \$1,543,208.18. Included in the packet for the meeting was a check detail report that will continue to be included in each month's Finance Committee meeting packet.
- F2. Gov't/Public Relation/Community Relations Committee – Directors Salmon and Tinker  
None
- F3. Facilities/Strategic Planning Committee – Directors Abbott and Salmon  
None

- F4. Executive Director – Bobbi Palmer  
Executive Director Bobbi Palmer said regarding community health, the District is facilitating a monthly Wellness Walk. Woman of Wellness celebrated Older American’s Month at their event on May 4<sup>th</sup>. She attended a six-hour workshop at Pala Mesa providing information about *The Pharmacy in your Kitchen*. Lastly, Bobbi Palmer said she and some members of the Board of Directors attended Legislative Day in Sacramento and met with legislative representatives.
- F5. General Counsel – Blaise Jackson  
Other than anticipated comments on the action item, Legal Counsel Blaise Jackson said he had no report.

## G. DISCUSSION/ACTION ITEMS

- G1. Consideration of Approval of Purchase & Sale Agreement for 624 E. Elder St. property – Crestwood Behavioral Health, Inc.

President Tinker reviewed the past two and a half years of Board activity in regard to the closure of Fallbrook Hospital in December of 2014 and its possible use or sale. Multiple interested parties contacted the District with interest in leasing or purchasing the building for a variety of uses. None were able to conclude the transaction, again for a variety of reasons. President Tinker said the Board of Directors is pleased that Crestwood Behavioral Health has pursued its interest in the purchase of the building. He asked legal counsel if he had any comments.

Legal Counsel Blaise Jackson said per the Health and Safety Code (32121[p]), any transfer of more than fifty percent of the District’s assets would require a vote of the public. Since the property being considered for sale (the hospital building and parking lots at 624 E. Elder) does not include the building at 138 S. Brandon or the building at 617 East Alvarado, and does not include the personal property/equipment at the facility, a vote is not required, as the \$4.5 million sale price constitutes only thirty-eight percent of the District’s assets. He also said the \$4.5 million sale price is consistent with valuation of the property made by the licensed appraiser retained by the district. . In addition, he noted there would be no transfer of the existing hospital license to this new facility. If the Board of Directors votes to approve the proposal for the sale of the building to Crestwood Behavior Health, which has been negotiated and vetted, the escrow would open in a matter of days, and escrow would be one to two months. Director Abbott commented that this decision has been thoroughly vetted and he believes the decision to approve the proposal from Crestwood Behavioral Health is a good decision for Fallbrook. He added that he believes it is the highest and best decision the Board can make and he is very comfortable with the decision. It will also benefit ER wait times in the area.

**Action:** It was moved by Director Abbott, seconded by Director Salmon to approve the Purchase and Sale Agreement with Crestwood Behavioral Health, Inc. for the purchase of the building and parking lots at 624 E. Elder Street for the price of \$4.5 million. Motion carried 5-0.

**H. ITEMS FOR SUBSEQUENT MEETINGS**

H1. Other Director/Staff discussion items

H1a. Item(s) for future board agendas

June agenda to include consideration of budget increase for Community Health Contracts.

H1b. Announcements of upcoming events:

- Community Collaborative for Health & Wellness Committee (CCH&W) meeting – Monday, May 15, 2017, 9:00-10:30am, FPUD Board Room
- CSDA Legislative Days – May 16-17, 2017, Sacramento
- Wellness Walk – Wednesday, May 17, 2017, 624 E. Elder St., Fallbrook
- Woman of Wellness – Thursday, June 1, 2017, 6pm – Fallbrook Library
- NCCCHI meeting – 1<sup>st</sup> Wednesday, June 7, 2:00-3:00pm Fallbrook Healthcare District Board Room, 138 S. Brandon Rd.

H2. Next Regular Board meeting – Wednesday, June 14, 2017, Fallbrook Public Utility District Board Room

**I. ADJOURNMENT**

There being no further business, the meeting adjourned at 7:30 p.m.



Gordon Tinker, President



Stephen Abbott, Secretary