

**FALLBROOK REGIONAL HEALTH DISTRICT
REGULAR BOARD MEETING
Wednesday, June 14, 2017, 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 6:18 p.m. and led the pledge of allegiance.

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

Absent: Director Bill Leach.

Also present: Executive Director Bobbi Palmer and Legal Counsel Blaise Jackson.

B. ADDITIONS TO AGENDA

None

Prior to presentations, President Tinker reviewed the history of what has been considered by the FRHD Board of Directors since they were notified by Community Health Systems (operators of the hospital) that they were losing \$500,000 per month and would have to terminate their lease unless the District covered their losses. The District's revenue was \$1.5 million per year which made covering their losses impossible. The District immediately sent out Requests for Proposals (RFPs) to major hospital operating entities including those in San Diego and Riverside Counties to ascertain if they had interest in operating the hospital. Eight letters of interest were received, yet ultimately only one proposal was received from Strategic Global Management. They subsequently withdrew their proposal. The hospital closed in July of 2015. FRHD arranged for security and landscaping services and hired an engineer for the building and maintenance. An RFP for sent out for a real estate broker to assist with the sale of the hospital. Travis Ives of Cushman & Wakefield was selected to serve in that capacity and ran a nationwide search. Strategic Global Management once again expressed interest and in all three buildings on the District property for a price of \$10 million. The District spent six months negotiating a Purchase & Sales agreement with Strategic Global Management, and they canceled the agreement within two days of execution. Multiple entities expressed interest in the hospital building, including a company from New York which found it difficult to get California to commit that they would be able to take over the hospital license, so they withdrew. In 2017, Crestwood Behavioral Health visited multiple times and made an offer to purchase the hospital building for \$4.5 million. In May the Board approved the Purchase & Sale Agreement for the hospital with Crestwood Behavioral Health, Inc. for \$4.5 million. Escrow is expected to close in July.

C. PRESENTATIONS

- C1. Fallbrook Healing Center by Executive Vice President Patricia Blum, Ph.D., CPRP of Crestwood Behavioral Health, Inc. Dr. Blum provided the PowerPoint presentation which had been previously presented and discussed the history of Crestwood Behavioral Health and her involvement with Crestwood. She said their facility in Fallbrook will be called Fallbrook Healing Center and noted that the building can be renovated to meet their needs very well. They anticipate spending a minimum of \$2 million dollars on renovation. (The presentation can be found on the District's website, www.fallbrookhealth.org.) They also anticipate a minimum of 108 full-time jobs will be available at Fallbrook Healing Center. Members of the audience had questions and Dr. Blum answered them. There were questions about the beds that would be available at Fallbrook Healing Center and where

the residents would come from and how they would be discharged. She explained that they would be released and transported back to their home communities. She also said the counties in Southern California purchase the beds and fill them. There was a question about unincorporated areas and the support services available in those areas, e.g. adequate police services. Does Fallbrook have adequate support services to cover if there is a problem at the Crestwood facility? People expressed concerns about public safety with a facility in Fallbrook treating mentally ill patients. There was a question about how this facility benefits Fallbrook. Several people in the audience started talking at once, expressing dissatisfaction with having lost the hospital. There was concern about the facility being “locked down” and also then allowing the residents of Fallbrook Healing Center to volunteer in the community. One member of the audience working in the mental health field said the potential residents for this facility would not include violent criminals at risk to escape and terrorize the community. Another member of the audience who works in the mental health care field said he would be more concerned with mentally ill people in the community than those confined at the Fallbrook Healing Center until they are able to function on their own.

Dr. Timothy Murphy, a psychiatrist in Fallbrook for more than thirty years, said he is proud of the community for being able to accept a facility like this which is so needed by the mentally ill. We have a crisis of short-term hospital beds, and if mentally ill patients aren't ready to live on their own, where do they go? Most wind up in jails and prisons for minor criminal acts due to their illness. This is the type of program that keeps them off the streets. He said we don't need to be afraid of mentally ill people who are in treatment for their illness. Another member of the audience said she has an adult child who experienced a brain injury and became suicidal. They needed to find a facility like this to help her and she is now fully functioning.

D. BOARD MEMBER AND PUBLIC COMMENTS

Several members of the public had filled out speaker cards to address the Board of Directors. Each was allotted up to five minutes to address the members of the Board.

Mr. Peter Klein questioned the determination of the hospital representing 38% of the District's assets. He also quoted California Health & Safety Code 32121 Section p(1) and not p(2). Legal Counsel responded discussing the history of the sale of the old hospital building and referred to other applicable sections of the Health & Safety Code. There was a question about assets and depreciation. The Board President invited Mr. Klein to visit the FRHD office to discuss the answers to his questions in further detail.

Mr. Len Tevebaugh said most of his questions had already been discussed during the meeting so far. He said this is a very passionate subject for this community, having owned it for more than 50 years. He said everyone should be allowed to vote on this asset of the community. He said he believes the community is not willing to accept this facility in Fallbrook. He said the Board is not doing the community any good; it's a done deal that was rammed down the throat of the community. He also questioned the old hospital building representing 38% of the assets.

Mr. Bruce Schwandt said he appreciates the members of the Board answering questions of the public. He wanted to address the general fiduciary responsibilities the Board has to the public. He called Supervisor Horn's office to ask if he was aware of this transaction by the FRHD Board and was told the Supervisor was not aware. He said he asked them about what they knew about the Crestwood facility in Chula Vista, and they told him it was a maximum security, sub-acute mental treatment facility. That did not make him feel good. The purpose of the treatment is to have “these folks” released into the community. How do we know the patients will not be released into our community? How do we know these people aren't sex offenders or violent criminals? Mr. Schwandt said he is half compassionate, half really selfish. What if someone comes out of this facility and stabs his daughter...he is not okay with that. When was this community consulted? He said The Long-Range Planning Committee reported in June of last

year that nothing was done. When the Board knew the asset ratio would drop when selling the old hospital building, did we notify our employer (the community) or was this a willful intention? Was a notice of adverse action sent to the community? He said in July of 2016, he had a vote, and in May of this year he did not. That bothers him. He said he believes that rehab treatment is a lucrative business. Mr. Schwandt said he was told this type of business is a hot topic for investigation by the D.A.'s office.

Ms. Paulette Britton said her questions had been answered.

Ms. Patricia McPhee left the meeting early.

Ms. Nancy Heins-Glaser will meet with the Executive Director. She had already left the meeting. Mr. Joseph Beyer said he is a Bonsall resident and he expressed thanks to the Board of Directors for their efforts of 2 ½ years and in making a difficult decision. He said a lot of "not in my backyard" sentiments had been expressed, but let's remember more than 100 jobs will be opening up. Crestwood has been in business for close to 50 years. Fallbrook is the "Friendly Village" and he challenged the community to do "good" and support this facility. He commended Julie Reeder for the good work she does with The Village News. He thanked Dr. Murphy for his comments in support of this facility.

E. CONSENT ITEMS

E1. Approval of March 2017 Financial Statements

E2. Minutes of May 3, 2017 Finance Committee Meeting

E3. Minutes of May 10, 2017 Regular Board Meeting

Action: On motion duly made by Director Salmon, seconded by Director Mroz to approve the consent items as presented. Motion carried 4-0.

F. REPORTS

F1. Finance Committee – Committee of the Whole, Chair: Director Mroz
Committee Chair Barbara Mroz provided the Finance Committee report. She commented to all of the Community Health Contract recipients to continue to do the wonderful work they do in our community. The Finance Committee met at 5:00 p.m. on June 7th. The financial statements for April were reviewed and found to be in order. The current year-to-date fiscal year property tax was \$214, 331 and the LAIF account balance was \$1,448,487.47 with the Cal-Trust account balance at \$4,238,380.86. The District is in good financial order and, with the approval of the Board of Directors, the Finance Committee recommended an increase in the Community Health Contracts budget.

F2. Gov't/Public Relations/Community Relations Committee – Directors Salmon and Tinker
Report postponed to next meeting.

F3. Facilities/Strategic Planning Committee – Directors Abbott and Salmon
Report postponed to next meeting.

F4. Executive Director – Bobbi Palmer
Executive Director Bobbi Palmer reported that nine CSUSM RN students and 6 Bonsall High School students are working with a seven member collaborative for the summer months. Members of the collaborative include Fallbrook Regional Health District, Fallbrook Smiles Project, Fallbrook Food Pantry, Fallbrook Senior Center, Fallbrook Family Health Center, the Foundation for Senior Care and Cal State University San Marcos (CSUSM)

F5. General Counsel – Blaise Jackson
Legal Counsel Blaise Jackson said other than the comments already made, the remainder of his comments would be confined to items G4 and G5 on the agenda.

G. DISCUSSION/ACTION ITEMS

G1. Review of Applicants and Determination of Community Health Contract Applications 2017-2018 Funding

President Tinker said each of the Board members had assisted in reviewing the Community Health Contract applications for 2017-2018. He said they would now assist in review of the applications for determination of awards.

Director Barbara Mroz said she had agreed to present the contracts assigned to Director William Leach as he was unable to attend the meeting and she would then present her assigned contracts.

Boys & Girls Clubs of North County – Summer Water Safety Program

This program provides swimming lessons and water safety instruction to approximately 125 youth during the summer months.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$10,000 be awarded to the Boys & Girls Clubs of North County for the Summer Water Safety Program. Motion carried 4-0. Director Leach absent.

Boys & Girls Clubs of North County – Triple Play

A multi-faceted program designed to help young people become healthy, active and learn new ways to maintain personal health, handle stress and form positive relationships.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$40,000 be awarded to the Boys & Girls Clubs of North County for the Triple Play Program. Motion carried 4-0. Director Leach absent.

Fallbrook Citizens Crime Prevention Committee – GANAS Mentoring Program

Children are mentored to overcome the challenges of their circumstances and make wise and healthy life choices in nutrition, hygiene, physical activity, charitable giving spirit and careers.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$10,000 be awarded to Fallbrook Citizens Crime prevention Committee for the GANAS Mentoring Program. Motion carried 4-0. Director Leach absent.

Fallbrook Family Health Center – Behavioral Health Services and Primary Care Services to underserved population in the District

Provides behavioral health services for individuals requiring assistance with behavioral/mental health conditions that may require medication and/or counseling treatment. Provides a wide range of primary care, dental care and prevention services to the underserved population of the Fallbrook Regional Health District.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$100,000 to Fallbrook Family Health Center for behavioral health services and primary care, dental care and prevention services to the underserved population of the District. Motion carried 3-0. Director Tinker abstained. Director Leach absent.

FALLBROOK FOOD PANTRY - Nutritious Food for the Hungry

Providing nutritionally balanced food to members of our community whose income falls below the Federal poverty standard or who come to the Pantry for emergency assistance.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$72,000 be awarded to the Fallbrook Food Pantry for nutritious Food for the Hungry. Motion carried 4-0. Director Leach absent.

FALLBROOK SENIOR CENTER - Fallbrook Senior Center Mobility/Exercise Program

Provides a safe area to exercise with permanently installed equipment to help seniors be proactive in the prevention or reversal of diseases such as type 2 diabetes, heart disease, stroke and cancer.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$12,600 be awarded to the Fallbrook Senior Center for the Fallbrook Senior Center Mobility/Exercise Program. Motion carried 4-0. Director Leach absent.

FALLBROOK SENIOR CENTER - Senior Nutrition - Home Delivered Meal

Provides 60 to 70 seniors with home delivered meals daily and this outreach includes observation and dialogue to provide additional coordination with other services in our community as needed.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$75,000 be awarded to the Fallbrook Senior Center for the Senior Nutrition – Home Delivered Meals Program. Motion carried 4-0. Director Leach absent.

FALLBROOK SMILES PROJECT - Celebrate Health

Provides dental and medical health screenings and education and increasing access to care by addressing barriers in the schools, Fallbrook Food Pantry, Fallbrook Senior Center and Fallbrook Citizens' Crime Prevention GANAS program.

Action: It was moved by Director Mroz, seconded by Director Salmon to approve \$71,500 be awarded to the Fallbrook Smiles Project for the Celebrate Health Program. Motion carried 4-0. Director Leach absent.

At this time Director Stephen Abbott presented the contracts assigned to him to present.

FOUNDATION FOR SENIOR CARE - Fallbrook Adult Day Care Center

Provides respite, adult day care for the low income disabled adults or seniors with baseline health status and healthcare utilization tracked for both client and caregiver with special emphasis on the District's identified health disparities, fall or trip incidence and use of emergency services.

Action: It was moved by Director Abbott, seconded by Director Salmon to approve \$29,583 be awarded to the Foundation for Senior Care for the Fallbrook Adult Day Care Center. Motion carried 4-0. Director Leach absent.

FOUNDATION FOR SENIOR CARE - Care Advocacy Program

This program provides referrals and resources and/or conduct home visits to seniors and disabled residents of the District for medical and non-medical issues, including fall and injury related measures, health, financial security and housing transitional services.

Action: It was moved by Director Abbott, seconded by Director Salmon to approve \$59,838 be awarded for the Care Advocacy Program. Motion carried 4-0. Director Leach absent.

FOUNDATION FOR SENIOR CARE - Care Van & Expanded Rides Program

Provides free reliable transportation for seniors and disabled citizens to medical and physical therapy appointments, pharmacies, grocery stores, food pantry, senior center, etc.

Action: It was moved by Director Abbott, seconded by Director Salmon to approve \$68,773 be awarded to the Foundation for Senior Care for the Care Van & Expanded Rides Program. Motion carried 4-0. Director Leach absent.

FOUNDATION FOR SENIOR CARE - Door through Door Hospital to Home Program

A unique program providing a bridge for seniors and disabled adults who experience a hospitalization and then are discharged to return home to recover.

Action: It was moved by Director Abbott, seconded by Director Salmon to approve \$50,919 be awarded to the Foundation for Senior Care for the Door through Door Hospital to Home Program. Motion carried 4-0. Director Leach absent.

At this time Director Salmon presented the contracts assigned to him to present.

HEALTHY ADVENTURES - Fallbrook Community Center Wellness Project

Provides healthy cooking, nutrition education classes, and gardening during summer months and throughout the school year targeting after school youth from La Paloma Elementary School with Family Nights & Healthy Living Classes including parents of the youth.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve \$9,000 be awarded to Healthy Adventures for the Fallbrook Community Center Wellness Project. Motion carried 4-0. Director Leach absent.

JEREMIAH'S RANCH - Jeremiah's Ranch Support Group

Provides opportunity to share information, support and resources to family members, care providers and extended family members of children, encompassing all ages and all

developmental disabilities, in a monthly meeting that provides adult/childcare services with trained mentors, dinner, guest speakers and social respite time.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve \$14,750 to be awarded to Jeremiah's Ranch for the Jeremiah's Ranch Support Group. Motion carried 4-0. Director Leach absent.

LIVE OAK PARK COALITION – Seeking to Improve the Park's Walking and Exercise Areas to meet ADA Requirements.

This coalition is in its second year of fundraising for a total project costing \$100,000.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve \$40,000 to be awarded to the Live Oak Park Coalition for the park's Improved Walking and Exercise Areas and to meet ADA Requirements. Motion carried 4-0. Director Leach absent.

Mental Health Systems, Inc. - North Inland Community Prevention Program - Fallbrook Youth Advocacy Coalition (FYAC)

Monitors and reports on emerging trends, informs law enforcement and the community about preventive measures to reduce underage access to alcohol and other drugs with information about health and other risks associated with alcohol or drug use and abuse.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve \$9,249 to be awarded to Mental Health Systems, Inc. for the North Inland Community Prevention Program – Fallbrook Youth Advocacy Coalition. Motion carried 4-0. Director Leach absent.

MICHELLE'S PLACE - Breast Health Assistance Program

Provides education and outreach on early detection of breast cancer through facilitating diagnostic breast health services to uninsured and underinsured women in the Fallbrook Regional Health District and support services including surgical consultations, navigation, support groups, wigs, prosthesis and other resources for women while going through breast cancer.

Action: It was moved by Director Salmon, seconded by Director Mroz to approve \$24,000 be awarded to Michelle's Place for the Breast Health Assistance Program. Motion carried 4-0. Director Leach absent.

At this time Director Tinker presented the contracts assigned to him to present.

PALOMAR FAMILY COUNSELING - Healthy Bodies, Healthy Minds

Encompasses obesity prevention strategies and mental health awareness for parents and obesity prevention strategies for students and will include counseling for students' mental health issues at Fallbrook St School and Maie Ellis Elementary School.

Action: It was moved by Director Tinker, seconded by Director Abbott to approve \$79,000 to be awarded to Palomar Family Counseling for the Healthy Bodies, Healthy Minds Program. Motion carried 4-0. Director Leach absent.

REINS - Consulting Therapy Program

Provides physically and mentally strengthening therapy on horseback to the special needs community with the assistance of a large force of well-trained volunteers while promoting overall health, well-being and physical activity to all who participate.

Action: It was moved by Director Tinker, seconded by Director Abbott, to approve \$65,000 to be awarded to REINS for the Consulting Therapy Program. Motion carried 4-0. Director Leach absent.

TRAUMA INTERVENTION PROGRAM OF SAN DIEGO (TIP) - Crisis Intervention

Provides emotional and practical support immediately to citizens of the District following a traumatic event 24/7 365 days per year at the request of first responders.

Action: It was moved by Director Tinker, seconded by Director Abbott to approve \$9,000 to be awarded to the Trauma Intervention Program of San Diego (TIP) for the Crisis Intervention Program. Motion carried 4-0. Director Leach absent.

UCSD EYE MOBILE FOR CHILDREN

Provides innovative delivery of education, screening, exams and eye care to low-income pre-school children who may needlessly be losing sight and/or struggling with vision problems in their early education experience.

Action: It was moved by Director Tinker, seconded by Director Abbott to approve \$8,500 to be awarded to the UCSD Eye Mobile for Children. Motion carried 4-0. Director Leach absent.

- G2. Review of Draft Budget FY 2017-2018
It was noted that a trial budget would be sent to the Finance Committee for review and then brought to the Board next month.
- G3. Extension of Real Estate Listing Agreement – Cushman/Wakefield – Travis Ives
Legal Counsel said a draft letter extending the agreement with Cushman & Wakefield to July 31, 2017 has been drafted and is brought to the Board for approval.
Action: It was moved by Director Abbott, seconded by Director Salmon to approve the extension of the agreement with Cushman & Wakefield to July 31, 2017. Motion carried 4-0. Director Leach absent.
- G4. Redemption of 1989 Agreement for Improvements in Public Right of Way – Blaise Jackson. Counsel Jackson explained that the 1989 Lien Agreement was a development condition imposed by the County in exchange for allowing an expansion to the campus size, which occurred in the early 1990's. The estimated value of the improvements (curb, gutter, resurfacing of the northern half of a portion of Elder street was \$23,100 in 1989, but that with inflation the current cost of these improvements was closer to \$45,000. Counsel suggested that the Board extend authority to negotiate the removal of this Lien Agreement in an amount not to exceed \$46,000. Director Abbott so moved, seconded by Director Salmon, and the motion carried unanimously 4-0. Director Leach absent.
- G5. First amendment to Purchase and Sale Agreement
Legal Counsel said a First Amendment to Purchase and Sale Agreement and Escrow Instructions had been drafted with an agreement to close escrow to close no later than July 31, 2017, with no changes to other substantive terms, required Board approval.
Action: It was moved by Director Salmon, seconded by Director Abbott to approve the First Amendment to Purchase and Sale Agreement and Escrow Instructions. Motion carried 4-0. Director Leach absent.

H. ITEMS FOR SUBSEQUENT MEETINGS

- H1. Other Director/Staff discussion items
- H1a. Item(s) for future board agendas
The draft budget will brought to the next meeting after the Finance Committee reviews and recommends approval.
- H1b. Announcements of upcoming events:
 - Community Collaborative for Health & Wellness Committee (CCH&W) meeting – Monday, June 19, 2017, 9:00-10:30am, Fallbrook Public Utility District Board Room
 - Wellness Walk – Wednesday, June 21, 2017, Fallbrook Community Center
 - NCCCHI meeting – 1st Wednesday, July 5, 2:00-3:00pm
 - Woman of Wellness – Thursday, July 6, 2017, 6pm – Fallbrook Library

H2. Next Regular Board meeting – Wednesday, July 12, 2017, Fallbrook Public Utility District Board Room

I ADJOURNMENT

There being no further business, the meeting adjourned at 8:26 p.m.



Gordon Tinker, President



Stephen Abbott, Secretary