

**KENNEWICK PUBLIC HOSPITAL DISTRICT  
BOARD OF COMMISSIONERS  
BOARD MEETING  
MINTUES**

**Thursday, November 21, 2019**

**10 N. Washington Street, Kennewick, WA**

**COMMISSIONERS PRESENT:**

Marvin Kinney, Gary Long, Steve Blodgett, Richard L. Reil, Leonard Dreisbach, Mike McWhorter

**COMMISSIONERS EXCUSED:** Wanda Briggs

**EXECUTIVE AND CONTRACTORS:** Lee Kerr, Heidi Ellerd, Nathan Burt, Salem S. Thompson

**CALL TO ORDER – Gary Long, President, called the meeting to order at 5:00 pm**

**I. DISTRICT BUSINESS:**

**A. Approval of Consent Agenda\***

The materials listed under the Consent Agenda are considered routine by the Board of Commissioners and are adopted by one motion. There will be no separate discussion of the following items

- Approval of the previous month’s Board minutes
- Approval of warrant register/revenue fund
- Acceptance of financial report

However, an item may be removed from the Consent Agenda and considered separately if the Board members desire further discussion. As of this date, the Board of Commissioners unanimously approves by a majority vote, the payment of those items included in the Consent Agenda and further described as follows:

IT WAS MOVED AND SECONDED TO APPROVE THE CONSENT AGENDA AS SUBMITTED. NO DISCUSSION. MOTION CARRIED.

**B. Public Comment**

Michele Gerber signed up to speak. She is a parent of a son who died due to drug/alcohol abuse and a physician. On behalf of the Benton Franklin Recovery Coalition, she wholly supports the efforts to transform the old Auburn hospital into a detox unit. Cyndi Preszler was also present but did not wish to speak.

Lee Kerr – Expressed gratitude for both ladies’ attendance who are a resource for the recovery center project going forward. They have been extremely valuable connections.

Kirk Williamson signed up to speak. He is the program manager of the Benton Franklin Community Health Alliance (BFCHA). They are interested in community health. He notes specifically the community health needs assessment that was performed by his organization. They support efforts of the recovery coalition. He has been approached by the recovery coalition to contribute to the feasibility studies for the proposed recovery facility. He has been hearing discomfort/anger in the community due to the condition of the District and its dealings with the hospital and the bankruptcy. He wanted to suggest that KPHD fund the whole feasibility study to demonstrate responsibility to the community. A \$5000 contribution from BFCHA is available if the District is willing to do so, but only as the last check into the account to make up the full amount. He urges District to own their past.

**II. NEW BUSINESS:**

**A. Executive Report – Lee Kerr**

Updated the commission on the recovery center project and the studies area financial feasibility study. The second is a study on the conversion cost of the campus and it has begun.

There was discussion about the parcels the property included and whether grant funds were available. Lee states there are several sources of funding for running the facility and the additional feasibility studies are needed to determine that. The timeline for the relocation of the current services is estimated to be at least one year.

It was indicated from John Solheim that the District could take possession of the building early so the next phases of the project could move forward.

Public perception and opinion of the project was discussed.

Gary inquired whether the commission should approve Lee to fully fund the study by the District if needed.

There was a discussion on timing and the availability of funds. There may be an available amount in the 2020 budget. It was decided to table such a motion until the December meeting.

Lee continued with an update on the Creditor’s Trust. Two properties in limbo are the Hood property with KID litigation, and the Ayers property with UPS litigation.

During the process of this litigation, KPHD is holding 10 parcels (three leases) that are subject to leases that are lucrative. One lease, B&J Orchards expired in 2018, but an automatic extension is included through the next crop year. An agreement has been reached to extend the lease another 36 months, and a further extension if the litigation is not completed. The proposed lease has been received, but it has not been reviewed by council for approval. One option is to approve once legal counsel has had the ability to approve the form or wait until the next commission meeting for a full review by the board.

MOTION TO AUTHORIZE LEE TO SIGN THE EXTENSION OF THE LEASE WITH B&J ORCHARDS ONCE THE FORM IS APPROVED BY COUNSEL. SECONDED.

DISCUSSION: WHETHER KPHD HAS AUTHORITY TO ENTER INTO THE LEASE EXTENSION AND LEE STATED A CONTACT HAS BEEN ESTABLISHED WITH UPS. THROUGH ANDY MORTON, THEY APPARENTLY HAVE NO PROBLEM WITH THIS ACTION.

ALL IN FAVOR. MOTION CARRIED.

**B. Committee Reports/Recommendations**

**C.**

*THE ORDER OF THE AGENDA WAS ALTERED TO ACCOMMODATE GUEST, Barbara Edwards of ADS.*

1. Adult Day Services – General Update, Rick Reil -introduced Barbara Edwards, ADS Executive Director, formerly director of Home Health, along with a long list of accomplishments. ADS is finishing up the bathroom remodel. She has brought in a new board member, Eric Wise, the current director of Home Health. Barb expressed gratitude to the commission and is grateful for the association.

Gary expressed his admiration for ADS work and mission and gratitude for the collaboration. ADS was notified by RCCH to secure IT services independently including computers and some external hardware by the end of the year. A proposal to handle the details of the transition including obtaining bids for services and all needed communications was submitted by Salem Snowdy Development LLC to Barbara Edwards via email. Gary would like the District to pay for those services to assist ADS in this effort.

MOTION TO PAY FOR SERVICES PROVIDED BY SALEM SNOWDY DEVELOPMENT LLC FOR A FIXED AMOUNT OF \$1000 TO ASSIST WITH ADS IN I.T. TRANSITION. SECONDED. DISCUSSION: WILL THERE BE ADDITIONAL CHARGES OR IS \$1000 A CAP? SALEM STATED IT IS A FIXED AMOUNT OF \$1000 FOR THE ENTIRE PROJECT. AN INVOICE WILL BE PROVIDED ONCE THE TRANSITION HAS BEEN COMPLETED. APPROVED. MOTION CARRIED.

Steve reported ADS is financially strong and the budget is approved

Question from Gary on need to approve the new board member for ADS. Rick replied he would be glad to check the ADS bylaws and would also be glad to entertain a motion for approval of Eric Wise as a new board member to ensure compliance if required by the ADS bylaws.

MOTION TO APPROVE ERIC WISE AS A NEW BOARD MEMBER FOR ADS.  
SECONDED. APPROVED, MOTION CARRIED.

2. Finance & Audit – Steve Blodgett, Finance Chair / Nathan Burt
  - a. October financial statements
    - b. Treasurer’s Report: Status of State audit and Eide Bailly audit. The Eide Bailly audit report has been delayed due only to their own internal capacity. It should be available in the next few weeks.  
Gary pointed out the Home Health escrow is showing on the balance sheet and it belongs to the Creditor’s Trust. It is acknowledged that it will be transferred to the Trust when received.
  3. Cancer Center Update – Lee Kerr reported as Wanda Briggs was absent. The District has secured the services of an additional attorney to handle this matter. Still moving in the direction of full withdrawal. An appraisal firm has been selected. There are two paths provided in the bylaws. The first is forfeiture, second is withdrawal. There could continue to be a dispute about this moving forward.
4. Planning Committee – Len Dreisbach – Covered in Lee Kerr’s executive report. Heidi requests authorization to file the DBA trade name of Two Rivers Health.

MOTION TO ALLOW HEIDI TO FILE THE DBA AND AUTHORIZE LEE TO SIGN.  
SECONDED. APPROVED MOTION CARRIED.

1. Public Records Requests Updates - Heidi reports that fulfilling the public records request from TCCC will be resolved Friday this week. Two other requests are outstanding, one that will continue for some time, the other requires cooperation with LifePoint for patient records.

**D. Upcoming items – Board dinner in January funded by the sunshine fund, catered by China Café.**

**III. COMMISSIONER COMMENTS –**

Rick is grateful that after many years on the board, everything is moving ahead in the new direction so smoothly.

Gary noted there were spiders and webs at the office as noted by Salem and the building and the suite at 807 will be sprayed. Salem will arrange the service.

Others wished a Happy Thanksgiving and safety for those traveling.

**IV. BOARD MEETINGS/EVENTS/EDUCATION:**

**A. Next Regularly Scheduled Board Meeting – Thursday December 19, 2019 @ 5:00p.m.**

**ADJOURNMENT 6:03 PM**

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**Gary Long, President**

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**Marv Kinney, Secretary**