

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

Thursday, September 24, 2020 | Remote Meeting Via Zoom

Join Zoom Meeting

<https://us02web.zoom.us/j/84524457700?pwd=bUI5RjRwdGEvbXh2RDgzOTNhaHJ3dz09>

Meeting ID: 845 2445 7700

Passcode: 376986

CALL TO ORDER 5 pm

Commissioners Present: Wanda Briggs, Len Dreisbach, Marv Kinney, Gary Long, Steve Blodgett, Rick Reil

Commissioners Excused: Mike McWhorter

Executive Support: Heidi Ellerd, Salem Thompson, Lee Kerr

Due to the state of emergency and the Governor’s proclamation relating to in-person public meetings, the meeting was held with all parties participating remotely via Zoom. Commissioner Long called the meeting to order at 5:00 p.m., after confirming that all parties were connected and could hear and participate in the meeting. One member of the public was in attendance.

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 - None

I. NEW BUSINESS:

A. Executive Report – Lee Kerr

Lee discussed the Ayers property related to the potential actions listed in the agenda. Feasibility studies remain in draft form and under review. The hope was an option agreement would be received to purchase the Auburn campus, but it has not been received. Since all components are not available, the studies are still on hold. The St. Joseph’s grant applied for was not received. The WA DOC grant is behind schedule for awards, original date was end of August 2020. They expect to have final internal approvals by the end of September to make awards. All

applicants will be contacted by email regardless of award status.

Lease for the Spaulding building office space occupancy is still being updated to accurately reflect the terms of the Community Care Agreement.

The 805/807 Auburn building will likely be listed with Kimele and Hagood for sale.

The proposed recovery center at the Auburn campus location hinges on finalized language in an option agreement. Trios/Lourdes has retained a consultant to look at the services to aid in determining the scope of services needed in the area and what agencies are fulfilling current needs and what gaps need to be filled.

The creditor's trust still has some outstanding obligations and Lee has received some updates. Specifically, the Home Health Escrow has received a claim which is being addressed. It is the goal of the creditor's trust to complete the bankruptcy within the three-year timeframe.

B. Committee Reports/Recommendations

1. Finance & Audit – Steve Blodgett, Finance Chair / Nathan Burt
 - a. August financial statements – General review of statements was provided. Most of the cash accounts are restricted funds. Adequate funds are available at this time. An outstanding expense in the near future is the Eide Bailly invoice for the audit (when completed) and the ADS quarterly loan payment.

Question on the excise taxes potentially due on the Ayers property. Heidi's office and Nathan's office are working on obtaining any balances due.

In regard to authorization to make these payments, further discussion pertaining to this matter will be held during executive session after which a motion can be entertained if needed to make any additional authorizations needed are obtained.
 - b. Treasurer's Report: Status of Audits – Both audits (State and accountability) are underway. The ADS portion is taking some additional time. The State Auditor's office reached out to Steve and their audit will likely start the end of October, early November. By that time, the Eide Bailly audit will likely be complete and will aid the accountability audit by the state.
 - c. Finance committee – No additional items to report. Chad Bartram attended as a volunteer community member and has valuable insight to give the District in his capacity.
3. Planning Committee – Len Dreisbach and Lee Kerr – No additional items to report.
 - a. Status of feasibility studies and funding from counties – Rick has volunteered to help with graphic design on the studies when they are finalized. Wanda will assist with a final edit when the studies are ready.
2. Adult Day Services – General Update Rick Reil or Steve Blodgett – The regular board meeting was delayed until 9.30.20. Steve provided an update on their financials. They did apply for and received the PPP loan with many thanks to Nathan Burt's office.
3. Governance Committee Updates – Gary Long
 - a. Board authorization for Lee to sign quit claim deed for Ayers property and distribution of funds from collected rents from Ayers property. *** Actions listed below.**
 - b. Execution of Resolution 2020-3 Transfer of Ayers Property* **Actions listed below.**
 - c. Upcoming budget and ad valorem meeting schedule for 2020 – Gary leads into this section and Steve continues. The budget committee is meeting Sept. 28. The proposed budget will then be available for the public to view for the statutorily required timeframe. Copies of the proposed budget will be available at the offices of Nathan Burt at a new location:

Burt Tax and Accounting / Epic Trust
1305 Fowler St Ste 1D, Richland, WA 99352.
The finance committee meets on Oct. 13.
The public hearing will be held prior to the regular October board meeting; the

Ad Valorem hearing will be held prior to the October board meeting – details forthcoming.

4. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson -
 - a. Update on email migration plan and SharePoint – Still in progress. Gary asks the commissioners to complete their access by the next board meeting.
Heidi had no additional items to report on public record requests.

III. EXECUTIVE SESSION: pursuant to RCW 42.30.110(1)(i) potential litigation*

Executive session started at 5:47pm for 20 minutes.

Open for action 6:07pm: extension for 10 minutes.

At 6:08 executive session continued for an additional 10 minutes.

At 6:18pm OPEN FOR ACTION

- a. Resolution 2020-3 Transfer of Ayers Property – TITLE DESCRIPTION READ ALOUD BY RICK REIL. MOTION TO APPROVE,, SECONDED. ALL IN FAVOR. MOTION CARRIED.
- b. AUTHORIZE LEE RE: QUIT CLAIM DEEDS FOR AYERS PROPERTY AND DISTRIBUTION OF FUNDS FROM COLLECTED RENTS FROM AYERS PROPERTY. MOTION TO AUTHORIZE LEE KERR TO SIGN ALL CLOSING DOCUMENTS TO TRANSFER THE AYERS PROPERTY TO UPS MOVED SECONDED. ALL IN FAVOR. MOTION CARRIED. NO DISCUSSION
- c. MOTION TO AUTHORIZE NATHAN BURT TO TRANSFER RENT MONIES TO UPS AND KLT AND TO PAY THE STATE FOR ANY OWED LEASEHOLD EXCISE TAX. MOVED. SECONDED. ALL IN FAVOR. MOTION CARRIED.

IV. COMMISSIONER COMMENTS

A. Upcoming items – None at this time.

V. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday October 29, 2020 @ 5:00p.m.

ADJOURNMENT – 6:35 pm