

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, September 14, 2016 in the Conrad E. Anderson, MD Auditorium, 2500 Mowry Avenue, Fremont, California. Director Nicholson called the meeting to order at 6:01p.m. and led those present in the Pledge of Allegiance.

CALL TO ORDER

Roll call was taken: Directors present: Michael Wallace; William Nicholson, MD; Bernard Stewart, DDS; Patricia Danielson, RHIT; Jacob Eapen, MD

ROLL CALL

Also present: Nancy Farber, Chief Executive Officer; Kranthi Achanta; Chief of Medical Staff; Debbie Jackson; Service League 1st President; Christine Flores, District Clerk

Guests: Kimberly Hartz, Ed Fayen, Chris Henry, Bryant Welch, Stephanie Williams, Tina Nunez, Kristin Ferguson, Mary Bowron, John Lee, Albert Brooks, MD, Angus Cochran, Donald Pipkin

Nancy Farber, Chief Executive Officer introduced Chris Henry, Chief Financial Officer. Mr. Henry introduced representatives from 4H Junior Live Stock Auction held at the 2016 Alameda County Fair: Russell McIntyre, Ben Carter, Bonnie Crawford, Allie Martin, Haley Battaglini, Braden Illingworth and Rachelle McIntyre. Each of the students shared their stories of how they became a part of 4H and how it has changed their lives. The livestock purchased will be processed and served to patients and staff at the hospital.

*EDUCATION SESSION:
4H*

Director Nicholson moved for approval of the minutes of August 10, 15, 22, and 24, 2016.

*APPROVAL OF
MINUTES OF AUGUST
10, 15, 22, AND 24, 2016*

Director Stewart seconded the motion.

Roll call was taken:

Michael Wallace – aye
William Nicholson, MD - aye
Patricia Danielson, RHIT – aye
Bernard Stewart, DDS - aye
Jacob Eapen, MD – aye

The unanimously carried.

There were no oral communications.

*COMMUNICATIONS:
ORAL*

The following written communication received from Kranthi Achanta, MD., Chief of Staff, dated August 22, 2016 requesting approval of Medical Staff Credentialing Action Items as follows:

*COMMUNICATIONS:
WRITTEN*

Appointments:

Arora, Rohit, MD; Chitterty, Aditi, MD; Jain, Bhawna, MD; Kharbanda, Ameeta, MD; Kim, Joshua, PA-C; Kuruma, Pavani, MD; Lusk, Leslie, MD; Szajer, Michael, CCP

Temporary Privileges:

Arora, Rohit, MD; Chitterty, Aditi, MD; Kim, Joshua, PA-C; Kharbanda, Ameeta, MD; Lusk, Leslie, MD; Szajer, Michael, CCP

Locum Tenens:

Lucas, Michael, CCP

Reappointments:

Araj, Ramsey, MD; Armstrong, Sherry, CCP; Banh, Co, MD; Bartis, Steven, DPM; Chan, Linda, MD; Crame, Lawrence, MD; Dugoni, Susan, MD; Freiheit, David, MD; Friday, Jamilah, MD; Gacote, Apolinar, MD; Gay, Andre, MD; Hajdena-Dawson, Monica, MD; Hallaj-Pour, Ali, MD; Halligan, Benjamin, MD; Harrell, Jill, MD; Heine, John, MD; Hu, Mary, MD; Irani, Adil, MD; Israni-Jiang, Manisha, MD; Janmohamed, Munir, MD; Jaureguito, John, MD; Joshi, Nitin, MD; Khalsa, Prabhjot, MD; Kim, Sunghoon, MD; Le, Amanda, MD; Lewis, Elizabeth, CNM; Lin, Jeff, MD; Lo, Diana, MD; McCune, Holly, MD; Motamed, Soheil, MD; Multani, Kuljeet, MD; Pareek, Gautam, MD; Prasad, Sudeepthi, MD; Reeves, Carla, CNM; Rimpel, Nicole, MD; Sadiq, Ahmed, MD; Siegal, Steven, MD; Stearns, William, MD; Unger, Alon, MD; Van Gompel, Gabriel, DPM, Zeidan, Frank, MD

Completion of Proctoring & Advancement in Staff Category:

Kim, Sunghoon, MD; Liang, Mark, MD; Shoo, Brenda, MD

Completion of Proctoring Prior to Eligibility for Advancement in Staff Category

Rostami,Rahid, MD; Nguyen, Amy, PA-C

Delete Privilege Requests

Bartis, Steven, DPM; Crame, Lawrence, MD; Friday, Jamilah, MD; Gacote, Apolinar, MD; Hallaj-Pour, Ali, MD; Halligan, Benjamin, MD; Heine, John, MD; Le, Amanda, MD; Lin, Jeff, MD; Multani, Kuljeet, MD; Prasad, Sudeepthi, MD; Rimpel, Nicole, MD; Stearns, William, MD

Withdrawal of Application

Park, Suny, MD; Itani, Shaker, MD

Resignations:

Popple, Clifford, MD; Idowu, Olajire, MD

Director Nicholson moved for approval of the credentialing action items presented by Dr. Achanta.

Director Stewart seconded the motion.

Roll call was taken:

Michael Wallace – aye
William Nicholson, MD - aye
Patricia Danielson, RHIT – aye
Bernard Stewart, DDS - aye
Jacob Eapen, MD – aye

The motion unanimously carried.

Debbie Jackson, Service League President presented the Service League Report. Ms. Jackson shared that in the month of September, the Gift Shop is getting prepared for the upcoming holidays. Ms. Jackson attended a workshop on gift shop strategies in Fairfield and found it to be a very worthwhile event with an opportunity to network

*SERVICE LEAGUE
REPORT*

with other managers in the area and the ability to connect with vendors. The Service League is continuing to bring new volunteers on board with Orientation Sessions. The last orientation session for the year is scheduled for to occur sometime in October. The Service League will be holding the 2nd Care Wear event in the Fremont/Union City rooms on September 29th and 30th. Ms. Jackson shared that The Masquerade Jewelry Sale will take place November 28th – 30th.

Dr. Kranthi Achanta reported there are 577 Medical Staff members.

*MEDICAL STAFF
REPORT*

The Hospital Calendar video highlighted the following events:

*HOSPITAL CALENDAR:
Community Outreach*

Past Health Promotions & Outreach Events

The 2016 Central Park Summer Concert Series concluded on August 11th. The concerts were held at the Central Park Performance Pavilion. Washington Hospital was the co-presenting sponsor and provided health information and health screenings during the 6-week concert series.

On Tuesday, August 16th, as part of the Palliative Care Community Presentations, Father Jeff Finley, moderated the “Palliative Care: How Can This Help Me?” panel discussion.

On Thursday, August 18th, as part of the Women Empowering Women series, Dr. Victoria Leiphart, gynecologist, presented “How to Sleep Your Way to Better Health”; 14 people attended.

On Tuesday, August 23rd, Dr. Jason Van Tassel, otolaryngologist, presented “Obstructive Sleep Apnea: New Options for Treatment”; 112 people attended.

On Tuesday, September 6th as part of the Speaker’s Bureau, Kristi Caracappa, Health Insurance Information Service Coordinator, provided an overview of the Health Insurance Information Service program to the Newark Rotary; 18 people attended.

On Thursday, September 8th, Dr. Victoria Leiphart, gynecologist, presented “Mindful Healing”; 54 people attended.

On Tuesday, September 13th, as part of the Washington Women’s Center Lunch and Learn Series, Dr. Vandana Sharma, oncologist, presented “Early Detection and Prevention of Female Cancers.”

Upcoming Health Promotions & Community Outreach Events

On Thursday, September 15th from 7:00 to 8:30 pm, as part of the Women Empowering Women series, Dr. Victoria Leiphart, gynecologist, will present “Decoding Vitamins and Supplements.”

Also, on Thursday, September 15th from 7:00 to 9:00 pm, Kristi Caracappa, Health Insurance Information Service Coordinator, will present “New to Medicare: What You Need to Know”. This seminar will repeat on Thursday, September 22nd from 7:00 to 9:00 p.m.

On Sunday, September 18th Washington Hospital and Washington Township Medical Foundation will provide information on health related programs and services during the Community Information Faire at the City of Newark's 61st Anniversary of Newark Days. Newark Days is an annual celebration of the City's incorporation.

On Tuesday, September 20th from 6:30 to 8:00 pm, as part of the Palliative Care Community Presentations, Michelle Hedding, RN, Spiritual Care Coordinator, will moderate the "Interfaith Discussion on End of Life Topics" panel discussion.

On Wednesday, September 21st from 1:00 to 3:00 pm, Anna Mazzei, registered dietitian, will present "New Dietary Guidelines Support Healthy Choices."

Also on Wednesday, September 21st, as part of the Speaker's Bureau, Kristi Caracappa, Health Insurance Information Service Coordinator, will provide an overview of the Health Insurance Information Service program to the Optimist Club of Newark.

On Saturday, September 24th from 7:00 to 11:00 am, Washington Hospital will staff an information booth at the HERS KEEP ABREAST 5K and 10K run/walk and Health Expo at Quarry Lakes in Fremont.

On Tuesday, September 27th Dr. Carmencita Agcaoili, critical care medicine, and Dr. Kadeer Halimi, emergency medicine, will present "Learn the Signs and Symptoms of Sepsis."

On Thursday, September 29th, Washington Hospital will participate in the City of Fremont Health Fair. Washington Hospital staff will provide health education, along with glucose and cholesterol screenings.

Also on Thursday, September 29th, from 6:00 to 8:00 pm, Dr. Michael Parmley, internist, will present, "Preventive Screenings; When and Why are They Important."

On Tuesday, October 4th, from 6:00 to 8:00 pm, Dr. Prasad Katta, endocrinologist, and Vida Reed, RN, will present, "Stop Diabetes Before It Starts."

Also on Tuesday, October 4th, from 6:00 to 8:00 pm, as part of the Stroke Education Series, Dr. Ash Jain, cardiologist, and Melissa Reyes, RN, will present "Living with Stroke: Future in Diagnosis and Management."

On Wednesday, October 5th, as part of the Washington Sports Medicine and Washington Outpatient Rehab Center bi-monthly education series, Kimberlee Alvani, registered dietitian, will present "Nutrition and Athletic Performance."

On Thursday, October 6th, as part of the Diabetes Matters Series, ABC, will present, "ABC."

On Tuesday, October 11th from 10:00 am to 1:00 pm, Kristi Caracappa, Health Insurance Information Service Coordinator, will present "Medicare Options: What You Need to Know."

Washington Hospital Healthcare Foundation Report

The Washington Hospital Healthcare Foundation will host the 30th Annual Top Hat gala on Saturday, October 8th. Proceeds from the evening will benefit Washington Hospital's Prenatal Diagnostic Center, a new clinical service offering critical prenatal care to expecting mothers with high-risk pregnancies. The Center will provide exceptional benefits to our community, including decreasing instances of low birth weight, improving pregnancy outcomes and improving newborn and infant health. Additionally, it will enable many high-risk expecting mothers to deliver at Washington Hospital without having to travel outside the District for this specialized service. This year's gala co-chairs, Dr. Albert Brooks, Dr. Bettina Kirkjian and Marlene Weibel promise that this 30th anniversary gala is not to be missed.

*HOSPITAL CALENDAR:
Washington Hospital
Foundation Report*

The Washington Township Healthcare District Board of Directors Report

Washington Township Healthcare District Board Members attended the Ohlone College Golf Tournament on September 12th.

Board members will participate in the Newark Days Parade on September 17th.

*HOSPITAL CALENDAR:
The Washington
Township Healthcare
District Board of
Directors Report*

Washington Hospital Employee Association, W.H.E.A.

WHEA's Back to School Drive, "Fill a Back Pack Challenge," was a huge success. Altogether, hospital departments collected 22 backpacks, several bags of supplies and \$1,160 in cash donations. With the supplies and funds collected WHEA was able to fill and donate 40 backpacks and five bags of back-up school supplies to those served at Abode Services and SAVE.

*HOSPITAL CALENDAR:
Washington Hospital
Employee Association,
W.H.E.A.*

WHEA will be hosting the American Red Cross who will hold a blood drive from 12 to 6 p.m. on Friday, September 23rd, in the Conrad E. Anderson, MD, Auditorium, room C. To schedule an appointment to give blood, call (800) RED-CROSS or visit redcrossblood.org and enter the sponsor code: WHHS. WHEA's Back to School Drive, "Fill a Back Pack Challenge," was a huge success. Altogether, hospital departments collected 22 backpacks, several bags of supplies and \$1,160 in cash donations. With the supplies and funds collected WHEA was able to fill and donate 40 backpacks and five bags of back-up school supplies to those served at Abode Services and SAVE.

WHEA will be hosting the American Red Cross who will hold a blood drive from 12 to 6 p.m. on Friday, September 23rd, in the Conrad E. Anderson, MD, Auditorium, room C. To schedule an appointment to give blood, call (800) RED-CROSS or visit redcrossblood.org and enter the sponsor code: WHHS.

Washington On Wheels Mobile Health Clinic, W.O.W.

During the month of August, the Washington On Wheels Mobile Health Clinic (W.O.W.) continued to serve community members at the Fremont Family Resource Center, the Fremont Senior Center and the Ruggieri Senior Center in Union City.

*HOSPITAL CALENDAR:
Washington On Wheels
Mobile Health Van*

Washington On Wheels continued with the Summer's free glucose screenings at Centro de Servicios in Union City, as well as all regularly scheduled community sites.

In August, W.O.W. provided glucose screenings to 54 individuals and of those 5 people tested had higher than normal glucose levels. They are undergoing further testing and treatment for Diabetes. The total number of community members receiving health care from the W.O.W. Clinic during the month of August was 122.

Internet Marketing

There were over 29,809 visits to the hospital website in the month of August. The hospital's Employment section was the most viewed webpage with 17,039 page views, followed by the About WHHS section with 9,336 page views. The Physicians section with 9,036 page views. The Volunteers section had 3,456 page views and the Women's Health and Pregnancy section had 2,175 page views.

*HOSPITAL
CALENDAR:
Internet Report*

InHealth - Channel 78

During the month of August, Washington Hospital's cable channel 78, InHealth, captured new programming including a Health and Wellness Program titled "Obstructive Sleep Apnea: New Options for Treatment," a Palliative Care Community Presentation called "Palliative Care: How Can This Help Me?," a Sports Medicine Program named "Big Changes in Concussion Care," and a Diabetes Matters program titled "Monitoring Matters." In addition, InHealth aired a Health and Wellness programs titled "Skin Health: What You Need to Know," the August Board of Directors meeting and the August Citizen's Bond Oversight Committee Meeting.

*HOSPITAL
CALENDAR:
InHealth*

Awards and Recognitions

Washington Hospital is proud to announce that it has achieved Magnet® recognition, the highest honor granted by the American Nurses Credentialing Center (ANCC). As a Magnet-recognized organization, Washington Hospital remains among the 7.8 percent of hospitals nationwide that have received the highest national credential for nursing excellence, serving as the gold standard for nursing practice. This honor required evaluation by the ANCC to determine if Magnet standards were met. This process was both rigorous and thorough for all involved—from the bedside nurses to department heads, and support staff from throughout the Hospital, the executive team and members of the board of directors. Magnet recognition is an impressive and important distinction for the organization and staff as well as the communities served. With this achievement, Washington Hospital joins the country's Magnet community — a select group of domestic health care organizations. This prestigious honor reaffirms Washington Hospital's dedication to the Patient First Ethic and providing the highest quality of nursing care.

*HOSPITAL
CALENDAR:
Awards and
Recognitions*

Employee of the Month

Storekeeper, Victoria Cayetano is September's Employee of the Month. Victoria joined the Washington Hospital family December of 2009 and has been an asset to the Storeroom department. Victoria possess a calming demeanor and never appears overwhelm regardless of the workload. She is a team player and often volunteers to help colleagues without hesitation. Victoria is an athlete who has always enjoyed sports throughout her life. While attending Cal State East Bay, she was on the volleyball team and was a valued team member due to her height and technical

*HOSPITAL
CALENDAR: Employee
of the Month – Lucy*

skills. In addition to caring for her 3 children with her partner, Ryan, she regularly indulges in a game of volleyball, soft ball, and basketball. She also participates in several tournaments throughout the year. In addition to sports, Victoria and her family enjoy travelling.

Nancy Farber, Chief Executive Officer introduced Jimmy Chang, Interim Manager of 4West and the Infusion Center. Mr. Chang presented the Inpatient Medical-Surgical 4-West Lean Journey sharing the Lean Vision which included: commitment to the Patient First Ethic and improve patient experience, understand current processes, create a value stream map: analyze the current state, identify waste and employee lean tools to improve, and the redesign processes based on desired future state. Mr. Chang continued by sharing Lean Workshops of Fiscal Year 2016 which included the Value Stream Mapping in July 2015, 5S: Organization (Sort, set order, shine, standardize, sustain) in September 2015, Care Coordination I: Shift-to-Shift Handoff in November 2015, Discharge Process I & II: Admission to Discharge in October 2015/March 2016, and Roles and Responsibilities: Care Team in May 2016. Mr. Chang continued by discussing what occurs in each of the 5 workshops and shared the principles learned.

*LEAN/KAIZEN
UPDATE*

Nancy Farber, Chief Executive Officer introduced Ed Fayen, Senior Associate Administrator. Mr. Fayen presented the construction update on the parking garage and the Morris Hyman Critical Care Pavilion. Mr. Fayen shared photos of the Electric Vehicle (EV) Charging station on the first floor of the parking garage as well as the Clear Vu Security Fence that was installed on the first floor of the parking garage. Mr. Fayen went on to share progress on the Morris Hyman Critical Care Pavilion. Photos of the seismic pipe joints in the crawl space and metal panels in place on in the North West Corner were shared as well as the framing of the priority walls on level 3 and the forming of the North Exterior Courtyard on Level 3. A photo of the site view of Phase 2 was also shared.

*CONSTRUCTION
REPORT
Construction Update*

Nancy Farber, Chief Executive Officer introduced Mary Bowron, Senior Director of Quality & Resource Management. Ms. Bowron starting by reporting on Core Measure Compliance which includes venous thromboembolism and stroke. Ms. Bowron continued by sharing the Infection Prevention Indicators which included central line associated bloodstream infections (CLABSI), C-difficile, catheter associated urinary tract infections (CAUTI), hospital acquired MRSA bloodstream infections, hospital acquired VRE infections, colon surgery, and abdominal hysterectomy. The nurse sensitive indicators were also discussed including reducing hospital acquired pressure ulcers and reducing inpatient falls with injury. Ms. Bowron shared the Joint Commission National Patient Safety Goals which comprised of hand off communication, patient identification, procedure time out and hand hygiene as well as the readmission rates for Medicare pneumonia and heart failure.

*QUALITY REPORT:
Quality Dashboard:
Quarter Ending June
2016.*

Chris Henry, Chief Financial Officer, presented the Finance Report for July 2016. The average daily census was 140.1 with admissions of 943 resulting in 4,342 patient days. Outpatient observation equivalent days were 228. The average length

FINANCE REPORT

of stay was 4.40 days. The case mix index was 1.568. Deliveries were 137. Surgical cases were 368. Joint Replacement cases were 130. Neurosurgical cases were 26. Cardiac Surgical cases were 15. The Outpatient visits were 6,710 and Emergency visits were 4,262. Total productive FTEs were 1,149.6. FTEs per adjusted occupied bed were 7.18.

Ms. Farber presented the Hospital Operations Report for August. Preliminary information indicated inpatient revenue for the month of August at approximately \$166,100,000. There were 942 patient admissions with an Average Length of Stay of 4.84. There were 362 Surgical Cases and 366 Cath Lab procedures at the Hospital. Deliveries for August were 170. Non-Emergency Outpatient visits were 7,204. FTEs per Adjusted Occupied Bed were 5.7. The Washington Outpatient Surgery Center had 545 cases and the clinics saw approximately 3,704 patients.

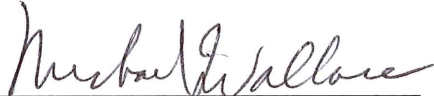
*HOSPITAL
OPERATIONS REPORT*

Reference attached document.


*APPROVAL OF CHIEF
EXECUTIVE OFFICER'S
EMPLOYMENT
AGREEMENT AND AT-
RISK COMPENSATION*

There being no further business, Director Wallace adjourned the meeting at 8:15pm.

ADJOURNMENT



Michael Wallace
President



Patricia Danielson, RHIT
Secretary

MINUTES OF THE BOARD OF DIRECTORS OF WASHINGTON HOSPITAL

September 14, 2016

Agenda Item VII.A

Consideration of Chief Executive Officer Employment Agreement and At-Risk Compensation

During the regular meeting of the Board of Directors (Board) on September 14, 2016 the Board considered Agenda Item VII.A, *Consideration of Chief Executive Officer Employment Agreement and At-Risk Compensation*. All Board members were present:

Michael J. Wallace, President

Patricia Danielson

Dr. Bernard Stewart

Dr. Jacob Eapen

Dr. William F. Nicholson

President Wallace invited District Counsel, Paul Kozachenko, to introduce the agenda item.

Mr. Kozachenko indicated that the Board would be considering the following three action items tonight: (1) whether to make a base salary adjustment to the CEO's salary based on the Board's compensation philosophy, which would mean an adjustment to match the 65th percentile of the California peer group; (2) whether to make an award of at-risk compensation of up to 20% of base salary consistent with the Board's philosophy of providing total cash compensation at around the 75th percentile of the California peer group; and (3) whether to extend the term of the employment agreement by one year.

Mr. Kozachenko noted that tonight's Board packet contains three documents related to this item: (1) a memorandum from Mr. Kozachenko with background information on the Board's process for adjusting compensation and summarizing the Board's compensation philosophy; (2) a memorandum from the Chief Executive Officer summarizing the District's accomplishments for the past fiscal year; and (3) a report from Integrated Health Strategies/Arthur J. Gallagher & Company ("IHS"). IHS is an independent healthcare compensation consultant. Its report provides the Board with independent data on base salary and total compensation for the California peer group. These documents were posted on the District's website on Friday and have been available for public review.

President Wallace opened the discussion concerning an adjustment to the CEO's base salary to the 65th percentile of the California peer group. Director Stewart made a motion that the Board adjust the CEO's base salary to the 65th percentile of the California peer group, which equals \$808,000.00, to be effective July 1, 2016. Director Nicholson seconded the motion.

President Wallace opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace then invited the Board members to speak on the motion.

Director Stewart noted that the proposed base salary adjustment is based on the California peer group. This includes a large number of hospitals. This means that the CEO's base salary is established at the 65th percentile of that peer group. That salary is at the same level of many other hospitals in California. The District has for a long time had a policy of wage parity for all employees of the District. This also applies to the CEO, which means that the Board keeps her salary in parity with her peers.

President Wallace noted that this means the Board is using market information to set the CEO's salary.

Director Nicholson noted that the California peer group includes large and small hospitals, but that on average match the District in size based on net revenue. The net revenue for the District is around \$500 million per year. The peer group includes hospitals such as Eisenhower, Huntington Hospital, NorthBay Valley Hospital, Palomar, and Pomona Valley. The Board has good data available to it in the IHS report. Director Nicholson stated that he is in agreement with the motion and that the Board is moving appropriately to adjust the CEO's salary.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

Next, President Wallace opened the discussion regarding the award of at-risk compensation. He noted that an award of 20% of base salary is consistent with the Board's compensation philosophy of providing total cash compensation at the 75th percentile of the California peer group. Director Stewart made a motion that the Board award at-risk compensation based on its current compensation philosophy in the amount of 20% of the base salary, which equals \$155,000.00. Director Nicholson seconded the motion.

President Wallace opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace invited the Board members to speak on the motion.

Director Stewart noted that the at-risk compensation award is an opportunity for the Board to provide additional compensation based on performance of the CEO and hospital. In considering the award, the Board looks at many different factors. Under the CEO's leadership, the District has had an outstanding year—it is hard to overestimate the success that the District has seen. One item that stands out is that two years ago the District's voters approved a general obligation bond. That has now refinanced, which saves the District's residents, who pay for the bond through their taxes, \$5.8 million. There are also other achievements, not least of which is Magnet status for the nursing program.

Director Danielson concurred with Director Stewart's comments. The refinancing was a tremendous benefit to the residents of the District, and the reduction in payments is another indication of how the leadership of this District feels about the people who live and work in the District. One other factor is the fact that the construction of the Morris Hyman Critical Care Pavilion has consistently been on time and on budget. The building contains many safety features for both patients and the staff. Director Danielson is confident that once completed, the District will be able to obtain status as a regional trauma center. This is something that needs to happen because right now patients must be transferred out of the District to receive trauma care. Also, the CEO is providing leadership in the community, beyond just the hospital and clinics. For example, she has brought in community groups such as the 4H club.

Director Nicholson concurred with the comments of Director Stewart and Director Danielson. He agrees that the District has had a very successful year, in large part due to the effective leadership of the CEO and the executive team she has assembled. Effective leadership means identifying opportunities and acting on them. As examples, Director Nicholson noted Director Stewart's comments regarding the refinance of the bonds and Director Danielson's comments concerning the ongoing construction and the fact that the construction is on time and on budget. The District needs these facilities as soon as possible. This is another reflection of the value of effective leadership. This is in stark contrast to what is happening at other facilities in the Bay Area such as Alta Bates in Berkeley. Alta Bates will likely close because it cannot meet the new seismic safety requirements.

Director Eapen concurred with the other Board members. As has been mentioned, the Board has considered many factors in determining the award of 20% of base salary. He values the outreach duties of a CEO. He also noted that revenue has increased and that there are more and more patients in the Foundation. These are all key factors.

President Wallace noted that this organization has a unique culture upon which rests the District's success. The groundwork for these results were set many years ago, partially through the CEO's selection of the management team but also through other decisions such as the decision to implement the Lean program in the hospital. President Wallace concurs with the statements of the other Directors, but what he is most satisfied with is the culture, the management team, and the groundwork the CEO is laying for the future.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

President Wallace then started the discussion concerning the extension of the CEO's contract by one year. Director Stewart made a motion that the employment agreement be extended for one year, for a term starting July 1, 2016 and ending June 30, 2020, and that the President of the Board be authorized to execute an

amendment to the employment agreement consistent with the actions taken tonight. Director Nicholson seconded the motion.

President Wallace then opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace invited the Board members to speak on the motion.

Director Stewart noted that this past year HealthGrades awarded the hospital a 5-star rating for strokes, and the Joint Commission awarded the hospital its advanced primary stroke award for two years. This is very important to Director Stewart because he has a friend in the hospital receiving treatment for stroke tonight. The CEO has done a great job maintaining the quality of the services provided by this District and fully supports extending the agreement.

Director Nicholson concurred with the sentiments of Director Stewart and concurs with the motion.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

This concluded the consideration of this agenda item.