

**BOARD OF DIRECTORS**

Becky Campo, President
Luis Avila, Vice-President
George Gallo MacMaster, Secretary
Anne Stokman, RN, Treasurer
Steve Pittson, DC, Board Member

PO Box 187, Patterson, CA 95363
 Phone (209) 892-8781 Fax (209) 892-3755

BOARD OF DIRECTORS REGULAR MEETING

Monday April 25, 2022 @ 6:30 pm

Our meeting will be held in a conference room at 1700 Keystone Pacific Parkway, Bldg B.

Join Zoom Meeting <https://us02web.zoom.us/j/82428437624?pwd=azFwRDNTNTRzhveXc0c3lkaU9COTlrQT09>

PUBLIC COMMENT PERIOD: Matters under the jurisdiction of the Board, and not on the posted agenda, may be addressed by the general public at the beginning of the regular agenda. If you wish to speak on an item on the agenda, you are welcome to do so during consideration of the agenda item itself. If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period, however California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of Directors. Persons speaking during the Public Comment will be limited to five minutes or, depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board. Public comments must be addressed to the board as a whole through the President. Comments to individuals or staff are not permitted.

CONSENT CALENDAR: These matters include routine financial and administrative actions and are identified with an asterisk (*). All items on the consent calendar will be voted on as a single action at the beginning of the meeting under the section titled "Consent Calendar" without discussion. If you wish to discuss an item on the Consent Calendar, please notify the Clerk of the Board prior to the beginning of the meeting or you may speak about the item during Public Comment Period.

REGULAR CALENDAR: These items will be individually discussed and include all items not on the consent calendar, all public hearings and correspondence.

CLOSED SESSION: Is the portion of the meeting conducted in private without the attendance of the public or press to discuss certain confidential matters specifically permitted by the Brown Act. The public will be provided an opportunity to comment on any matter to be considered in closed session prior to the Board adjourning into closed session.

ANY MEMBER OF THE AUDIENCE DESIRING TO ADDRESS THE BOARD ON A MATTER ON THE AGENDA: Please raise your hand or step to the podium at the time the item is announced by the Board President. In order that interested parties have an opportunity to speak, any person addressing the Board will be limited to a maximum of 5 minutes unless the President of the Board grants a longer period of time.

BOARD AGENDAS AND MINUTES: Board agendas and minutes are typically posted on the Internet on Friday afternoons preceding a Monday meeting at the following website: <https://dphealth.specialdistrict.org/board-meeting-agendas>.

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District office at 875 E Street, Patterson, CA during normal business hours. Such documents are also available online, subject to staff's ability to post the documents before the meeting, at the following website <https://dphealth.specialdistrict.org/board-meeting-agendas>.

NOTICE REGARDING NON-ENGLISH SPEAKERS: Board of Director meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (209) 892-8781. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

Cell phones must to be silenced or set in a mode that will not disturb District business during the meeting.

Del Puerto Health Care District Board of Directors

April 25, 2022

Board Meeting Agenda

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1. **Call to Order**
2. **Pledge of Allegiance**
3. **Board of Directors Roll Call**
4. **Reading of the Draft Mission Statement**
"The District's primary mission is to deliver quality, personalized, and compassionate health care and build partnerships that expand healthcare services for our West Side communities."
5. **Public Comment Period** *[Members of the public may address the Board on any issues on the Consent Calendar and items not listed on the agenda that are within the purview of the District. Comments on matters that are list on the agenda may be made at the time the Board is considering each item. Each speaker is allowed a maximum of five minutes. Board members may not comment or acting on items not on the agenda.]*
6. **Declarations of Conflict** *[Board members disclose any conflicts of interest with agenda items]*
7. **Approval of Agenda** **Action**
*[*Directors may request any consent calendar item be moved to regular calendar or change the order of the agenda items.]*
8. **Consent Calendar*** *[Routine committee reports, minutes, and non-controversial items]* **Action**
 - A. *Approve Board Meeting Minutes March 28, 2022
 - B. *Accept Finance Committee Minutes March 23, 2022
 - C. *Accept Financial Reports – March 31, 2022
9. ***Regular Calendar**
 - A. **Any Consent calendar items moved to regular calendar.* **Action**
 - B. Engagement of Wulff Hansen as Municipal Advisor **Action Anticipated**
 - C. Marketing Proposal from MHD **Action Anticipated**
 - D. Name Two Board Members to Ad Hoc Committee for CEO Annual Evaluation **Appointment**
 - E. Design-Build Legal Opinion Report Information Only
 - F. Auditor Engagement FYE 2022-2024 – Wipfli **Action**
10. **Reports**

A. <u>Employee Anniversaries & New Hires</u>	<u>April</u>	<u>Years</u>
Ambulance:	Miguel Vasquez, Jr.	New
	Paul Willette	7
Health Center	Maryanne Barajas	7
B. West Side Health Care Task Force – Director Avila		
C. Del Puerto Hospital Foundation – Director Mac Master		
D. Legislative Advocacy Committee – Director Avila and Campo		
E. Ambulance – Director, Paul Willette		
F. Health Center – Manager, Suzie Benitez		
G. Administration – Administrative Director/CEO, Karin Hennings		
11. **Strategic Planning** **Discussion**
 - A. Review Results from Planning Retreat – April 23, 2022
12. **Director Correspondence, Comments, Future Agenda Items** **Information**

Del Puerto Health Care District Board of Directors

April 25, 2022

Board Meeting Agenda

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13. Upcoming Regular Board and Standing Committee Meeting Dates

Finance – Wednesday, May 18, 2022 @ 8:30 AM

Board – Monday, May 23, 2022 @ 6:30 PM

Finance – Wednesday June 22, 2022 @ 8:30 AM

Board – Monday, June 27, 2022 @ 6:30 PM

Finance – Wednesday July 20, 2022 @ 8:39 AM

Board – Monday, July 25, 2022 @ 6:30 PM

14. Closed Session *[Board of Directors may recess to closed session for discussion of certain matters as legally permitted. Any action taken shall be reported in open session.]*

A. Gov't Code § 54956.9(b)

Conference with Legal Counsel – Anticipated litigation or significant exposure to litigation: One (1) potential case.

B. Gov't Code § 54956.9 Existing Litigation

Case CV-21-003566 Stanislaus County
Parente & Parente v. Del Puerto Health Care District

15. Reconvene to Open Session – Report of Closed Session

16. Adjourn



BOARD OF DIRECTORS MEETING
March 28, 2022 @ 6:30 pm
Board of Directors Minutes

1. **Call to order** @ 6:33 pm by Vice President Luis Avila
2. **Pledge of Allegiance**
3. **Board of Directors Roll Call.**

Directors Present: President, Becky Campo -Virtual
 Vice President, Luis Avila
 Secretary, George Gallo Mac Master
 Treasurer, Anne Stokman - Virtual

Directors Absent: Director, Steve Pittson

Staff Present: Administrative Director/CEO, Karin Hennings
 Ambulance Director, Paul Willette
 Health Center Manager, Suzie Benitez
 Financial Accounting Manager, Maria Reyes Palad
 Clerk of the Board, Cheryle Pickle

District Legal Council: Dave Ritchie, Cole Huber, LLP

We have a Quorum

4. **Reading of the Mission Statement**
"The District's primary mission is to deliver quality, personalized, and compassionate health care and build partnerships that expand healthcare services for our West Side communities."
5. **Public Comment Period**
Present: Jose Rodriguez, MD
 Lizandro Barragan, PA
 Gerald Parente -Virtual _ Joined meeting in progress
 Ms. Hennings introduced Lizandro Barragan. He is the new Physician Assistant at the Health Center. He shared his history with the group.
6. **Declarations of Conflict:** There were no conflicts of interest.
7. **Approval of Agenda:** **M/S/C To accept the agenda.** Director Stokman/Director Mac Master
Ayes: Directors Campo, Avila, Stokman, Mac Master
Nays: None
Abstain: None
Passed by roll call vote
8. **Public Hearing #5 – Election Zones [Final Map Selection]**
Opened at 6:37 pm



BOARD OF DIRECTORS MEETING
March 28, 2022 @ 6:30 pm
Board of Directors Minutes

Discussion was had regarding the pros and cons of each map. Each of the board members shared their prospective. The maps were found to be very equitable. It was noted that if at a later date there were changes to the population distribution, the Board could go through the process of changing the boundaries. There were no comments from the public.

M/S/C. The Board of Directors to adopt map 102.

Director Mac Master/Director Avila

Ayes: Directors Campo, Avila, Stokman, Mac Master

Nays: None

Abstain: None

Passed by roll call vote

Closed @ 6:51 pm

9. Consent Calendar * [*Routine committee reports, minutes, and non-controversial items*]

- A. * Approve Board Meeting Minutes February 28, 2022
- B. * Accept Finance Committee Minutes February 23, 2022
- C. * Accept Financial Reports – February 28, 2022
- D. * Resolution 2022-05 Increase Asset Replacement Fund

M/S/C. To accept the Consent Calendar.

Director Mac Master/Director Avila

Ayes: Directors Campo, Avila, Stokman, Mac Master

Nays: None

Abstain: None

Passed by roll call vote

10. Regular Calendar

- A. * *Any Consent calendar items moved to regular calendar*
- B. Salary Scale Increase Proposal

Ms. Hennings stated that the Financial Committee recommended that this proposal be approved. With the recent economic situation the salary scales are much lower than the market. Dr. Rodriguez shared that medical assistants were scheduled to start at \$15.00 an hour and McDonald's is starting cashiers at \$16.00 an hour. This makes it hard to attract and maintain good staff. We have good staff members, and we need to make sure they are fairly compensated if we want to keep them.

Mr. Willette shared that we had lost some candidates due to salary. The market is very competitive. It is very important to be able to staff the ambulance.

Ms. Hennings shared that there is an anticipated increase to the per visit amount we receive for one of our programs. And there will be an increase in the ambulance allowance for Medical in 2023.



BOARD OF DIRECTORS MEETING
 March 28, 2022 @ 6:30 pm
 Board of Directors Minutes

M/S/C. Approve a 13% increase to all hourly employee pay scales effective with the current pay period beginning March 27, 2022.

Director Stokman/Director Macmaster

Ayes: Directors Campo, Avila, Stokman, Mac Master

Nays: None

Abstain: None

Passed by roll call vote

C. Resolution to Oppose Initiative 21-0042A1

Ms. Henning explained that the CSDA asked for Special Districts to join them in opposing Initiative 20-0042A1. This initiative includes provisions that would retro actively void all state and local taxes or fees adopted after January 01,2022 if they did not align with the provisions of this initiative. CSDA is requestion that we adopt a Resolution opposing this initiative. Discussion regarding the commitment the District would have if they issued the Resolution. Ms. Hennings said that there is not financial ask at this time. They are gathering support showing opposition among the Districts.

M/S/C. To Adopt Resolution 2022-06 in Opposition to Initiative 21-0042A1

Director Mac Master /Director Avila

Ayes: Directors Campo, Avila, Stokman, Mac Master

Nays: None

Abstain: None

Passed by roll call vote

11. **Reports**

A. Employee Anniversaries & New Hires

March

Years

Health Center:

Lizandro Barragan, PA

New

Marisol Juarez-Pinon

New

Jacqueline Palominos

10

B. West Side Health Care Task Force – Director Avila

Director Avila attended the meeting. Valley Children's Hospital presented and gave an overview of their services in the area.

C. Del Puerto Hospital Foundation – Director Mac Master

Director Mac Master informed the Board that they had changed the name to Del Puerto Health Care Foundation. The City of Patterson is going to be asking for grants and they plan to apply.

D. Legislative Advocacy Committee – Director Avila and Campo



BOARD OF DIRECTORS MEETING
March 28, 2022 @ 6:30 pm
Board of Directors Minutes

Director Avila told about a bill that would increase the limits on damages. The \$250K cap on medical damages would be removed. This would cause the medical liability insurance rates to skyrocket.

E. Ambulance – Director, Paul Willette

Did not have his monthly report. Will forward report to board members. The ambulance had 222 responses in the month of February with 145 transports. We responded to 24 calls in AMR's district with 14 transports and 36 calls in West Side's district with 25 transports. We were still able to respond to over 90% of calls within our own district.

We continue to staff an extra unit when West Side is unable to staff their 2nd unit.

F. Health Center – Manager, Suzie Benitez

Ms. Benitez reviewed the report for the health Center. They had a total of 1027 encounters for the month of February. Dr. Wahid is closing to all pediatrics soon. They are preparing to be able to accommodate this overflow. With the addition of the nurse practitioner in April we will open the 3rd wing. No show rate is 20%. There were only 5 positive Covid test in the month of February.

G. Administration – Administrative Director/CEO, Karin Hennings

Ms. Hennings said that there was information included in the packet on earmarks for special project funding from state or federal budgets. This may be where we are able to get additional funds for our building project.

She spoke with the attorney regarding the Design Build. It is looking very positive. The next stage would be the written legal memo.

Board members expressed a concern that local contractors be given an opportunity to work on the project. Director Mac Master shared that the City of Patterson is considering a policy that would give local contractors, if they were within 10% of the lowest bid, the ability to rebid the job to meet the low bid.

12. Strategic Planning

Director Stokman proposed that the board consider having another meeting to do strategic planning. Either have another evening meeting or a Saturday morning meeting to be able to focus on the planning. After discussion it was decided to have a meeting on the 23 of April @ 8:30 am. This will be an in-person meeting

13. Director Correspondence, Comments, Future Agenda Items

None

14. Upcoming Regular Board and Standing Committee Meeting Dates

Finance – Wednesday, Apr 20, 2022 @ 8:30 AM

Finance – Wednesday, May 18, 2022 @ 8:30 AM

Finance – Wednesday June 22, 2022 @ 830 AM

Board – Monday, Apr 25, 2022 @ 6:30 PM

Board – Monday, May 23, 2022 @ 6:30 PM

Board – Monday, June 27, 2022 @ 630 PM



**BOARD OF DIRECTORS MEETING
March 28, 2022 @ 6:30 pm
Board of Directors Minutes**

The floor was opened to Public Comments There were none.

Adjourned to Closed Session @ 7:28 pm

15. **Closed Session** *[Board of Directors may recess to closed session for discussion of certain matters as legally permitted. Any action taken shall be reported in open session.]*

- A. Gov't Code section 54956.8 Conference with Real Property Negotiator
Property: APN 0131-024-007

- B. Gov't Code § 54956.9(b) Conference with Legal Counsel – Anticipated litigation or
significant exposure to litigation: One (1) potential case

16. **Reconvene to Open Session – Report of Closed Session**

No reportable items. Instructions given to staff.

17. **Adjourn @ 7:41 pm**

DEL PUERTO HEALTH CARE DISTRICT
875 E Street – Patterson, California 95363
FINANCE MEETING
MINUTES March 23, 2022

1. Call to order/Attendance

The meeting was called to order by Anne Stokman, Committee Chair, 8:31 AM

Other Board Members Present: George Gallo Mac Master, Committee Member

Staff Members Present: Karin Hennings, Administrative Director/CEO; Paul Willette, Ambulance Director; Suzie Benitez, Health Center Manager; Maria Reyes-Palad, Financial Accounting Manager; and Danae Skinner, Administrative Staff Accountant.

2. Public Participation – there were no comments

3. Acceptance of Agenda

M/S/C Anne Stokman/George Gallo Mac Master to accept the agenda with as presented.

4. Finance Report Review

A. Review for Approval: February 23, 2022 Finance Meeting Minutes

M/S/C George Gallo Mac Master/Anne Stokman to accept the minutes for February 23, 2022 as presented.

B. Review Financial Reports for January 2022

Maria Reyes-Palad reviewed the Financial Reports for February 2022 and answered all questions regarding the reports.

M/S/C Anne Stokman/George Gallo Mac Master to recommend to the Board to accept the Preliminary Financial Reports as presented.

C. Review for Recommendation February 2022 Warrants

Maria Reyes-Palad reviewed the report and answered all questions regarding the Warrants.

M/S/C George Gallo Mac Master/Anne Stokman to recommend to the Board to accept the Warrants as presented.

5. Old Business

A. RFP for Auditors FY2022-2024

Maria Reyes-Palad updated the committee regarding the progression of the RFP process. She sent out 23 RFPs and has received several responses stating that the firms no longer do audits. The RFPs were sent to local CPA firms and will be sent to our current firm Wipfli per the committee.

Discussion Only – No Action Taken

6. New Business

A. Resolution to Increase Asset Replacement Fund

Karin Hennings and Maria Reyes-Palad reviewed the Resolution to Increase Asset Replacement Fund and answered all questions regarding the amount to be placed in the Asset Replacement Fund per District policy.

M/S/C Anne Stokman/George Gallo Mac Master to recommend to the Board to accept the Resolution to Increase Asset Replacement Fund as presented.

**DEL PUERTO HEALTH CARE DISTRICT
875 E Street – Patterson, California 95363
FINANCE MEETING
MINUTES March 23, 2022**

B. Salary Scale Increase Proposal

Karin Hennings explained that the hourly wages for our Ambulance and Health Center staff are below the prevailing wage for unskilled workers due to the wage increases in the current labor climate. The committee requested that the dollar amount of the wage increase impact on this fiscal year be included in the Fiscal Impact paragraph of the proposal.

M/S/C Anne Stokman/George Gallo Mac Master to recommend to the Board to accept the Salary Scale Increase Proposal with the aforementioned change.

7. Accounting and Finance Manager Report

A. Update on COVID19 Stimulus P&L

Information Only – No Action Taken

B. Set Schedule for Committee Review of Account Reconciliations

Anne Stokman reviewed the Account Reconciliations after the meeting was adjourned.

Meeting adjourned – 9:26 AM

Respectfully submitted,



Anne Stokman, Treasurer

Del Puerto Health Care District
Balance Sheet
As of March 31, 2022

	Mar 31, 22	Feb 28, 22	Change	Mar 31, 21	Change	NOTES
ASSETS						
Current Assets						
Total Checking/Savings	2,728,861	2,679,915	2%	2,487,799	10%	
Total Accounts Receivable	607,559	735,825	(17%)	708,800	(14%)	
Total Other Current Assets	312,821	196,532	59%	361,408	(13%)	
Total Current Assets	3,649,241	3,612,272	1%	3,558,007	3%	
Fixed Assets						
Total 151.000 · Capital assets	5,207,738	5,232,112	(0%)	5,211,092	(0%)	
Total Fixed Assets	5,207,738	5,232,112	(0%)	5,211,092	(0%)	
TOTAL ASSETS	8,856,979	8,844,384	0%	8,769,099	1%	
LIABILITIES & EQUITY						
Liabilities						
Total Current Liabilities	366,784	468,830	(22%)	404,187	(9%)	
Total Long Term Liabilities	1,456,881	1,462,553	(0%)	2,198,168	(34%)	
Total Liabilities	1,823,665	1,931,383	(6%)	2,602,355	(30%)	
Equity						
350.000 · Unrestricted Assets	1,597,783	1,597,783		1,076,284	48%	
Total 360.000 · Assigned Fund Balance	2,005,757	2,005,757		2,292,357	(13%)	
Total 370.000 · Restricted Fund Balance	242,870	242,870		240,524	1%	
390.000 · Net Fixed Assets (Capital)	2,492,762	2,492,762		2,492,762		
Net Income	694,144	573,830	21%	64,821	971%	YTD Overall result
Total Equity	7,033,316	6,913,002	2%	6,166,748	14%	
TOTAL LIABILITIES & EQUITY	8,856,981	8,844,385	0%	8,769,103	1%	

	Mar 31, 22	Feb 28, 22
Month End Cash Balance	2,728,861	2,679,915
101.015 · TCB - Keystone C 8641	(150,384)	(141,144)
103.100 · TCB-USDA Debt Reserve 7237	(122,905)	(122,903)
370.010 · Mitigation Fees	(122,150)	(122,150)
360.030 · Asset Replacement Fund	(589,757)	(589,757)
AP & Payroll Liabilities	(303,515)	(410,620)
UNENCUMBERED CASH	1,440,150	1,293,341
Percent of Operating Reserve	102%	91%
360.070 · Operating Cash Reserve	1,416,000	1,416,000

Del Puerto Health Care District
YTD by Class
July 2021 through March 2022

	Total 00 Tax Revenue			Total 01 DPHCD			Total 02 Patterson District Ambulance			Total 03 Del Puerto Health Center			Total 06 Keystone Bldg C			TOTAL		
	Jul '21 - Mar 22	Budget	% of Budget	Jul '21 - Mar 22	Budget	% of Budget	Jul '21 - Mar 22	Budget	% of Budget	Jul '21 - Mar 22	Budget	% of Budget	Jul '21 - Mar 22	Budget	% of Budget	Jul '21 - Mar 22	Budget	% of Budget
Ordinary Income/Expense																		
Income																		
401.000 · Gross Patient Service Revenue							7,428,357	6,708,293	111%	1,563,776	1,869,600	84%				8,992,133	8,577,893	105%
403.000 · Adjustments							(5,050,678)	(4,468,426)	113%	24,930	(90,000)	(28%)				(5,025,748)	(4,558,426)	110%
405.000 · Bad Debt							(657,021)	(573,560)	115%	(15,679)	(15,000)	105%				(672,700)	(588,560)	114%
407.000 · Other Income				2,094	1,502	139%	38,232	38,500	99%	578,346	572,250	101%				618,672	612,252	101%
Total Income				2,094	1,502	139%	1,758,890	1,704,807	103%	2,151,373	2,336,850	92%				3,912,357	4,043,159	97%
Gross Profit				2,094	1,502	139%	1,758,890	1,704,807	103%	2,151,373	2,336,850	92%				3,912,357	4,043,159	97%
Expense																		
601.000 · Salaries & Wages				338,413	338,969	100%	983,894	998,332	99%	661,970	851,339	78%				1,984,277	2,188,640	91%
602.000 · Employee Benefits				96,625	101,721	95%	234,891	227,305	103%	206,617	247,845	83%				538,133	576,871	93%
603.000 · Professional Fees				32,945	85,750	38%	6,673	8,355	80%	525,702	450,637	117%				565,320	544,742	104%
604.000 · Purchased Services				8,870	8,516	104%	177,907	169,022	105%	156,767	150,780	104%				343,544	328,318	105%
605.000 · Supplies				5,979	4,785	125%	71,463	67,075	107%	68,576	61,613	111%				146,018	133,473	109%
606.000 · Utilities				5,794	5,887	98%	15,076	13,650	110%	33,068	31,800	104%				53,938	51,337	105%
607.000 · Rental and Lease				3,156	3,088	102%	284	285	100%	1,710	1,688	101%				5,150	5,061	102%
608.000 · Insurance Coverages				30,037	30,035	100%	135,068	134,086	101%	85,000	85,000	100%				250,105	249,121	100%
609.000 · Maintenance & Repairs				1,280	1,972	65%	54,680	44,625	123%	30,773	23,671	130%				86,733	70,268	123%
610.000 · Depreciation and Amortization				14,283	14,457	99%	118,605	121,986	97%	59,294	59,250	100%	35,730	35,698	100%	227,912	231,391	98%
611.000 · Other operating expenses				29,444	35,409	83%	134,670	134,545	100%	138,056	119,752	115%	150		100%	302,320	289,706	104%
Total Expense				566,828	630,591	90%	1,933,211	1,919,266	101%	1,967,533	2,083,373	94%	35,881	35,698	101%	4,503,453	4,668,928	96%
Net Ordinary Income				(564,734)	(629,089)	90%	(174,322)	(214,458)	81%	183,841	253,477	73%	(35,881)	(35,698)	101%	(591,096)	(625,768)	94%
Other Income/Expense																		
Other Income																		
701.000 · District Tax Revenues	1,058,310	1,038,900	102%				180,171	180,525	100%							1,238,481	1,219,425	102%
702.000 · Impact Mitigation Fees	2,346		100%													2,346		100%
703.000 · Investment Income				2,177	4,875	45%	0			0		100%				2,177	4,875	45%
704.000 · Interest Expense										(43,376)	(43,382)	100%	(19,759)	(21,690)	91%	(63,135)	(65,072)	97%
705.000 · Tenant Revenue										600	600	100%	100,197	98,028	102%	100,797	98,628	102%
710.000 · Misc Other Income				268		100%	5,051		100%	8,134	3,000	271%				13,453	3,000	448%
Total Other Income	1,060,656	1,038,900	102%	2,445	4,875	50%	185,222	180,525	103%	(34,642)	(39,782)	87%	80,438	76,338	105%	1,294,119	1,260,856	103%
Other Expense																		
802.000 · Keystone District Expense													8,879	8,404	106%	8,879	8,404	106%
810.000 · Misc Other Expense																		
Total Other Expense													8,879	8,404	106%	8,879	8,404	106%
Net Other Income	1,060,656	1,038,900	102%	2,445	4,875	50%	185,222	180,525	103%	(34,642)	(39,782)	87%	71,559	67,934	105%	1,285,240	1,252,452	103%
Net Income	1,060,656	1,038,900	102%	(562,290)	(624,214)	90%	10,900	(33,933)	(32%)	149,199	213,695	70%	35,679	32,237	111%	694,144	626,685	111%

Del Puerto Health Care District
Warrants by Bank Account
March 2022

Type	Date	Num	Name	Credit	NOTES
101.000 - Cash and cash equivalents					
101.010 - Tri Counties Bank					
101.011 - TCB-Operating Checking 1739					
Check	03/15/2022	eft	USDA Rural Development Loan-EFT	10,060.00	
Bill Pmt -Check	03/08/2022	EFT	U.S. Bank Equipment Finance - EFT	126.27	
Bill Pmt -Check	03/08/2022	EFT	Umpqua Bank	12,024.37	
Bill Pmt -Check	03/14/2022	EFT	City Of Patterson-H2O, sewer, garbage	395.86	
Bill Pmt -Check	03/22/2022	EFT	Athena Health, Inc.	7,179.01	
Bill Pmt -Check	03/15/2022	EFT	FP Mailing Solutions	300.00	
Bill Pmt -Check	03/01/2022	30909	DeliverHealth	237.00	
Bill Pmt -Check	03/01/2022	30910	MD - Rodriguez, Jose	35,333.33	
Bill Pmt -Check	03/01/2022	30911	SEMSA Sierra Medical Services Allianc	10,620.27	
Bill Pmt -Check	03/01/2022	30912	Stericycle	716.63	
Bill Pmt -Check	03/01/2022	30913	V2V Management Solutions	1,900.00	
Bill Pmt -Check	03/01/2022	30914	Verizon Wireless	458.72	
Bill Pmt -Check	03/01/2022	30915	WIPFLI LLP	27,653.00	FY21 Audit Fee
Bill Pmt -Check	03/01/2022	30916	PG&E	578.29	
Bill Pmt -Check	03/08/2022	30917	Airgas USA, LLC	108.51	
Bill Pmt -Check	03/08/2022	30918	AMR-American Medical Response	5,788.70	
Bill Pmt -Check	03/08/2022	30919	AMS Software Inc.	181.00	
Bill Pmt -Check	03/08/2022	30920	Bound Tree Medical LLC	967.92	
Bill Pmt -Check	03/08/2022	30921	Cole Huber (Cota Cole)	4,580.08	
Bill Pmt -Check	03/08/2022	30922	Comcast - Other	106.70	
Bill Pmt -Check	03/08/2022	30923	Crescent Work & Outdoor #1	22.62	
Bill Pmt -Check	03/08/2022	30924	Data Path, Inc	4,906.31	
Bill Pmt -Check	03/08/2022	30925	GreenWorks Janitorial Services	4,145.00	
Bill Pmt -Check	03/08/2022	30926	Language Line	353.46	
Bill Pmt -Check	03/08/2022	30927	Life-Assist	718.39	
Bill Pmt -Check	03/08/2022	30928	McAuley Ford	439.23	
Bill Pmt -Check	03/08/2022	30929	McKesson Medical Surgical Inc.	948.77	
Bill Pmt -Check	03/08/2022	30930	MedTech Billing Services, Inc	6,900.00	
Bill Pmt -Check	03/08/2022	30931	MO-CAL Office Solutions	97.49	
Bill Pmt -Check	03/08/2022	30932	Patterson Irrigator	30.00	
Bill Pmt -Check	03/08/2022	30933	Patterson Tire	631.71	
Bill Pmt -Check	03/08/2022	30934	Paul Oil Co., Inc.	2,605.49	
Bill Pmt -Check	03/08/2022	30935	Ray's Radio Shop	1,084.68	
Bill Pmt -Check	03/08/2022	30936	Staples Advantage	433.40	
Bill Pmt -Check	03/08/2022	30937	Streamline/Digital Deployment	260.00	
Bill Pmt -Check	03/08/2022	30938	Stryker Sales Corporation	1,422.94	
Bill Pmt -Check	03/08/2022	30939	Terminix	63.00	
Bill Pmt -Check	03/08/2022	30940	TID Turlock Irrigation District +06	948.45	
Bill Pmt -Check	03/08/2022	30941	Weatherby Locums, Inc	6,469.10	
Bill Pmt -Check	03/08/2022	30942	Westside Landscape & Concrete	292.50	
Bill Pmt -Check	03/14/2022	30943	City Of Patterson-H2O, sewer, garbage	416.47	
Bill Pmt -Check	03/14/2022	30944	Airgas USA, LLC	148.79	
Bill Pmt -Check	03/14/2022	30945	Amazon	258.84	
Bill Pmt -Check	03/14/2022	30946	BICSEC Security, Inc	25.00	
Bill Pmt -Check	03/14/2022	30947	Bound Tree Medical LLC	1,267.67	
Bill Pmt -Check	03/14/2022	30948	CDPH CA Department of Health Servic	113.00	
Bill Pmt -Check	03/14/2022	30949	City Of Patterson-H2O, sewer, garbage	471.30	

Del Puerto Health Care District
Warrants by Bank Account
March 2022

Type	Date	Num	Name	Credit	NOTES
Bill Pmt -Check	03/14/2022	30950	Comcast - Other	192.10	
Bill Pmt -Check	03/14/2022	30951	DeliverHealth	79.00	
Bill Pmt -Check	03/14/2022	30952	Frontier-3755	212.01	
Bill Pmt -Check	03/14/2022	30953	Frontier - HC 8639	212.55	
Bill Pmt -Check	03/14/2022	30954	Life-Assist	226.67	
Bill Pmt -Check	03/14/2022	30955	Mission Linen Supply	757.05	
Bill Pmt -Check	03/14/2022	30956	MO-CAL Office Solutions	169.33	
Bill Pmt -Check	03/14/2022	30957	Mountain-Valley EMS Agency	250.00	
Bill Pmt -Check	03/14/2022	30958	Mr. Rooter Plumbing	275.38	
Bill Pmt -Check	03/14/2022	30959	O'Reilly Auto Parts	17.76	
Bill Pmt -Check	03/14/2022	30960	Pacific Records Management	212.39	
Bill Pmt -Check	03/14/2022	30961	Physicians Service Bureau	269.92	
Bill Pmt -Check	03/14/2022	30962	Quest Diagnostics	100.00	
Bill Pmt -Check	03/14/2022	30963	ReadyRefresh by Nestle	159.02	
Bill Pmt -Check	03/14/2022	30964	Singh, Singh - REIMB	5,000.00	Relocation
Bill Pmt -Check	03/14/2022	30965	Stanislaus Co. Tax Collector	2,627.74	
Bill Pmt -Check	03/14/2022	30966	Staples Advantage	350.15	
Bill Pmt -Check	03/14/2022	30967	Weatherby Locums, Inc	6,469.10	
Bill Pmt -Check	03/14/2022	30968	Weatherby Locums, Inc	6,469.10	
Bill Pmt -Check	03/14/2022	30969	Workbench True Value Hdwe.	77.34	
Bill Pmt -Check	03/14/2022	30970	Zoll	1,299.40	
Check	03/22/2022	30971	REFUND - Ambulance:REFUND - Ton	300.00	
Check	03/22/2022	30972	REFUND - Ambulance:REFUND - Hen	146.71	
Check	03/22/2022	30973	REFUND - Ambulance:REFUND - Lanl	136.70	
Check	03/22/2022	30974	REFUND - Ambulance:REFUND - Hurr	562.18	
Check	03/22/2022	30975	REFUND - Ambulance:REFUND - Hurr	565.26	
Bill Pmt -Check	03/22/2022	30976	A West Side Self Storage	244.20	
Bill Pmt -Check	03/22/2022	30977	Beta Healthcare - Workers Comp	5,830.00	
Bill Pmt -Check	03/22/2022	30978	Beta Healthcare Group	16,560.91	
Bill Pmt -Check	03/22/2022	30979	Bound Tree Medical LLC	778.78	
Bill Pmt -Check	03/22/2022	30980	Comcast Business Voice Edge	2,048.88	
Bill Pmt -Check	03/22/2022	30981	FP Mailing Solutions	61.33	
Bill Pmt -Check	03/22/2022	30982	Graphic Print Stop	35.84	
Bill Pmt -Check	03/22/2022	30983	Hospital Biomedical Services	275.00	
Bill Pmt -Check	03/22/2022	30984	Life-Assist	1,722.37	
Bill Pmt -Check	03/22/2022	30985	McKesson Medical Surgical Inc.	1,429.90	
Bill Pmt -Check	03/22/2022	30986	MedStatix, Inc	280.00	
Bill Pmt -Check	03/22/2022	30987	Paul Oil Co., Inc.	3,333.67	
Bill Pmt -Check	03/22/2022	30988	Staples Advantage	136.76	
Bill Pmt -Check	03/22/2022	30989	Terminix	63.00	
Bill Pmt -Check	03/22/2022	30990	Weatherby Locums, Inc	6,469.10	
Bill Pmt -Check	03/22/2022	30991	West Side Storage Baldwin	193.50	
Total 101.011 · TCB-Operating Checking 1739				221,389.37	
101.012 · TCB-Payroll Account 2999					
Liability Check	03/02/2022		Payroll Direct Deposit	58,355.78	
Liability Check	03/16/2022		Payroll Direct Deposit	61,162.67	
Liability Check	03/24/2022		Payroll Direct Deposit	1,523.99	
Liability Check	03/30/2022		Payroll Direct Deposit	65,700.27	
Liability Check	03/03/2022	EFT	AIG (VALIC)	10,879.55	
Liability Check	03/17/2022	EFT	AIG (VALIC)	7,802.98	

Del Puerto Health Care District
Warrants by Bank Account
March 2022

Type	Date	Num	Name	Credit	NOTES
Liability Check	03/31/2022	EFT	AIG (VALIC)	13,278.56	
Liability Check	03/03/2022	E-pay	EDD State of California	4,477.72	
Liability Check	03/03/2022	E-pay	Internal Revenue Service	23,193.28	
Liability Check	03/17/2022	E-pay	EDD State of California	4,936.93	
Liability Check	03/17/2022	E-pay	Internal Revenue Service	25,026.38	
Liability Check	03/18/2022	E-pay	EDD State of California	0.36	
Liability Check	03/18/2022	E-pay	Internal Revenue Service	4.98	
Liability Check	03/23/2022	E-pay	EDD State of California	472.38	
Liability Check	03/23/2022	E-pay	Internal Revenue Service	2,707.36	
Liability Check	03/25/2022	E-pay	EDD State of California	23.52	
Liability Check	03/25/2022	E-pay	Internal Revenue Service	213.84	
Liability Check	03/31/2022	E-pay	EDD State of California	5,568.84	
Liability Check	03/31/2022	E-pay	Internal Revenue Service	27,339.76	
Liability Check	03/31/2022	E-pay	EDD State of California	3,978.40	
Liability Check	03/30/2022	E-pay	EDD State of California	59.58	
Liability Check	03/30/2022	E-pay	Internal Revenue Service	185.62	
Paycheck	03/03/2022	25081	Employee Payroll	2,660.00	
Paycheck	03/03/2022	25082	Employee Payroll	163.25	
Paycheck	03/03/2022	25083	Employee Payroll	1,008.67	
Paycheck	03/03/2022	25084	Employee Payroll	442.94	
Paycheck	03/03/2022	25085	Employee Payroll	1,104.62	
Liability Check	03/03/2022	25086	United Steelworkers	369.85	
Liability Check	03/03/2022	25087	AFLAC	1,833.02	
Paycheck	03/17/2022	25088	Employee Payroll	2,660.00	
Paycheck	03/17/2022	25089	Employee Payroll	465.02	
Paycheck	03/17/2022	25090	Employee Payroll	972.37	
Paycheck	03/17/2022	25091	Employee Payroll	1,023.73	
Paycheck	03/17/2022	25092	Employee Payroll	960.61	
Liability Check	03/17/2022	25093	United Steelworkers	384.95	
Paycheck	03/16/2022	25094	Employee Payroll	29.76	
Liability Check	03/22/2022	25095	CA Choice	37,708.69	
Liability Check	03/22/2022	25096	LegalShield	485.60	
Liability Check	03/22/2022	25097	Principal Life Insurance Co	4,428.14	
Paycheck	03/23/2022	25098	Hannameyer, Brian E.	2,228.44	
Paycheck	03/23/2022	25099	Employee Payroll	2,503.76	
Paycheck	03/25/2022	25100	Employee Payroll	1,106.56	
Paycheck	03/31/2022	25101	Employee Payroll	2,863.40	
Paycheck	03/31/2022	25102	Employee Payroll	950.06	
Paycheck	03/31/2022	25103	Employee Payroll	1,170.79	
Paycheck	03/31/2022	25104	Employee Payroll	1,021.68	
Liability Check	03/31/2022	25105	United Steelworkers	394.21	
Liability Check	03/31/2022	25106	Franchise Tax Board	457.12	
Liability Check	03/31/2022	25107	AFLAC	1,833.02	
Paycheck	03/30/2022	25108	Employee Payroll	447.07	
Paycheck	03/30/2022	25109	Employee Payroll	211.08	
Total 101.012 - TCB-Payroll Account 2999				388,781.16	
101.015 - TCB - Keystone C 8641					
Bill Pmt -Check	03/08/2022	10276	Gilberto Arroyo-06	300.00	
Bill Pmt -Check	03/08/2022	10277	TID Turlock Irrigation District +06	302.52	
Bill Pmt -Check	03/14/2022	10278	City Of Patterson-H2O, sewer, garbage	163.68	

Del Puerto Health Care District
Warrants by Bank Account
 March 2022

Type	Date	Num	Name	Credit	NOTES
Bill Pmt -Check	03/14/2022	10279	Stanislaus Co. Tax Collector	2,997.73	
Total 101.015 · TCB - Keystone C 8641				<u>3,763.93</u>	
Total 101.010 · Tri Counties Bank				<u>613,934.46</u>	
Total 101.000 · Cash and cash equivalents				<u>613,934.46</u>	
103.100 · TCB-USDA Debt Reserve 7237					
Check	03/15/2022	eft	USDA Rural Development Loan-EFT	10,060.00	
Total 103.000 · Restricted Funds				<u>10,060.00</u>	
TOTAL				<u><u>623,994.46</u></u>	
Less: Irregular Items					
Audit Fee & Relocation				(32,653.00)	
3rd Payroll - March				<u>(125,000.00)</u>	
NET WARRANTS ISSUED - MARCH 2022				<u><u>466,341.46</u></u>	

BOARD OF DIRECTORS OF DEL PUERTO HEALTH CARE DISTRICT

Board Meeting – April 25, 2022

9B Municipal Advisor Engagement Recommendation **9B Municipal Advisor Engagement Recommendation**
Page 1 of 1

Department: Chief Executive Office

CEO Concurrence: Yes

Consent Calendar: No

4/5 Vote Required: No

SUBJECT: Municipal Advisor Engagement

STAFF REPORT: Directors Stokman and Mac Master were appointed to an ad hoc committee to review and recommend a Municipal Advisor to the Board.

The ad hoc committee assisted by staff met with two advisors and received presentations from each candidate.

Based on the depth of staffing resources and experience with health care districts, the ad hoc committee recommends the District engage Wulff Hansen as Municipal Advisors.

DISTRICT PRIORITY: Fiscal Transparency; Fiscal Accountability

STAFFING IMPACT: None

CONTACT PERSON: Karin Hennings

ATTACHMENT(S): Presentation by Wulff Hansen

RECOMMENDED BOARD ACTION:

Role Call Vote Required: Yes

Motion: *I move the Board of Directors engage Wulff Hansen to serve as the district's municipal advisors.*

Introduction to Wulff, Hansen & Co. Municipal Advisors



March 16, 2022



Regulatory Disclosure

- ▶ This presentation is being given in accordance MSRBR Rule G-42.
- ▶ This rule requires that we provide a disclosure letter, which is to be acknowledged by a potential Client, that allows us to discuss municipal securities with a potential Client on a limited basis before a definitive Municipal Advisory Agreement has been executed by both parties.
- ▶ The G-42 disclosure letter was delivered to Del Puerto Healthcare District on March 14, 2022.
- ▶ To learn more about your Municipal Advisor's duty to their Clients, including the Rule G-42, we invite you to view the linked article '[What to Expect from Your Municipal Advisor](#)' and other available resources on the website of the Municipal Securities Rulemaking Board: www.msrb.com

Why to use a Municipal Advisor

Why to use a Municipal Advisor

- ▶ In short, you hire a municipal advisor because they are the only party in a municipal financing that has a **fiduciary** obligation, imposed by law, to the issuer. Other participants that are not regulated municipal advisors are permitted to act in an arms-length capacity and put their interests, financial or otherwise, ahead of the interests of the issuer.
- ▶ Underwriter/placement agents (“UW-PA”), for example, have an obligation to service their issuer clients as well as their investor clients, two parties that have competing interests. The issuer client (the District) wants to secure the lowest interest rate to finance its project, while the investor clients want to obtain the highest return (interest rate) on their investment. This creates an inherent conflict of interest for the UW-PA and historically, investors rather than issuers have benefitted from this arrangement. The SEC and MSRB (Municipal Securities Rulemaking Board) therefore created the rules that govern municipal advisors and instituted the fiduciary standard to give issuers a tool to protect their interests when dealing with the greater investments community.
- ▶ Municipal advisors, with their expert knowledge (in our case gained from extensive experience previously operating as an UW-PA) stand in-between the issuer and the UW-PA to ensure that the issuer gets a fair deal and that their interests are protected.
- ▶ Key responsibilities of municipal advisors include identifying market and restructuring opportunities, recommending methods of sale, quantifying the benefits of structuring considerations, minimizing transaction costs and more.

Our Process

Our Process and Approach to Capital Projects

- ▶ Our process with a client like Del Puerto Healthcare District begins once the District approves our Municipal Advisory Agreement at a Board Meeting. At that Board meeting, we recommend that the Board pass a resolution of intent to issue bonds and hire the initial financing team (Municipal Advisor, Bond Counsel, and Disclosure Counsel). The resolution would also include a reimbursement provision allowing the District to recapture any expenditures relating to the project that were expended 60 days prior to the date of adoption of the resolution and up until the closing of the public bond offering or private placement. This resolution would not obligate the District to proceed with a financing or bond sale. Final approval for a financing requires the Board to pass a resolution of issuance at a later meeting.
- ▶ After the Board meeting, our first step would be to review and evaluate the financing structures that are available to the District, including direct bank loans, USDA loans, State guaranteed municipal bonds, turnkey private equity solutions, etc.
- ▶ Should the decision be made to issue securities, our next step would be to prepare a Request For Proposal (“RFP”) for underwriting/placement agent services to facilitate the District’s selection of an UW-PA to add to the financing team. That RFP will require that all proposals have a success-based fee to limit the District’s exposure to financing charges and that such charges may only be paid from bond proceeds at the completion and closing of the financing. The RFP will also require that proposers outline their marketing strategy for the transaction, provide an estimated interest rate for a private placement and provide an estimated interest rate scale for a public offering, including a credit spread to the appropriate index as of a specified date. This analysis will produce an estimated True Interest Cost (“TIC”) which will represent the estimated true cost of each of the financing options available to the District, accounting for all associated fees and interest.

Our Process and Approach to Capital Projects cont.

- ▶ Upon receipt of the proposals, Wulff Hansen will provide an analysis of each proposal containing a detailed comparison of the firms and their fees to discuss with Staff and the Finance Committee. With Staff and Committee approval, the recommended UW-PA would be hired by a resolution to be approved by the Board. All proposals would be provided to the Board to ensure transparency.
- ▶ We anticipate pursuing a dual-marketing structure for the financing, meaning the team will explore the private placement and public offering markets simultaneously. We typically recommend broker-dealers with a demonstrated ability to act as both placement agent and underwriter to facilitate this process.
- ▶ A dual-marketing process brings more potential investors to the table to facilitate competition and demand for the District's offering. This process is particularly powerful during times of market volatility, when the public and private markets react to new information differently and adapt to the new information at different speeds. We are currently, in 2022, experiencing an extreme example of such volatility.
- ▶ Once the full team is in place, it would collectively complete its diligence process on the Project. Wulff Hansen would then coordinate a series of meetings with the Staff, Finance Committee, and financing team to present various scenarios outlining the legal and financial structuring options available to the District. This prepares the Board and Staff to make an informed decision when investor proposals are eventually received.
- ▶ The first step in the dual-marketing process is to solicit proposals from private placement investors, which typically includes banks and insurance companies.

Our Process and Approach to Capital Projects cont.

- ▶ The RFP for lenders would include all the information regarding the Project with specific terms and conditions developed from discussions with Staff and the Financing Team. A due date will be determined for the submission of proposals from buyers and upon receipt of the proposals, Wulff Hansen will analyze, review the proposals, prepare a summary outlining the pros and cons of each proposal and provide a comparison of the estimated TIC. At the same time, the UW-PA will compare the best proposal received with recently available public offering market sales comparables to determine whether the in-hand proposals or the public market would produce the better result for the District.
- ▶ If a private placement provides the better potential result, the recommendation to the Board would be to proceed with the successful proposal, lock the interest rate as soon as possible, complete negotiations with the successful bidder, and bring the financing to a successful close.
- ▶ If at that time, the public offering is projected to produce the better potential result, all private placement proposals would be rejected, and the focus would shift to pursuing a public sale.
- ▶ The public offering would then be structured by Wulff Hansen with the input from the UW-PA, now acting as an underwriter. The public offering and the various structuring options would again be presented to the Finance Committee or Staff prior to bringing the transaction to the full Board for approval.
- ▶ At this stage in the process, analysis will be completed to determine the benefits of obtaining a rating and or a credit enhancement, including State guarantees, bond insurance, surety, etc.

Our Process and Approach to Capital Projects cont.


- ▶ Once all the documents are approved including the selling document (known as the Preliminary Official Statement), a sale date will be determined. The bonds will then be offered for sale in the open market on the sale/pricing date. The terms of the offering, including the interest rate and all covenants will be negotiated with the underwriter by Wulff Hansen and the Staff. When the bonds are ready for final sale, a pre-pricing date will be determined and a discussion of the anticipated interest rate and terms will be completed between the Staff, any interested member(s) of the Board, the Underwriter, and Wulff Hansen.
- ▶ The bonds will then be sold on the pricing date (the day following the pre-pricing) and the actual sale will be witnessed via a pricing platform called IPREO GameDay. The District will be granted access to this platform to provide visibility and transparency as the sale takes place. This process ensures that competitive interest rates have been obtained by the underwriter prior to the District approving the sale with input from Wulff Hansen. The underwriter will then resell the bonds to their customers which include both retail and institutional buyers.
- ▶ After the sale is completed, there is a short period of time to finalize all documents. Once all relevant documents are executed and finalized, the transaction will close and the funds will be available to the District for use on the Project.
- ▶ After the close has been successfully completed, Wulff Hansen will present a summary of the sale to the District's Board to further demonstrate the results of the sale and highlight the transparency measures that were used in the pricing of the bonds.
- ▶ Thereafter, we make ourselves available to Staff to assist, as necessary, with reporting obligations and provide on-going monitoring of the issued securities to determine if or when they can be refinanced for savings to further lower the District's interest cost on the Project.

Specialized Knowledge and Relevant Firm Experience

Specialized Healthcare Knowledge

- ▶ Municipal advisors serve various types of specialized governmental and non-profit entities and advise on a wide array projects, including utilities, critical infrastructure, government buildings, healthcare facilities and more.
- ▶ With decades of experience working with healthcare service providers, Wulff Hansen has developed an institutional knowledge and expertise in navigating and working with the at-large participants in the healthcare space including the USDA, CHFFA, Cal-Mortgage, and the State of California. Furthermore, our understanding of the specialized regulations and norms in this space allow us to add significant value in working with healthcare districts and other similar organizations.
- ▶ A few examples of our expert knowledge in the healthcare space include:
 - ▶ USDA Loan Covenants: The District's existing obligations with the USDA likely gives the USDA a lien on the District's gross revenues. Furthermore, the USDA does not typically allow parity debt for healthcare districts and is highly resistant to even allowing subordinated debt. The District's selected municipal advisor should, like us, be familiar and experienced with the USDA's unique process and requirements and have experience with workouts of USDA loans in circumstances where accommodations from the USDA are not granted.
 - ▶ Minimizing "Bad Users": Healthcare District's such as Del Puerto must limit "Bad Users" to ensure its facility financings can maintain their tax-exempt status. If the concentration of "Bad Users" exceed a certain threshold, the interest cost to the District could increase substantially.
 - ▶ Limitations on New Revenue: The District cannot usually raise fees or institute new taxes. These revenue limitations, which are a function of Federal and State reimbursement rates, require careful structuring so as to maintain maximum flexibility to raise additional funding down the road. Structuring new financings for entities with these limitations requires knowledge and experience with respect to Medi-Cal and Medicare infrastructure.
 - ▶ Cal-Mortgage Loan Guarantee Program: Under this program, the State of California guarantees to the investor the repayment of the debt thus resulting in a credit rating based on the State's credit instead of the borrower.


Select Healthcare Transaction Experience



Community Health Centers of the Central Coast

Revenue Bonds


Series 2021A	Series 2021B
\$44,610,000	\$20,895,000



Tulare Local Healthcare District

General Obligation Refunding Bonds, Series 2020


\$71,085,000



Tulare Local Healthcare District

Refunding Revenue Bonds

Series 2020A	Series 2020B
\$11,964,000	\$8,775,000



Clinicas Del Camino Real

Revenue Bonds, Series 2020


\$61,675,000



Oroville Hospital

Revenue Bonds

Series 2019	Series 2018
\$195,630,000	\$19,600,000



El Centro Regional Medical Center

Revenue Bonds	COPs
Series 2018	Series 2015
\$125,000,000	\$50,000,000

Case Study: Community Health Centers of the Central Coast

- ▶ In 2021, we advised Community Health Centers of the Central Coast on a combined new money and refinancing project.
- ▶ The Health Center issued Revenue Bonds, using the California Municipal Finance Authority as a conduit issuer, that consisted of tax-exempt Series A Bonds in the amount of \$44,610,000 and taxable Series B Bonds in the amount of \$20,895,000.
- ▶ The securities financed renovations to a 3,000 sq ft. health clinic in Cambria, California, reimbursements owed to the State of California, and refinanced a variety of private loans from four private lenders as well as the USDA.
- ▶ The financing was sold as a non-rated security in a negotiated offering to Piper Sandler & Co.

Reference available upon request.

NEW ISSUE—Book Entry Only	NO RATING
<p><i>In the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, subject, however, to certain qualifications described in this Official Statement, under existing law, interest on the Series A Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Series B Bonds is includable in gross income of the owners thereof for federal income tax purposes. In the opinion of Bond Counsel, interest on the Series A Bonds and the Series B Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS."</i></p>	
<p>\$44,610,000 CALIFORNIA MUNICIPAL FINANCE AUTHORITY Revenue Bonds (Community Health Centers of the Central Coast, Inc.) Series 2021A</p>	<p>\$20,895,000 CALIFORNIA MUNICIPAL FINANCE AUTHORITY Revenue Bonds (Community Health Centers of the Central Coast, Inc.) Series 2021B (Federally Taxable)</p>
<p>CHC Community Health Centers</p>	
<p>Dated: Date of delivery</p>	
<p>Due: December 1, as shown on inside cover</p>	
<p>The \$44,610,000 California Municipal Finance Authority Revenue Bonds (Community Health Centers of the Central Coast, Inc.) Series 2021A (the "Series A Bonds") and \$20,895,000 California Municipal Finance Authority Revenue Bonds (Community Health Centers of the Central Coast, Inc.) Series 2021B (Federally Taxable) (the "Series B Bonds") and together with the Series A Bonds, the "Bonds", will continue limited obligations of the California Municipal Finance Authority (the "Authority") secured under the provisions of the Indenture and the Loan Agreement described herein, and will be equally and ratably payable from loan payments made by Community Health Centers of the Central Coast, Inc. (the "Corporation") to the Authority under the Loan Agreement and from certain funds held under the Indenture.</p>	
<p>The proceeds of the Bonds, and certain moneys of the Corporation, will be used to finance a renovation project, fully refinance certain loans, reimburse certain payments to the State of California, fund a debt service reserve fund for the Bonds, and pay costs of issuance of the Bonds, all as more particularly described herein. See "ESTIMATED SOURCES AND USES OF FUNDS," "FINANCING PLAN" herein.</p>	
<p>The Bonds will not be secured by any property of the Authority other than the pledge of Revenues, as and to the extent specified in the Indenture. Revenues will primarily consist of loan payments made by the Corporation. No form of taxation will be pledged or levied to provide for payment with respect to the Bonds. The Authority will assign to U.S. Bank National Association, as trustee (the "Trustee"), its interests under the Loan Agreement and will grant to the Trustee a lien on and pledge of Revenues, monies and investments held in the funds and accounts created under the Indenture. Pursuant to the Loan Agreement, the Corporation will be required to make payments to the Authority sufficient to pay all principal of and interest on the Bonds.</p>	
<p>The Bonds will be issued as fully registered bonds and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases of interests in the Bonds will be made in book-entry form only. Purchasers of such interests will not receive physical certificates. Interest on the Bonds is payable semiannually on June 1 and December 1 of each year, commencing June 1, 2021. Principal of and interest on the Bonds is payable directly to DTC by the Trustee. Upon receipt of payments of principal of and interest on the Bonds, DTC will in turn remit such payments to the DTC Participants for subsequent disbursement to the beneficial owners of the Bonds, as described herein. See "THE BONDS — Description of the Bonds" and "Book-Entry Only System" herein and APPENDIX H — "BOOK-ENTRY SYSTEM."</p>	
<p>The Bonds will be subject to redemption prior to maturity as described herein.</p>	
<p>THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY THE PLEDGE OF CERTAIN REVENUES UNDER THE INDENTURE. NEITHER THE AUTHORITY, ITS MEMBERS, THE STATE OF CALIFORNIA, NOR ANY OF ITS POLITICAL SUBDIVISIONS SHALL BE DIRECTLY, INDIRECTLY, CONTINGENTLY OR MORALLY OBLIGATED TO USE ANY OTHER MONIES OR ASSETS TO PAY ALL OR ANY PORTION OF THE DEBT SERVICE DUE ON THE BONDS, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE BONDS ARE NOT A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY, ITS MEMBERS, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS NOR DO THEY CONSTITUTE INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION. THE AUTHORITY HAS NO TAXING POWER.</p>	
<p>Beneficial interests in the Bonds may only be transferred to an "Approved Buyer" as defined in the Indenture. Initial purchasers of the Bonds will be required to deliver an Investor Letter in the form attached hereto as APPENDIX G as required under the Indenture. No Investor Letter is required from any proposed transferee of Bonds. See APPENDIX E — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."</p>	
<p>An investment in the Bonds is subject to various risks discussed throughout this Official Statement, including those described under the heading "BONDHOLDERS' RISKS." This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.</p>	
<p>The Bonds will be offered when, and as issued and received by the Underwriter, subject to an approving legal opinion of Quint & Thimmig LLP, Bond Counsel, and certain other conditions. Wulff Hansen & Co. is serving as municipal advisor to the Corporation on this financing. Certain legal matters will be passed upon for the Authority by its special counsel, Jones Hall, a Professional Law Corporation. Certain matters will be passed upon for the purposes of McQuinn, Love, Bookman, Foley, Lyons & Castles, as Corporation Counsel, and for the Underwriter by Gilmore & Bell, P.C. Delivery of the Bonds will be available in book-entry form through the facilities of DTC, on or about February 4, 2021.</p>	
<p>PIPER SANDLER</p>	
<p>The date of this Official Statement is January 21, 2021</p>	


Case Study: Oroville Hospital

- ▶ In 2019, we co-advised Oroville Hospital on a large hospital infrastructure project.
- ▶ The Hospital issued Revenue Bonds, using the City of Oroville as a conduit issuer, in the amount of \$195,630,000 to finance the construction a new 159,000 sq ft. general acute care hospital tower which would add 78 licensed beds to the Hospital's main campus.
- ▶ The Bonds were rated BB+ (below investment grade) by S&P Global Ratings and were sold to Morgan Stanley as a negotiated public offering.
- ▶ Due to the size of the offering, we participated with potential investors in a site visit and digital "road show".
- ▶ Prior to the large infrastructure project, in 2018, we completed a \$19,600,000 private placement for the Hospital that was sold to Union Bank.

Reference available upon request.

NEW ISSUE — BOOK-ENTRY ONLY **RATING: S&P: BB+**

In the opinion of Quint & Thunig LLP, Los Angeles, California, Bond Counsel, subject to compliance by the City and the Corporation with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS" herein.


\$195,630,000
CITY OF OROVILLE
REVENUE BONDS
(OROVILLE HOSPITAL), SERIES 2019

Dated: Date of Delivery **Due: April 1, as shown on inside cover**

The City of Oroville, California (the "City") is issuing its Revenue Bonds (Oroville Hospital), Series 2019 (the "Bonds"), pursuant to a Bond Indenture, dated as of February 1, 2019 (the "Bond Indenture"), between the City and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"). The proceeds of the Bonds will be loaned to Oroville Hospital (the "Corporation") and used for the purposes described herein under "FINANCING PLAN."

The Bonds will be issued as fully registered bonds, initially in the denomination of \$5,000 or any integral multiple in excess thereof, and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Beneficial Owners of the Bonds will not receive physical certificates representing the Bonds purchased but will receive a credit balance on the books of the nominees of such purchasers. So long as Cede & Co. is the registered owner of the Bonds, principal (and redemption price) of and interest on the Bonds will be paid to DTC, which, in turn, will remit such principal (and redemption price) and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds, as described herein. Interest on the Bonds will be payable on April 1 and October 1 of each year, commencing April 1, 2019. The Bonds are subject to optional, mandatory and special redemption, and purchase in lieu of redemption prior to their respective maturities, as described herein. The purchase of the Bonds involves certain investment risks. See "BONDHOLDERS' RISKS" herein.

The Bonds are limited obligations of the City, secured under the provisions of the Bond Indenture and the Loan Agreement, dated as of February 1, 2019 (the "Loan Agreement") between the City and the Corporation. The Bonds will be payable from Revenues, which consist primarily of Loan Repayments (as described herein) made by the Corporation pursuant to the Loan Agreement, from payments on Obligation No. 3 issued under the Master Indenture of Trust, dated as of February 1, 2019 (as supplemented and amended from time to time, the "Master Indenture"), between the Corporation and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), and Related Supplement for Obligation No. 3, dated as of February 1, 2019, between the Corporation, as Obligated Group Representative, and the Master Trustee, and from interest, profits or other income derived from the investment of amounts held in certain funds and accounts established pursuant to the Bond Indenture. Upon the date of issuance of the Bonds, the Corporation will be the sole member of the obligated group created under the Master Indenture (the "Obligated Group") and, therefore, will be the only entity obligated to make payments on Obligation No. 3 in amounts sufficient to pay the principal of and interest on the Bonds when due. The obligation to make payments on Obligation No. 3 will be secured by a pledge of the Gross Revenues and the Gross Revenue Fund and the proceeds thereof, and the Deed of Trust (as further described herein).

THE BONDS ARE LIMITED OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM THE FUNDS PROVIDED UNDER THE LOAN AGREEMENT AND THE BOND INDENTURE, AND PLEDGED AS SECURITY THEREFOR. NEITHER THE GENERAL CREDIT NOR THE TAXING POWER OF THE CITY OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS, NOR WILL THE BONDS BE OR BE DEEMED TO BE A DEBT OF THE CITY OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF.

The Bonds involve risks that may not be appropriate for certain investors. For a discussion of certain risk factors associated with the purchase of the Bonds, see "BONDHOLDERS' RISKS - Market for the Bonds; Rating on the Bonds."

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this bond issue. Investors are instructed to read the entire Official Statement to obtain information essential for the making of an informed investment decision.

SEE MATURITY SCHEDULE ON INSIDE COVER PAGE

The Bonds are offered when, as and if received by the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of the validity of the Bonds and certain other legal matters by Quint & Thunig LLP, Bond Counsel. Certain other matters will be passed upon for the City by its counsel, Cole Huber LLP, for the Corporation by its counsel, Nixon Peabody LLP, and by its disclosure counsel, Orrick, Herrington & Sutcliffe LLP, and for the Underwriter by its counsel, Norton Rose Fulbright LLP. Ravi Chikara and Wulff, Hansen & Co. have acted as Financial Advisors to the Corporation in connection with the issuance of the Bonds. It is expected that the Bonds will be available in book-entry form for delivery through the facilities of DTC on or about February 26, 2019.

MORGAN STANLEY

Case Study: Tulare Local Healthcare District

- ▶ In 2020, we advised the Tulare Local Healthcare District, which was in bankruptcy proceedings at the time we were retained, on a comprehensive debt restructuring program to be coordinated with its bankruptcy proceedings.
- ▶ The District issued 2020 General Obligation Refunding Bonds (in the par amount of \$71,085,000) and Refunding Revenue Bonds, Series 2020A and Series 2020B (in the combined par amount of \$20,739,000) to finance payoffs to existing bondholders. Between the two issuances, the refunding project saved the District and taxpayers more than \$30 million (over a 25-year period).
- ▶ The GO bonds were sold to Piper Sandler & Co. and Hilltop Securities as part of a syndicated selling group. The Revenue Bonds were sold via a private placement to Western Alliance bank.
- ▶ The completion of bankruptcy proceedings and workout of existing debt obligations enabled the Hospital to reopen with a new operator (Adventist Health).

Reference available upon request.



DAC Bond
NEW ISSUE—BOOK-ENTRY ONLY

RATINGS: S&PAA (BAM Insured)
Moody's Baa3 (Underlying)
(See "RATINGS" herein)

Subject to compliance by the District with certain covenants, in the opinion of Quint & Thimig LLP, Larkspur, California, Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See "LEGAL MATTERS—Tax Matters" herein for a more complete discussion.

\$71,085,000

TULARE LOCAL HEALTH CARE DISTRICT
(TULARE COUNTY, CALIFORNIA)

2020 GENERAL OBLIGATION REFUNDING BONDS

Dated: Date of Delivery **Due:** August 1 as shown below

Tulare Local Health Care District (the "District") is issuing this series of general obligation bonds in the amount of \$71,085,000, to be known as the Tulare Local Health Care District (Tulare County, California), 2020 General Obligation Refunding Bonds (the "Bonds"). See "INTRODUCTION - Bond Issuance Authority" herein. Proceeds of the Bonds will be used to refund the Prior Bonds (as defined herein), and to pay for costs of issuing the Bonds. See "FINANCING PLAN" herein.

The Bonds represent the general obligation of the District. The District is empowered and obligated to cause to be levied *ad valorem* taxes, without limitation of rate or amount, upon all property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. Tulare County will collect all *ad valorem* taxes due the District, disburse them directly to the Paying Agent (defined below) to be applied to the payment of principal of and interest on the Bonds. See "THE BONDS - Security for the Bonds" and "Certain Risks Related to *Ad Valorem* Property Taxation" herein.

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Code & Co. as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of the Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Bonds purchased by them. Payments of the principal of and interest on the Bonds will be made by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as the paying agent, registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement through DTC Participants (defined herein) to the beneficial owners of the Bonds. See "THE BONDS - Book-Entry System" herein.

The Bonds will be dated the date of their delivery, and will accrue interest from such date, which interest is payable semiannually on each February 1 and August 1, commencing August 1, 2020. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

The Bonds are subject to redemption prior to their respective maturity dates as described herein. See "THE BONDS—Redemption Provisions" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

The following firm served as municipal advisor to the District on this financing:
Wulff Hansen & Co.

MATURITY SCHEDULE
\$46,085,000 Serial Bonds
CUSIP¹ Prefix: 89910N

Maturity (August 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP ¹ Suffix	Maturity (August 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP ¹ Suffix
2020	\$2,655,000	4.000%	101.276	1.000%	CR0	2028	\$2,610,000	4.000%	120.865	1.370%	CZ2
2021	1,025,000	4.000	104.270	0.980	CS8	2029	2,945,000	4.000	122.294	1.460	DA6
2022	1,195,000	4.000	107.177	1.000	CT6	2030	3,295,000	4.000	123.505	1.530	DB4
2023	1,440,000	4.000	109.977	1.030	CU3	2031	3,745,000	4.000	122.642 ²	1.630	DC2
2024	1,630,000	4.000	112.729	1.050	CV1	2032	4,145,000	4.000	121.679 ²	1.720	DD0
2025	1,820,000	4.000	115.067	1.130	CW9	2033	4,580,000	4.000	120.724 ²	1.810	DE8
2026	2,060,000	4.000	117.405	1.160	CV7	2034	5,055,000	4.000	119.884 ²	1.890	DF5
2027	2,335,000	4.000	119.369	1.260	CY5	2035	5,550,000	4.000	118.674 ²	1.910	DG3

\$25,000,000 4.00% Term Bonds maturing August 1, 2039; Price: 118.222² to Yield 2.05%—CUSIP: 89910NDH1


² Priced to the August 1, 2030, par call date.

This cover page contains certain information for reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the District and received by the Underwriters, subject to the approval as to their legality by Quint & Thimig LLP, Larkspur, California, Bond Counsel. Certain legal matters will be passed on for the District by its counsel, McCormick Barstow LLP, Fresno, California, and by Wagner Jones Helyey PC, Fresno, California. Certain matters will be passed on for the Underwriters by Jennings, Strouss & Salmon, P.L.C., Phoenix, Arizona. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about February 27, 2020.



Select Facility Financing Transaction Experience



Town of Yucca Valley
2021 Certificates of Participation
\$20,229,000



City of Jurupa Valley
Certificates of Participation
Series 2021
\$6,935,000



North Coast County Water District
Certificates of Participation
Series 2021
\$20,210,000

Case Study: City of Jurupa Valley

- ▶ In 2021, Wulff Hansen advised the City of Jurupa, the newest incorporated City in the State of California, in its first ever issuance of municipal securities.
- ▶ The City issued Certificates of Participation in the par amount of \$6,935,000 to finance the acquisition and renovation of a Riverside County owned fleet services building that maintained and repaired ambulances and other non-police department vehicles. The City intends to renovate the building and turn it into its public works headquarters.
- ▶ We guided the City through its inaugural rating procedure, with the City ultimately obtaining a rating from S&P Global Ratings of AA-. The transaction was sold as a competitive offering to Fidelity Capital Markets.
- ▶ We worked closely on this transaction with Jurupa Valley City Manager Rod Butler, former City Manager of the City of Patterson.

Reference available upon request.



Recent Healthcare and Facility Financing Transactions

<u>Issuer</u>	<u>Project Name</u>	<u>Sale Date</u>	<u>Principal Amount</u>	<u>Debt Type</u>	<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Sale Type</u>	<u>Private Placement?</u>
Yucca Valley	Acquatics Center, Senior Center, Rehabilitation of Town Hall	2/3/2022	\$ 20,229,000	Certificates of participation/leases	Public Bulding	8/1/2041	Neg	YES
North Coast County Water District	New HQ Construction	11/9/2021	\$ 20,210,000	Certificates of participation/leases	Operations Facilities	10/1/2051	Neg	No
California Municipal Finance Authority	Valley Health Team Inc	9/29/2021	\$ 15,365,000	Conduit revenue bond	Health Care Facilities	7/1/2051	Neg	NO
California Municipal Finance Authority	La Maestra Comm Hlth Ctrs Series A	7/21/2021	\$ 11,415,000	Conduit revenue bond	Health Care Facilities	9/1/2051	Neg	NO
California Municipal Finance Authority	La Maestra Comm Hlth Ctrs Series B	7/20/2021	\$ 880,000	Conduit revenue bond	Health Care Facilities	9/1/2040	Neg	NO
Jurupa Valley	Building Acquisition	5/25/2021	\$ 6,935,000	Certificates of participation/leases	Public Building	4/1/2051	Comp	NO
California Municipal Finance Authority	Community Health Centers of the Central Coast Inc Series B	1/21/2021	\$ 20,895,000	Conduit revenue bond	Health Care Facilities	12/1/2039	Neg	NO
California Municipal Finance Authority	Community Health Centers of the Central Coast Inc. Series A	1/21/2021	\$ 44,610,000	Conduit revenue bond	Health Care Facilities	12/1/2054	Neg	NO
California Municipal Finance Authority	Vocational Visions Series A	10/27/2020	\$ 3,165,000	Conduit revenue bond	Health Care Facilities	7/1/2035	Neg	NO
California Municipal Finance Authority	Vocational Visions Series B	10/27/2020	\$ 35,000	Conduit revenue bond	Health Care Facilities	7/1/2023	Neg	NO
California Municipal Finance Authority	La Maestra Family Clinic Inc	10/27/2020	\$ 13,590,000	Conduit revenue bond	Health Care Facilities	9/1/2038	Neg	NO
Tulare Local Health Care District	Series A	6/4/2020	\$ 11,964,000	Public enterprise revenue bond	Health Care Facilities	9/1/2043	Neg	YES
Tulare Local Health Care District	Series B	6/4/2020	\$ 8,775,000	Public enterprise revenue bond	Health Care Facilities	9/1/2043	Neg	YES
California Municipal Finance Authority	Clinicas del Camino Real Inc	3/5/2020	\$ 61,675,000	Conduit revenue bond	Health Care Facilities	3/1/2050	Neg	NO
Tulare Local Health Care District	Hospital	2/13/2020	\$ 71,085,000	General obligation bond	Hospital	8/1/2039	Neg	NO
California Municipal Finance Authority	Golden Valley Health Centers Series A	11/4/2019	\$ 15,000,000	Conduit revenue bond	Health Care Facilities	1/1/2035	Neg	YES
Coalinga Regional Medical Center	Pleasant Valley Medical Center	6/26/2019	\$ 11,109,000	Public enterprise revenue bond	Health Care Facilities	9/1/2043	Neg	YES
California Health Facilities Financing Authority	Tarzana Treatment Centers, Inc Series B	3/6/2019	\$ 4,635,000	Conduit revenue bond	Health Care Facilities	6/1/2032	Neg	YES
California Health Facilities Financing Authority	Tarzana Treatment Centers, Inc Series A	3/6/2019	\$ 8,865,000	Conduit revenue bond	Health Care Facilities	6/1/2044	Neg	YES
Oroville	Oroville Hospital	2/13/2019	\$ 195,630,000	Conduit revenue bond	Hospital	4/1/2054	Neg	NO
California Municipal Finance Authority	Asian Community Center of Sacramento	7/10/2018	\$ 26,915,000	Conduit revenue bond	Health Care Facilities	4/1/2048	Neg	NO
Oroville	Oroville Hospital	6/7/2018	\$ 19,600,000	Conduit revenue bond	Hospital	4/1/2028	Neg	YES
El Centro	El Centro Regional Medical Center	4/4/2018	\$ 125,000,000	Certificates of participation/leases	Health Care Facilities	7/1/2058	Neg	NO
El Centro Financing Authority	El Centro Regional Medical Center	4/4/2018	\$ 125,000,000	Revenue bond	Health Care Facilities	7/1/2058	Neg	NO
Indian Valley Healthcare District	Bankruptcy Restructuring	1/11/2018	\$ 1,271,000	Revenue bond	Health Care Facilities	8/1/2035	Neg	YES
California Municipal Finance Authority	OPTIONS Family of Services Inc Series A	9/28/2017	\$ 2,035,000	Conduit revenue bond	Health Care Facilities	5/1/2032	Neg	NO
California Municipal Finance Authority	OPTIONS Family of Services Inc Series B	9/28/2017	\$ 105,000	Conduit revenue bond	Health Care Facilities	5/1/2019	Neg	NO
California Municipal Finance Authority	Southern CA Dev Corp of VOA Inc	2/23/2017	\$ 4,700,000	Conduit revenue bond	Health Care Facilities	12/1/2036	Neg	NO

This list only contains relevant healthcare, hospital, and facility construction/renovation projects. We are also active in the water/sewer, special district, non-profit, pension, and land secured spaces. A full list of transaction history is available upon request.

Background on Wulff, Hansen & Co.

Background on Wulff, Hansen & Co.

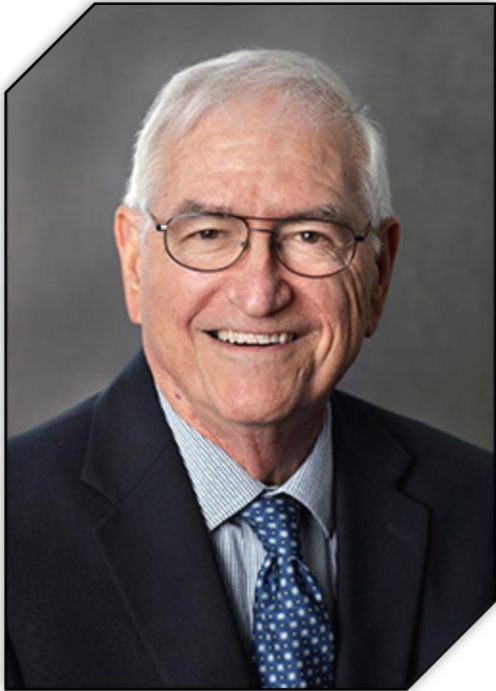
- ▶ Wulff Hansen has over 90 years of experience in municipal markets and is one the oldest public finance firms in the State of California.
- ▶ Wulff Hansen was founded in 1931, during a time when America's markets were mired in financial depression. Wulff Hansen has worked with government & non-profit institutions throughout all the following decades, playing our part in financing the homes, hospitals, streets, and water and sewer systems vital to California's long expansion.
- ▶ Today, the company remains employee-owned and our staff steadfastly pursues the vision and optimism on which the firm was founded, while strictly adhering to the old-fashioned values which have served our clients and ourselves for all these years.
- ▶ Our transaction history as municipal advisor or sole manager spans many decades and we have acted as advisor or underwriter in the successful placement of thousands of financings and refinancings for local agencies and communities.

Background on Wulff, Hansen & Co. cont.

- ▶ Due to changes in regulations stemming from Dodd-Frank, in recent years our Public Finance Department has been focused on providing municipal advice. Prior to the new regulatory framework, we predominantly served as underwriter/placement agent while simultaneously providing our clients with financial advisory services. This experience gives us unique insights into the operations and mindset of underwriter/placement agents.
- ▶ Wulff Hansen clients rely on our ability to help identify the scope of projects to be financed, coordinate aspects of the approval and implementation of the financing and its structure and lead the team which ultimately brings the issuance to fruition.
- ▶ Our services range from developing bond structures, pricing, debt capacity analysis, refunding and restructuring analysis to developing strategic advice for workouts. We assist clients in obtaining bond ratings, credit enhancements, and conduit issuers.
- ▶ As a California-based boutique-sized firm (located in the SF Bay Area) we are able to provide the District with hands-on service from senior advisors with extensive experience.
- ▶ Furthermore, unlike sole proprietors, our team has the bench depth to provide our clients with necessary redundancy on important projects, meaning that someone on our team will always be available to you regardless of one individual's illness, emergency, vacation, etc.

Background on Wulff Hansen Team

Background on Mr. Ben “Bud” Levine



Professional Licenses:

Series 7 (General Securities Rep.)
Series 24 (General Securities Principal)
Series 50 (Municipal Advisor Rep.)

- ▶ Mr. Levine has more than 45 years of experience in public finance and over that span has advised on dozens healthcare and public facility financing projects.
- ▶ His transaction history includes initial issuances, debt restructurings, and refunding of existing outstanding obligations for the full spectrum of debt issuers including cities, healthcare districts, hospitals, water, sanitary, irrigation, and fire as well as other issuers.
- ▶ He is also comfortable working with undesirably complex or troubled issuers and can aid in efforts to improve or resolve a client’s financial difficulties. He has served as either advisor or underwriter on various debt restructurings and in matters resulting from the bankruptcy of issuers, providing assistance as an entity exits bankruptcy.
- ▶ Mr. Levine holds a B.A. in Political Science from the University of California (Berkeley) and attended Boalt Hall School of Law and the Graduate School of Business, both at the University of California.

Background on Mr. Roy Nelson



Professional Licenses:

Series 7 (General Securities Rep.)
Series 24 (General Securities Principal)
Series 50 (Municipal Advisor Rep.)

- ▶ Mr. Nelson has more than 35 years of experience in healthcare, non-profit and public-entity financings.
- ▶ He is recognized as a leader in the financing of healthcare projects having successfully completed numerous financings for hospitals, clinics, and other outpatient facilities, intermediate care facilities, public health centers, community mental health centers, facilities for the treatment of chemical dependency, adult day health centers, group homes, and facilities for the developmentally disabled or mentally disordered.
- ▶ Mr. Nelson serves on an industry advisory group for the Cal-Mortgage Loan Guarantee Program of the State of California and frequently speaks at various health care finance conferences and gatherings.
- ▶ He received a Master of Public Administration (MPA) degree from the University of Southern California with a specialization in municipal finance. He also has a B.A. in Political Science from Pepperdine University. Mr. Nelson holds the following professional licenses: Series 7 (General Securities Representative), Series 24 (General Securities Principal), Series 50 (Municipal Advisor Representative).

Background on Mr. Rob Pankratz



Professional Licenses:

Series 52 (Municipal Securities Rep.)
Series 53 (Municipal Securities Principal)
Series 50 (Municipal Advisor Rep.)

- ▶ Mr. Pankratz is a Vice President at Wulff, Hansen & Co. He has been a part of the Public Finance team at Wulff Hansen since 2017, after a stint at a boutique mergers and acquisitions group in San Francisco that focused on full sales and large capital raises for high growth technology companies.
- ▶ Mr. Pankratz will provide support to the senior team and spearhead modeling and forecasting of financing options as well as helping you interpret the numerical findings. He has extensive experience working with complex financial models in the context of developing financing opportunities.
- ▶ He holds a B.S. in Commerce from the Leavey School of Business at Santa Clara University, where he had a concentration in Finance with an emphasis in Entrepreneurship and Applied Ethics.

Questions?

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(415) 421-8900 [Office Main]

BOARD OF DIRECTORS OF DEL PUERTO HEALTH CARE DISTRICT

Board Meeting – April 25, 2022

District Branding & Marketing Proposal District Branding & Marketing Proposal **Page 1**
of 2

Department: Chief Executive Office

CEO Concurrence: Yes

Consent Calendar: No

4/5 Vote Required: No

SUBJECT: District Branding & Marketing Proposal

STAFF REPORT: The District lacks recognition within the greater Patterson Community and west side of Stanislaus County as a provider of health care and emergency medical services. The current logo (est. 2006 by an ambulance director) is dated, awkward to use or replicate, and in need of refreshing. Staff recommends 1) a “doing business as” name be selected such as “DP Health” which is our current URL, 2) the logo be updated, 3) the new identity be promoted, and 4) the providers at the Health Center be promoted to a targeted audience of though who are not yet HC patients.

RECOMMENDATIONS: **Logo Design** The logo is the entry point and the most critical piece to a brand. The logo sets the tone and provides the right visual atmosphere for how the brand will be perceived in the marketplace. It is the recommendation of MHD Group that Del Puerto Health District reposition itself with a name that is easier to incorporate, such as DP Health. The logo needs to represent the organization's community commitment and leading-edge approach to local healthcare.

New Physicians Campaign – provide information to patients and potential patients regarding the hiring of an additional NP and PA.

Brand Awareness Campaign – A broad outreach and brand awareness campaign will be developed to reach people living in the West Side of Stanislaus County who don't have Medi-Cal or Kaiser insurance coverage. This constitutes approximately 40% of DP Health's demographic.

DISTRICT PRIORITY: Increasing recognition in the community

FISCAL IMPACT: *This is an unbudgeted FY 2021-22 request:

Recommended Strategies

Rebranding, style guide, stationary & business care redesign	\$10,300
Website Update – Update homepage to appeal to patients	\$1,200
Non-Digital Advertising (Space on road side ad boards)	\$4,000
Direct Mail Postcard – Includes design, writing	\$4,000

TOTAL SELECTED STRATEGIES	\$19,500
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BOARD OF DIRECTORS OF DEL PUERTO HEALTH CARE DISTRICT**Board Meeting – April 25, 2022****District Branding & Marketing Proposal District Branding & Marketing Proposal Page 2
of 2****Optional Digital Campaigns**

Email Campaign -- Includes writing, design, and submission of 4 emails through a standard email program (i.e., Constant Contact)	\$4,000
Social Media -- Includes design of 8 posts and 4 ads to run through August	\$4,000
Social Media Add Budget	\$1,200
<hr/>	
Optional Strategies	\$9,200

STAFFING IMPACT: We do not currently have the resources to provide marketing beyond the local newspaper.

CONTACT PERSON: Karin Hennings

ATTACHMENT(S): MHD Proposal

RECOMMENDED BOARD ACTION:

ROLL CALL REQUIRED: YES NO

RECOMMENDED MOTION: *I move the Board of Directors approve a brand update and marketing campaign in the FY 2021-22 budget not to exceed \$19,500.*





DELIVERABLES

- Logo design
- Stationery and style guide
- Integration plan for branding collateral: Ambulance wrap, building signage and printed materials

LOGO DESIGN

The logo is the entry point and the most critical piece to a brand. The logo sets the tone and provides the right visual atmosphere for how the brand will be perceived in the marketplace. It is the recommendation of MHD Group that Del Puerto Health District reposition itself as DP Health. DP Health is the name used within the community. The logo needs to represent the organization's community commitment and leading-edge approach to local healthcare.

- Design a new organization logo based on the shorter name (DP Health)
 - MHD Group will provide an initial round of 3 logo designs and corresponding icons from which to choose.
 - One round of revisions is included. Revisions are defined as 1 additional new concept and or modification of one of the initial concepts.
 - Additional rounds of new concepts for logo options will be billed at \$200 per hour with an hourly cap.

Cost for design: \$4,800

BUSINESS CARDS AND STATIONARY

Design of (2) stationery sets that includes letterhead, envelope and business card

- This bid includes the set up of 5-10 employee business cards (additional employees exceeding 10 will be billed separately)
- Once a final layout is selected and approved by the client, MHD Group will set up print files and digital files according to client's preference.
- Word template for letterhead included
 - MHD Group will provide an initial round of 3 template options
 - One round of revisions is included. Revisions are defined as 1 additional new concept and or modification of one of the initial concepts. Additional rounds of new concepts for logo options will be billed at \$200 per hour with an hourly cap.

Cost for design: \$3,500

Printing is not included. A print quote can be provided once quantities and paper are discussed.

STYLE GUIDE

Style guide includes instructions on logo usage, font choices, brand colors, do's and don'ts and more. Clients will be supplied with various digital file formats of all branding assets.

Style guide and brand assets: \$2,000



ADDITIONAL EXPENSES

All vendor costs or out-of-pocket expenses required for presentations, color mock-ups, color output, extensive Photoshop touch up, and the purchase of stock images or illustrations will be charged out separately. A “not to exceed number” will be presented to the client at the beginning of each project and will not change unless otherwise approved by the client.

- Photography and illustration will be bid and charged separately as needed.
- Print supervision is charged at \$150 per review.
- Vendor management \$150 per hour.

Terms:

- Deposit: 1/2 of total cost per project.
- 1/2 of remaining balance due upon final design approval.
- Final balance paid in full once the client has signed off and approved the design project.
- Once payment is received the designer will send final files to the printer.
- All production expenses per job Net 10 / date of invoice.

If the client stops the project and then restarts the project at a later date, a new contract and estimate will be submitted to the client. Any changes that change the scope of the project or result in a change order based on time and materials can incur additional costs. This same process is applied to all jobs.



PROJECT SCOPE

New Physicians Campaign -- DP Health will provide information to their patients and potential patients regarding the hiring of an additional NP and PA.

- The main goal will be to provide information about the investment Del Puerto Health is offering to the community.
- Additional goals are to promote adult, pediatric and industrial health services, women's health care, diabetes education and more.

Brand Awareness Campaign -- A broad outreach and brand awareness campaign will be developed to reach people living in the West Side of Stanislaus County who don't have Medi-Cal or Kaiser insurance coverage. This constitutes approximately 40% of DP Health's demographic.

Goals include:

- Tell the story of the overall mission of DP Health
- Discuss what sets DP Health apart from other healthcare providers
- Show how DP Health is part of the community

SUGGESTED MARKETING STRATEGY

Email Campaign

- Utilize existing in-house patient list (or other contacts as available)
- Create a series of emails to be sent between May and August to highlight services, patient testimonials and growth plans to help the community

Social Media

- Expand the footprint for DP Health on social media through advertising and content planning

Website Update

- Update the website with new branding
- Add a human element to the website more prominently that highlights services
- Integrate marketing materials

Non-Digital Advertising

- Billboard opportunities (digital and printed)
- Local event sponsorships (Apricot Festival)
- Back to school flyers or direct mailers

Direct Mail Postcard

- Present DP Health as a solution provider to the community
- Promote adult, pediatric and industrial health services, women's health care, diabetes education and more
- Expand on its investment in the staff and long-term vision of the organization
- Highlight features and benefits to patients
- Promote new physicians



BUDGET ESTIMATES

Email Campaign -- Includes writing, design and submission of 4 emails through a standard email program (i.e., Constant Contact)	\$4,000
Social Media -- Includes design of 8 posts and 4 ads to run through August	\$4,000 \$1,200 Ad budget
Website Update – Update the website with press release and layout of homepage	\$1,200
Non-Digital Advertising	\$4,000
Direct Mail Postcard – Includes design, writing	\$2,000 - \$4,000 ea
Total Budget	\$16,400 - \$18,400

All design projects include one round of revisions. Additional rounds will be billed at the \$200 hourly rate.

The Board of Directors of the Del Puerto Health Care District

BOARD AGENDA ITEM – Appoint Annual CEO Evaluation Ad Hoc Committee

DEPT: CHIEF EXECUTIVE OFFICE

BOARD AGENDA: 9.C

CONSENT CALENDAR: NO

AGENDA DATE: April 25, 2022

SUBJECT: Appoint Annual CEO Evaluation Ad Hoc Committee

POLICY ISSUE: The governing Board shall annually appoint an Ad Hoc committee of two Board members to survey the Board, complete the CEO review, and submit their findings to the full Board for action.

CONSIDERATIONS: Ad Hoc Committees serve a limited, specific purpose and are disbanded when that purpose is fulfilled.

FISCAL IMPACT: None

DISTRICT PRIORITY: Use Ad Hoc committees to investigate and make recommendations to the full Board of Directors.

STAFFING IMPACT: None

CONTACT PERSON: Cheryle Pickle, Clerk of the Board, HR Manager

ATTACHMENT(S): CEO Evaluation Policy

DEL PUERTO HEALTH CARE DISTRICT
POLICY AND PROCEDURE

SECTION: PERSONNEL
POLICY NUMBER: 3017

ANNUAL CEO DEVELOPMENTAL REVIEW AND PERFORMANCE EVALUATION	EFFECTIVE DATE
	MAY 18, 2020

Purpose: To establish the criteria and process by which the annual performance evaluation of the CEO shall be conducted and considered by the Board of Directors

Policy: It is the policy of the DPHCD Board of Directors to conduct an annual performance evaluation of the Chief Executive Officer. The following are guidelines to be considered in conducting the annual performance evaluation of the CEO.

Procedure:

Performance Criteria

1. The quality and effectiveness of the leadership of the CEO as reflected in Board and strategic responsibilities; administration, personnel, financial, and asset management; Del Puerto Health Care District in general; and community relationships and public relations.
2. The attainment of any annual goals or objectives of the CEO established by the Board of Directors and the CEO.
3. The progress of the District towards the achievement of its strategic plan.
4. The management, recruitment, and retention of District employees and volunteers.
5. The quality and the effectiveness of the communications between the CEO and the Board of Directors.

Performance Evaluation Process

1. As part of developing the performance evaluation of the CEO, the President of the Board of Directors will designate an Ad Hoc Committee to solicit the commentary and the performance ratings of the individual members of the Board. In a closed session, the Board shall present a written and oral report to the CEO that represents a consensus of the commentary and ratings of the individual members of the Board.
2. The confidential conduct of the annual performance evaluation of the CEO is a matter of material importance to the CEO, the Board of Directors, and the District. Every member of the Board of Directors, the CEO, and anyone who participates in the evaluation shall maintain strict confidentiality of the evaluation process and the materials developed during the evaluation process.

DEL PUERTO HEALTH CARE DISTRICT
POLICY AND PROCEDURE

SECTION: PERSONNEL
POLICY NUMBER: 3017

ANNUAL CEO DEVELOPMENTAL REVIEW AND PERFORMANCE EVALUATION	EFFECTIVE DATE
	MAY 18, 2020

3. If the overall performance of the CEO is deemed satisfactory to excellent by the Board, the CEO shall receive a salary increase appropriate to the position's salary range as designated by the Board. The Board may extend other benefits as legally allowed. The Board may extend the contract of the CEO to reflect the Board's intention to retain the CEO. In cases of financial hardship, salary increases may be adjusted and/or withheld if deemed necessary by the Board.
4. If the overall performance of the CEO is deemed unsatisfactory by the Board, the CEO shall be required within 15 days to submit a written plan for improvement of performance to the President and Board for its approval.

Annual CEO Developmental Review and Performance Evaluation

The following board procedure is intended to assist in the completion of an effective CEO annual evaluation cycle.

Every member of the Board of Directors, the Chief Executive Officer, and anyone who participates in the evaluation shall maintain the strict confidentiality of the evaluation process and the materials developed during the evaluation process. This confidentiality includes contact with staff members and members of the public, unless indicated by this procedure. Board members should only communicate about the review with the Ad Hoc CEO Review Committee Chair.

Prior to the Evaluation:

1. **April:** The Board President will designate two board members, one of which may be the Board President, to facilitate the CEO evaluation process. In this procedure, the two will be known as the "Ad Hoc CEO Review Committee." One of the two shall be designated as the committee Chair. The Ad Hoc CEO Review Committee will facilitate a process of communication between the Board of Directors and the CEO.
2. In preparation for this process, an Ad Hoc CEO Review Committee Packet will be maintained by Human Resources for use by the Ad Hoc CEO Review Committee and will be available through the District office.
3. The Ad Hoc CEO Review Committee Packet will contain:
 - All Board policies and procedures related to the CEO's performance and evaluation
 - A copy of the CEO's Contract with any amendments and Job Description
 - The latest compensation study that was completed that covers the CEO's position.

DEL PUERTO HEALTH CARE DISTRICT
POLICY AND PROCEDURE

SECTION: PERSONNEL
POLICY NUMBER: 3017

ANNUAL CEO DEVELOPMENTAL REVIEW AND PERFORMANCE EVALUATION	EFFECTIVE DATE
	MAY 18, 2020

- Review forms and instructions for the Ad Hoc CEO Review Committee to distribute to board members and department heads for completion.
4. **May:** By the May meeting of the Board of Directors, the CEO will provide the Ad Hoc CEO Review Committee with:
 - a self-evaluation,
 - a list of accomplishments of the last year,
 - an update on the CEO's work plan, and
 - a suggested CEO work plan for the following year.
 5. At the regular May meeting of the Board of Directors, the Ad Hoc CEO Review Committee per an agenda item will notify the board members in Public Session of the intent to distribute a CEO evaluation packet for completion by the board and department heads and the timeline for return. The Ad Hoc CEO Review Committee will act as the point of contact for the board for forms, documents, and requests for information.
 6. **June:** The Ad Hoc CEO Review Committee will distribute the Performance Evaluation packet materials at least three weeks prior to the June board meeting. The Performance Evaluation packet will include instructions, the blank evaluation form or a third-party firm link (e.g., ACHD), the last year's original CEO work plan, the CEO's update/accomplishments, the CEO's self-evaluation, and the suggested new CEO work plan.
 7. Any additional information needed by board members shall be obtained by contacting the Ad Hoc CEO Review Committee who will route the request to Human Resources. Human Resources will respond with the additional information in the format requested to the Ad Hoc CEO Review Committee. The board members shall not contact any other person other than the Ad Hoc CEO Review Committee Chair for additional information.
 8. The board members and department heads will respond in writing regarding feedback about the CEO performance by filling out the evaluation. Each board member and department head will submit to Ad Hoc CEO Review Committee at the District Office their completed form at least (5) business days prior to the June board meeting.
 9. The Ad Hoc CEO Review Committee will assemble all the written evaluations in a summary for the board's review.
 10. The CEO annual performance evaluation will occur annually at the June meeting of the Board of Directors. The review will be presented to the board in Closed Session.

DEL PUERTO HEALTH CARE DISTRICT
POLICY AND PROCEDURE

SECTION: PERSONNEL
POLICY NUMBER: 3017

ANNUAL CEO DEVELOPMENTAL REVIEW AND PERFORMANCE EVALUATION	EFFECTIVE DATE
	MAY 18, 2020

The Evaluation Board Meeting

1. **June:** The board will meet in Closed Session, in accordance with the Brown Act, which allows for the evaluation of personnel in closed session. The Ad Hoc CEO Review Committee will present the personnel summary of the CEO to the board. The Board President will facilitate a discussion regarding the CEO's performance.
2. Immediately following, and continuing in closed session, the board will give the CEO their performance feedback and new CEO workplan, and discuss items related to compensation, contract, and benefit package to be adjusted or changed. The Board President will then adjourn the Closed Session.
3. The Board President will start the Open Session. Items related to compensation, the CEO contract, or benefit package that are to be adjusted or changed will be addressed by the Board President as a regular agenda item. The Board President and Ad Hoc CEO Review Committee Chair will complete and sign the Employee Action Form for any changes regarding the CEO compensation package.

Follow Up to the Board Meeting

Within thirty (30) days of the board meeting:

1. The Ad Hoc CEO Review Committee will give the CEO a written summary of the performance feedback of the board meeting and a copy of the CEO work plan for the next year.
2. The CEO and Human Resources will ensure a copy of the new work plan is placed in the Ad Hoc CEO Review Committee Packet.
3. If not completed fully and signed in Open Session, the Board President and Ad Hoc CEO Review Committee Chair will complete and sign the status change form for any changes regarding the CEO compensation package.
4. The CEO and Human Resources will facilitate any documents regarding potential amendments or changes to the CEO's Employment Contract. The CEO will act only to facilitate documentation related to board actions that have already been approved. The contract will be completed with board signatures at the next regularly scheduled board meeting.
5. The CEO and Human Resources will review the Ad Hoc CEO Review Committee Packet and assure that it is updated and ready for the next annual CEO review cycle.

BOARD OF DIRECTORS OF DEL PUERTO HEALTH CARE DISTRICT

Board Meeting – April 25, 2022

9E Memo on Design-Build Authority for DPHCD 9E Memo on Design-Build Authority for DPHCD **Page 1 of 1**

Department: Chief Executive Office

CEO Concurrence: Yes

Consent Calendar: No

4/5 Vote Required: No

SUBJECT: Memo on Design-Build Authority for DPHCD

STAFF REPORT: The District has invested in property for the development of expanded District Office Headquarters and Ambulance Operations Facility

Looking forward to the development of said HQ and facility, the District may save dollars and improve builder accountability by using the design-build process.

Legislation in 2019 expanded the use of design build by Health Care Districts that operate a hospital or clinic.

Attached is the report from the law firm of Bridgett Hanson

DISTRICT PRIORITY: Fiscal Transparency; Fiscal Accountability

STAFFING IMPACT: None

CONTACT PERSON: Karin Hennings

ATTACHMENT(S): Memo on Design-Build Authority for DPHCD

RECOMMENDED BOARD ACTION:

INFORMATION ONLY



Memorandum

ATTORNEY-CLIENT PRIVILEGE AND ATTORNEY WORK PRODUCT

TO: Karin Freese Hennings, Del Puerto Health Care District

FROM: David S. Gehrig
Julian A. Viksman

DATE: April 15, 2022

RE: Design-Build Authority for Administrative Office and Ambulance Facility

ISSUE PRESENTED

Does the Del Puerto Health Care District (the "**District**") have statutory authority to utilize the design-build project delivery method for designing and constructing an administrative office and ambulance facility (the "**Facility**")?

BRIEF ANSWER

The District can likely utilize the design-build project delivery method for designing and constructing the Facility pursuant to Health and Safety Code Section 32132.5 because the District is a health care district and the Facility is associated with health care facilities.

I. INTRODUCTION

The District is a health care district formed pursuant to the Local Health Care District Law, Health and Safety Code Sections 32000 *et seq.*¹ The District operates a state of the art health center that provides adult, pediatric, and industrial health services for the community. The current health center provides women's health care education, diabetes education for the public, laceration treatment, and asthmatic treatment programs. The District also operates a 24-hour emergency ambulance service provided by Patterson District Ambulance ("**PDA**").

The District and PDA desire to expand the current facility to include an expanded apparatus bay for ambulances, living accommodations for ambulance crew members, a medication and supply room, and administrative office space. The proposed Facility expands upon the current health center and ambulance operations center location, which will allow the District and PDA the best opportunity to meet their urban response time requirements. The Facility is consistent with the City of Patterson's General Plan Goals and is necessary for the continual provision of emergency services.

¹ All statutory references are to the Health and Safety Code unless specified otherwise.

ATTORNEY-CLIENT PRIVILEGE AND ATTORNEY WORK PRODUCT

Memorandum To:

Karin Freese Hennings, Del Puerto Health Care District

April 15, 2022

Page 2

The District desires to design and construct the Facility using a design-build project delivery methodology pursuant to Section 32132.5. This memorandum examines whether the District is authorized to utilize this authority for designing and constructing the Facility.

II. ANALYSIS

Section 32132.5 allows health care districts, subject to approval by its Board of Directors, to use the design-build procedures described in the Local Agency Public Construction Act to "assign contracts for the construction of a building or improvements **directly related** to construction of a hospital or **health facility building**." (Emphasis added.) There is no case law or authoritative guidance on what a building or improvement directly related to the construction of a health facility building means. Accordingly, we analyzed the legislative intent for a better understanding of the intended scope of the statute.

First, SB 957 (Hueso) amended Section 32132.5 to include the current design-build language. The intent of the Legislature in enacting the bill was to allow the "design-build process be used by health care districts solely for buildings **associated with** hospitals and **health care facilities**." (Emphasis added.) This authority was previously reserved for a few select health care districts, but SB 957 expanded the authority to all health care districts, including the District. We interpret the Legislature's intent as distinguishing between health care facilities and facilities completely unrelated to health care. The District's Facility is "associated with hospitals and health care facilities" in that the administrators are essential to the operation of the nearby health center, supplies common to the health and ambulance centers will be stored in the Facility, and trainings of health center workers will occur in the new building.

Second, in the legislative history the Legislature provided examples of the type of facilities authorized to utilize design-build—"clinics and skilled nursing facilities"—as well as examples of prohibited facilities—"streets, highways, public rail transit, roads, bridges, other water resources facilities, and related infrastructure." The Facility appears to be much more closely related to the authorized facilities than the prohibited facilities. The Facility expands the current health and ambulance center, which provides health care-related services, and assists the District in satisfying its statutory mandate to provide health care services.

Finally, the Senate Governance and Finance Committee issued a report examining SB 957. The report questioned why a health care district that is only responsible for managing property should be allowed to use design-build contracting to construct medical office buildings or other infrastructure that will be leased to private health care providers in exchange for rental income to the health care district. By asking *why* these types of facilities are entitled to utilize to the statute, the report implicitly acknowledges that a health care district can use the design-build statute to construct medical office buildings, even if they are only used to generate income. We think this further supports the argument that the District can use the design-build statute to construct new buildings for ambulance and administrative office space, which we think are more closely associated with health care facilities than a solely income-generating medical office building.

ATTORNEY-CLIENT PRIVILEGE AND ATTORNEY WORK PRODUCT

Memorandum To:

Karin Freese Hennings, Del Puerto Health Care District

April 15, 2022

Page 3

III. CONCLUSION

Section 32132.5 allows health care districts to utilize the design-build project delivery method for the design and construction of improvements directly related to the construction of a hospital or health facility building. The Legislative history of the statute supports our interpretation that the design-build process can be used for the Facility because the Facility is much more similar to the examples of buildings that are authorized to utilize the statute than the examples of the buildings that are prohibited from utilizing the statute. In short, we believe that the Facility has a close enough nexus to the District's existing health center to be considered "related to a ... health facility building," thereby allowing the District to utilize the design-build authority in Section 32132.5 for the design and construction of the Facility.

BOARD OF DIRECTORS OF DEL PUERTO HEALTH CARE DISTRICT**Board Meeting – April 25, 2022****9.F – Auditor for FYE 2022-2024****Page 1 of 1**

Department: Chief Executive Office

CEO Concurrence: Yes

Consent Calendar: No

4/5 Vote Required: No

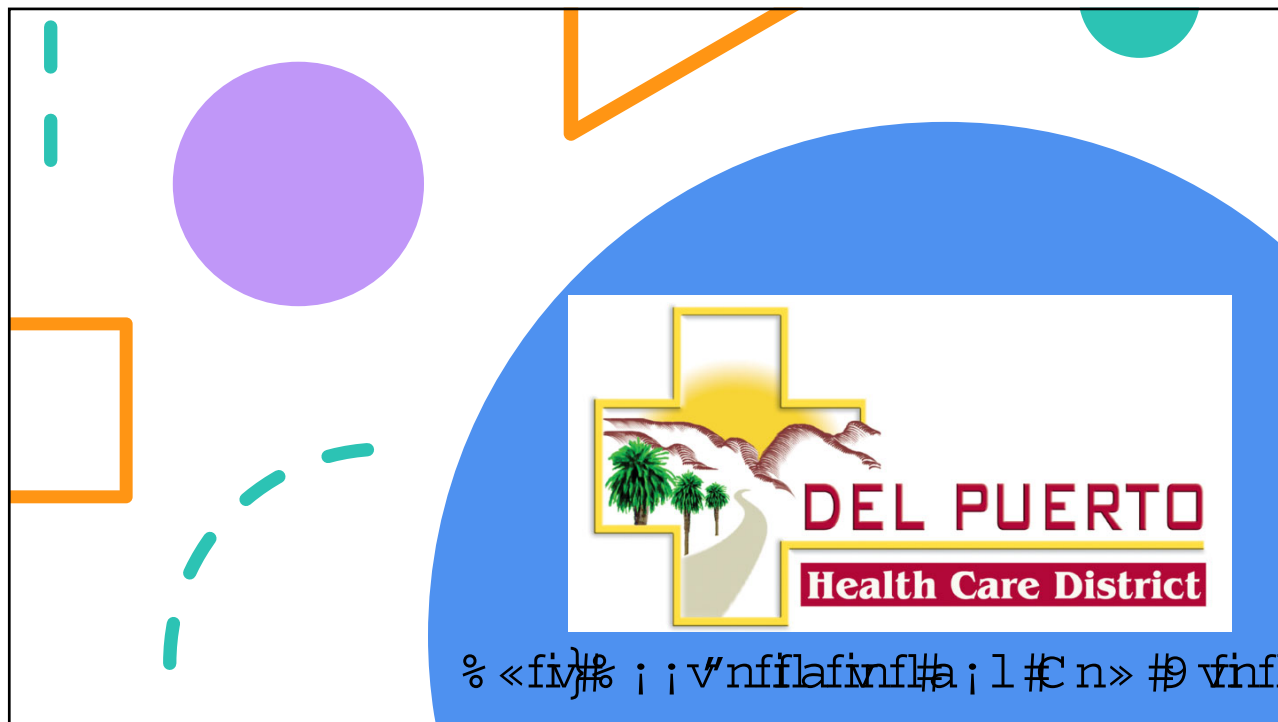
SUBJECT: AUDITOR for FYE 2022-2024**RECOMMENDATION:** The Board approve Finance Committee recommendation for three (3) year contract covering FYE 2022, 2023 and 2024. The recommended firm is Wipfli who is our current auditor. Audit managers are changed periodically to ensure a thorough examination and unbiased report.**CONSIDERATIONS:** Three (3) proposals were received out of twenty-four (24) Request for Proposal letters. The finance Committee reviewed various criteria to compare the three (3) audit firms. Fees, experience and size or organizational structure are the major factors for Finance Committee review. FYE 2021 fee was \$24,300/yr. Proposals came in from \$24,500 - \$25,000.**DISTRICT PRIORITY:** Fiscal Transparency**POLICY ISSUE:** Financial Accountability**FISCAL IMPACT:** \$25000 for each year of Audit**STAFFING IMPACT:** None**CONTACT PERSON:** Karin Hennings**ATTACHMENT(S):** Audit Firm Comparison**RECOMMENDED BOARD ACTION:**

ROLL CALL REQUIRED: YES

RECOMMENDED MOTION: *I move the Board of Directors engage Wipfli as the District's auditors for Fiscal Year End 2022, 2023 and 2024 at a audit fee of \$25,000 per year plus expenses.*

Audit Proposal's Review
FYE 2022-2024

Criteria	MUN CPAs (Mann, Urrutia, Nelson CPAs & Associates LLP)	Robert A. Hawks Jr., CPA	Wipfli LLP
A. Evidence of qualifications	Founded 2003; Sacramento based; currently in partner with 25 govt entities; 15 are special districts.	Since 1980; sole proprietorship; central California based.	Since 1930; located in 10 states including CA among the top 20 largest public accounting firms.
B. Background and experience with public agency and healthcare	Full service accounting and auditing firm offering governmental, nonprofit and employee benefit plan audits. <i>Elica Health Center, Sacramento (FQHC)</i> <i>South Tahoe Public Utility District</i> <i>Diablo Water District</i> <i>Southern Indian Health Council</i>	Full service public accounting in taxplanning and preparation, financial and compliance auditing, financial statement preparation, client accounting and management consulting. <i>Tuolumne Fire District</i> <i>Tuolumne Park and Recreation District</i> <i>LAFCO</i> <i>Catholic Charities/Diocese of Stockton</i>	Offering a full range of health care, reimbursement, tax advisory, information technology, human resources, senior services consulting, retirement planning and others. <i>San Bernardino Mountains Community Hospital District, Lake Arrowhead, CA</i> <i>Plumas District Hospital, Quincy CA</i> <i>Mayers Memorial Hospital, Fall River Mills, CA</i>
C. Size and organizational structure	With 60 professionals.	Owner, 2 CPAs, 1 Staff Accountant, 1 Bookkeeper, 1 Support Staff, hire contractuales if needed.	Over 320 partners and more than 2,900 associates; 40+ offices.
D. Statement of experience with EMS and RHC	Experienced 10 healthcare and EMS nonprofit organizations.	With extensive Public Agency Audit; and past experience with Medi-Cal cost reimbursement reporting	Experience with 4000 health care clients; 300 hospitals and health systems.
E. Proposed timeline	September - fieldwork October 15th - 1st draft; 30th - Final Audit Report December - Board Presentation	August - September - Review/Update Internal Control System, Preliminary Substantive Work Transaction Testing, Prior File Review September - Substantive Testing of Financial Statements Aug - Sep - Report Preparation, Client Discussions Sep - Oct - Audit Report Delivery *** <i>Fieldwork is not specified</i>	July - Planning & Preliminary Audit & Review August - on-site fieldwork September - Final release of Financial Statements and Management report October - BOD Presentation
F. Proposed Fee structure	FY2022 - \$ 24,500 FY2023 - \$ 23,500 FY2024 - \$ 23,500 *** out-of-pocket expenses included	\$21,000-\$23,000 ***not to exceed \$25,000	FY2022 - \$ 25,000 (\$3,000 out of pocket) FY2023 - \$ 25,000 (\$3,200 out of pocket) FY2024 - \$ 25,000 (\$3,400 out of pocket)



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Presentation Title

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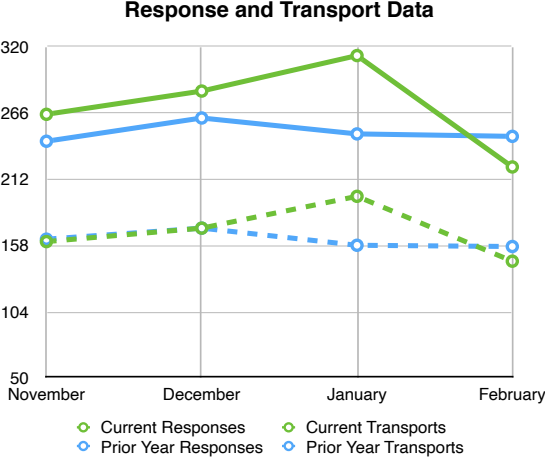
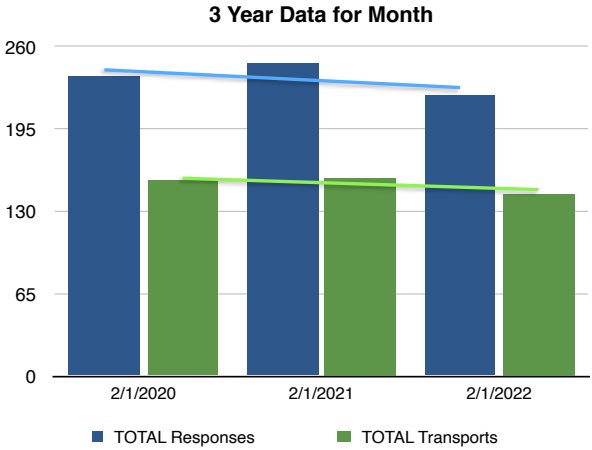


P du| dqgh#Eduñdv
 Administrative Medical Assistant
 7 Years

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Patterson District Ambulance Response Report February 1, 2022 - February 28, 2022 Monthly Response Summary

	P91	P92	P93	P1	WS	AMR	PDA TOTALS	Other TOTALS	GRAND TOTALS
Responses	110	100	12	2	9	5	222	14	236
Transports	73	63	9	0	3	4	145	7	152
Transport %	66.36%	63.00%	75.00%		33.33%	80.00%	65.32%	50.00%	64.41%
Cancelled Response	10	13	2						
Adjusted Transport %	73.00%	72.41%	90.00%						



Mutual Aid Responses

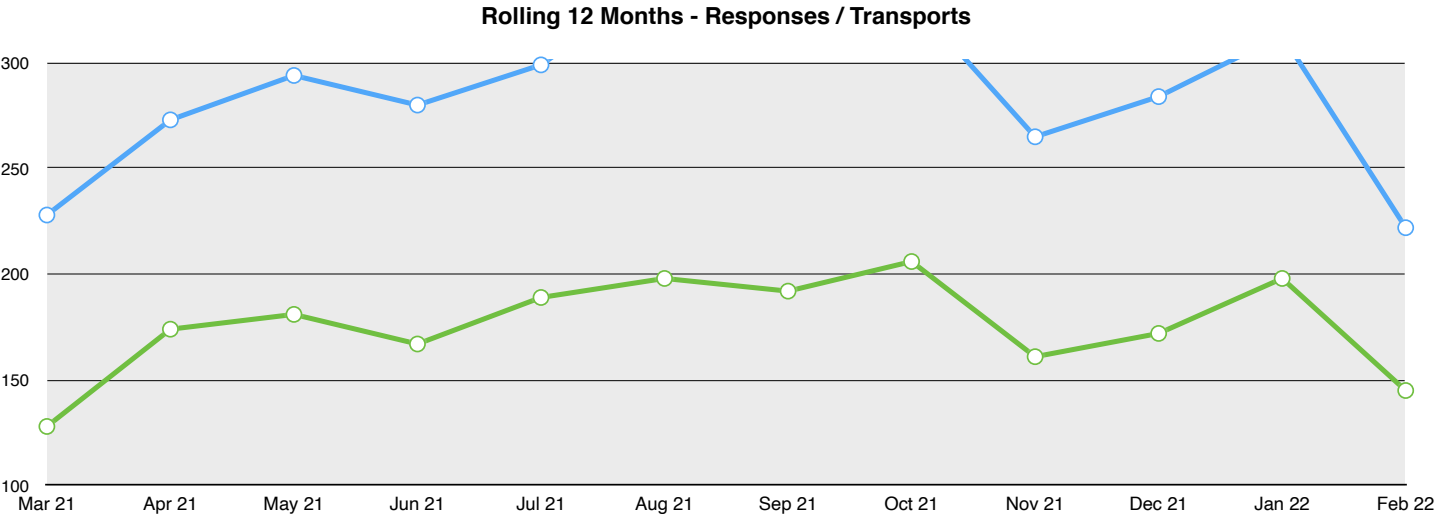
	Westside		AMR	
	Responses	Transports	Responses	Transports
INTO District	9	3	5	4
OUT of District	22	16	21	12

PDA In District Response %

Last Month %	This Month %	NET Change %
93.71%	94.07%	0.36%

Rolling Compliance Periods - Snapshot on <Pending>

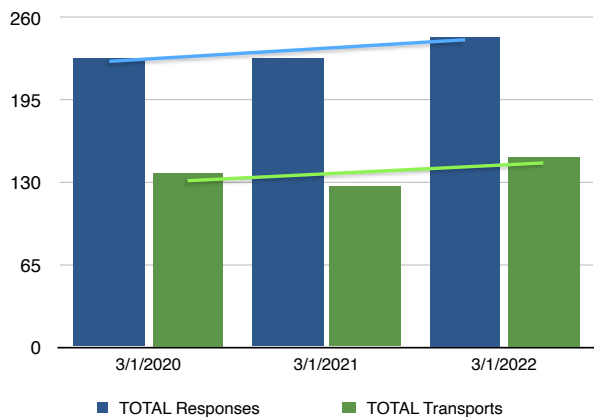
Urban		Suburban		Rural	
Code 3	Code 2	Code 3	Code 2	Code 3	Code 2
0%	0%	0%	0%	0%	0%



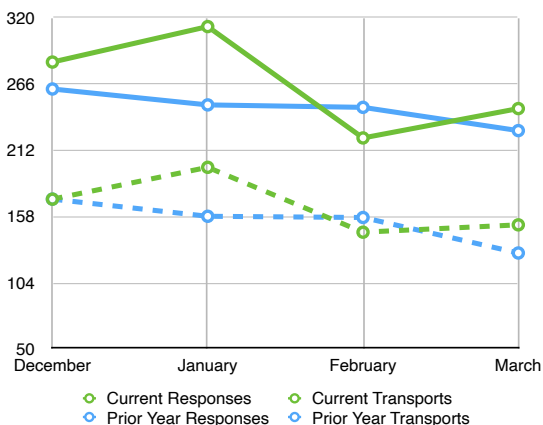
Patterson District Ambulance Response Report March 1, 2022 - March 31, 2022 Monthly Response Summary

	P91	P92	P93	P1	WS	AMR	PDA TOTALS	Other TOTALS	GRAND TOTALS
Responses	106	116	24	7	9	5	246	14	260
Transports	72	66	13	0	3	4	151	7	158
Transport %	67.92%	56.90%	54.17%		33.33%	80.00%	61.38%	50.00%	60.77%
Cancelled Response	12	14	4						
Adjusted Transport %	76.60%	64.71%	65.00%						

3 Year Data for Month



Response and Transport Data



Mutual Aid Responses

	Westside		AMR	
	Responses	Transports	Responses	Transports
INTO District	9	3	5	4
OUT of District	22	16	21	12

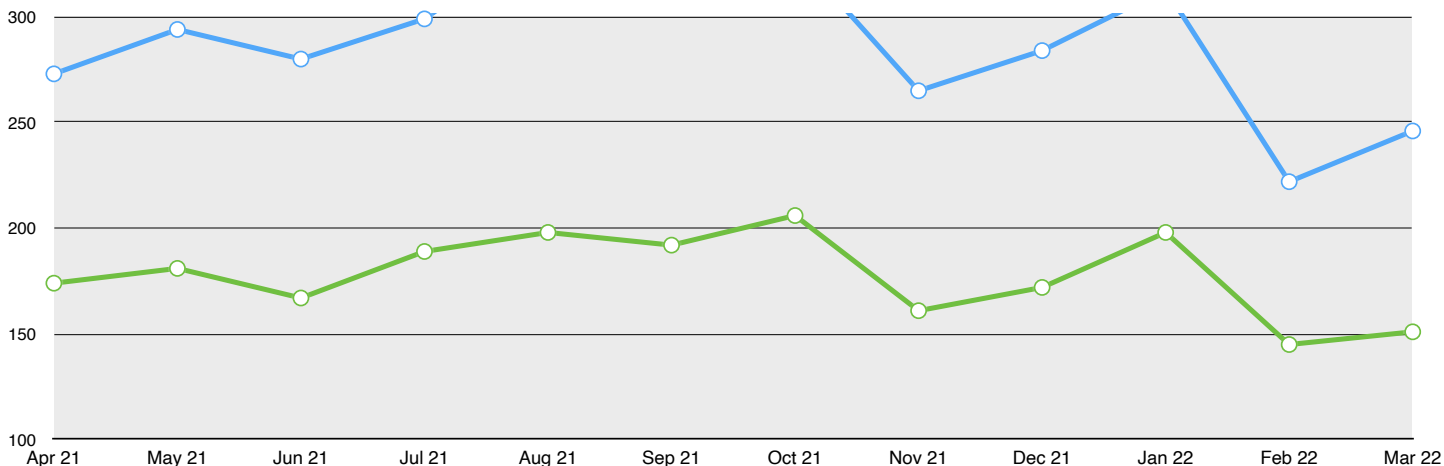
PDA In District Response %

Last Month %	This Month %	NET Change %
94.07%	94.62%	0.55%

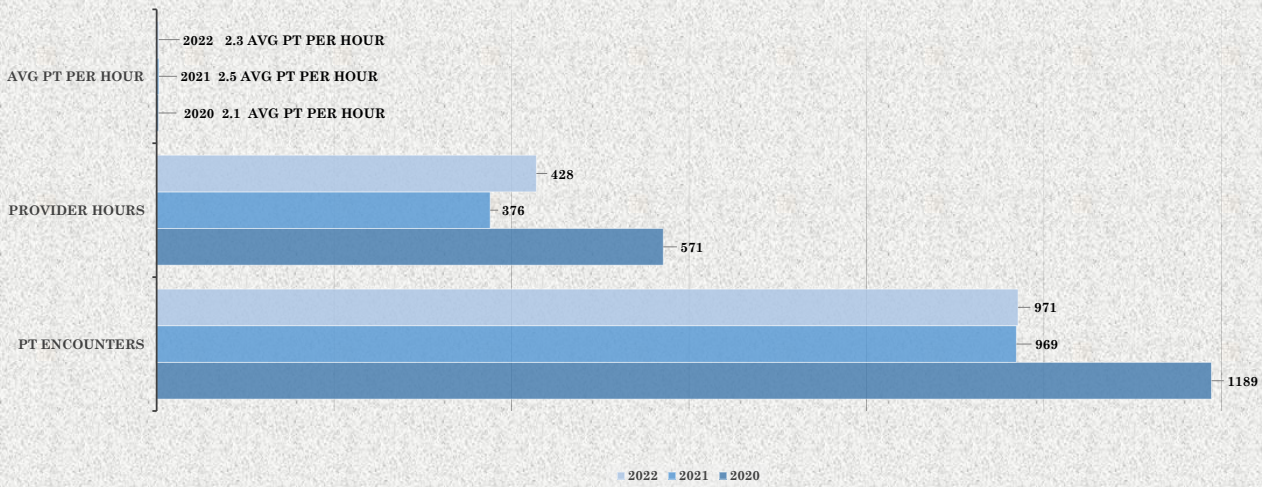
Rolling Compliance Periods - Snapshot on <Pending>

Urban		Suburban		Rural	
Code 3	Code 2	Code 3	Code 2	Code 3	Code 2
0%	0%	0%	0%	0%	0%

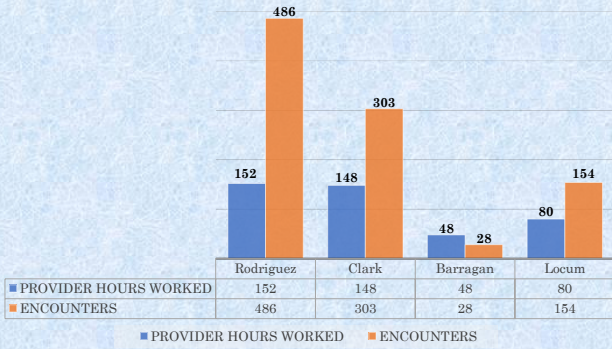
Rolling 12 Months - Responses / Transports



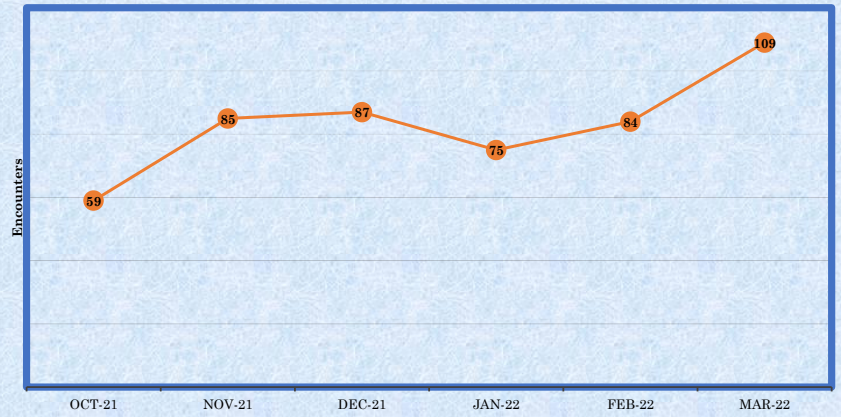
March 2020-2022 Primary Care Productivity (Combined)



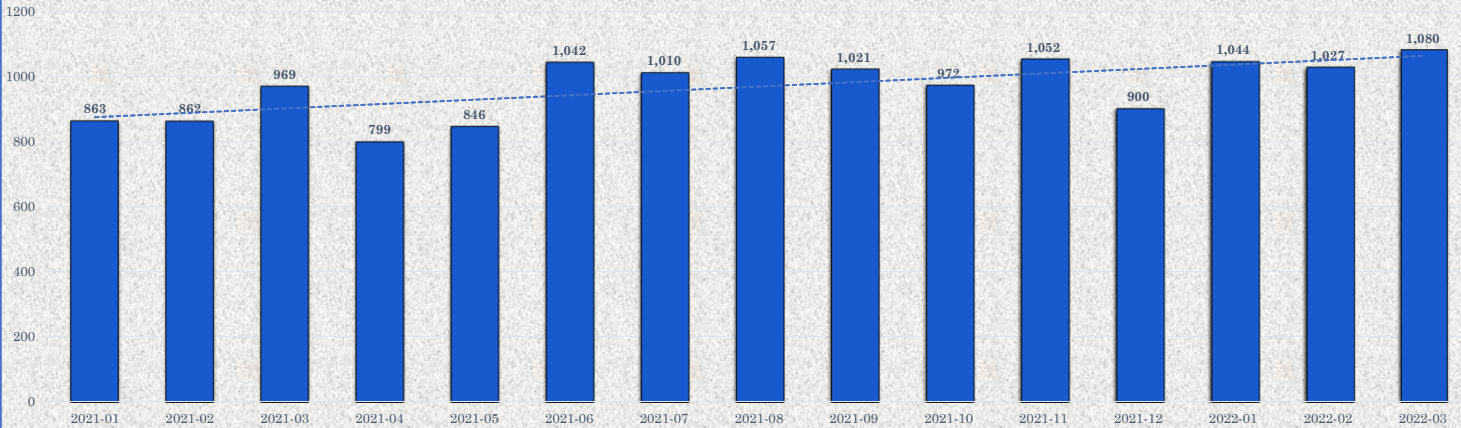
Encounters By Provider Primary Care



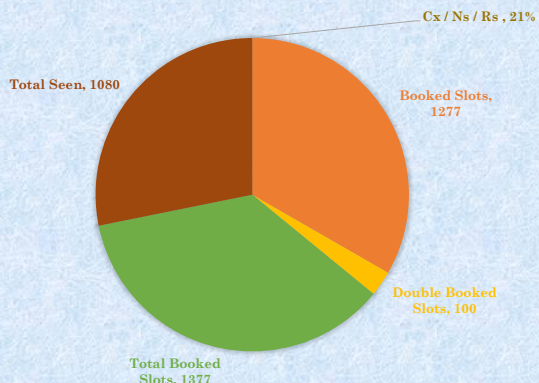
Behavioral Health Encounters



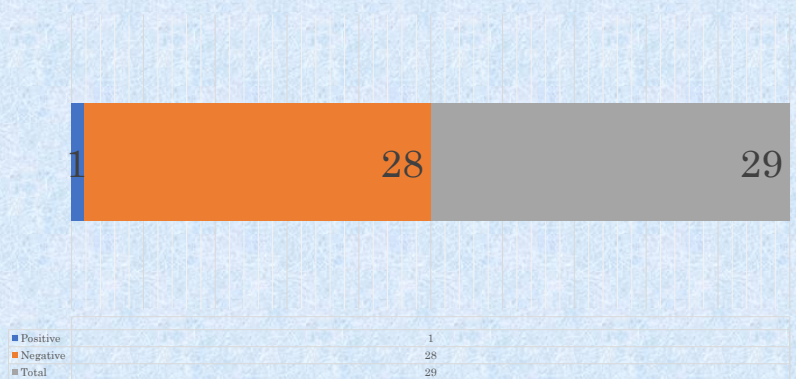
Monthly Encounter Totals January 2021 to Present



SCHEDULING RESULTS MARCH 2022



COVID-19 Testing March 2022



Vertical line

Del Puerto Health Care District Board of Directors Perpetual Calendar

	Board	Individuals	Staff
January	AGENDA: Annual Meeting & Election of Officers; AGENDA: Banking Access & Security of Resolution; AGENDA: Biannual update of Conflict of Interest Policy; AGENDA: Mid Fiscal Year Operating Budget Update;	ACTIVITY: Biennial Harrassment Training (Odd years)	
February		ACTIVITY: Ethics training (Odd years)	
March			
April	AGENDA: CEO Eval: Ad Hoc committee named ACTIVITY: Annual Board Retreat for Strategic Plan Update	ACTIVITY: Form 700 due	PREPARE: First Draft of next FY budget
May	CEO Eval: Distribute evaluation packet to Directors AGENDA: First Draft next FY budget to Board	Draft	
June	CEO Eval: Compile results AGENDA: CEO Evaluation in Closed Session AGENDA: Adopt Budget for next Fiscal Year		PREPARE: Fall election (even years)
July	AGENDA: Triennial Review of Policy Changes (alternate between Administrative, Finance, Governance, Ambulance, Health Center) AGENDA: Adoption of Election Actions for November ballot (even years)		
August			
September	ACTIVITY: Annual Board Self-Assessment		
October			
November		Elections on even years for four year terms	
December	ACTIVITY: Installation of new Directors		