

MINUTES OF THE MEETING OF  
THE BOARD OF COMMISSIONERS  
PUBLIC HOSPITAL DISTRICT NO. 1  
OF KING COUNTY, WASHINGTON

Held on April 21, 2008

Attendance:

Commissioner G. Sue Bowman, Commissioner, Commissioner-at-large  
Commissioner Anthony R. Hemstad, Commissioner, District No. 3  
Commissioner Donald O. Jacobson, President, Commissioner, District No. 1  
Commissioner Michael W. Miller, Vice President, Commissioner-at-large  
Commissioner Carolyn V. Parnell, Secretary, Commissioner, District No. 2  
Richard D. Roodman, Administrator/CEO – Superintendent  
Paul S. Hayes, R.N., Executive Vice President  
Michael I. Bernstein, Senior Vice President - Chief Financial Officer  
Paul Larson, Senior Vice President – Clinic Network  
Michael Glenn, Senior Vice President – Business Development  
Robert L. Thompson, M.D., Vice President – Physician Relations  
David E. Smith – General Counsel  
Jeannine Grinnell, Vice President - Finance  
Todd Thomas, Vice President - Facilities  
Kris Tiernan, Assistant to CEO and Board of Commissioners

Citizens present for a portion of the meeting:

Carole Anderson, Taxpayer  
Sylvia Cavazos, Taxpayer, Coalition to Preserve our Hospital District  
Chris Clifford, Taxpayer  
Jean Franceschina, VIA Member  
Maxine Grayson, VIA Member  
Janet Harris, Auburn Regional Medical Center  
Barbara Moffat, VIA Member  
Kevin Phelps, State Auditors Office  
Dean Radford, Editor - Renton Reporter  
Bill Ray, VIA Member  
Scott Schwab, Ernst & Young  
Thomas Reiter, Benson Hill Community Progress Group  
Bill Taylor, Taxpayer, Renton Chamber of Commerce  
Kirby Unti, Taxpayer,  
Lexy Widman, State Auditors Office  
Jim West, VIA Member

Consultants present for a portion of the meeting:

Don Hansen, Moss Adams  
David Burman, Perkins Coie

This meeting of the Board of Commissioners of Public Hospital District No. 1 of King County was opened by President Jacobson at 3:30 p.m. in the Board Room of Valley Medical Center. It was moved and seconded to approve the minutes of the meeting of March 17, 2008. Commissioner Hemstad requested the following corrections to the minutes:

*\*Changed by subsequent motion. See minutes dated 5/19/08*



MOTION

It was moved and seconded to approve advertising the Birth Center 1B Overflow Project for bid. Mr. Roodman compared the 2600 births at VMC in 2005 to 3900 births in 2007 – following completion of the new Birth Center, noting this 50 percent increase. Motion carried unanimously.

Urgent Care Tenant Improvement

Mr. Thomas requested Board authorization to advertise for bid the Urgent Care Tenant Improvement project in the space leased in the Benson Shopping Center. Minor illnesses and injuries will be treated at the new Urgent Care Center which is anticipated will help alleviate overcrowding and long waits in the Emergency Department. The scope of the project includes design and remodel of an existing 3470 SF medical office suite in the Benson Shopping Center. Construction will include remodel and upgrade of existing suite to incorporate six exam rooms, one procedure room, an x-ray room, a nurse station and all support spaces required to support the clinic. Construction is expected to take 90 days following the 45-day advertisement/award period. The estimated cost of this project is \$689,000 including construction, contingencies, furniture, equipment and fees to prepare the space for the clinic. This project is included in the FY2008 capital budget.

MOTION

Following discussion, it was moved and seconded to authorize advertising the Urgent Care Tenant Improvement project for bid. Motion carried unanimously.

Request for Purchase

Anesthesia Patient Care Monitors

Ms. Loven-Skolnik requested Board approval to purchase anesthesia patient care monitors for Perioperative Services. The current system is nine years old and has been unreliable. The equipment supports critical monitoring of patient vital signs and bodily functions during surgery. The newer requested model is compatible with other monitoring and electronic medical record systems. This compatibility allows electronic patient data to be shared by all systems in all departments of Perioperative Services. The cost of this equipment is \$726,298.75 including taxes and installation. The equipment is included in the 2008 Capital Budget.

MOTION

It was moved and seconded to approve purchase of the anesthesia patient care monitors at a cost of \$726,298.75, including taxes and installation. Commissioner Hemstad asked about suppliers other than Phillips and Ms. Loven-Skolnik stated that they had looked at others, but the Phillips monitors communicate with other critical equipment in the Operating Rooms. Motion carried unanimously.

2007 Financial Audit

Mr. Hansen referred to the Board packets which included his letter to the Board, audited financial statements, the audit of Imaging Partners at Valley and two agreed-upon procedures engagements related to the executive payroll process and accomplishments related to goals established by the Board. He gave a slide presentation, noting the following major considerations - there were:

- No new significant accounting policies
- No issues were discussed prior to retention as auditors

- One audit adjustment to increase income \$707K
- One proposed adjustment to increase income \$546K
- No disagreements with management
- Accounting estimates are reasonable

Mr. Hansen also discussed accounting and significant estimates, the quality of earnings, total assets, asset composition, days of cash on hand, days of net revenue in accounts receivable, average age of the plant, the capital spending ratio, liabilities and net assets debt to capitalization, debt to cash flow, balance sheet observations, operating revenue, uncompensated care, operating margin, salary and benefits, excess margin, operating cash flow margin, comparison to other Washington hospitals, and levy rates.

Mr. Bernstein commented on the decision to outsource revenue cycle management. The goal was to generate an additional \$10MM within the first year. This goal was exceeded by increasing collections \$17MM the first nine months.

Commissioner Hemstad asked if the Valley operating margin (6.5%) included tax dollars and it was explained by Mr. Hansen that it does, which compares to peer hospitals that collect taxes or to other hospitals that include foundation dollars in their operating margin. Mr. Roodman explained it would be difficult to achieve similar margins in 2008 and the years ahead.

Mr. Roodman commented on the Moss Adams exhibit on the tax rates among other public hospitals in the state, pointing out that the average rate for all the PHDs is 68 cents per \$1,000 of assessed value. VMC's rate was at 9 cents for many years before being raised by ballot measure to 59 cents in 2005. In fact the previous tax increase prior to 2005 was in 1978. Last year's rate has compressed to 51 cents. When combined with the 10 percent interlocal agreement with fire districts, the rate is compressed even further to 45 cents per \$1,000 of assessed valuation, about 33% below the state average.

Other observations noted by Moss Adams include revenue growth has been very significant; new programs and services have been continually added ("Build it and they will come"); tax revenue is critical to support programs and services and cover uncompensated care; VMC has consistently produced strong cash flow; there has been continued focus on labor and other costs; VMC continues to grow the top line.

National observations were discussed by Mr. Hansen. Over the next five years, hospitals can expect lower Medicare and Medicaid reimbursement, deceleration of increases in commercial insurance rates, growing number of uninsured, increased consumerism and physician and medical professional shortages. He said that change in how to finance and manage health care is imminent. The President is proposing more than \$182 billion in Medicare cuts, the IRS is requiring hospitals to prove their community benefit, the federal government is estimating health care costs will be 20% of the GDP in 2017, and the HHS Secretary has said that Medicare, on its current course, is not sustainable.

Mr. Roodman also acknowledged that our clinic system and ER are just about the only way Medicaid and under-insured can access health care in our community today. In addition, more and more private physician practices are capping the number of Medicare patients they see due to poor reimbursement. It is unknown how the medical center can continue to sustain the number of under- and uninsured patients seeking medical care at Valley, especially those coming from outside the district.

Mr. Hansen concluded his presentation by congratulating the commissioners and Administration on a successful year under increasingly difficult circumstances.

#### Performance Audit Update

Ms. Grinnell introduced Scott Schwab, Ernst & Young, contractor for the performance audit and Lexy Widman, State Auditors Office. Ms. Widman stated that the SAO is acting under the authority of Initiative 900, approved by voters in November 2005, to conduct independent, comprehensive audits of government agencies on behalf of citizens. The purpose of these audits is to ensure accountability and that tax dollars are spent as cost-effectively as possible. Primary areas of focus include administration, construction, procurement and communication. King County Public Hospital District #2 (Evergreen) and Snohomish County Public Hospital District #2 (Stevens) are being audited concurrently with Valley, as this is a three-hospital performance audit. These hospitals were selected to be the first to be audited as they are the largest public hospital districts in the state. The audit is being conducted in four phases. The first phase, review of data and interviews, has just been completed. The second phase, designing the audit, is underway at this time. The third phase involves looking at specific areas identified during phase two and will begin next week. Findings will be reviewed with each individual hospital district at which time there will be an opportunity to respond. The final report will be in a public format as required by I-900. The final report is anticipated by SAO to be completed in the fall and will be presented to the Board at that time. The SAO has requested that districts not release the preliminary results of the audits until all three Boards have received and reviewed the audit findings and that the results are released simultaneously. Mr. Schwab stated that weekly conference calls to update districts on the progress of the performance audit are held each Thursday. He added that all hospitals have been very cooperative in providing documents and scheduling interviews. It is anticipated that the audit will involve 3200 man-hours and cost about \$700,000.

Recess President Jacobson called for a ten minute recess at 5:15 p.m.

Reconvened The meeting reconvened at 5:26 p.m.

#### Update on Recall Petition

Mr. Smith reported that a sufficiency hearing to consider the recall charges against Commissioner Don Jacobson was held April 3, 2008, in Judge Michael Trickey's Court. On April 8, 2008, in a subsequent hearing, Judge Trickey announced his decision.

Mr. Burman summarized the recall charges filed against Commissioner Jacobson by Christopher Clifford, Resident/Taxpayer, and what happened at the hearings. Extensive material was submitted by Mr. Clifford, by Scott Johnson, who represented Commissioner Jacobson, and Mr. Burman, who represented the medical center. The nine allegations submitted as the basis for the recall were condensed to six. The April 3<sup>rd</sup> hearing was continued to April 8, 2008. At that time, Judge Trickey ruled that all of the allegations were either factually or legally insufficient to sustain a recall petition. He also found Valley's management committee structure that has been in place for years to be perfectly appropriate and not at odds in any way with the Open Public Meetings Act. The court understood management committees involve decision-making responsibilities of the superintendent and his leadership team and are not at odds with the OPMA. It is important and totally appropriate for board members to attend and observe management committee meetings. The court rejected Mr. Clifford's allegation concerning appointment of a two-commissioner task force (which never met) to review the code of ethics. These actions were made in good faith. The allegation regarding Commissioner Jacobson's

participation in the recommendation to provide for counsel was also rejected. The allegation that discussing a proposed Code of Ethics at a Board educational retreat held at Semiahmoo was in violation of the OPMA was ruled to be not sufficient as there was an appropriate agenda, proper notification was filed, minutes were recorded and no action was taken during the meeting. The statute allows for meetings to be held within the State of Washington.

Mr. Burman stated he will keep the Board informed as to the results of the final hearing scheduled for April 24, 2008. He anticipates no changes to Judge Trickey's ruling. Mr. Clifford then has 15 days to file an appeal. If this happens, it could take 6-12 months to be heard by the State Supreme Court.

Commissioner Jacobson asked Mr. Smith report what this cost the District in legal fees and Mr. Smith responded that thus far the charges are approximately \$90K. He anticipates the cost will be over \$100,000 when all of the charges have been received.

Commissioner Hemstad congratulated Commissioner Jacobson on the thorough win and asked if there was anything in the ruling that could be adjusted by VMC. Mr. Burman said we may learn more at Thursday's final hearing, but that he did not believe so.

Commissioner Parnell stated that based on the information received, she would like to recommend that the Board take action in support of Commissioner Jacobson, that Commissioner Jacobson acted in good faith, and that the Board publicly put these issues to rest. She requested Mr. Smith to prepare a resolution to this effect for consideration at the next meeting.

Community Affairs

Resolution No. 878 – Change of Board Meeting Time

It was moved and seconded to adopt Resolution No. 878, changing the meeting time of the Board of Commissioners of Public Hospital District No. 1 of King County to the first and third Mondays of each calendar month at 6:00 p.m., effective June 1, 2008.

President Jacobson noted previous discussion regarding changing the Board meetings to a later time to be more accommodating to citizens who may find it difficult to attend afternoon meetings. He added that this was one of Commissioner Hemstad's *Basic Good Government Reform Proposal* recommendations. Commissioner Miller said that he is not in favor of moving the meeting time as the 3:30 p.m. start time works best for him and no citizens have complained to him about being unable to attend meetings. Commissioner Hemstad applauded the commission for considering his proposal; however, he would prefer the commission meet a different night as the Maple Valley City Council meetings/study sessions are on Monday nights and he must attend as City Manager. Moving the meetings to a 6:00 p.m. start time will make it difficult for him to be here, and to knowingly move the meeting time to block his attendance does not show respect for elected officials. Commissioner Jacobson said that Commissioner Hemstad knew when he ran for the position that the commission met on Mondays and had for many years; that when he personally was elected to the school board which held meetings on nights that conflicted with other activities he was involved with, he had to forego these activities; that Commissioner Hemstad had recommended that the meeting times move to the evening to create greater public access; and, that perhaps the City of Maple Valley would move its meetings to a different day. Commissioner Hemstad stated that this Board was purposely moving the meeting time to conflict with the meeting time of another government. He moved to amend the resolution to hold commission meetings on the first and third Tuesday. The amendment died for lack of second. Commissioner Miller said he would like to clarify that he is opposed to moving the meeting time for a different reason; that

Commissioner Hemstad should have known that meeting times for the district were on Monday afternoon/evening and there was a potential conflict if the meetings remain at 3:30 p.m.

There was a call for the question. Motion carried with three voting yes (Bowman, Parnell and Jacobson) and two voting no (Hemstad and Miller).

Medical Affairs

Report from Executive Committee

Credentials

MOTION

Recommendations dated April 8, 2008, from the Medical Executive Committee outlining appointments, reappointments, changes of staff status, change in privileges, and resignations were individually reviewed by Mr. Hayes. It was moved, seconded and unanimously carried to approve credentialing/privileging recommendations as presented. Copies are attached to and made part of these minutes.

Quality Management Update

Mr. Hayes presented the monthly Board Quality Report noting that average length of stay continues lower than expected. Frequency of readmissions within 15 days of discharge has increased slightly and is on the watch list. Inpatient mortality is within range. Core measures, hospital acquired infections and inpatient falls are all within range but are being closely watched. The "left without treatment" from the Emergency Department continues to be a concern, but is down slightly from previous month. These statistics will continue to be reported to the Board on a monthly basis.

Public Comment

Comments from the Public

President Jacobson said the Board would hear public comment at this time.

Bill Taylor said that he would like to address two separate topics today. He distributed an informational bulletin on *BURSST for Prosperity*. This organization represents Burien, Renton, Skyway, SeaTac and Tukwila, as a 10-year initiative funded by the Northwest Area Foundation. *BURSST* is focused on engaging and mobilizing the community around education, economic development, community collaboration and attracting investments in the *BURSST* communities. *BURSST* promotes ESL in the workplace and supports a Gateway/Welcome Back Center which is located at Highline CC, providing orientation, counseling and specialized educational support to internationally trained health workers. Mr. Taylor noted that within the Renton/Kent community 124 different languages are spoken (as compared to 120 languages in the New York City area). He wanted to make the medical center and commissioners aware of this service, especially with the growing shortage of health care workers.

Next, Mr. Taylor stated that he is CEO of the Renton Chamber of Commerce, a 650-member organization. He said that he was approached by Sen. Pam Roach before the 2007 election who reviewed a plan urging support of Anthony Hemstad in order to lower taxes for area businesses. He said he has attended two recent Valley Board meetings prior to this one and is appalled at the goings on and that Commissioner Hemstad never seems to address health care issues. He said that anyone with a reasonable mind can connect the dots. Promising to lower taxes means one thing, and dismantling of a hospital district is another. If this medical center was private, it would not be able to provide the services, outreach and charity that it does today. He noted that the "tension in this room can be cut with a knife" and urged the Board to do what they do best. He said the Renton

Chamber Board has voted unanimously to join the *Coalition to Preserve our Hospital District*.

Carole Anderson, resident and taxpayer, commended Administration on the results of the audit. She said she was disheartened by the amount of money it has cost the district in legal fees to defend allegations made by Chris Clifford. She wanted to point out to Commissioner Hemstad that his affiliation with Chris Clifford and Pam Roach is apparent and as a taxpayer she does not want district money spent to defend insufficient and untrue allegations. She also commented on Commissioner Hemstad's attendance, noting that staying until the end of Board meetings is very important as commissioners are needed for the entire meeting.

Tom Reiter, taxpayer and President of the *Benson Hill Progress Group*, said he has been observing what has been happening at Board meetings for several months, read the recent editorial by Dean Radford in the Renton Reporter, and believes it is time for closure and harmony. He said his group supports the resolution Ms. Cavazos is about to present and deferred to her comments.

Sylvia Cavazos, resident, taxpayer, and representative of the *Coalition to Preserve our Hospital District*, presented in the form of a Resolution, a Vote of No Confidence in Commissioner Anthony Hemstad. She said this decision was made due to continuing concerns about his ability to represent the best interests of the taxpayers, residents and patients at Public Hospital District No. 1 of King County. Ms. Cavazos read the Resolution, requesting that the Board take it under advisement, with the hope that it would be adopted by the Board.

Kirby Unti, resident, taxpayer and pastor of St. Matthew's Lutheran Church in Renton, said that one of the more important observations he has made during the 28 years he has lived and worked in this area is that a collaborative community that works together is crucial to the success of the community. He said criticisms expressed by Commissioner Hemstad have hit a raw nerve – that it is one thing to have a political agenda, but another to try to dismantle a hospital district. Pastor Unti said that when he arrived in Renton in 1980, Valley was referred to as "Death Valley." Community leaders are thrilled to see the progress made since then and the promotion of all kinds of outreach programs. There is a high density of seniors in this area and this hospital matters to them. As a community leader, he wants to make it clear to Commissioner Hemstad that participatory and constructive actions are crucial and that this Board should get back to doing what it does well – provide quality health care to the community.

#### Comments from Commissioners

Commissioner Bowman said she is still receiving emails and communications regarding her pre-election association with Commissioner Hemstad and wants to make it clear that what he does and says in no way reflects her opinions. She referred to the combined campaign mailing and said she did not agree with this mass mailing and was out of the country when it was mailed out. She said she has served on the Board for four months and loves what she is doing. She has had the opportunity to meet a number of staff and tour the medical center and most of the clinics. She is impressed with the leadership and proud to stand on the shoulders of the previous commissioners. She recently attended a prestigious health care conference in California and one of her observations is that Valley Medical Center is light years ahead of other hospitals across the country. A noted speaker acknowledged that Rich Roodman has made Valley Medical Center a "legend."

Commissioner Parnell said she would like to emphasize that it is an honor to serve the people in this community as a commissioner on this Board. She loves being part of the organization and being associated with a team that is so dedicated to promoting good health and helping people in the community.

Commissioner Hemstad said the election campaign is over and should be left in the past. Regarding his association with Senator Roach, he said he has not met or talked with her about the hospital district since a post-campaign wrap-up meeting in December. He has met with her in Olympia during the Legislative Session, but this was about other issues. He does not confer with Senator Roach and she does not in any way control what he does. She was helpful during the campaign, but actually raised more money for Commissioner Bowman than for him. He said he was endorsed by a wide group of over 50 elected, bipartisan officials. Not all of these officials agree with him or with each other. He is impressed with the ability of Valley's senior staff and believes they do a good job carrying out the health care mandate. He would like to move on and focus on the future. He said that the commission is not going to agree on everything. He feels that taxpayers are better served by a difference of opinion. He looks forward to more open cooperation and fewer attacks both during and outside of Board meetings.

Commissioner Miller stated that he began his affiliation with Valley Medical Center in 1976 as a business professional, and has been on the Board for 11 years. He said is it painful to read in the newspaper criticisms from Chris Clifford, Senator Roach and Commissioner Hemstad, while being acutely aware of the hard work that has been put into operating this medical center over many years. He added the Chris Clifford's attack on Commissioner Jacobson was a blatant waste of resources.

Commissioner Jacobson commented on his personal experiences of meeting and getting to know the superintendent of schools even before he ran for election to the school board. He compared this to Commissioner Hemstad's first meeting with Mr. Roodman, four months after his election to the hospital board.

Reports

Reports from Administration

Financial Update

Ms. Grinnell presented financial items to the Board for review and approval.

Bills and Vouchers

MOTION

It was moved, seconded and carried to approve the following and vouchers:

Absher Construction, Inc. (Surgery Project – Application No. 25)	\$	683,201.41
Absher Construction, Inc. (Central Utility Project – Application No. 9)		354,616.05
H.S. Builders, Inc. (3N Nursing Station – Application No. 1)		40,765.17

	WARRANT NUMBERS		DATED	AMOUNT
	FROM	TO		
ACCOUNTS PAYABLE	24823	24862	3/13/2008	126,729.10
ACCOUNTS PAYABLE	24863	24907	3/18/2008	40,140.29
ACCOUNTS PAYABLE	24908	24988	3/27/2008	53,817.78
ACCOUNTS PAYABLE	24989	25026	4/9/2008	50,509.44
ACCOUNTS PAYABLE	2096564	2096808	3/11/2008	1,010,705.54
ACCOUNTS PAYABLE	2097207	2097208	3/18/2008	7,416.80
ACCOUNTS PAYABLE	2096809	2097038	3/13/2008	1,044,050.92
ACCOUNTS PAYABLE	2097039	2097039	3/14/2008	26,637.86
ACCOUNTS PAYABLE	2097040	2097206	3/18/2008	1,279,148.47
ACCOUNTS PAYABLE	2097209	2097502	3/20/2008	5,363,587.16
ACCOUNTS PAYABLE	2097503	2097663	3/25/2008	1,159,031.90
ACCOUNTS PAYABLE	2097664	2097922	3/27/2008	1,635,786.45
ACCOUNTS PAYABLE	2097923	2098180	4/1/2008	2,730,499.72
ACCOUNTS PAYABLE	2098181	2098421	4/3/2008	1,773,853.04
ACCOUNTS PAYABLE	2098422	2098422	4/4/2008	22,956.87
ACCOUNTS PAYABLE	2098423	2098611	4/8/2008	1,023,181.14
ACCOUNTS PAYABLE	2098612	2098612	4/9/2008	376,728.00
ACCOUNTS PAYABLE	2098613	2098845	4/10/2008	1,465,992.79
ACCOUNTS PAYABLE	2098846	2098847	4/14/2008	69,555.88
ACCOUNTS PAYABLE	2098848	2099025	4/15/2008	1,287,762.69
ACCOUNTS PAYABLE	2099026	2099026	4/15/2008	46,997.06
TOTAL AP				<u>20,595,088.90</u>
WIRES OR EFT			3/31/2008	1,703,496.16
WIRES OR EFT			4/15/2008	3,109,988.78
MARCH PAYROLL				6,987,934.06
GRAND TOTAL				<u><u>\$33,475,090.53</u></u>

Write-off of Accounts Receivable

MOTION

It was moved and seconded to approve write-off of hospital and clinic accounts receivable in the amount of \$3,624,821 of which \$3,624,760 has been referred to Collection. The balance of \$60.43 represents bankrupt accounts and cancellations. Motion carried.

Operations Update

Mr. Hayes reported that the formal report from the Joint Commission with results of the unannounced triennial survey is expected any time. There were four RFI's reported at the summation conference, which is an outstanding result. Other hospitals undergoing survey in our area have reported multiple RFI's. A celebration for employees was held last week.

The 8<sup>th</sup> annual Joint Center patient reunion was held April 11<sup>th</sup>. The event is so popular that invitations are limited to patients who had joint replacement surgery during the last three years. In order to accommodate the number of patients, next year the event may be held outdoors on the medical center grounds on a Saturday.

Employee Forums were held during all three shifts last week beginning at 10:00 a.m. on Thursday and concluding at 3:00 a.m. on Friday morning. Mr. Roodman, Mr. Alleman and Dr. Beattie all provided updates and answered questions. Over 400 attended the forums. Later this week, a "mini" forum will be conducted for the clinic staff.

During the last two weekends significant upgrades were made to the IT infrastructure. The upgrades will support the re-commissioning of patient electronic record software and downloading of critical information from CCU monitoring systems. Efforts with deployment will continue through November and will culminate with all nursing clinical information online.

To further refine aspects of patient flow, the medical center has contracted with consulting firm, Sg2, to study through-put and identify ways to improve performance.

#### Clinic Network

Mr. Larson reported that the updated "go-live" date for *Practice Partner*, the electronic medical record for the clinic system, is August or September.

He also gave an update on Urgent Care volumes noting that the Highlands Clinic continues to exceed expectations. Covington Urgent Care, which opened March 10, has also been very busy. The new Benson Plaza Urgent Care is on target to open in August.

#### Recruitment Update

Dr. Thompson congratulated staff on the outstanding results of the Joint Commission Survey and the remarkable preparation facilitated by Dr. Beattie.

Current recruitment efforts include a second ophthalmologist to work with Dr. Solomon. Several candidates are lined up to visit and interview. Also, Neurosurgeon Dr. David Lundin, who anticipates moving to Washington State from Southern California this fall, may be able to join VMC on a part-time basis during the summer.

#### Superintendent Comments

Mr. Roodman introduced Michael Glenn, who joins Valley Medical Center today as Senior Vice President - Business Development. Mr. Glenn was previously with Providence St. Peter Hospital, Olympia, where he served as Chief Operating Officer. Prior to his tenure at St. Peter, Mike was affiliated with Olympic Medical Center in Port Angeles for 15 years, serving as CEO/ Superintendent for seven years and as Assistant Administrator for eight years. He has a Masters Degree in Healthcare Administration from Xavier University, Cincinnati, Ohio, and a BA in Political Science from Linfield College, McMinnville, Oregon. In addition to business development, Mike will have administrative responsibility for The Washington Neuroscience Institute, Cancer Services, and the emerging cardiovascular services product line, working closely with the medical directors of these services. He will also be the administrative liaison for physician joint ventures and LLC's, both existing and emerging. Mr. Glenn commented that he was pleased to have the opportunity to work for

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a public hospital district again and thrilled to be part of Rich Roodman's senior management team.

Recess

President Jacobson acknowledged a request for a recess at 7:14 p.m. following which the Board convened in Executive Session for approximately 15 minutes for the purpose of discussing specific real estate issues permitted by RCW.42.30.110(b) and (c).

Reconvened

The meeting reconvened at 7:32 p.m.

Adjournment

There being no further business, motion was made to adjourn this meeting at 7:33 p.m.