The Regular Meeting of the Board of Directors of the San Gorgonio Memorial Healthcare District was held on Tuesday, April 1, 2014 in the Modular C Classroom, Banning, California.

Members Present: Lynn Bogh Baldi, Ludwig Cibelli, MD, Joe Dotan, MD, Estelle Lewis, Irwin Reeves

Absent: None

Guests: Jerilynn Kaibel, Bob Ewert, Ed Hiett (Hospital Board members), Ron Rader (Measure A Community Oversight Committee member)

Hospital Staff: Mark Turner (CEO), Lynn Gomez (CSS), Pat Brown (CNO), Prince Nnah (CAS), Margaret Kammer (Controller), Bobbi Duffy (Executive Assistant)

District Staff: Carl Beyma (PM – Internal Remodels)

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>DISCUSSION</th>
<th>ACTION / FOLLOW-UP</th>
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<tr>
<td>Call To Order</td>
<td>Chair Baldi called the meeting to order at 4:01 pm.</td>
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<td>Pledge of Allegiance</td>
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<td>Public Comment</td>
<td>None</td>
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<td>OLD BUSINESS</td>
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<td>Approve Minutes</td>
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<td>March 4, 2014 - Regular Meeting</td>
<td>Chair Baldi asked for any changes or corrections to the minutes of the March 4, 2014 regular meeting. There were none.</td>
<td>The minutes of the March 4, 2014 regular meeting will stand correct as presented.</td>
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<td>NEW BUSINESS</td>
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<td>Internal Remodel Project Manager Report</td>
<td>Carl Beyma briefly reviewed the Internal Remodels Update as included in the board packet.</td>
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<td>Carl gave a verbal update on the repair of the canopy that is</td>
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<td>above what was the old Emergency ambulance entrance. Carl stated that the structural support will begin the week of April 14th. Egress passage will be maintained for Materials Management deliveries.</td>
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<td>Accept February 2014 Financial Report</td>
<td>Margaret Kammer, Controller, briefly reviewed the February 2014 Financial Report as included on the board tablet. There were no questions. ROLL CALL:</td>
<td>M.S.C. (Dotan/Cibelli), the SGMHD Board of Directors accepted the February 2014 Financial Report as presented.</td>
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<td>Baldi Yes Cibelli Yes</td>
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<td>Dotan Yes Lewis Yes</td>
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<td>Reeves Yes</td>
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<td>• Measure A expenditures – February 2014</td>
<td>Healthcare District Measure A funds in the amount of $457,887 were spent during the month of February, a total of $108,832,755 spent on the project thus far and a balance of $5,119,505 remaining (includes earned Interest Income of $5,877,387).</td>
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<td>Approve Desert Anesthesiology Services Agreement</td>
<td>At the request of Chair Baldi, Mark Turner noted that several handouts had been placed at each Board member’s seat. Some of this information was not available until early this afternoon and was too late to be included on the board tablets. The first handout is a 2-page memo that he put together giving a synopsis of the timeframe and major business points for this agreement. This memo and the agreement were emailed out to all board members earlier this day. Mark noted that he has been working on this agreement since August 2013 and there have been many editions of a draft agreement. Mark noted that there were 2 evaluations performed, 1 by Savantras and 1 by ECG Management Consultants. It was necessary to have the final evaluations in hand to make sure that the dollar amounts and services fit within the fair market range. Mark noted that this will also be presented for approval by the Hospital Board as the anesthesiologists wish to have both the Healthcare District and Hospital as parties to the agreement. Mark briefly reviewed the synopsis as included in his memo. He also stated that the reason for the request for an early</td>
<td>M.S.C. (Cibelli/Lewis), the SGMHD Board of Directors approved the new Desert Anesthesiology agreement as presented.</td>
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<td>renewal is due to a potential affiliation in the near future.</td>
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<td>Mark noted that also at each member’s seat is a copy of the email trail between himself and Duane Whittington discussing several points. Mark’s responses are shown in red.</td>
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<td>Each board member was given the separate opportunity to ask any questions and provide the rest of the Board with their comments and opinions.</td>
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<td>ROLL CALL:</td>
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<td>Baldi: Yes  Cibelli: Yes  Dotan: No  Lewis: Yes  Reeves: Yes</td>
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<td>Healthcare District Board Chair Update</td>
<td>Chair Baldi noted that included on the board tablet is her monthly informational report regarding her activities that have taken place since the last meeting.</td>
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<td>Announcements</td>
<td>Mark Turner noted that another handout at each Board member’s seat is a monthly report from ACHD regarding their activities.</td>
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<td>It was noted that the City of Banning will begin holding Town Hall meetings with the first one being held here on April 14th.</td>
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<td>Future Agenda Items</td>
<td>None</td>
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<td>Adjournment</td>
<td>The meeting was adjourned at 4:39 pm.</td>
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In accordance with The Brown Act, Section 54957.5, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Bobbi Duffy, Executive Assistant