AGENDA

SPECIAL MEETING OF THE BOARD OF DIRECTORS
Tuesday, September 19, 2017
5:00 PM
Modular C Classroom
600 N. Highland Springs Avenue, Banning, CA  92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2160. Notification 48 hours prior to the meeting will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order        J. Kaibel, Chair

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Hospital Board of Directors on any matter under the subject jurisdiction of the Board. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Hospital Board of Directors, we want you to know that the Board acknowledges the comments or concerns that you direct to this Board. While the Board may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the Hospital CEO, or other Hospital Executive personnel, to do further research and report back to the Board prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board’s part; a response will be forthcoming.

NEW BUSINESS

III. * Proposed Action – Approve Interim CEO Salary        J. Kaibel        A

* ROLL CALL
San Gorgonio Memorial Hospital
Board of Directors Open Session Special Meeting
September 19, 2017

IV. **ADJOURN**

J. Kaibel

*Action Required*

In accordance with The Brown Act, *Section 54957.5*, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Board. Such records shall be available at the Hospital 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.

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**Certification of Posting**

I certify that on September 18, 2017, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Hospital, said time being at least 24 hours in advance of the special meeting of the Board of Directors (Government Code Section 54954.2).

Executed at Banning, California, on September 18, 2017

Bobbi Duffy, Executive Assistant
EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is entered into between the SAN GORGONIO MEMORIAL HOSPITAL, a California non-profit corporation ("Hospital") and STEVEN R. BARRON ("EMPLOYEE") (collectively, "the Parties"). It is effective on the latest date of execution set forth below.

RECITALS

A. HOSPITAL is authorized to employ an interim Chief Executive Officer.

B. HOSPITAL desires to employ EMPLOYEE as the interim Chief Executive Officer of HOSPITAL (CEO), and EMPLOYEE accepts such employment, in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above referenced recitals which are incorporated herein by reference, term, conditions, covenants and promises set forth below, the parties agree as follows:

SECTION 1. NATURE AND SCOPE OF EMPLOYMENT

EMPLOYEE expressly acknowledges and agrees that he is an exempt management employee who serves on an interim basis at the will and pleasure of the HOSPITAL’s Board of Directors ("Board"); that he has no property interest in his HOSPITAL employment; and that he may be terminated with or without cause at any time.

EMPLOYEE shall function in an interim capacity as HOSPITAL’s CEO. His duties shall include those duties and responsibilities: (A) in the job description attached as Exhibit "A"; (B) in the HOSPITAL Bylaws as Section 6.10, delineating the powers and duties of the CEO, which collectively include, but are not limited to supervision of HOSPITAL’s facilities, operations, programs, projects, financial affairs, personnel and planning; and (C) involved in implementing HOSPITAL policies, Board directives, and other duties as the Board may, from time to time, assign to EMPLOYEE. The Board may use any or all such duties and responsibilities in evaluating EMPLOYEE’s performance. Further, at all times during his employment, EMPLOYEE shall
devote his full-time energies and loyalty to HOSPITAL, and comply with all policies, procedures and directives of HOSPITAL and the Board.

SECTION 2. TERM OF AGREEMENT; DATE EMPLOYMENT BEGINS

The term of this Agreement shall be on a month-to-month basis. Unless otherwise provided for by a subsequent written agreement between the Parties, the terms and conditions of this Agreement shall apply to any extended term of this Agreement. Nothing herein, however, shall be construed as requiring either party to ultimately agree to such extension of the Agreement or a new employment agreement.

SECTION 3. COMPENSATION

(A) Salary. Commencing on the effective date of this Agreement, HOSPITAL shall pay to EMPLOYEE at a bi-weekly rate consistent with an annual gross salary of five hundred thousand dollars ($500,000.00), which shall be subject to all applicable payroll taxes and withholdings.

(B) Payment of Salary. Salary shall be paid to EMPLOYEE on a pro rata bi-weekly basis according to the same pay periods utilized for other HOSPITAL employees.

(C) Modification of Contract Terms. At any time during the term of this Agreement, either party may request, and the parties shall then discuss (with no obligation on the parties, however, to reach mutual agreement), proposed modification of the terms and conditions herein.

(D) Reimbursement of Job-Related Expenses. HOSPITAL shall reimburse EMPLOYEE for ordinary and necessary job-related expenses incurred on behalf of HOSPITAL in accordance with HOSPITAL policy and applicable law. EMPLOYEE shall not receive mileage for travel to and from HOSPITAL office to his residence. Consistent with HOSPITAL’s travel policy, HOSPITAL shall pay or otherwise reimburse EMPLOYEE for the costs of necessary meetings and functions EMPLOYEE attends on HOSPITAL’s behalf, including transportation, registration, meals and hotel accommodations. EMPLOYEE shall provide appropriate receipts to HOSPITAL for any expense reimbursements.

SECTION 4. HOURS OF WORK; CONFLICTS OF INTEREST

During the term of this Agreement, EMPLOYEE shall devote appropriate and sufficient
time, ability and attention to the services he is to perform for HOSPITAL. It is generally intended that EMPLOYEE shall perform services on behalf of HOSPITAL during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.), evening meetings, and at other times as necessary in the performance of his duties. The parties acknowledge and agree that some services to be performed for HOSPITAL may necessitate EMPLOYEE being away from HOSPITAL’s facilities, e.g., representing HOSPITAL in meetings with other health plans, with local, state and federal agencies, and with professional organizations and associations. To avoid any actual or potential conflicts of interest, EMPLOYEE shall not directly or indirectly render any services of a business, commercial or professional nature to any other person or organization, whether for compensation or otherwise, that competes with the business of HOSPITAL or interferes with the performance of his duties hereunder while employed by HOSPITAL. Employee shall comply with all laws and HOSPITAL policies governing conflicts of interest, including those concerning the acceptance and reporting of gifts and business transactions. Employee shall adhere to the highest ethical standards and avoid even the appearance of impropriety in the conduct of HOSPITAL business, including his dealings with contractors, vendors and customers of HOSPITAL, as well as in his private life to the extent his activities may reflect on the HOSPITAL.

SECTION 5. EMPLOYEE BENEFITS

(A) Employee Benefits. Except as where otherwise specified or required by law, EMPLOYEE shall be responsible for buying his own benefits. The parties acknowledge that Employee provides for his own medical benefits and that his salary reflects his choice to continue such outside coverage.

(B) Sick Leave. EMPLOYEE shall be granted three (3) days of paid sick leave on each anniversary date of employment, consistent with the requirements of the California Healthy Workplaces, Healthy Families Act of 2014.

SECTION 6. 90-DAY EVALUATION

The Board shall evaluate and review EMPLOYEE’s job performance following the first
ninety (90) days of his employment. The Parties understand that, should EMPLOYEE’s employment term warrant, he will be subject to annual evaluations. Evaluations of the EMPLOYEE’s performance may be conducted, however, at any time thereafter at the discretion of the Board. The evaluations shall be based upon the EMPLOYEE’s job description and the mutually agreed-upon performance goals, objectives, and standards set by the Board and EMPLOYEE. Unless otherwise directed by the Board, performance evaluations shall be separate from salary reviews. At evaluation sessions, the Board may discuss any performance goals, objectives and standards which EMPLOYEE is not meeting, and the Board may establish other and new reasonable performance goals, objectives and standards that EMPLOYEE may be required to meet by EMPLOYEE’s next evaluation date. Failure to meet such performance goals, objectives or standards shall be a basis for the Board to consider termination for cause. The judgment of EMPLOYEE’s job performance shall be at the sole discretion of the Board and shall be final. It shall be the EMPLOYEE’s responsibility to place performance evaluation sessions, on an annual basis, on the Board’s agenda.

SECTION 7. TERMINATION OF EMPLOYMENT

(A) This Agreement shall terminate automatically and immediately upon EMPLOYEE’s death. Further, HOSPITAL may in its discretion, and as authorized by law, terminate this Agreement if EMPLOYEE is permanently disabled. EMPLOYEE shall be considered to be permanently disabled under this paragraph if he is unable to perform his duties as set forth in this Agreement or as established by HOSPITAL from time to time by reason of illness or disability for a continuous period of ninety (90) days.

(B) HOSPITAL may terminate this Agreement at any time upon thirty (30) days prior written notice to EMPLOYEE. HOSPITAL may, at its discretion, pay EMPLOYEE the remainder of the thirty (30) day notice period, or any portion thereof, in lieu of waiting through the full thirty (30) day notice period.

(C) EMPLOYEE may terminate this Agreement at any time upon thirty (30) days prior written notice to HOSPITAL. If EMPLOYEE terminates this Agreement, he shall not be entitled
to receive any compensation for services to HOSPITAL after the thirty (30) day notice period, or upon his cessation of work for HOSPITAL, whichever is sooner.

SECTION 8. OWNERSHIP OF MATERIALS, CONFIDENTIALITY

Upon termination of this Agreement, EMPLOYEE agrees to deliver to HOSPITAL all equipment, materials, documents and other property belonging to HOSPITAL. EMPLOYEE also agrees to maintain the confidentiality of information related to the HOSPITAL obtained during the term of his employment and thereafter, to the extent permitted by law.

SECTION 9. INDEMNIFICATION

HOSPITAL shall indemnify EMPLOYEE in accordance with the provisions of the California Labor Code.

SECTION 10. NOTICES

(A) Any notices to be given under this Agreement by either party to the other shall be in writing and may be transmitted by personal delivery or mailed by overnight delivery service (e.g. FedEx, Golden State Overnight, etc.) that is subject to tracking and delivery confirmation. Mailed notices shall be addressed as follows:

If to HOSPITAL:       SAN GORGONIO MEMORIAL HOSPITAL
                      600 N. Highland Springs Ave.
                      Banning, CA 92220

With a Copy to:       BEST BEST & KRIEGER LLP
                      Attention: Cathy Deubel Salenko
                      500 Capitol Mall, Suite 1700
                      Sacramento, CA 95814

If to EMPLOYEE:       STEVEN R. BARRON
                      Post Office Box 113
                      Cedar Glen, CA 92321

(B) Each party may change that party’s address by written notice delivered in accordance with this paragraph.
(C) Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing.

SECTION 11. MODIFICATION

This Agreement may not be modified or amended in any way unless such modification or amendment is in writing and signed by EMPLOYEE and HOSPITAL.

SECTION 12. ENTIRE AGREEMENT

This Agreement supersedes any and all other agreements, either oral or in writing, and including any prior employment contracts or offer letters, between the parties hereto with respect to the employment of EMPLOYEE by HOSPITAL, and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding on either party.

SECTION 13. PARTIAL INVALIDITY

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

SECTION 14. GOVERNING LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any dispute arising out of this Agreement shall be appropriate in Superior Court in Riverside County, California.

SECTION 15. DEATH OF EMPLOYEE

If EMPLOYEE dies prior to the expiration of the term of his employment, any sums that may be due him by HOSPITAL under this Agreement as of the date of death shall be paid to EMPLOYEE’s executors, administrators, heirs, or legal representatives.
SECTION 16. BINDING EFFECT

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, legatees, representatives and successors.

SECTION 17. RECITALS

The recitals are incorporated herein as if set forth in full.

SECTION 18. ACKNOWLEDGMENT

EMPLOYEE acknowledges that he has carefully read this Agreement and understands its contents; that he has been given the opportunity to consult with an attorney of his choice regarding this Agreement; that he has had sufficient time to review this Agreement; that he is executing this Agreement knowingly and voluntarily, without any coercion or duress; and that he has not relied on any representations or promises of any kind made to him in connection with his decision to execute this Agreement, except for those set forth herein.

SECTION 19. ATTORNEY’S FEES

Except as provided elsewhere in this Agreement, if any legal action or proceeding is brought to enforce or interpret this Agreement, the prevailing party, as determined by the court, shall be entitled to recover from the other party all reasonable costs and attorney’s fees, including such fees and costs as may be incurred in enforcing any judgment or order entered in any such action.

SECTION 20. NON-ASSIGNMENT

This is an agreement for personal services and may not be assigned by EMPLOYEE to any third party.

SECTION 21. COUNTERPARTS

The Agreement may be executed in two or more counterparts, including via facsimile or electronically-transmitted signature, each of which shall be deemed an original, but all of which together shall constitute one-in-the-same document.

[SIGNATURES ON FOLLOWING PAGE]
Executed at Banning, California, as of the date set forth below.

DATE: ________________

SAN GORGONIO MEMORIAL HOSPITAL

By: ______________________

______________, Board Chair

"EMPLOYEE"

DATE: ________________

By: ______________________

_________________________

STEVEN R. BARRON