



SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES

Tuesday, January 13, 2015 at 3 p.m.
Tahoe Forest Health System Foundation Conference Room
10976 Donner Pass Rd, Truckee, CA

1. CALL TO ORDER

Meeting called to order at 3:00 p.m.

2. ROLL CALL

Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

Staff: Robert Schapper, Chief Executive Officer; Patricia Barrett, Clerk of the Board

Other: Steve Gross, General Counsel

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

None provided.

4. INPUT – AUDIENCE

Shawni Coll representing medical staff read written statements by medical staff members in support of the CEO. A copy of the statements will be provided to the Clerk of the Board. It was noted that should the Board decide not to renew the CEO's contract, medical staff would like to be an integral part of the recruitment process.

Ronda Brooks inquired as to why the discussion of the performance and future employment of the CEO is scheduled for a special session and believes it should be on a regular meeting agenda. It is time to move on to find a new CEO to reestablish trust with the Community. Focus the last year has been a distraction. Ms. Brooks referenced Section F page 14 of the bylaws wherein it describes the criteria to be sought in a CEO.

Lynn Larson shared that she deeply cares for the members of the community. No personal connection to the CEO but he needs to move on citing areas of concern related to his conduct and leadership style. This community deserves much better leadership.

Pete Forni finds it ludicrous that the board would find it reasonable to pursue a contract with the CEO based on the details of "secret" report not available to the public. Administration intimidates people in various ways. Until the report is made public, no contract extensions should be made. Lack of transparency by the board is part of the camouflage of incompetent management. He believes there are critical ethical issues and the hospital needs an ethical audit by a company outside of the District.

Jamie Cole has lived in this community for 35 years. She would like to see someone running the hospital looking out for those under insured, not insured, etc. A lot of people not able to use this hospital due to

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lack of insurance. Enough of over charging and not treating everyone equally. Redirect thinking to be inclusive to those who do not have insurance.

Dr. Thaddeus Laird read a statement provided to the Clerk of the Board in written form. Spoke to statements made by current board members related to Mr. Schapper's job with the hospital district. Dr. Laird provided a summary of accomplishments by the CEO and the hospital district during his tenure. Dr. Laird stated concerns related to leadership instability and encouraged the Board to make their decision wisely with thoughtful and factual information.

Open session recessed to closed session at 3:18 p.m.

5. CLOSED SESSION:

Discussion held on a privileged matter.

6. OPEN SESSION

Open session reconvened at 5:51 p.m.

Meeting recessed at 5:51 p.m.

Meeting reconvened at 6:44 p.m.

Discussion took place related to the location of the January 13, 2015 Special Meeting of the Board of Directors. The Board Clerk indicated there was a misunderstanding and that the meeting was scheduled in the Foundation Conference Room as it was believed that was the Board's preference. It was agreed that any future board meetings scheduled to take place on campus will be scheduled in the Eskridge Conference Room.

Open session recessed at 6:45 p.m.

Open session reconvened at 7:16 p.m.

7. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

ACTION: The Tahoe Forest Hospital District (TFHD) Board of Directors determined in a special board meeting held on Tuesday, January 13, 2015 to not enter into a new employment agreement with Chief Executive Officer Bob Schapper. The decision was mutually agreed upon by both CEO Bob Schapper and all members of the full Board of Directors.

The District Board of Directors intends to bring a proposal for transition leadership to their regular monthly Board meeting scheduled for Tuesday, January 27, 2015 at 6:00 pm. The proposal includes adopting the District's succession plan which would include current Chief Operating Officer Virginia Razo assuming the role of Interim CEO on January 28, 2015. Recruitment for a new District CEO would begin in July 2015. Mr. Schapper will continue with the District in providing consulting support until June 30, 2015.

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The District Board welcomes an open discussion on this topic with community members at the regular January 27 Board meeting. The goal of the Board of Directors is to be receptive to any public comment about how these decisions can best serve the District, the community, physicians and employees.

Mr. Schapper has held the position of Chief Executive Officer since October 2002, and is credited with many important District accomplishments, including creating an academic affiliation with UC Davis Health System, advancing clinical quality to levels of national recognition, implementing diagnostic imaging technology to levels rare for a rural community, and facilitating the modernization of the physical facility through improvements outlined in the Measure C general obligation bond. The Board recognizes and appreciates Mr. Schapper's leadership over the past 12 years. He created a vision of excellence that transformed Tahoe Forest Health System to have one of the best mountain community hospitals in the nation.

8. NEXT MEETING DATE

9. MEETING EFFECTIVENESS ASSESSMENT

10. ADJOURN

Meeting adjourned at 7:17 p.m.