

To: MCHCD Planning Committee

From: Katharine Wylie, MS Ed.

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Subject: 2030 Hospital Team Report

Seismic Retrofit

The Mendocino Coast Healthcare District (MCHCD) Board is evaluating the best approach to comply with California's 2030 seismic safety standards. This includes the possibility of extending the deadline to 2033 by submitting comprehensive documentation, financial plans, and securing state approval. The board must determine whether to retrofit the existing facility, build a new hospital, or pursue a hybrid solution that ensures both compliance and modernization. This decision requires careful consideration of financial constraints, regulatory deadlines, Adventist Health's financial viability as a tenant, and community expectations—making strategic planning and proactive engagement essential.

The Planning Committee may help shape the board's vision by identifying funding sources and collaborating with Adventist Health to align operational and facility needs. Community engagement will be key, with roundtables and data-sharing sessions planned to build public support for potential bond measures. Financial planning will assess the costs of retrofitting, new construction, or hybrid solutions while prioritizing investments that enhance efficiency and reimbursement potential. Addressing jurisdictional approvals, meeting HCAI compliance deadlines, and educating stakeholders will also be critical. Strengthening the partnership with Adventist Health will be central to developing a modern, sustainable healthcare facility that serves the Mendocino Coast community.

Governor Newsom recently signed AB 869, which amends sections of the Health and Safety Code, extending the seismic retrofit deadline to 2033, among other changes. Dudley Campbell of the Devenney Group presented a modern hospital concept, including a preliminary 15-minute floor plan, available for review at: https://www.mendocinochcd.gov/2030-hospital-concepts.

MCHCD continues to work with Adventist Health staff to assess medical insurance reimbursement rates for inpatient and outpatient services and how they impact Adventist Health's ability to recover costs and maintain a sustainable business model. In the coming months, the Planning Committee will support the MCHCD Board in a facility strategic planning process to engage the public in shaping the future of healthcare facilities and modernization efforts.



HCAI Seismic Safety Compliance (SPC/NPC Requirements):

• SPC (Structural Performance Category): Retrofitting of the existing facility is required to meet seismic safety standards. Material testing and SPC scope initiation are imperative. The compliance plan was submitted in December 2023.

• NPC (Nonstructural Performance Category): NPC 4 evaluation is pending HCAI approval, with additional compliance steps required, including NPC 5 upgrades for essential utilities like potable water, wastewater, and fuel storage to sustain operations for 72 hours.

Current Coast Hospital Facility Options

1. Do Nothing:

- High risk due to regulatory and political pressures.
- Not recommended for the district's long-term sustainability.

2. Retrofit Existing Facility:

- Meets minimum compliance standards.
- Estimated cost is manageable but does not address modernization needs.

3. Build a New Facility:

- Requires significant investment and planning.
- Local jurisdictional approvals, including Coastal Commission, are critical if within their purview.

4. Hybrid Approach:

- Combines retrofitting with modernization of critical areas (e.g., ER and surgery).
- Balances cost and functionality while meeting community needs.