



NOTICE OF SPECIAL MEETING OF THE BOARD OF DIRECTORS

MENDOCINO COAST HEALTH CARE DISTRICT

Tuesday, October 1, 2024 - 1:00 PM

Redwoods Room, Adventist Health Mendocino Coast Hospital Campus,  
700 River Drive, Fort Bragg, CA.

Supporting documentation for this agenda is available at:

<https://www.MendocinoChCd.gov/>

Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the District at 707-937-3089 at least 72 hours prior to the meeting. The Board reserves the right to maintain meeting decorum, mute or remove a member of the public for inappropriate behavior which is disruptive. This Board Meeting is being held in person. Meeting attendees may also join virtually using the Zoom link below.

Join Zoom Meeting

<https://zoom.us/j/94144083262?pwd=GI5bwVcbs4qcBeBZOI81v87TDrp3dT.1>

Meeting ID: 941 4408 3262

Passcode: 898177

CONDUCT OF BUSINESS

1. OPEN SESSION

1a) Roll Call: Paul Garza Jr., Chair, Paul Katzeff, Vice Chair, Susan Savage, Secretary, Sara Spring, Treasurer, Jan McGourty, Member.

2. PUBLIC COMMENT FOR ITEMS ON THE AGENDA

Members of the public are welcome to address the Board on items listed on the agenda, and within the jurisdiction of the Board. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all public comments. No action or discussion shall be taken on any item presented except that the Board or staff may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters pertaining to the Board may be scheduled for discussion at a future meeting or referred to staff for clarification or a report, at the pleasure of the Board. If general public comment exceeds the 20 minute time limit, members of the public who have not had the opportunity to speak on items not on this agenda will have the opportunity to do so after the business on the agenda is concluded.



### 3. CLOSED SESSION

3a) Gov. Code §54956.8: Conference with Real Property Negotiators, 700 River Drive, Fort Bragg, Ca.

District Negotiators: District *ad hoc* subcommittee and legal counsel

Negotiating party: Eric Stevens, President, Northern California Network, Adventist Health.

Under negotiation: Terms of the Lease Agreement, dated July 1, 2020.

3b) Report out from Closed Session.

### 4. REGULAR CALENDAR

4a) Consider the appointment of ad hoc negotiation team for Lease Agreement Restructuring.

Recommended Action: Appoint ad hoc negotiation team for Lease Agreement Restructuring.

4b) Receive and consider approval of a contract amendment for Silverton Management Services, LLC.

Recommended Action: Approve contract amendment for Silverton Management Services, LLC.

Attachments: *Draft contract amendment with Silverton Management Services, LLC.*

### 5. ADJOURNMENT

The next Regular Meeting of the Board will be held on October 24, 2024, at 6:00 pm, at the Redwoods Room, 700 River Drive, Adventist Health Mendocino Coast Hospital, Fort Bragg, Ca.

Dated: September 30, 2024

A handwritten signature in black ink that reads "Katharine D. Wylie".

Katharine D. Wylie, MS Ed.  
Agency Administrator  
Mendocino Coast Health Care District

**FIRST AMENDMENT  
OF  
FINANCIAL ADVISOR AGREEMENT**

**MENDOCINO COAST HEALTH CARE DISTRICT  
AND  
SILVERTON MANAGEMENT COMPANY LLC**

This First Amendment to the Agreement for Professional Services (the “**First Amendment**”) between **Mendocino Coast Health Care District**, (hereinafter “**MCHCD**”) and **Silverton Management Company LLC** (“**Consultant**”) dated **April 1, 2024** (the “**Agreement**”), is made as of this 1st day of September, 2024. Each of the MCHCD and Consultant are sometimes referred to hereinafter as a “Party” or collectively as the “Parties.”

**WHEREAS**, the Parties entered into the Agreement as of April 1, 2024; and

**WHEREAS**, the current Agreement is titled Financial Advisor Agreement;

**WHEREAS**, the current Term of the Agreement is for a period of nine (9) months;

**WHEREAS**, the current Exhibit A is for a period of nine (9) months;

**WHEREAS**, the current Exhibit B is for a period of nine (9) months;

**NOW THEREFORE**, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Title of Agreement.** The title of Financial Advisor Agreement is hereby deleted and replaced with Chief Financial Officer/Chief Restructuring Officer Agreement.

2. **Term of Agreement.** Section 3 of the Agreement is hereby deleted in its entirety and replaced with the following language:

Subject to earlier termination as provided in Section 10 (Termination), the term of this Agreement shall begin as of September 1, 2024 and shall expire on December 31, 2025.

3. **Exhibit A.** Add: **Within the next 16 months-** Create a consolidation business model that has financial viability for the next 20 to 25 years with realistic recognition of the limited resources any business has. The dynamic and changing conditions on how health care services are being provided must be implemented into the consolidation model with restructuring methods.

4. **Exhibit B.** Retainer of \$3,000 per month is hereby deleted and replaced with Retainer of \$7,500 per month.

5. **No Other Changes.** Except for the modification of the Agreement as set forth above, the terms of the Agreement, as amended, shall remain in full force and effect.

6. **Counterparts.** This First Amendment may be executed in multiple counterparts, and counterpart signature pages may be assembled to form a single, fully executed document.

**IN WITNESS WHEREOF**, the Parties have executed this First Amendment on the dates set forth below.

MCHCD:

\_\_\_\_\_  
By: Paul Garza Jr., Board Chair

Date: \_\_\_\_\_

CONSULTANT:

\_\_\_\_\_  
By: Wayne C. Allen, Managing Member  
Silverton Management Company LLC

Date: \_\_\_\_\_