



Meeting of the Governing Council Minutes

Tuesday June 14, 2011

5:30-7:00 p.m.

Quarters 2 Building, Beacon Hill
1200 12th Ave South Seattle, WA

| MEMBERS PRESENT | | NOT PRESENT | ALSO PRESENT |
|-----------------|----------------------------|-------------|---|
| Kevin Fox | Marc Provence | Tom Wood | Rosemary Aragon, ED |
| Lance Wilken | Linda Ruiz (from 5:46) | | Christina Bernard, PA |
| Marite Butners | Wendy Watanabe (from 5:54) | | Denise Stiffarm, K&L Gates |
| Dan Lessler | Theresa Rambosek | | Andrew Prather, Clark Nuber, until 5:51 |

Kevin Fox called the meeting to order at 5:34 p.m. A quorum was present. There was no public comment.

Consent Calendar

The Governing Council approved the May 10, 2011 Governing Council minutes, as amended to fix the date (Moved/2nded by Provence/Lessler. 6 of 6 in favor).

The Governing Council accepted as information the Finance & Audit Committee minutes from May 10, 2011 and Planning Committee minutes from May 4, 2011.

2010 Audit

Andrew Prather of Clark Nuber presented the draft 2010 Audit Report to the Governing Council. He stated that Clark Nuber had no areas of concern. There was one audit adjustment regarding the timing of expenses and payables for the Navigator grant, and a recommended change to the PHPDA Accounting Manual had already been completed.

At 5:46 p.m., staff were excused for a discussion between the auditor and the Council. Staff returned at 5:51 p.m, after which Mr. Prather left the meeting.

The Council voted to accept the 2010 Audit Report (Moved/2nded by Butners/Rambosek. 7 of 7 in favor).

Tower Update

The Executive Director and Governing Council Chair updated the Council on meetings with Wright Runstad.

Governance

TIAACREF Retirement Plan amendment (Res 04-2011)

The Executive Director discussed a required change to the PHPDA retirement plan. TIAA-CREF contacted her regarding the inability to include Roth Elected Deferrals under the PHPDA's plan even though they had been marked as available in previous documents. The Council voted to approve Resolution 04-2011 as amended, authorizing the updated Plan documents to be completed (Moved/2nded by Butners/Lessler. 8 of 8 in favor).

Communication with King County regarding expiration of the King County-PHPDA Interlocal Agreement (May 29, 2011)

The Executive Director discussed her conversations with King County staff, as well as a letter sent to contacts at Public Health, regarding the end of the King County-PHPDA Interlocal Agreement on May 29. A final report will be produced for the County and the Executive Director will be working on the format for future reporting to the County. As discussed at a previous Council meeting, the King County



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Executive will continue to appoint one member of the PHPDA Governing Council.

Update to PHPDA Strategic Plan

Planning Committee Chair Wendy Watanabe led discussion on PHPDA strategic planning, currently scheduled for Fall of 2011. She summarized the discussion that took place at the June 1 Planning Committee meeting. The Committee stated that they would like to review the previous strategic planning in 2008, the PHPDA charter and other key documents, and last year's stakeholder discussions, to help determine the scope of the planning and future PHPDA programs. The Committee discussed the need to look at the context for this work and PHPDA's grant making approach, and started brainstorming potential key informants.

The Council also began to brainstorm potential stakeholders and areas of expertise they may want to seek out. They noted that future potential PHPDA Council-members and strategic advisors could be invited to participate. They also discussed preliminary scheduling options.

Retention of Pacifica Law Group LLP (Res 06-2011)

The Executive Director reported that the Finance Committee had reviewed a proposal and resolution to retain Pacifica Law Group for strategic legal advice. Gerry Johnson, who has been a long-term key PHPDA advisor at K&L Gates, left the firm with several other attorneys and formed a new practice, Pacifica Law Group. While PHPDA will continue to work with K&L Gates for most legal advice, the Executive Director proposed that PHPDA enter into a contract with Pacifica for key strategic advice in certain areas that Gerry Johnson has worked with PHPDA in the past.

Council members discussed the proposed resolution and the fact that PHPDA would enter into this contract without first completing a competitive process. They noted Mr. Johnson's very distinctive specialty, his long history and high level of familiarity with PHPDA, and the fact that few other people in the area have his expertise, as the reasons for foregoing such a process.

The Council voted to adopt Resolution 06-2011, authorizing the Executive Director to enter into a contract with Pacifica Law Group to provide strategic legal advice (Moved/2nd, Butners/Rambosek, 8 of 8 in favor).

Increase access to care

PHPDA-PMC Interpreter Services Contract Amendment (Res 05-2011) and Medicaid Interpreter Services subcontracting update

As previously discussed with both the Planning and Finance Committees, the Executive Director reported on her discussions with DSHS regarding Interpreter Services subcontracting. As DSHS has stated that PHPDA cannot currently subcontract with CHC Safety Net clinics and the Governing Council approved only \$50,000 of PHPDA funds for Interpreter Services for the second half of 2011, for the time being PHPDA will continue to contract with PMC but will set a monthly limit. The Executive Director has already notified PMC that the current contract will end as of the end of June. A new contract with a clause limiting the monthly amount of the PHPDA match to \$8,333 has been written.

The Council voted to approve Resolution 05-2011, authorizing the Executive Director to enter into a new Interpreter Services contract with PMC beginning July 1, 2011, that includes a monthly dollar limit



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of \$8,333 on PHPDA match funding (Moved/2nd, Watanabe/Butners, 8 of 8 in favor).

Financial stewardship

Finance Committee Charter

The Finance Committee Chair discussed a proposed updated Finance Committee Charter. Several changes have been made compared to the previous version, last amended in January 2008. These changes were made to better describe the current scope of the work of the Committee. In a previous Governing Council meeting, most discussion focused on proposed language regarding non-budgeted spending and a change allowing voting non-Governing Council Committee members. The Program Analyst drafted two alternate versions: one with the ability to have voting non-Governing Council Committee members (Version 1) and one without (Version 2). Regarding non-budgeted spending, in both versions, revised language points to guidance in the PHPDA Charter and allows lower spending limits to be set as part of the budgeting process each year.

The Finance Committee reported that they had discussed the ability to have voting non-Governing Council members and the fact that the most power the Committee exercised was the non-budgeted spending ability. Based on the concern that non-Governing Council members could potentially approve spending without the consent of Governing Council members, Committee members added a clause to Version 1 of the Charter, adding a requirement for a supermajority of 75% to approve such spending.

The Council discussed other potential concerns regarding the inclusion of these Committee members. Finance Committee members noted that they want the voices of certain experts heard and recorded through their votes, but do not want the need for certain expertise on the Finance Committee to drive membership on the Governing Council, which will often require different areas of expertise.

The Council went on to discuss the option of allowing meeting attendance by telephone.

The Council voted to approve Version 1 of the Charter, as amended by the Finance Committee to include the 75% supermajority requirement for non-budgeted spending decisions and by the Governing Council to allow members to attend meetings by phone (Moved/2nd, Butners/Wilken, 6 of 8 in favor, with Marc Provence and Dan Lessler voting against).

Staff will update certain sections of the Conflict of Interest Policy and the PHPDA Rules & Regulations to include voting non-Governing Council Committee members and bring the changes for Governing Council Approval in July.

Employment Screening & Background checking policy (Operating Policy 04-2011)

Discussion of Operating Policy 04-2011 was deferred to a future meeting.

Adjournment

The meeting was adjourned at 7:15 p.m.

Minutes approved _____ (Date)