



**BOARD OF DIRECTORS -
SPECIAL BOARD MEETING MINUTES**

AGENDA ITEM	DISCUSSIONS/CONCLUSIONS	ACTIONS/FOLLOW-UP/ RESPONSIBLE PARTY
PRESENT AT MEETING:	<p>Board Members: Larry Long, Vice President; Karen Sessler, M.D., Secretary; Dale Chamblin, Treasurer; Roger Kahn, Board Member</p> <p>John Mohun, President, attended via teleconference</p> <p>Staff: Bob Schapper, Chief Executive Officer; Jayne O’Flanagan, Director Human Resources; Patricia Barrett, Executive Assistant/Clerk of the Board</p> <p>Others: Steve Gross, Legal Counsel; Dan Croley, Randy Riddle, and Greg Moser</p>	
1. Call to Order	Director Long called the meeting to order at 10:01 a.m.	
2. Roll Call	The Roll Call reflected Directors Long, Sessler, Chamblin and Kahn present; and Director Mohun present via teleconference.	
3. Clear the Agenda/Items Not On the Posted Agenda	The agenda was cleared. There were no changes made to the posted agenda.	
4. Input -- Audience Employee Associations	<p>Jamie Cole shared her understanding and impressions related to pharmacy services and selection of prior Director of Pharmacy. Expressed disappointment in the Board and CEO for cost associated with recruiting the Director of Pharmacy only to transition him out after 8 months.</p> <p>Tom Combs noted that he does not know Bob Schapper and believes the Board is in a bad position on the topic of the conflict of interest. Suggests that the Board would be better off to have an outside agency conduct an investigation of this issue. There will be people displeased regardless of the Board’s decision. Suggested that the District Attorney be contacted to</p>	



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	<p>conduct the investigation. It is critical that everything be as transparent as possible.</p> <p>Pete Forni shared comments related to the conflict of interest investigation. He shared concern related to the policy approved at the prior board meeting allowing the CEO to enter into employment contracts; he feels the decision should have been delayed until the conflict of interest issue was resolved. He further questioned the need for employment contracts.</p> <p>Mike Enrique of Tahoe City inquired about the report out process and requested that staff post draft unapproved minutes immediately following each meeting.</p> <p>Peter Rivera shared his thoughts related to the CEO's perceived benefit from his wife's employment with the District.</p> <p>Scott Bennett asked attendees and board members to remember the significance of the CEO being identified as CFO of his wife's company..</p> <p>Meeting adjourned to closed session at 10:21 a.m.</p>	
5. Closed Session:	The meeting proceeded into closed session at 10:31 a.m.	
6. Open Session	Director Long called the open session to order at 4:05 p.m.	
7. Report of any Reportable Actions	Director Sessler thanked the community for their patience over	



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<p>Taken in closed session</p>	<p>the last several months as the conflict of interest issue has percolated throughout the community and with employees. Director Sessler stated that it was important for the Board to take the time necessary to address and obtain feedback from outside investigators and wait for the final report. The constraints of the Brown Act were noted as also contributing in slowing the process. Director Sessler confirmed that the Board has heard the concerns of the community related to transparency.</p> <p>District Counsel provided report out of motion taken in closed session and provided a summary of the backgrounds of outside counsel providing expert opinion on the matter.</p> <p><u>Report Out:</u> Based on a thorough investigation of the facts by an independent investigator, the Procopia law firm, there is insufficient evidence to determine that the CEO violated government code 1090, and therefore the Board, by a vote of 4 to 1, has determined to take no further action with respect to the alleged conflict of interest.</p>	
<p>8. Adjourn</p>	<p>The meeting adjourned at 4:19 p.m.</p>	

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