

Del Puerto Health Care District

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October 19, 2006

Honorable Marie Sylvera
Presiding Judge
Superior Court Stanislaus County
PO Box 3488
Modesto, CA 95353

**Re: Response of Del Puerto Health Care District to the Final Civil Grand
Jury Report (2005-2006 Grand Jury)**

Dear Judge Sylvera:

Pursuant to California Penal Code section 933(c), the Del Puerto Health Care District hereby responds to the Civil Grand Jury report dated June 26, 2006.

The District agrees with four of the Grand Jury's findings, but takes issue with the other three. The District agrees with the Grand Jury's recommendations in all but minor regards. These are discussed below.

Findings

Finding No. 1: Agree.

Finding No. 2: This finding indicates that at a Board meeting conducted on January 26, 2006, "a member of the District Board interrupted and may have appeared to intimidate a member of the public wishing to speak during a public comment section of the agenda." In fact, members of the public were given an extensive opportunity to address issues of concern at that meeting, and specifically regarding the recent resignation of Dr. Paul Berry. Once the members of the public had voiced their concern, the presiding Board chair attempted to move on to other agenda items, but was interrupted by a member of the public who had already spoken, but who began speaking again, without having requested an opportunity to speak. This person was not "intimidated" from speaking, and did, in fact, disrupt the proceedings and refuse to conduct himself in an orderly and courteous manner.

Finding No. 3: This finding indicates, in part, that during another public Board meeting, one that occurred subsequent to the public meeting discussed in Finding No. 2 above, “a member of the Board requested a speaker to identify himself or be removed from the building during the public comment portion of the agenda. The member of the public continued to speak without identifying himself and was not removed.” The statement from the Board chair regarding removal from the building was not directed at persons refusing to identify themselves, but to a very unruly and disruptive group at that meeting, whose demeanor gave the Board concern for the safety of the public and themselves should the disruptive conduct escalate.

Members of the public who attend Board meetings are not required to sign in, nor are they required to provide their names or addresses in order to speak before the Board. The practice of requesting names and addresses of those who wish to speak is voluntary, and is used to identify the speaker to the Board and to indicate whether the speaker lives in the District. Those who refuse to provide such information are not denied an opportunity to speak before the Board.

Finding No. 4: No dispute.

Finding No. 5: No dispute.

Finding No. 6: No dispute.

Finding No. 7: This finding concerns the District’s hiring of an Executive Director for the District’s Health Clinic. The Grand Jury’s finding is factually inaccurate in its entirety. It appears that the Grand Jury either misunderstood the information provided, or was provided misleading information by complainants.

The actual facts are that, in 2002, the District contracted with a consulting firm to provide human resources (“HR”) services to the District. The consulting firm, Debi Decker & Associates, consisted of Debi Decker, who had extensive HR knowledge and experience and was formerly the assistant administrator of a rural hospital with a rural health clinic, and Ms. Decker’s brother, Jerry Guidry, who had extensive management training with The Gap and Nike, and who managed stores for both entities.

When the District decided to open a primary care clinic (the “Health Center”), the District temporarily expanded its contract with the consulting firm to include project management. Such project management responsibilities and services required the consulting firm, in conjunction with the District CEO, to ensure that the Health Center met all legal and regulatory requirements and to run the day-to-day operations of the Health Center during the start-up. The term of the consulting firm’s expanded responsibilities commenced in the second quarter of 2003 through the third quarter of 2004, at which time the contractual responsibilities reverted to HR oversight.

In the fall of 2005, the District temporarily expanded the consulting firm's contractual responsibilities to include management training for the ambulance leadership. When the Medical Director of the Health Center alleged that there were staffing issues, the District CEO temporarily retained the consulting firm to assist with the search for a new clinic Executive Director and to assist with a detailed audit to investigate the staffing issues being alleged. The search resulted in the hiring of Ms. Jamie Folse as the Health Clinic's Executive Director. Ms. Folse was a Paramedic, with extensive emergency medical experience, had managed coroner's office investigations, and has a degree in health care management.

Ms. Decker claimed that she was threatened and harassed by undisclosed persons during the unrest following Dr. Berry's resignation, and therefore terminated her company's contractual relationship with the District in February 2006. Ms. Folse terminated her employment as Executive Director of the Health Center in February 2006

Neither Debi Decker, Jerry Guidry, nor Jaime Folse had any financial conflicts of interest with the District. Nor did the District decision makers, including the District's CEO, Margo Arnold, have any financial conflict of interest in contracting with Debi Decker & Associates as a consulting entity. The District agrees with that part of the Civil Grand Jury's finding No. 7 which states: ". . .the CGJ found no conflict of interest involved . . ."

Recommendations

Recommendation No. 1: The recommendation that the District implement an "aggressive training session for all officials conducting the public's business in areas that provide for public comment or interaction with the Board," is an overly broad and ambiguous recommendation. Moreover, there is no finding that supports such a recommendation. However, all Board members and the District's CEO have undergone a training and education session with County Counsel regarding the Brown Act. The Board also consults regularly with its legal counsel concerning Brown Act issues and the conduct of its meetings. The District is also developing a set of regulations to ensure that members of the public are given a reasonable opportunity to address the Board at its open sessions.

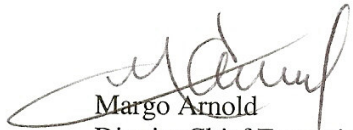
Recommendation No. 2: The Board will make reasonable efforts to schedule its special meetings consistent with the publication of the local bi-weekly papers when practical. Some special meetings may not be of such nature that they can be scheduled in this manner. The Board will attempt to keep such meetings to a minimum. The CGJ's recommendation to use the District's telephone answering system for recording matters of interest to the public is unworkable due to the older technology of this particular answering system.

Recommendation No. 3: The District has in place competitive recruitment and hiring policies in the District's Employee Handbook. In addition, the District will advertise and post all open positions.

The District appreciates the time and effort that the Civil Grand Jury devoted to its investigation, findings and recommendations, and thanks the jurors for their dedication and service.

If additional information regarding these findings and recommendations is needed, please contact Margo Arnold, the District's Chief Executive Officer for assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Arnold', with a large, sweeping flourish extending to the left.

Margo Arnold
District Chief Executive Officer