



SANDHILLS CENTER

Board of Directors Meeting Minutes October 9, 2018

Members Present:

- | | |
|---|--|
| <input type="checkbox"/> Ross Streater | <input checked="" type="checkbox"/> Priscilla Little |
| <input checked="" type="checkbox"/> Kay Cashion, Vice-Chairperson | <input checked="" type="checkbox"/> Gart Evans |
| <input checked="" type="checkbox"/> Dixie Branch | <input type="checkbox"/> Carlos Townsend |
| <input checked="" type="checkbox"/> Joe Miller | <input checked="" type="checkbox"/> Bill Larrison |
| <input checked="" type="checkbox"/> Harry Southerland | <input type="checkbox"/> Shirley Hart |
| <input checked="" type="checkbox"/> Kevin Dodson | <input type="checkbox"/> Walter Ferguson |
| <input checked="" type="checkbox"/> Anthony Copeland | <input checked="" type="checkbox"/> Carol Whitaker |
| <input type="checkbox"/> Otis Ritter | <input type="checkbox"/> Matthew Rothbeind |
| <input checked="" type="checkbox"/> David Allen | <input checked="" type="checkbox"/> Mazie Fleetwood |
| <input checked="" type="checkbox"/> Leann Henkel | |
| <input checked="" type="checkbox"/> Thad Ussery, Chairperson | <input checked="" type="checkbox"/> Michele Weatherly, Secretary |
| <input checked="" type="checkbox"/> Jerry Earnhardt | |

Staff Present:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Victoria Whitt | <input checked="" type="checkbox"/> Sherry Bynum |
| <input checked="" type="checkbox"/> Anthony Ward | <input checked="" type="checkbox"/> Evelyn Quick |
| <input checked="" type="checkbox"/> Susan Campbell | <input checked="" type="checkbox"/> Leonard Covington |
| <input checked="" type="checkbox"/> Hannah Brown | <input checked="" type="checkbox"/> Patrick Sloan |

Guest: Lisa Jackson, DMH, LME Technical Assistance Liaison

Call to Order and Invocation

The Sandhills Center Board of Directors met on Tuesday, October 9, 2018, at the Administrative Office at 1120 Seven Lakes Drive, West End, NC. Chairperson Commissioner Thad Ussery called the meeting to order at 7:04 p.m. and gave the invocation.

Chairperson Ussery expressed sympathy to Commissioner Harry Southerland and Shirley Hart on their recent losses.

Conflict of Interest

Chairperson Ussery read the Conflict of Interest statement and asked if any Board member had a conflict of interest concerning agenda items the Board would address in the meeting that would require recusal. No conflicts were stated.

Certification of Quorum

Michele Weatherly, Secretary, certified a quorum.

Approval of Agenda

A motion was made by Commissioner Anthony Copeland and seconded by Michele Weatherly to "approve the agenda as presented". The motion passed unanimously.

Absent Board Members Justifications

Commissioner Ross Streater – Medical issue – excused. *A motion was made by Commissioner Harry Southerland and seconded by Michele Weatherly to "excuse the absence". The motion passed unanimously.*

Carlos Townsend – Work – excused. *A motion was made by Commissioner Harry Southerland and seconded by Michele Weatherly to "excuse the absence". The motion passed unanimously.*

Shirley Hart – Death in family – excused. *A motion was made by Commissioner Harry Southerland and seconded by Michele Weatherly to "excuse the absence". The motion passed unanimously.*

Walter Ferguson – Out of state/work – excused. *A motion was made by Commissioner Harry Southerland and seconded by Michele Weatherly to “excuse the absence”. The motion passed unanimously.*

****Commissioner Otis Ritter** – Commissioner Ritter emailed his reason for not attending the October Board meeting after the start of the meeting. His excuse will be taken to the Board in November for their consideration.

****Matthew Rothbeind** – Matthew Rothbeind called Wednesday to apologize for not attending. He commented that he had an emergency situation in his office and stated he is ok letting his excuse stand as unexcused.

Public Comments

None

Consent Agenda

A motion was made by Commissioner Kay Cashion and seconded by Commissioner Joe Miller to “approve the consent agenda”. The motion passed unanimously. The following were approved:

- September 11, 2018 Board of Directors Meeting Minutes
- Policy Revisions

New Business

➤ **Chief Executive Officer’s Report – Victoria Whitt, Chief Executive Officer**

Mrs. Whitt welcomed everyone and provided the following:

A. Guilford County – Notice of Sale of 201 North Eugene Street Greensboro Property and Termination of Lease

Mrs. Whitt informed the Board of Directors of the recent notice of sale for the 201 North Eugene Street Greensboro property and the termination of the current lease between Sandhills Center and Guilford County.

Mrs. Whitt reported that the November 13, 2012 Merger Agreement between Sandhills Center, Guilford County and Guilford Center included the lease of this county property “for the sum of One Dollar (\$1.00) per year for a period of three years with an option to extend on a yearly basis thereafter. If at any point the option to extend is not exercised by Guilford County, or in the event Guilford County sells the building to a third party, Guilford County will locate and provide alternative county property in similar condition with approximately the same square footage and with adequate parking for use by Sandhills Center under the same terms of the lease agreement. Guilford County agrees that it will notify Sandhills Center with at least 90 days’ notice of any pending sale. It is expressly agreed that any sale and/or relocation shall not cause any interruption of services provided by Sandhills Center to the citizens of Guilford County. Additionally, Guilford County will make available to Sandhills Center or its employees, parking spaces in the lot at 201 North Eugene Street for as long as Sandhills Center has use of the building at the same location. The number of spaces available shall be up to 65, the same number of spaces available to Guilford Center staff as of June 1, 2012. To the extent practicable, the spaces shall be provided in accordance with the current Guilford County Parking policy.”

Since January 1, 2013, this property has housed the Sandhills Center LME/MCO operations, consisting of approximately 130 staff, as well as the identified provider (Monarch) delivering outpatient, med management, and 24/7 crisis services.

During the five year period, Guilford County has kept Sandhills informed of their desire to sale the property and involved in any discussions related to their intentions.

On September 20, 2018, the Guilford County Board of Commissioners voted to sell the property to the City of Greensboro “conditioned upon the parties’ agreement to the terms of a lease by which the County would lease back much of the property for a satisfactory duration during which the 201 N. Eugene St. building’s operations would continue uninterrupted”.

Mrs. Whitt reported that on September 24, 2018, she received a letter from the Guilford County Manager providing Sandhills with the 90 days' notice of the planned sale of the property, as required by the Merger Agreement with Guilford County.

Guilford County and the City of Greensboro are currently in the due diligence period, set to expire January 31, 2019. Closing is scheduled to occur within 14 days after the expiration of the due diligence period. Guilford County will provide the exact closing date once it is set.

Based on previous discussions with the Guilford County Commissioners and conversations with the County Manager on September 26th and October 1st, the following mutual understandings of the processes and actions that will be necessary for the proposed property transaction:

- Guilford County will lease the property back from the City of Greensboro for a period of 24 months with an optional six month extension, and that the property will be subleased from Guilford County to Sandhills Center during that time.
- The City of Greensboro plans to construct a parking deck on the property that "will involve demolishing the northernmost portion of the building leased to Sandhills Center". That the demolition will involve only the removal of the current entrance and lobby of the Crisis/Emergency Services portion of the building, taking no further than 20 feet of the current operation. That the City of Greensboro will make renovations to the building to re-direct the flow of individuals into the Crisis/Emergency Services through an existing entrance beyond the planned demolition and that renovation will be done to the current landscaped area near the entrance of the building to add parking for law enforcement and family members to aid in admitting individuals to the service. That the renovation work is planned to be completed with individuals accessing the new entrance of the service prior to the demolition beginning. That the demolition work is to be planned in advance to limit the time needed to complete the work. This is critical given the crisis services being provided in that portion of the building. That this renovation/demolition work will not impede the operation of the building during the project.
- That no further demolition or changes are planned for the remaining portion of the building.
- That the planned parking deck construction may cut off access to the back entrance of the property. That there is consideration of creating a separate entrance/exit location to again make that portion of the building accessible along with maintaining accessibility to the generator and dumpsters in that area. That the access point will allow sufficient egress so as to not violate any fire codes or otherwise put occupants of the building at any significant risk.
- That the planned construction may eliminate the current 65 spaces provided by Guilford County outlined in the Merger Agreement, which calls for those 65 spaces to be "in the lot at 201 North Eugene Street for as long as Sandhills Center has use of the building at the same location".

That it is uncertain if there will be up to 65 spaces on the current site that will be suitable or safe for parking once the construction of the parking deck starts. That the City will be responsible for providing up to 65 spaces either on site or nearby, which could mean parking on street or in City Parking Decks. Sandhills will know the proposal on the parking before the lease is finalized between the County and City.

- Sandhills have had and are continuing discussions with Guilford County, focused on the plan for service delivery during and following a transition from the 201 North Eugene Street location.
- That the Merger Agreement outlines a process for locating and providing alternative space for those administrative functions. Mrs. Whitt commented that she will continue to work with Guilford County to formalize a plan.

B. Comprehensive Care Centers Update – Randolph and Richmond Counties

- **Randolph Facility** – Mrs. Whitt gave the following update on the FBC project in Asheboro:

- Phase I – of the project is 99% completed, noting issues continue with the hardware on the doors.
- Phase II – overall construction is 70% completed and is currently within budget. Mrs. Whitt noted a change with the security, that *I-Connect* will provide a new surveillance system, access control door hardware system, and intercom and white noise system. A credit from the General Contractor (GC), will be provided for the access control hardware that *I-Connect* will provide. One change order has been issued for Phase II.
- Anticipated revised completion date is set for December 3, 2018 for all work excluding the elevator. The primary reason for the delay, as stated by the GC, is due to electrical changes to the service in the building and a requirement of the Building Inspector to provide a service rated electrical disconnect. The Architect does not believe that the electrical portion of the work is holding up the critical path of the construction schedule and feels that the delay appears to be that the GC is behind due to a multitude of factors and that liquidated damages will likely be enforced. The elevator completion date is now anticipated for mid-late January at the latest according to the GC.

✦ **Richmond Facility** – Mrs. Whitt gave the following update on the FBC project in Rockingham:

- Overall design is 80% complete.
- Civil, Structure and PME engineers have been released for their respective portions of the design. It is anticipated that the Construction Documents will be complete and ready to be released for bid in late October. Mrs. Whitt feels that the bid information will not be ready for the November Board meeting.

C. Legislative/DHHS Updates

✦ **Establishment of Ranges for LME/MCO Solvency** – Mrs. Whitt reported that the meeting between the LME/MCO CEOs, the Department and Legislative Fiscal Research staff has been delayed due to the recent hurricane and hurricane relief activities by the State.

✦ **NC DHHS Medicaid Transformation Summary** – Mrs. Whitt reported that the RFP close date has been delayed until October 19th due to the recent hurricane and hurricane relief activities.

➤ **Clinical Services & Operations Report – Anthony Ward, Chief Operating Officer/Deputy Director**
Mr. Ward reviewed the following:

- ✦ Medicaid Waiver Operations Report – September 2018, noting that all benchmarks continue to be met.
- ✦ Medicaid Waiver Financial Operations Report – September 2018, noting the financial measures that Sandhills is required to meet.

Committee Reports

- **Finance Committee Report** – Finance Committee Chairperson Gart Evans reported the Finance Committee met prior to tonight's Board of Directors meeting and reviewed the Finance Report in detail. Chairperson Evans presented and reviewed the Finance Agenda with the Board of Directors. A summary of the Consolidated Balance Sheet and Income Statement was reviewed and reflects services through August 31, 2018.

On behalf of the Finance Committee, a motion was made by Finance Committee Chairperson Gart Evans and seconded by Commissioner Kay Cashion to "approve the Finance Agenda as presented". The motion passed unanimously.

- **Human Resources Committee Report** – Human Resources Committee Chairperson Mazie Fleetwood reported that the Human Resources Committee met tonight and reviewed the following:

✦ **2019 Health Insurance Renewal** – Human Resources Committee Chairperson Mazie Fleetwood reviewed the 2019 Health Insurance Plan, noting:

- The 2019 Medical and RX Claims will increase by 7.7%
- The 2019 Dental Claims will decrease by 5.6%
- Total net projected cost increase for the medical and dental claims is \$205,869 (6.6%)

On behalf of the Human Resources Committee, a recommendation was made, in the form of a motion, by Human Resources Committee Chairperson Mazie Fleetwood and seconded by Commissioner Harry Southerland "for Sandhills Center to pick up the projected 6.6% plan cost increase of \$205,869 for medical and dental plan expenditures, resulting in no medical or dental premium changes to employees for 2019". The motion carried.

- Mrs. Fleetwood also reported that the benefits broker for Sandhills Center, Willis/Towers/Watson, was able to secure an additional 3-year guaranteed rate lock for staff ancillary benefits (e.g. vision, supplemental life, disability income, etc.). This resulted in current premiums for those ancillaries remaining the same through the end of calendar year 2021.
- Mrs. Fleetwood reported that the Stop-Loss Insurance Coverage is currently being marketed. This will be presented at the November Board meeting.
- **LME/MCO CEO Salary Range Study Per SB99** – the Office of State Human Resources (OSHR) has been directed to hire an outside consultant to conduct a market compensation survey to study the LME/MCO CEO salary range. The study must be completed by December 1, 2018. OSHR recently selected Dan Ripberger to complete the study. Mrs. Fleetwood and Chief Human Resources Officer, Leonard Covington, will have a conference call with Mr. Ripberger to answer any questions regarding the survey.
- **Client Rights Committee Report** – Did not meet.
- **Corporate Compliance & Internal Audit Committee Report** – Chief Legal Officer/Corporate Compliance Officer Evelyn Quick gave the report.

Old Business

None

Comments


None

Board Materials

- Community Agencies Breakfast Meetings Agenda
- i2i Center for Integrative Health Conference – December 5-7, 2018
- DMA Monthly Financial Report – August 2018
- Personnel Report
- Newspaper Articles
- 2018 NAMI NC Annual Conference – October 12, 2018

Adjournment

A motion was made by Michele Weatherly and seconded by Commissioner Kevin Dodson to "adjourn the meeting". The motion passed unanimously. The meeting adjourned at 7:47 p.m.



Commissioner Chad Usery
Chairperson, Board of Directors

11-13-18

Date

Documents referred to in these minutes may be obtained by contacting Sherry Bynum at sherryb@sandhillscenter.org or 910-673-9111.

Submitted by: Sherry Bynum, Clerk to the Board of Directors/Executive Assistant