

**BLOSS MEMORIAL HEALTHCARE DISTRICT (BMHD)  
BOARD OF DIRECTORS' MEETING  
BOARD ROOM  
Thursday, February 26, 2026  
2:00 pm**

**CALL TO ORDER**

Kathy Flaherty, Chair, called the meeting to order at 2:00 pm.

**ROLL CALL**

Board Members Present: Gary Bacom, Board Member, Zone 1; Buffy McDaniel, Board Secretary, Zone 2; Kathy Flaherty, Chair, Zone 3; Bob Boesch, Vice Chair, Zone 5 and Alfonse Peterson, Board Treasurer, Zone 4 @ 2:02 pm

Others Present: Kory Billings, CEO; Fily Cale, Executive Assistant; Alisa Bettis, Grants Coordinator; Rina Gonzales, Merced County Counsel; Patti Kishi, CFHC Board Vice Chair and Cora Gonzales, CFHC Board Chair @ 2:41 pm

Absent: Thomas Ebersole, Legal Counsel

**SUBSEQUENT NEEDS ITEMS**

None

**APPROVAL OF AGENDA**

**A motion was made / seconded, (Bob Boesch / Gary Bacom) to approve the February 26, 2026 agenda as presented. Motion carries.**

**PUBLIC COMMENTS**

None

**APPROVAL OF MINUTES**

A. Approval of January 29, 2026 Board Meeting, Exhibit 1

**A motion was made / seconded, (Buffy McDaniel / Bob Boesch) to approve and accept the January 29, 2026 Board Meeting minutes as presented, Exhibit 1. Motion carries.**

## FINANCIAL REPORT

### A. January 2026 District Financials, Exhibit 2

Kory Billings reported on the January 2026 financials. We are still working with the accountant, and these financials are for review only, not action.

The date on the Bank Account Summary should read 1/30/26 not 1/30/25. Cash on Hand had a slight increase for a current balance of \$6,065,793.53. The investments also had slight increases.

The board had requested that YTD be added to the Budget vs Actuals report, this is reflected on the pink pages of the report. The yellow pages reflect the checks that have cleared.

We are still adjusting the budget from last year's mid-year adjustments. We did find a few additional errors, specifically the line item for the Bloss facility remodel upgrade. The former contractor's information hadn't been moved into that category, along with some of the other vendors.

Reminder that bank statements are available for review upon request.

### B. January 2026 Payroll, Electronic Payments & Bill List, Exhibit 3

Kory Billings highlighted that the final two payments of \$8,771.39 and \$16,880.01 for the clinical space to contractor, Jerry Bohn, were paid. There is \$400 plus expense that will be reflected in next month financials, which was for him to secure all windows after the break in; this will be under Repairs and Maintenance.

West Coast Gas for the second time in a row remains high at \$17,676.70, we contacted them, they came out and did not locate any leaks, re-read the meter and stated that they had not located any discrepancies. They stated that we did have colder months during this period.

The Carrier payment of \$73,280, which was discussed at last month's meeting.

Buffy McDaniel asked if the West Coast Gas bill compared to last year. Kory Billings responded that there was a rate increase last year and when he looked back it has never been this high, during the colder months, it may be as high as \$10,000, we will continue to monitor this.

**A motion was made / seconded, (Alfonse Peterson / Gary Bacom) to approve and accept the January total payroll in the amount of \$17,890.68 and total check payments in the amount of \$189,608.63 for a grand total distribution of \$207,499.31, Exhibit 3. Buffy McDaniel opposes. Motion carries.**

## CHIEF EXECUTIVE OFFICER REPORT

### A. Facilities Report

#### 1. Bloss Facility Report

Kory Billings reported that the cabinetry for the women's clinic has arrived and will need to be installed. We'll need to go out to bid.

## 2. Castle Facility Report

There are a few issues that will be discussed further on the agenda.

### 3. Maintenance Staff

Last week we interviewed for a maintenance person, with a second interview this week. Unfortunately, for us he accepted a full-time position with Merced High School.

The day-to-day maintenance work is now starting to pile up, such as a self-closing door arm at the Castle facility that needs adjusting, light bulbs, etc. Should anyone know of someone who wants part-time work, please let them know we're in need.

### 4. RFP's Update

Kory Billings reported that he had received two responses from the RFP for General Counsel, which will close on February 28, 2026. How does the board wish to pursue the interviews? CEO and candidate, does the board want to be involved in the first interview or the second interview. Buffy McDaniel would like to see a board member participate in the interview. Kathy Flaherty responded that she will participate.

### 5. Meeting with Food Bank and United Way

A meeting was held with the Merced County Food Bank and United Way; this was the beginning phase of meeting with outside representatives, and they brought a lot of knowledge to the table in both fields. They will provide a list of who distributes food and in what areas.

### 6. Cancellation of Bloss/Castle Joint Meeting

Peter Mojarras, CFHC, CEO had requested a meeting with BMHD for February 17, 2026. The meeting was cancelled, as on several occasions we had requested if there were any items for the agenda and did not receive any response. If agenda items come up we will reschedule the meeting.

### 7. Final Payment for Schematic Design for Modernization Project

The Schematic Design for Modernization Project was started by the previous CEO, Edward Lujano back in January 2023. The design was received last Friday. This design was for a review of the electrical system at the Castle facility, specifically the electricity on the roof to determine if we could get away from the hot / cold water system that is currently being used to heat and cool the building and potentially put modern units in different locations on the building.

After waiting all these years, the answer is no; there is not enough power to go out and switch out the current system and replace the heating and air conditioning units.

The final bill of \$78,245 has been received and is due now. This will come out of the remodel cost that had been set aside for the Castle facility.

8. We pulled statistics for the website and have had 66,412 page views in the month of January 2026. People are seeing us, whether it's the electronic sign at 5 corners, our signage or other means.

9. The board has asked for more information on changing or upgrading our security system. Bids came in after the board packet had already gone out. Bids range from \$12,195 to increase speeds of communication to state-of-the-art system upgrade by replacing every camera at \$18,995, no matter which bid, the monthly service charge will only increase to \$50 per month. He will need to review these bids further before proceeding with and get direction from the board, or the board may decide to hold with what we currently have in place. This cost will be far less than the ongoing security guard on site.

Kathy Flaherty stated that given the age of the building and the multiple break-ins, we do need to upgrade the security system. She would like to go ahead and have the three bids reviewed and agendized so that the board may review them.

Buffy McDaniel asked Rina Gonzales, Legal Counsel, if we are required to get multiple bids. Rina Gonzales, Legal Counsel, replied that as an upgrade to the current system she will need to find out what the minimums are for that kind of like security as it's a bit specialized and to see if it's all within public work, she will research it.

10. The budget work is ongoing, with changes to be implemented during the annual budget cycle rather than mid-year. Utilities will be categorized differently, with subcategories for different sites.

11. Scholarships are arriving and the scholarship committee will review after the February 28<sup>th</sup> deadline.

12. A property tax revenue check in the amount of \$327,367.66 was received and deposited into savings for better interest.

### **OLD BUSINESS**

#### **A. 2025-2026 Sports Physicals Update, Exhibit 4**

Kory Billings reported that Dr. Boggs had provided 32 sports physicals in January, totaling 1,330 sports physicals for an investment cost of \$46,550 with \$5,450 remaining. Next month we'll discuss how much to put into the next budget cycle.

#### **B. Approval of Policy OP-14 Disability Accommodation to Comply with SB 707, Exhibit 5**

The board reviewed the policy revised by legal counsel.

**A motion was made / seconded, (Buffy McDaniel / Gary Bacom) to approve Policy OP-14 Disability Accommodations to Comply with SB707, Exhibit 5. Motion carries.**

### **NEW BUSINESS**

#### **A. Mid Valley Disposal Services at 3605 Hospital Road: To Increase Two Bins by Additional Yardage or Increase Service Days, Exhibit 6**

Mid Valley Disposal reached out to us regarding the two dumpsters at 3605 Hospital Road. They provided photos of the overstuffed bins, along with improper items. We were fined twice last year and again recently. They are recommending that we either increase two bins by additional yardage or increase service days.

Kory Billings has notified the tenants that only trash is to go into the dumpsters. Anything, such as chairs, broken equipment, or large items are to be disposed of by the tenants, not thrown in the dumpster. There is a box compactor that all boxes should be going thru and not dumped into the dumpsters. We hope that communicating with the tenants is sufficient and if it is not, then we will need to consider upgrading the services and split the upgrade costs amongst the tenants.

Staff recommendation is to monitor the dumpsters for now.

**B. Day Break Adult Day Health Care Request for Lease Extension at 1251 Grove Avenue, Suite E, to May 31, 2026, Exhibit 7**

Day Break has asked for another extension to May 31, 2026, to their extended lease that will expire on February 28, 2026. They are very close to actual construction being finished at their new facility and will need to get the state out for their license.

**A motion was made / seconded, (Gary Bacom / Bob Boesch) to approve the Day Break Adult Day Health Care request for lease extension to May 31, 2026, Exhibit 7. Motion carries.**

**C. E.D.I.S. Group Health Insurance Renewal and Anthem Blue Cross Health Insurance Renewal, Exhibit 8**

Kory Billings presented the E.D.I.S. and Anthem Blue Cross health insurance renewals, this year we have a 13% increase. The plans will remain the same for both.

**A motion was made / seconded, (Gary Bacom / Bob Boesch) to approve the E.D.I.S. and Anthem Blue Cross health insurance renewal, Exhibit 8. Motion carries.**

**D. Sprinkler Alarm, Monitoring and Testing for 1251 Grove Avenue and 3605 Hospital Road, Atwater, CA, Exhibit 9**

Kory Billings reported that Johnson Controls service agreements for sprinkler alarm, monitoring and testing for both sites are under Castle Family Health Centers not Bloss Memorial Healthcare District. This also meant that all reports were going to Castle Family Health Centers not Bloss Memorial Healthcare District and the reports were not being forwarded to us, which made us unaware of any deficiencies or problems with the systems. We have been trying diligently to get the name changed since January 2024.

Fily Cale stated that Johnson Controls had assigned a liaison to us, they were able to clean up the accounts except for two at each site. Each site has a 5-year contract for Testing & Inspections and Monitoring, and they are scheduled to expire in 2026, 2027, 2028 and 2029.

The liaison worked on rewriting these contracts under Bloss Memorial Healthcare District with four new 3-year agreements, two for each site beginning in 2026 and ending in 2029.

We received two scopes of work needing to be done, one for each site. Fily Cale requested copies of the tests as Bloss Memorial Healthcare District had never received copies. Meanwhile there

was another test done and more work is now required within the last six months. We had not been notified of the work needed, as the reports had gone to Castle Family Health Centers until the liaison forwarded the copies.

In January, Kory Billings signed off on the two scopes of work for each site, and this was forwarded to Johnson Controls, as of today, the work has not started. The liaison is no longer employed Johnson Controls.

Kory Billings stated that given what has transpired with Johnson Controls, he reached out to Jorgensen Company, who is a local fire protection company. Jorgensen Company did a walkthrough of both facilities with staff. They did notice the deficiencies and asked about the five-year testing as it was not noted.

Jorgensen Company provided a bid to get the risers working properly, get all the testing completed and in compliance, so that we can pass testing. Besides getting us in compliance there are upgrades that will need to be made, specifically the monitoring equipment and software itself. This is not part of either of these companies' bids because they can't give us those until the current equipment is working efficiently. Staff are asking for direction as to how to proceed.

**A motion was made / seconded, (Buffy McDaniel / Gary Bacom) to cancel for public safety reason the current contracts with Johnson Controls based upon recommendation from legal counsel and proceed with Jorgensen Company, Exhibit 8. Motion carries.**

#### **BOARD MEMBERS' REPORT**

Kory Billings reported that staff have been taking and continues taking training opportunities through the California Special Districts Association (CSDA). Fily Cale will be doing an online webinar for California Public Records Act update. He will be taking the SBA27 Fiscal Financing training and Contracting for Public Works Services and Equipment and Supplies. June will have a New Grant Writing for Today's Funding Landscape.

He will also be taking vacation in April and July 2026.

Kathy Flaherty reiterated that Castle Family Health Centers has scheduled several meetings with us and we've had to cancel them due lack of response from Castle Family Health Centers for agenda items. There are things going on out there that we're not hearing about.

#### **APPOINTMENTS / CEREMONIAL MATTERS**

None.

#### **NEXT MEETING DATE**

The next Board of Directors meeting will be held on Thursday, March 26, 2026 at 2:00 pm in the Board Room.

**AGENDA FOR CLOSED SESSION**

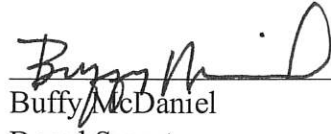
None.

**ADJOURNMENT**

As there was no further business the meeting adjourned at 3:20 pm.

Respectfully Submitted,

  
\_\_\_\_\_  
Fily Cale  
Executive Assistant

  
\_\_\_\_\_  
Buffy McDaniel  
Board Secretary