

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
MARCH 11, 2021 SPECIAL MEETING
MEETING VIA TELECONFERENCE--VIDEOCONFERENCE**

BOARD PRESENT:

Alicia Cramer, Chair
JoAnn Casalez, Chair
Gene Hunt, Member
Lewis Trout, Member

Kent Maher, Legal Counsel (via phone)

BOARD ABSENT:

Michelle Miller, Secretary
Ken Tipton, County Comm. Member

MEDICAL STAFF PRESENT:

Richard Davis, MD (via phone)
Robert Johnson, PA

GUESTS:

Mille Custer (via phone) and Ashley Maden (Humboldt Sun-via phone).

CALL TO ORDER:

Board chair Cramer called the March 11, 2021 board meeting to order at 5:30 p.m.

PUBLIC COMMENT:

Board member Trout stated he would like trustee comments at the beginning of the meeting and commended chairman Cramer for adding the IT piece to the agenda. Trout also commended Board member Casalez and Hunt for requesting procurement process training.

BUSINESS ITEMS-OTHER REPORTS:

1. Hospital Administration-Maintenance / review of proposals and possible authorization to remove and replace three steam boilers and the integrated boiler control system / Maintenance Director-Administration

Maintenance Director Grannis stated four bids were received in response to the solicitation for proposals. All bids were responsive. The low bidder was RF MacDonald Co. at \$512,000 for the equipment and installation, and \$5,900 for shipping. Board member Trout asked about the lead-time and what happens if boilers quit working prior to installation of the new units. Grannis said the lead-time is twelve to fourteen weeks and the company has a mobile boiler unit which is available for temporary use.

Motion by board member Casalez and second by board member Hunt to approve the purchase of three Cleaver-Brooks boilers from RF MacDonald Co. for the amount of \$512,000 and \$5,900 for shipping as presented. Motion carried unanimously.

2. Hospital Administration-IT / review of proposals and possible authorization to procure software, hardware and services to provide network and infrastructure security and improvements / IT Director -Administration

CEO Powers stated a security breach caused by ransomware was experienced on February 12, 2021. Due to the quick action of the internal team, there were no patient care issues. Powers commended the staff. Two companies that assisted with the security breach response, Bluepeak and Nuvodia, will present proposals for protecting the systems in the future.

Brian Gifford with Bluepeak introduced himself and gave an overview of his company and experience. Gifford gave a presentation on: what happened at HGH during the cyberattack; security, privacy, compliance challenges and drivers; financial implications; what should be done; a proposed integrated platform to secure and protect data and to simplify management; multiple layers of protection; security complexity; Cisco Systems technology; Cisco breach defense solution which involves a three year commitment and no price increase if growth is less than 20%; datacenter and network solutions; managed detection and response, including Arctic Wolf 24/7 security; ongoing risk management; available software support levels; managed IT services; deliverables; monitoring and reports; disaster recovery; results/goals; and, a return on investment cost of \$1.08 million.

Sean Harrell and Chris Patrick with Nuvodia presented for their company and reported on: fraud trends; sample ransomware attack; security layers; necessary compliance frameworks; divisions; locations; key success factors in IT; managed services menu; managed services; managed security; Nuvodia 2020 security stack; a disaster recovery plan; current technology partners; and, their proposal.

CEO Powers said he was satisfied with both companies. In response to questions about the breach, Brian Gifford explained that IT Director Bell detected the breach while it was in process, which caused some systems to be down and some to be encrypted, but he does not believe data was breached. The following items were discussed: cost changes with 20% growth; response times based on different tier levels; phishing protection; vendor plug-ins; response times for Nuvodia; telephone call resolution; and, the system that will give the best protection at the best cost. Bell said both companies were great to work with and noted that the hospital network system has evolved to the point where it requires more services which were previously believed to be not affordable. Bell said it is fortunate he detected the breach when it occurred or the damage could have been extensive. In response to questions, both companies said they have not been involved in ransomware attacks involving Nevada hospitals but Nuvodia has had experience with healthcare organizations outside Nevada and both have assisted with other types of entities experiencing attacks. The matter of having multiple vendors provide the security protection services was discussed. Gifford (who is proposing a one vendor system) suggested it results in more overhead and can result in finger pointing when something goes wrong. Harrell said having a help desk available 24/7 allows for quick resolution of many issues and leads to a better response. When questioned how long it will take to physically respond in Winnemucca, Gifford said his company is located in Reno which is about two hours away and Harrell said his company is in Sacramento which is about four and half hours away. Board member Trout questioned if the two firms could work for the district in a joint venture type situation. Nuvodia said they would consider the concept but expressed concern about the handing off from one company to another and suggested it is better to have one company. Bell also said one company would be better. Board member Hunt asked about costs and leasing versus purchasing equipment. Both companies recommended replacing the equipment every five years. Board member Casalez asked about accessing the cloud outside of the hospital environment. Harrell said VPN connections are possible. In response to the discussion, both vendors indicated they

could find a way to work together if that were the approach the hospital chose. Trout asked legal counsel Maher if the board can ask the companies to joint venture. Maher advised that it was not on this agenda and would have to be the subject of an appropriately worded agenda.

Motion by board member Hunt and second by board member Trout to approve the proposal from Nuvodia as presented. Board member Hunt and board member Trout voted aye and board member Casalez and board chair Cramer voted nay. Due to a tie, there was no action.

There was further discussion with opinions from Bell and Powers regarding each company.

Motion by board member Hunt and second by board member Trout to approve the proposal from Nuvodia as presented. Motion carried unanimously.

TRUSTEE COMMENTS-STAFF REPORTS:

Board member Trout said he will not be at the upcoming budget meeting.

PUBLIC COMMENT:

There was no public comment.

Board chair Cramer adjourned the March 11, 2021 meeting of the Humboldt County Hospital District Board of Trustees at 7:46 p.m.

APPROVED:

ATTEST:

Alicia Cramer, Board Chair

Alicia Wogan, Executive Assistant