✓Included in the PDF posted on August 23, 2018

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

SPECIAL MEETING AGENDA

Monday, August 27, 2018

CLOSED SESSION: 4:30 PM | OPEN SESSION: 5:30 P.M.

Location:

Closed Session	Open Session
2 East Board Room	Dal Cielo Conference Room (Room A)
Alameda Hospital 2070 Clinton Avenue, Alameda, CA 94501	

Office of the Clerk: 510-473-0755

Members of the public who wish to comment on agenda items will be given an opportunity before or during the consideration of each agenda item. Those wishing to comment must complete a speaker card indicating the agenda item that they wish to address and present to the District Clerk. This will ensure your opportunity to speak. Please make your comments clear and concise, limiting your remarks to no more than three (3) minutes.

opportunity to speak. Please make your comments clear and concise, limiting your remarks to no more than three (3) minutes.

I. Call to Order (2 East Board Room) — Michael Williams

II. Roll Call — Debi Stebbins

III. General Public Comments

IV. Adjourn into Executive Closed Session (2 East Board Room)

V. Closed Session Agenda

A. Call to Order

B. Report Involving Health Care District Trade Secrets — Health and Safety Code Section 32106

C. Adjourn into Open Session

VI. Reconvene to Public Session **(Expected to start at 5:30 p.m. – Dal Cielo Conference Room)**

A. Announcements from Closed Session — Michael Williams

VII. General Public Comments

VIII. Regular Agenda

A. YTD AHS Reporting **INFORMATIONAL**

1) Alameda Health System / Alameda Hospital Update — Luis Fonseca, COO

2) Alameda Hospital Medical Staff Update — Elpido Magalong, MD

✓Included in the PDF posted on August 27, 2018

B. District & Operational Updates

1) District Liaison Reports
INFORMATIONAL

a. President's Report — Michael Williams

i. City | District Liaison Meeting

b. Community Liaison Report — Dennis Popalardo

c. Alameda Health System Liaison Report — Tracy Jensen
ENCLOSURE (PAGES 4-7)

d. Alameda Hospital Liaison Report — Robert Deutsch

i. Ad Hoc Seismic and Facilities Planning Committee

e. Executive Director Report and Board Updates — Debi Stebbins
ENCLOSURE (PAGES 8-10)

C. Consent Agenda **ACTION ITEM**

✓ 1) Acceptance of Minutes of June 11, 2018 ENCLOSURE (PAGES 11-15)

✓ 2) Acceptance of May 2018 Financial Statements ENCLOSURE (PAGES 16-21)

✓ 3) Acceptance of June 2018 Financial Statements ENCLOSURE (PAGES 22-27)

D. Action Items

✓ 1) Adoption of Resolution 2018-4 Banking and Signing Authority ENCLOSURE (PAGES 28-30)

✓ 2) Approval of Proposal to Engage Kaufman Hall Consultants ENCLOSURE (PAGES 31-58)

✓ 3) Adoption of Revised FY 2018-2019 District Operating Budget ENCLOSURE (PAGES 59-62)

✓ 4) Proposed Change to October 2018 District Board Meeting

E. October 2018 Agenda Preview — Debi Stebbins
INFORMATIONAL - SUBJECT TO CHANGE

Action Items

1) Review and Approval of FYE Ending June 30, 2019 Parcel Tax Budget from Alameda Health System

2) Acceptance of August 27, 2018 Minutes

3) Acceptance of Financial Statements: July / August 2018

4) Review of Calendar Year 2018 Meeting Calendar

5) FY June 30, 2018 Audit Review and Acceptance

6) Review of Proposed Work Plan for 2030

Informational Items:

1) YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)

IX. General Public Comments

X. Board Comment

XI. Adjournment

Next Scheduled Meeting Dates (2nd Monday, every other month or as scheduled) **October TBD**	Open Session 5:30 PM Dal Cielo Conference Room Alameda Hospital

DATE: August 20, 2018

TO: City of Alameda Health Care District, Board of Directors

FROM: Tracy Jensen

SUBJECT: Alameda Health System Liaison Report

Board of Trustees Updates

AHS Board: The Board of Supervisors are reviewing candidates to fill 2 vacancies on the AHS board as Michele Lawrence's term has ended and Anthony Thompson has resigned.

System Updates

Executive Team: The Chief Administrative Officer positions at the 3 system acute care hospitals have been eliminated and a Chief Administrative Officer/Chief Nurse Executive position has been established to oversee Alameda, San Leandro and Highland hospitals (see *attached* org chart).

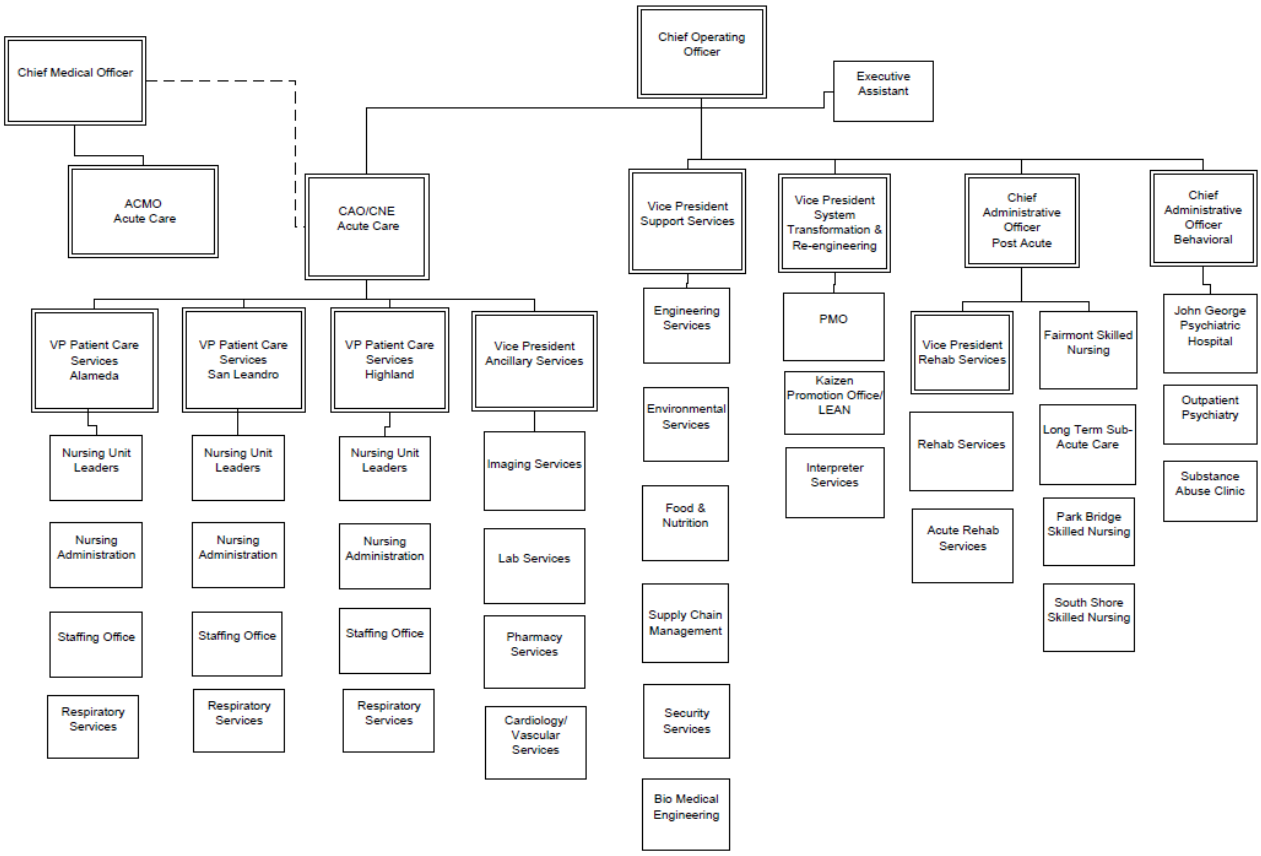
Programs: The AHS board has been updating the *dashboard* measures used to measure the extent to which AHS is meeting operational objectives. *Attached* is the May 2018 Performance Dashboard results based on the FY 2018 standards.

The EPIC electronic medical record system for all AHS sites and services is progressing on schedule. The Phase 1 project plan and project team have been established, and Phase 2 – which includes the foundation system and configuration – is commencing.

Facilities & Services: In May, 2018, Alameda Hospital discharges were 1% under budget, according to AHS Acute Care – Volumes data (attached). Acute care census was 1% above forecast, and Average Length of Stay was also slightly above target. Note that the number of surgeries in May was lower than anticipated by about 2 per week, and Emergency visits at Alameda Hospital were sub

(re: Executive Team)

ALAMEDA HEALTH SYSTEM
OPERATIONS DIVISION



(re: Programs)

AHS FY'18 Performance Management Dashboard

ALAMEDA HEALTH SYSTEM

Fiscal Year 2018 -June Report: True North Metric Dashboard
Data Current to May 2018

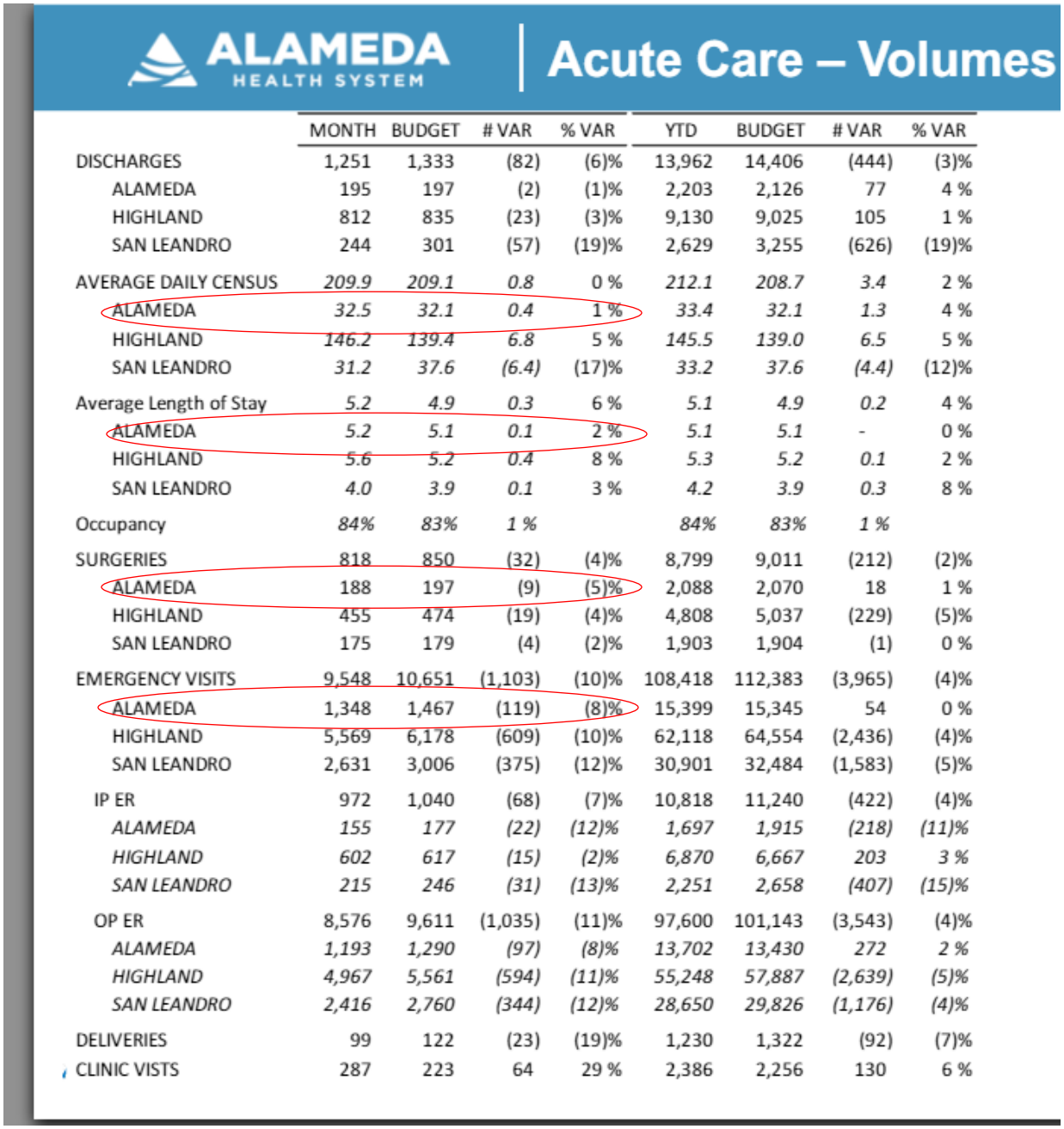
Updated: 7/16/2018

Pillars	Definition	True North	FY 2017 (baseline)	FY 18 Target	Current Performance		FY18 YTD	Trend	Desired Direction
					Timeframe	Results	Results		
Access	Be a leader in access to quality affordable care	Primary Care No Show Rate	23.40%	21.06%	Jun-18	21.57%	22.19%		↓
		Specialty No Show Rate	25.25%	22.73%	Jun-18	23.52%	23.05%		↓
		3rd Next Available Appointment: Adult General Medicine Return	54.12*	48.71	Jun-18	22			↓
		Non-Traditional Ambulatory Encounters (E-Consults)	600	660	Jun-18	57	958		↑
		HPAC Non-Traditional Ambulatory Encounters (coded telephone visits)*^	112*	123.2^	Jun-18	422	338		↑
		Outpatient Therapy Waitlist Volume (OT,PT, ST, Audiology)*^	2548*	2293.2^	Jun-18	1165	1607		↓
		Outpatient Therapy Average Days on Waitlist (internal referrals)*^	104*	83.2^	Jun-18	75	99		↓
		Outpatient Therapy Average Days on Waitlist (external referrals)*^	194*	155.2^	Jun-18	24	54		↓
Sustainability	Be an organization that operates profitably and generates funding to support our mission	EBIDA Margin	5.5%	4.2%	May-18	TBD	4.0%		↑
		Operating Margin	3.9%	2.7%	May-18	TBD	2.4%		↑
		Expense Per APD	$ 2,696	$ 3,107	May-18	TBD	$2,805		↓
		FTE's per AOB	4.37	5.10	May-18	TBD	4.50		↓
		Worked Hours Per APD	21.59	24.42	May-18	TBD	21.96		↓
Quality	Promote and maintain patient health and wellness while doing no harm	PRIME Metrics on Target	60	57	May-18	54			↑
		Acute: All Cause 30 Day Readmits	12.90%	11.53%	May-18	12.75%	12.41%		↓
		Inpt Acute Med-Surg Falls per 1000 Patient Days	2.59	2.10	Jun-18	3.21	2.81		↓
		Skilled Nursing Falls per 1000 Patient Days	1.98	1.68	Jun-18	1.91	1.50		↓
		Behavioral Health Falls per 1000 Patient Days	3.49	3.14	Jun-18	3.97	3.10		↓
Experience	Be the best place to stay well, heal and receive care	HCAHPS - % Rate Hospital 9 or 10	71.5%	74.30%	May-18	63.8%	72.2%		↑
		CG CAHPS-% Rate Provider 9 or 10	69.5%	71.48%	Apr-18	73.9%	73.0%		↑
		Inpt Behavioral Health Mean	80.5	82.2	May-18	80.1	79.7		↑
Network	Integrated health care delivery across the continuum to optimize directly provided or contracted services	Successful completion of Year 1 deliverables of Health Homes Pilot with Alliance	Complete Project	Completed Project	Jun-18	On Track			■
		Rehospitalization during the first 30 days of Home Health	N/A	15%	Jun-18		15.00%		↓
Workforce	The best place to learn and work	Recruitment Days (Post to Start)	72.76 days	70	Jun-18	90.07	65.69		↓
		Turn Over †	12.34%	11.09%	Jun-18	13.64%	11.40%		↓

* Modified Baselines - Single Month instead of fiscal year: HPAC -June 2017, Waitlist Measures July 2017, 3rd Next Aug2017
^ Year to Date results represent a monthly average
† Results are annualized to allow for comparison

Project Delayed or Performance Greater Than 2% From Desired Target
Project At Risk or Performance Within 2% of Target

(re: Facilities & Services)



ALAMEDA HEALTH SYSTEM

Acute Care – Volumes

	MONTH	BUDGET	# VAR	% VAR	YTD	BUDGET	# VAR	% VAR
DISCHARGES	1,251	1,333	(82)	(6)%	13,962	14,406	(444)	(3)%
ALAMEDA	195	197	(2)	(1)%	2,203	2,126	77	4 %
HIGHLAND	812	835	(23)	(3)%	9,130	9,025	105	1 %
SAN LEANDRO	244	301	(57)	(19)%	2,629	3,255	(626)	(19)%
AVERAGE DAILY CENSUS	*209.9*	*209.1*	*0.8*	0 %	*212.1*	*208.7*	*3.4*	2 %
ALAMEDA	*32.5*	*32.1*	*0.4*	1 %	*33.4*	*32.1*	*1.3*	4 %
HIGHLAND	*146.2*	*139.4*	*6.8*	5 %	*145.5*	*139.0*	*6.5*	5 %
SAN LEANDRO	*31.2*	*37.6*	*(6.4)*	(17)%	*33.2*	*37.6*	*(4.4)*	(12)%
Average Length of Stay	*5.2*	*4.9*	*0.3*	6 %	*5.1*	*4.9*	*0.2*	4 %
ALAMEDA	*5.2*	*5.1*	*0.1*	2 %	*5.1*	*5.1*	-	0 %
HIGHLAND	*5.6*	*5.2*	*0.4*	8 %	*5.3*	*5.2*	*0.1*	2 %
SAN LEANDRO	*4.0*	*3.9*	*0.1*	3 %	*4.2*	*3.9*	*0.3*	8 %
Occupancy	*84%*	*83%*	*1 %*		*84%*	*83%*	*1 %*	
SURGERIES	818	850	(32)	(4)%	8,799	9,011	(212)	(2)%
ALAMEDA	188	197	(9)	(5)%	2,088	2,070	18	1 %
HIGHLAND	455	474	(19)	(4)%	4,808	5,037	(229)	(5)%
SAN LEANDRO	175	179	(4)	(2)%	1,903	1,904	(1)	0 %
EMERGENCY VISITS	9,548	10,651	(1,103)	(10)%	108,418	112,383	(3,965)	(4)%
ALAMEDA	1,348	1,467	(119)	(8)%	15,399	15,345	54	0 %
HIGHLAND	5,569	6,178	(609)	(10)%	62,118	64,554	(2,436)	(4)%
SAN LEANDRO	2,631	3,006	(375)	(12)%	30,901	32,484	(1,583)	(5)%
IP ER	972	1,040	(68)	(7)%	10,818	11,240	(422)	(4)%
ALAMEDA	*155*	*177*	*(22)*	*(12)%*	*1,697*	*1,915*	*(218)*	*(11)%*
HIGHLAND	*602*	*617*	*(15)*	*(2)%*	*6,870*	*6,667*	*203*	*3 %*
SAN LEANDRO	*215*	*246*	*(31)*	*(13)%*	*2,251*	*2,658*	*(407)*	*(15)%*
OP ER	8,576	9,611	(1,035)	(11)%	97,600	101,143	(3,543)	(4)%
ALAMEDA	*1,193*	*1,290*	*(97)*	*(8)%*	*13,702*	*13,430*	*272*	*2 %*
HIGHLAND	*4,967*	*5,561*	*(594)*	*(11)%*	*55,248*	*57,887*	*(2,639)*	*(5)%*
SAN LEANDRO	*2,416*	*2,760*	*(344)*	*(12)%*	*28,650*	*29,826*	*(1,176)*	*(4)%*
DELIVERIES	99	122	(23)	(19)%	1,230	1,322	(92)	(7)%
CLINIC VISTS	287	223	64	29 %	2,386	2,256	130	6 %

CITY OF ALAMEDA HEALTH CARE DISTRICT

August 23, 2018

Memorandum to: Board of Directors
City of Alameda Health Care District

From: Deborah E. Stebbins
Executive Director

SUBJECT: EXECUTIVE DIRECTOR REPORT

Orientation and Office Functions:

Over the first six weeks I have spent time orienting to the functions and systems set up by Kristen in her role as the District Clerk. I cannot speak highly enough of how well she has paved the way for continued smooth operation of the District, including oversight of the Jaber properties. Many thanks to Kristen for all her help. Since her new role as Manager, Support Services for Community Based Hospitals at AHS includes responsibility for oversight of construction relating to 2020 compliance, we will be fortunate to benefit from Kristen's talents in relation to this important project.

The new office at 888 Willow Street, Alameda, CA 94501 is set up and furnished. It is still best to reach me on my cell phone. I have been oriented to our banking procedures, preparation of financial statements and interface with our bookkeeper, interface with Drysdale Properties (property management company for the Jaber properties) and maintenance of files and records for the District.

At present, I am delaying recruitment of a part-time administrative assistant, as anticipated in our FY 2018-2019 budget, until I have a better sense of what skill set I need for maintenance of District operations.

Networking:

I have met individually with all the Board members, a number of city officials, and business leaders in Alameda. I plan to continue to do that on an on-going basis in order to build a network of awareness and support for the District.

In addition to regular meetings that Luis Fonseca and I have established, I am gradually meeting with all the senior staff at AHS. I also have networked with a number of Alameda Hospital physicians and will continue to reach out and get to know other providers involved with Alameda Hospital.

Strategic Planning:

In accordance with my understanding of the District Board's expectation for the Executive Director role, I am making setting forth a plan for determining the best strategic direction of the District especially with regard to addressing seismic planning beyond 2030.

After meeting with a number of the consultants, engineers and architects involved with the analysis of the physical plant at Alameda Hospital, I am satisfied that the 2020 construction plan is well founded and should meet those requirements. My role is to collaborate with AHS management to ensure this is implemented in keeping with preservation of District facilities for there is no interruption in operations beyond 2020. Obviously, this is an essential foundation for the planning the District undertakes for 2030.

Although there was discussion before I came on board about further soil testing and analysis, it is my recommendation based on feedback from Ratcliff and Fugro (our geotechnical engineers) that the testing done for the 2020 construction is adequate for now. I believe we need to do more analysis and study of our alternatives for the future configuration of services at Alameda Hospital based on current and future relationships with other parts of AHS and the community. Services and programs, including maintenance of emergency and acute care on the island, will ultimately suggest alternatives for facilities and architectural planning. Once this is completed, there will no doubt be a need for additional soil testing.

As a first step in the planning process, I have had several meetings with Steve Hollis and Patrick Smyth of Kaufman Hall Consultants. The firm has done prior work for AHS and most significantly, Steve was the primary consultant to AHS and Alameda Hospital in structuring and finalizing the affiliation four years ago. He is an immensely talented consultant with broad exposure to alternative models of health care delivery and specific knowledge of the challenges of the District. In addition, the firm has strength in the kind of financial analysis and modeling I believe will be necessary for the District Board to evaluate our options in the future.

I am recommending engaging Kaufman Hall in a separate action at the August Board meeting. Although I also obtained a master planning proposal from Katy Ford of Ratcliff Architects, I am recommending we hold off on facility planning until we have a better sense of direction on size and scope of service options.

If approved, the analysis done with Kaufman Hall should be beneficial to AHS as well as the District, especially in supporting System leadership and understanding of the potential role of Alameda Hospital in development of the System.

In coming months, I plan to present to the Board a more specific roadmap and timeline for District planning.

Budget Planning:

As explained in the presentation of a revised FY 2018-2019 budget for the District on the August Board agenda, AHS did not accept the original budget developed by the District which included a $1 million capital and operating reserve. A revised budget has been developed which replaces the reserve with a $325,000 consulting budget to cover the Kaufman Hall project and other contingent consulting, such as additional architectural planning, that may arise out of that work.

In closing, I want to thank the Board of Directors for your confidence by having engaged me as Executive Director of the District. It is fun to be back in Alameda and working on such important issues that will contribute to continued health in the community.

CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, June 11, 2018 | Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Gayle Godfrey Codiga Tracy Jensen	Dennis Popalardo Michael Williams	Thomas Driscoll, Esq.	

Submitted by: Kristen Thorson, District Clerk

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:33 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. General Public Comments	None.	
VI. Regular Agenda		
A. YTD AHS Reporting		
1)	Alameda Health System Liaison Report Luis Fonseca, COO for Alameda Health System provided an AHS update via a PowerPoint presentation that included including the following topics. Copies of the presentation are available and will be posted with the video. • AHS and Alameda Hospital Volume Performance • AHS and Alameda Hospital Financial Performance (Expenses) • Community Engagement Activities • CT Project Update • SB90 (Seismic) Project & Kitchen Relocation Update There was significant discussion on the SB90 Seismic and Kitchen Relocation project including direction and progress and activities of the sub-committee. Director Popalardo asked for an update on the contract with the general surgeons who spoke at the AHS Board Retreat held at Alameda Hospital. Discussion occurred with the	No action taken.

	two providers and their contracts were extended to September 2018 and that the Contract with UCSF general surgeons will be extended to cover Alameda Hospital. He also inquired about the status contract for pulmonary services at Alameda Hospital as of last was reported to him, that there was potential that the contract may not be renewed. It was reported that an agreement was reached prior to the expiration date of the contract. Director Popalardo also expressed concern over the change over in physicians at Alameda Hospital in the past year, including ED, Radiology and now general surgeons. Mr. Fonseca noted that these changes are aligned with the strategy of the organization and the organization continues to have great relationships with long tenured physician groups including East Bay Pulmonary Medical Group and Alameda Inpatient Medical. Mr. Fonseca also provided an update on the primary care clinic noting that it opened on April 1, 2018 and is slowly ramping up while additional support services (case management, social services, etc.) and specialty services are coordinated. Director Popalardo also inquired about the infusion center and potential expansion. Mr. Fonseca reported that the infusion center is open and provides services as needed. He noted that they are in discussions with an oncology group as AHS looks as a program that can be sustainable. A proforma has been completed and Mr. Fonseca committed to updates in the future regarding the infusion center at Alameda Hospital.	
2)	Alameda Hospital Medical Staff Update Dr. Magalong provided an update on the happenings of the Alameda Hospital Medical staff that included the medical staff are participating in the transfer center process and while things have improved, there are still areas for improvement. The new Primary care physician from the new clinic was introduced to MEC last month. Medical Staff continues to share their concern over specialty coverage at Alameda hospital in urology and GI. The credentials report noted that there were 29 initial appointments since April, 2018, 12 reappointments, 9 proctoring and 19 applications in progress for physician in specialty areas of general surgery, cardiology, anesthesiology , hospitalists and emergency medicine.	No action taken.
B.	District and Operational Updates	
1)	District Liaison Repots	
	a. President's Report President Williams noted that he has been working on negotiating the terms of a contract for an Executive Director and that a proposal will be discussed later in the agenda.	No action taken.
	b. Community Liaison Report No report at this time.	No action taken.

	c. Alameda Health System Report Director Jensen reminded the Board of Directors about the AHS Board of Trustees Committee structure. She noted that she chairs the HR Committee and that the committee does not address the professional services with physicians. She also encouraged the Board to look at the AHS Board of Trustees meeting materials including Finance Committee materials on a monthly basis.	No action taken.
	d. Alameda Hospital Liaison Report i. Ad Hoc Seismic and Facilities Planning Committee Director Deutsch stated that the committee continues to look at options for 2030 and beyond including whether to rebuild or upgrade based on the analysis. The Committee will meet every 2 months to monitor progress on 2020 work and discuss future planning for the District relating to 2030 seismic requirements.	No action taken.
	e. Other District Outreach and Board Updates Ms. Thorson referenced the memo included n the packet and noted several special event coming up at the hospital and in the community as well as an update on the Crime Insurance Policy.	No action taken.
C. Consent Agenda		
1)	Acceptance of Minutes of May 14, 2018	Consent Agenda Item #9 was removed for discussion. Director Jensen made a motion to approve the balance of the consent agenda as presented. Director Popalardo seconded the motion. The motion carried.
2)	Acceptance of Minutes of May 30, 2018	
3)	Acceptance of April 2018 Financial Statements	
4)	Approval of Annual Audit Engagement Agreement with JWT and Associates for FY 2011-2018	
5)	Adoption of Resolution 2018-1: Levying the City of Alameda Health Care District Parcel Tax For the Fiscal Year 2018-2019	
6)	Approval of Mutual Certification and Indemnification Agreement	
7)	Approval of FY Ending June 30, 2019 Property Insurance	
8)	Adoption of Resolution 2018-2: Extension of Spending Authority	
9)	Adoption of Resolution 2018-3: Notice of General Election	Director Jensen made a motion to adopt Resolution 2018-3: Notice of General

<table>
<tr><td></td><td>Ms. Thorson distributed a revised Notice of General Election that moved Director Codiga from the 2 year term to the 4 year term incumbent list and moved Director Popalardo form the 4 year term incumbent list to the 2 year incumbent list. No other changes were made.</td><td>Election. Director Codiga seconded the motion and motion carried.</td></tr>
<tr><td>D.</td><td>Action Items</td><td></td></tr>
<tr><td>1)</td><td>Annual Election of Officers and Appointment to Liaison Positions
The following slate of officer was presented.
<table>
<tr><td>Office/Liaison Position</td><td>Board Member</td></tr>
<tr><td>President / Representative #1 to City of Alameda Liaison Committee</td><td>Michael Williams</td></tr>
<tr><td>1st Vice President</td><td>Robert Deutsch, MD</td></tr>
<tr><td>2nd Vice President</td><td>Gayle Codiga</td></tr>
<tr><td>Secretary</td><td>Tracy Jensen</td></tr>
<tr><td>Treasurer</td><td>Dennis Popalardo</td></tr>
<tr><td>Alameda Health System Liaison</td><td>Tracy Jensen</td></tr>
<tr><td>Community Health Liaison</td><td>Dennis Popalardo</td></tr>
<tr><td>Alameda Hospital Liaison</td><td>Robert Deutsch, MD</td></tr>
<tr><td>Representative #2 on City of Alameda Liaison Committee</td><td>Robert Deutsch, MD</td></tr>
</table></td><td>President Williams proposed to approve a slate of officers as presented. Director Popalardo made a motion to approve the slate of officers as presented. Director Jensen seconded and motion carried.</td></tr>
<tr><td>2)</td><td>Approval to Enter into an Agreement with Deborah E. Stebbins Group, LLC and the Principal Terms for the Services of an Executive Director
The term sheet was presented to the Board for review and final agreement will be finalized upon board approval. The Agreement is intended to be for a one year term, effective date of July 1, however, Ms. Stebbins was available to start immediately and the Board agreed to an effective date of June 12, 2018
Ms. Stebbins thanked the Board for their confidence in selecting her and stated she was excited to be back with the District and to be working in the community of Alameda.</td><td>Director Codiga made a motion to enter into an agreement with Deborah E. Stebbins Group, LLC for services of an Executive Director for the District. Director Deutsch seconded and motion carried.</td></tr>
<tr><td>E.</td><td>August 13, 2018 Agenda Preview</td><td></td></tr>
</table>

	The Board discussed the date of the next board meeting as Director Popalardo could not be at the August 13th meeting. The Board agreed to change the meeting to Monday, August 20, 2018.	
	Action Items	No action taken.
1)	Review and Approval of FYE Ending June 30, 2019 Parcel Tax Budget from Alameda Health System	
2)	Acceptance of June 11, 2018 Minutes	
3)	Acceptance of Financial Statements: May/June 2018	
	Information Items	No action taken.
1)	YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)	

IV.	**General Public Comments**	None
V.	**Board Comments**	None
VI.	**Adjournment**	Being no further business the meeting was adjourned at 6:57 p.m.

Approved: _____

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT	As of 6/30/2017	As of 5/31/2018
Assets		
Current assets:		
Cash and cash equivalents	$ 481,704	$ 1,059,558
Grant and other receivables	295,780	1,788
Prepaid expenses and deposits	34,697	10,608
Total current assets	812,181	1,071,954
Assets limited as to use	754,413	543,600
Capital Assets, net of accumulated depreciation	3,277,695	3,050,749
	4,844,289	4,666,304
Other Assets	11,952	9,897
Total assets	$ 4,856,240	$ 4,676,201
Liabilities and Net Position		
Current liabilities:		
Current maturities of debt borrowings	$ 29,804	$ 29,804
Accounts payable and accrued expenses	1,964	2,600
Total current liabilities	31,768	32,404
Debt borrowings net of current maturities	973,525	945,809
Total liabilities	1,005,292	978,213
Net position:		
Invested in capital assets, net of related debt	729,366	644,830
Restricted, by contributors	2,298,196	2,048,614
Unrestricted (deficit)	823,386	1,004,545
Total net position (deficit)	3,850,948	3,697,989
Total liabilities and net position	$ 4,856,240	$ 4,676,201

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2017	Actual YTD 5/31/2018	Budget YTD 5/31/2018	Variance	
Revenues and other support					
District Tax Revenues	$ 5,844,087	$ 5,624,438	$ 5,367,772	(256,666)	-5%
Rents	183,188	191,831	179,009	(12,821)	-7%
Other revenues	14	6	1,624	1,619	
Total revenues	6,027,289	5,816,274	5,548,406	(267,869)	
Expenses					
Salaries, wage and benefits	-	-	155,833	155,833	100%
Professional fees	98,692	72,432	92,125	19,693	21%
Supplies	3,380	1,662	6,417	4,754	74%
Purchased services	5,600	5,271	4,125	(1,146)	-28%
Repairs and maintenance	22,247	18,341	15,583	(2,758)	-18%
Rents	25,634	21,981	24,292	2,311	10%
Utilities	10,038	10,252	9,753	(498)	-5%
Insurance	57,699	43,702	42,877	(825)	-2%
Depreciation and amortization	260,269	229,000	370,722	141,722	
Interest	48,954	45,704	43,703	(2,001)	-5%
Travel, meeting and conferences	260	1,500	10,083	8,583	85%
Other expenses	8,097	11,313	32,652	21,339	65%
Total expenses	540,868	461,158	808,165	347,008	
Operating gains	5,486,421	5,355,116	4,740,240	(614,876)	-13%
Transfers	(5,258,297)	(5,508,076)	(4,563,248)		
Increase in net position	228,124	(152,959)	176,992		
Net position at *beginning of the year*	3,622,825	3,850,948	3,850,948		
Net position at the *end of the period*	$ 3,850,948	$ 3,697,989	$ 4,027,940		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2017	Actual YTD 5/31/2018	Budget YTD 5/31/2018
Increase in net position	$ 228,124	$ (152,959)	$ 176,992
Add Non Cash items			
Depreciation	260,269	229,000	370,722
Changes in operating assets and liabilities			
Grant and other receivables	(1,858)	293,991	-
Prepaid expenses and deposits	(14,987)	24,089	-
Accounts payable and accrued expenses	(6,736)	636	-
Net Cash provided(used) by operating activities	464,811	394,756	547,714
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	(0)	(0)	-
Changes in assets limited to use	(426,172)	210,812	-
Net Cash used in investing activities	(426,172)	210,812	-
Cash flows from financing activities			
Principal payments on debt borrowings	(28,527)	(27,716)	(27,320)
Net cash used by financing activities	(28,527)	(27,716)	(27,320)
Net change in cash and cash equivalents	10,113	577,853	520,393
Cash at the beginning of the year	471,592	481,704	292,794
Cash at the end of the period	$ 481,704	$ 1,059,558	$ 813,188

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT	District 6/30/2017	Jaber 6/30/2017	As of 6/30/2017	District 5/31/2018	Jaber 5/31/2018	As of 5/31/2018
Assets						
Current assets:						
Cash and cash equivalents	$ 481,704	$ -	$ 481,704	$ 1,059,558	$ -	$ 1,059,558
Grant and other receivables	295,780	0	295,780	1,788	0	1,788
Prepaid expenses and deposits	31,434	3,263	34,697	6,936	3,671	10,608
Total current assets	808,918	3,263	812,181	1,068,283	3,671	1,071,954
Due To Due From	4,480	(4,480)	0	9,374	(9,374)	0
Assets limited as to use	0	754,413	754,413	0	543,600	543,600
Capital Assets, net of accumulated depreciation	1,732,695	1,545,000	3,277,695	1,540,033	1,510,717	3,050,749
	2,546,093	2,298,196	4,844,289	2,617,689	2,048,614	4,666,304
Other Assets	11,952	0	11,952	9,897	0	9,897
Total assets	2,558,045	2,298,196	4,856,240	2,627,587	2,048,614	4,676,201
Liabilities and Net Position						
Current liabilities:						
Current maturities of debt borrowings	29,804	0	29,804	29,804	0	29,804
Accounts payable and accrued expenses	1,964	0	1,964	2,600	0	2,600
Total current liabilities	31,768	0	31,768	32,404	0	32,404
Debt borrowings net of current maturities	973,525	0	973,525	945,809	0	945,809
Total liabilities	1,005,292	0	1,005,292	978,213	0	978,213
Net position:						
Invested in capital assets, net of related debt	729,366	0	729,366	644,830	0	644,830
Restricted, by contributors	0	2,298,196	2,298,196	0	2,048,614	2,048,614
Unrestricted (deficit)	823,386	0	823,386	1,004,545	0	1,004,545
Total net position (deficit)	1,552,752	2,298,196	3,850,948	1,649,375	2,048,614	3,697,989
Total liabilities and net position	$2,558,045	$2,298,196	$4,856,240	$2,627,587	$2,048,614	$4,676,201

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2017	Jaber 6/30/2017	Actual YTD 6/30/2017	District 5/31/2018	Jaber 5/31/2018	Actual YTD 5/31/2018
Revenues and other support						
District Tax Revenues	5,844,087	0	5,844,087	5,624,438	0	5,624,438
Rents	380	182,808	183,188	0	191,831	191,831
Other revenues	14	0	14	6	0	6
Total revenues	5,844,481	182,808	6,027,289	5,624,444	191,831	5,816,274
Expenses						
Salaries, wage and benefits	0	0	0	0	0	0
Professional fees	88,976	9,716	98,692	63,604	8,828	72,432
Supplies	3,380	0	3,380	1,662	0	1,662
Purchased services	5,600	0	5,600	5,271	0	5,271
Repairs and maintenance	0	22,247	22,247	0	18,341	18,341
Rents	25,634	0	25,634	21,981	0	21,981
Utilities	1,144	8,893	10,038	620	9,632	10,252
Insurance	56,068	1,631	57,699	39,216	4,486	43,702
Depreciation and amortization	222,869	37,400	260,269	194,716	34,283	229,000
Interest	48,954	0	48,954	45,704	0	45,704
Travel, meeting and conferences	260	0	260	1,500	0	1,500
Other expenses	5,682	2,415	8,097	3,102	8,211	11,313
Total expenses	458,565	82,302	540,868	377,376	83,782	461,158
Operating gains	5,385,916	100,505	5,486,421	5,247,067	108,049	5,355,116
Transfers	(5,258,297)	0	(5,258,297)	(5,150,445)	(357,631)	(5,508,076)
Increase in net position	127,619	100,505	228,124	96,622	(249,582)	(152,959)
Net position at *beginning of the year*	1,425,134	2,197,690	3,622,825	1,552,752	2,298,196	3,850,948
Net position at the *end of the period*	1,552,752	2,298,196	3,850,948	1,649,375	2,048,614	3,697,989

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2017	Jaber 6/30/2017	Actual YTD 6/30/2017	District 5/31/2018	Jaber 5/31/2018	Actual YTD 5/31/2018
Increase in net position	127,619	100,505	228,124	96,622	(249,582)	(152,959)
Add Non Cash items						
Depreciation	222,869	37,400	260,269	194,716	34,283	229,000
Changes in operating assets and liabilities						
Grant and other receivables	(1,858)	0	(1,858)	293,992	0	293,991
Prepaid expenses and deposits	(11,724)	(3,263)	(14,987)	24,496	(408)	24,089
Due To Due From	(291,530)	291,530	0	(4,894)	4,894	0
Accounts payable and accrued expenses	(6,736)	0	(6,736)	636	0	636
Net Cash provided(used) by operating activities	38,639	426,172	464,811	605,568	(210,812)	394,756
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	0	0	(0)	(0)	(0)	(0)
Changes in assets limited to use	0	(426,172)	(426,172)	0	210,812	210,812
Net Cash used in investing activities	0	(426,172)	(426,172)	(0)	210,812	210,812
Cash flows from financing activities						
Principal payments on debt borrowings	(28,527)	(0)	(28,527)	(27,716)	0	(27,716)
Net cash used by financing activities	(28,527)	(0)	(28,527)	(27,716)	0	(27,716)
Net change in cash and cash equivalents	10,112	0	10,112	577,855	0	577,853
Cash at the beginning of the year	471,592	(0)	471,592	481,704	(0)	481,704
Cash at the end of the period	481,704	(0)	481,704	1,059,558	0	1,059,558

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT	As of 6/30/2017	As of 6/30/2018
Assets		
Current assets:		
Cash and cash equivalents	$ 481,704	$ 1,008,285
Grant and other receivables	295,780	220,267
Prepaid expenses and deposits	34,697	34,364
Total current assets	812,181	1,262,916
Assets limited as to use	754,413	557,671
Capital Assets, net of accumulated depreciation	3,277,695	3,030,118
	4,844,289	4,850,705
Other Assets	11,952	9,711
Total assets	$ 4,856,240	$ 4,860,416
Liabilities and Net Position		
Current liabilities:		
Current maturities of debt borrowings	$ 29,804	$ 29,804
Accounts payable and accrued expenses	1,964	3,900
Total current liabilities	31,768	33,704
Debt borrowings net of current maturities	973,525	943,411
Total liabilities	1,005,292	977,114
Net position:		
Invested in capital assets, net of related debt	729,366	644,830
Restricted, by contributors	2,298,196	2,059,160
Unrestricted (deficit)	823,386	1,179,311
Total net position (deficit)	3,850,948	3,883,302
Total liabilities and net position	$ 4,856,240	$ 4,860,416

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2017	Actual YTD 6/30/2018	Budget YTD 6/30/2018	Variance	
Revenues and other support					
District Tax Revenues	$ 5,844,087	$ 5,842,917	$ 5,855,751	12,834	0%
Rents	183,188	204,791	195,283	(9,508)	-5%
Other revenues	14	6	1,772	1,766	
Total revenues	6,027,289	6,047,713	6,052,806	5,093	
Expenses					
Salaries, wage and benefits	-	-	170,000	170,000	100%
Professional fees	98,692	84,571	100,500	15,929	16%
Supplies	3,380	2,431	7,000	4,569	65%
Purchased services	5,600	6,471	4,500	(1,971)	-44%
Repairs and maintenance	22,247	19,076	17,000	(2,076)	-12%
Rents	25,634	26,478	26,500	22	0%
Utilities	10,038	10,459	10,640	181	2%
Insurance	57,699	47,368	46,775	(593)	-1%
Depreciation and amortization	260,269	249,818	404,424	154,606	
Interest	48,954	50,162	47,676	(2,486)	-5%
Travel, meeting and conferences	260	1,500	11,000	9,500	86%
Other expenses	8,097	8,950	35,620	26,670	75%
Total expenses	540,868	507,284	881,635	374,351	
Operating gains	5,486,421	5,540,429	5,171,171	(369,258)	-7%
Transfers	(5,258,297)	(5,508,076)	(4,978,089)		
Increase in net position	228,124	32,353	193,082		
Net position at *beginning of the year*	3,622,825	3,850,948	3,850,948		
Net position at the *end of the period*	$ 3,850,948	$ 3,883,302	$ 4,044,030		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2017	Actual YTD 6/30/2018	Budget YTD 6/30/2018
Increase in net position	$ 228,124	$ 32,353	$ 193,082
Add Non Cash items			
Depreciation	260,269	249,818	404,424
Changes in operating assets and liabilities			
Grant and other receivables	(1,858)	75,513	-
Prepaid expenses and deposits	(14,987)	333	-
Accounts payable and accrued expenses	(6,736)	1,936	-
Net Cash provided(used) by operating activities	464,811	359,953	597,506
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	(0)	(0)	-
Changes in assets limited to use	(426,172)	196,742	-
Net Cash used in investing activities	(426,172)	196,742	-
Cash flows from financing activities			
Principal payments on debt borrowings	(28,527)	(30,114)	(29,804)
Net cash used by financing activities	(28,527)	(30,114)	(29,804)
Net change in cash and cash equivalents	10,113	526,581	567,702
Cash at the beginning of the year	471,592	481,704	292,794
Cash at the end of the period	$ 481,704	$ 1,008,285	$ 860,496

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT	District 6/30/2017	Jaber 6/30/2017	As of 6/30/2017	District 6/30/2018	Jaber 6/30/2018	As of 6/30/2018
Assets						
Current assets:						
Cash and cash equivalents	$ 481,704	$ -	$ 481,704	$ 1,008,285	$ -	$ 1,008,285
Grant and other receivables	295,780	0	295,780	220,267	0	220,267
Prepaid expenses and deposits	31,434	3,263	34,697	31,101	3,263	34,364
Total current assets	808,918	3,263	812,181	1,259,654	3,263	1,262,916
Due To Due From	4,480	(4,480)	0	9,374	(9,374)	0
Assets limited as to use	0	754,413	754,413	0	557,671	557,671
Capital Assets, net of accumulated depreciation	1,732,695	1,545,000	3,277,695	1,522,518	1,507,600	3,030,118
	2,546,093	2,298,196	4,844,289	2,791,546	2,059,160	4,850,705
Other Assets	11,952	0	11,952	9,711	0	9,711
Total assets	2,558,045	2,298,196	4,856,240	2,801,256	2,059,160	4,860,416
Liabilities and Net Position						
Current liabilities:						
Current maturities of debt borrowings	29,804	0	29,804	29,804	0	29,804
Accounts payable and accrued expenses	1,964	0	1,964	3,900	0	3,900
Total current liabilities	31,768	0	31,768	33,704	0	33,704
Debt borrowings net of current maturities	973,525	0	973,525	943,411	0	943,411
Total liabilities	1,005,292	0	1,005,292	977,114	0	977,114
Net position:						
Invested in capital assets, net of related debt	729,366	0	729,366	644,830	0	644,830
Restricted, by contributors	0	2,298,196	2,298,196	0	2,059,160	2,059,160
Unrestricted (deficit)	823,386	0	823,386	1,179,311	0	1,179,311
Total net position (deficit)	1,552,752	2,298,196	3,850,948	1,824,141	2,059,160	3,883,302
Total liabilities and net position	$2,558,045	$2,298,196	$4,856,240	$2,801,256	$2,059,160	$4,860,416

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2017	Jaber 6/30/2017	Actual YTD 6/30/2017	District 6/30/2018	Jaber 6/30/2018	Actual YTD 6/30/2018
Revenues and other support						
District Tax Revenues	5,844,087	0	5,844,087	5,842,917	0	5,842,917
Rents	380	182,808	183,188	0	204,791	204,791
Other revenues	14	0	14	6	0	6
Total revenues	5,844,481	182,808	6,027,289	5,842,923	204,791	6,047,713
Expenses						
Salaries, wage and benefits	0	0	0	0	0	0
Professional fees	88,976	9,716	98,692	74,934	9,638	84,571
Supplies	3,380	0	3,380	2,431	0	2,431
Purchased services	5,600	0	5,600	6,471	0	6,471
Repairs and maintenance	0	22,247	22,247	0	19,076	19,076
Rents	25,634	0	25,634	26,478	0	26,478
Utilities	1,144	8,893	10,038	620	9,840	10,459
Insurance	56,068	1,631	57,699	42,474	4,894	47,368
Depreciation and amortization	222,869	37,400	260,269	212,418	37,400	249,818
Interest	48,954	0	48,954	50,162	0	50,162
Travel, meeting and conferences	260	0	260	1,500	0	1,500
Other expenses	5,682	2,415	8,097	3,602	5,348	8,950
Total expenses	458,565	82,302	540,868	421,089	86,195	507,284
Operating gains	5,385,916	100,505	5,486,421	5,421,834	118,595	5,540,429
Transfers	(5,258,297)	0	(5,258,297)	(5,150,445)	(357,631)	(5,508,076)
Increase in net position	127,619	100,505	228,124	271,389	(239,036)	32,353
Net position at *beginning of the year*	1,425,134	2,197,690	3,622,825	1,552,752	2,298,196	3,850,948
Net position at the *end of the period*	1,552,752	2,298,196	3,850,948	1,824,141	2,059,160	3,883,302

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2017	Jaber 6/30/2017	Actual YTD 6/30/2017	District 6/30/2018	Jaber 6/30/2018	Actual YTD 6/30/2018
Increase in net position	127,619	100,505	228,124	271,389	(239,036)	32,353
Add Non Cash items						
Depreciation	222,869	37,400	260,269	212,418	37,400	249,818
Changes in operating assets and liabilities						
Grant and other receivables	(1,858)	0	(1,858)	75,513	0	75,513
Prepaid expenses and deposits	(11,724)	(3,263)	(14,987)	333	0	333
Due To Due From	(291,530)	291,530	0	(4,894)	4,894	0
Accounts payable and accrued expenses	(6,736)	0	(6,736)	1,937	0	1,936
Net Cash provided(used) by operating activities	38,639	426,172	464,811	556,695	(196,741)	359,953
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	0	0	(0)	0	0	(0)
Changes in assets limited to use	0	(426,172)	(426,172)	0	196,742	196,742
Net Cash used in investing activities	0	(426,172)	(426,172)	0	196,742	196,742
Cash flows from financing activities						
Principal payments on debt borrowings	(28,527)	(0)	(28,527)	(30,114)	0	(30,114)
Net cash used by financing activities	(28,527)	(0)	(28,527)	(30,114)	0	(30,114)
Net change in cash and cash equivalents	10,112	0	10,112	526,582	0	526,581
Cash at the beginning of the year	471,592	(0)	471,592	481,704	(0)	481,704
Cash at the end of the period	481,704	(0)	481,704	1,008,285	0	1,008,285

RESOLUTION NO. 2018-4OARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

*** * ***

BANKING AND SIGNING AUTHORITY

WHEREAS, the City of Alameda Health Care District (the "District") was formally organized and began its existence on July 1, 2002; and

WHEREAS, on November 26, 2013, Alameda Health System ("AHS") and the District executed a Joint Powers Agreement ("Agreement") pursuant to (i) Chapter 5 (beginning with Section 6500) of Division 7 of Title 1 of the Government Code, authorizing local public entities, including healthcare districts and counties, to exercise their common powers through joint powers agreements, and (ii) Section 14000.2 of the California Welfare and Institutions Code, authorizing the integration of county hospitals with other hospitals into a system of community service.

WHEREAS, AHS, a public hospital authority created by the Alameda County Board of Supervisors, pursuant to Section 101850 of the California Health and Safety Code, obtained possession, use and control of Alameda Hospital ("Hospital") from the City of Alameda Health Care District ("District"), a California health care district organized under the California Local Health District Law, California Health and Safety Code 32000 *et seq.* effective May 1, 2014 pursuant to the Agreement; and

WHEREAS, to carry out its responsibilities to the District and to serve the health needs of the community, the District Board of Directors may be required to enter into various contractual arrangements and to sign checks for District operations; and

WHEREAS, all bank accounts have been associated with the hospital operations and now the District will need to open separate bank account(s) for its operations; and

WHEREAS, in 2008 the District created a Signature Authority Policy that has been revised since to reflect changes in positions at Alameda Hospital; and

WHEREAS, effective August 27, 2018 the attached Policy 2008-0B (as revised) will be in effect; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the District hereby authorizes the Executive Director to notify Bank of Marin of the updated policy including adding the Executive Director as an authorized signer on all accounts with the Bank of Marin,

PASSED AND ADOPTED on August 27, 2018 by the following vote:

AYES:_____ NOES:_____

ABSENT:_____

_____
Michael Williams
President

_____
Tracy Jensen
Secretary

City of Alameda Health Care District
Policy 2008-0b
SIGNATURE AUTHORITY

I. PURPOSE

The District maintains a number of bank accounts for business purposes that require checks to be written and monies to be deposited and withdrawn in the normal course of business. This policy defines the responsibility and authorization limits for the disbursement of funds by the District to its vendors and employees by check effective July 1, 2014.

II. POLICY

a. The Board of Directors authorizes all Members of the Board to serve as the organizations check signors.

b. The Board of Directors authorizes the Executive Director of the District to serve as a check signer for the organization.

c. The Board of Directors authorizes the following signature requirements with regard to the dollar value of all disbursements:

i. Disbursements of $9,999 or less require the manual signature of the Executive Director or one of the Directors

ii. Disbursements of $10,000.00 or more requires the manual signature of the two of the following: the Executive Directors or Directors.

CITY OF ALAMEDA HEALTH CARE DISTRICT

August 21, 2018

Memorandum to: Board of Directors
City of Alameda Health Care District

From: Deborah E. Stebbins
Executive Director

RE: **Recommendation to Approve Consulting Proposal from Kaufman Hall**

RECOMMENDATION:

I am recommending that the Board of Directors approve the attached proposal from Kaufman Hall for the development and evaluation of strategic facility alternatives for the future configuration and role for Alameda Hospital.

The scope of the study will include the development of three scenarios for the future of Alameda Hospital:

1. Baseline – reflecting the current scope of operations scaled to the current and projected demand under the status quo and a seismically compliant facility,

2. Incorporation of Alameda Health System's strategic goals and perspective on the opportunities for the optimal use of Alameda Hospital, and

3. District proceeds without being a part of the AHS system while maintaining an emergency Department, acute care services and distinct part SNF services.

High level financial projections will be developed for each scenario to assess the estimated capitalization costs and return on investment. Kaufman Hall will provide advice on the prioritization of the scenarios based upon the expected financial return on investment and the strategic vision and goals of the District.

Consistent with the terms of the proposal, I am recommending the Board of Directors appoint a two person Ad Hoc Committee to work with the Executive Director and Kaufman Hall to oversee the completion of the study,

The study is projected to be conducted over a four-month period for a cost of $224,000 plus minor expenses. Under a separate action, the Board will be asked to approve a new District budget proposal to AHS which will accommodate the completion of this project.

BACKGROUND:

The District Board has made clear preservation of emergency and acute care services for the residents of the City of Alameda is a cornerstone of its strategic vision.

AHS has committed to upgrade the Alameda Hospital facilities for compliance with the 2020 (originally 2013) California seismic standards. (SB 1953). While this investment is a requirement of the 2014 Joint Powers Agreement which set forth the affiliation between AHS and the District, there is no legal requirement that AHS make an additional investment to bring the hospital up to seismic compliance under the 2030 standards. There is also no provision in AHS' current strategic and capital planning for this additional investment. Therefore the very important imperative to address planning for 2030 compliance is the responsibility of the District Board of Directors.

Since the inception of the affiliation in 2014, there have been significant changes in the utilization of services at Alameda Hospital, especially the referral of inpatients from Highland Hospital as well as increased utilization of certain outpatient services. This constitutes what will be considered the baseline scenario for the current operation of Alameda Hospital as a part of AHS. The understanding of the impact of this present relationship from a financial standpoint and the perspective of the strategic goals and priorities of AHS are vital to beginning a planning process for both the District.

A second scenario will be studied from the perspective of how current and future referral patterns might be structured to enhance the synergy between Alameda Hospital and the rest of the AHS delivery system and enhance the goals and priorities of the system. There are still backlogs and waiting times for patients served by AHS which could potentially be addressed by improved patient flow between the system facilities including Alameda Hospital.

A third scenario, that of Alameda Hospital continuing to operate as an acute care facility with an ED and distinct part SNF, will be analyzed in recognition that the synergies identified in scenario two may not be sufficient to warrant AHS making further investments to maintain the seismic compliance of Alameda Hospital beyond 2030.

DISCUSSION:

The proposed study is an important first step in District planning to ensure the preservation of its vision of maintaining emergency and acute care services beyond 2030.

AHS does not have a requirement or commitment to sustain seismic compliance beyond 2030 at this time. The study will require the collaboration and cooperation of AHS is providing data on the current and projected flow of patients served by the system. This analysis has not been done previously in light of other operational priorities at the system level. The results of this analysis, especially as it relates to the development of the second scenario should be very valuable to both AHS and the District.

Management has also obtained a proposal for master planning services from Ratcliff, the architects who designed the South Wing and have consulted extensively over the last few years on compliance with 2020 standards. This proposal, for $95,000 covered some of the same program elements covered by Kaufman Hall, but with a strong focus on architectural and facility planning based on broad standards for master planning rather than the specific data relating to the relationship between Alameda Hospital and the System. There may well be elements in the proposal from Ratcliff which is attached for reference that will be useful following completion of the Kaufman Hall project.

I am recommending for separate Board action that the District budget be amended to incorporate consulting expenses for the Kaufman Hall project plus some contingency expenses which might be required as a by-product of the project or other District work over FY 2019.

KaufmanHall

August 16, 2018

Ms. Debi Stebbins
Executive Director
City of Alameda Health Care District
2070 Clinton Avenue
Alameda, California 94501

Dear Debi:

On behalf of Kaufman, Hall & Associates, LLC ("Kaufman Hall"), we are pleased to present this proposal to assist the City of Alameda Health Care District ("The District") with the development and evaluation of strategic facility alternatives for the future configuration and role for Alameda hospital (the "Client Project"). Thank you for spending the time with us to discuss the District's objectives for this project and the desired scope of work. The following proposal describes our recommended approach to the scope of work, project schedule, project team, and fees.

APPROACH

Kaufman Hall proposes a four-step process to develop and assess alternative strategic facility scenarios for Alameda Hospital. The proposed steps are:

After an initial project organization step, Kaufman Hall will assess Alameda Hospital's position in the market, with a focus on the sources of its patients and the services which are most utilized. We will evaluate potential future demand for services at the hospital and develop three potential scenarios for you to consider.

The first scenario will be a baseline that reflects the current scope of operations scaled to the current and projected demand under the status quo and seismically compliant. The second scenario would incorporate Alameda Health System's strategic goals and perspective on opportunities for the optimal use of Alameda Hospital. The third scenario would be developed to reflect a strategy where the District proceeds without Alameda Health System ("AHS") with the goal being the maintenance of the minimum acute services required to continue operating an emergency department and distinct part SNF.

Our understanding is that the third scenario is to be developed solely to provide context for the District Board in evaluating the merits of the second scenario, i.e., optimization of the hospital within AHS. High-level financial projections will be developed for each scenario to assess return on investment. Kaufman Hall will provide its perspective on the prioritization of the scenarios

based on the expected return on investment and our understanding of the District's strategic vision and goals. As we have discussed, for our report to be meaningful, we will need the active participation of appropriate management at AHS, both to help design the future role of the hospital with AHS as well as providing much of the supporting utilization and financial data that we will need to analyze.

A. ***Step 1: Project Organization***. During the first step, Kaufman Hall will work with the Alameda Healthcare District leadership and AHS leadership as appropriate to organize the project. Key activities of the project organization step include:

   1. *Assemble an Ad Hoc Committee* – The project will be organized around an Ad Hoc Committee consisting of a subset of the District Board. If AHS will be involved in the definition of a third scenario, they may also participate in the Ad Hoc Committee.
   2. *Project Logistics* – Kaufman Hall suggests that meetings of the Ad Hoc Committee and Kaufman Hall be scheduled at key project milestones.
   3. *Data Collection* – Kaufman Hall will submit a data request to the District and/or Alameda Health System, as the District deems appropriate, for a variety of planning, financial, facility and patient volume data.

B. ***Step 2: Market and Competitive Assessment***. Kaufman Hall will conduct a market and competitive assessment to provide a fact base regarding Alameda Hospital's situation. The assessment will evaluate both the current situation and the anticipated future trajectory of the market. Kaufman Hall will call out the key factors that will shape the viability of Alameda Hospital's potential future configurations. We understand that some market and competitive analyses have been recently prepared and are available. We will leverage existing analyses to the degree possible. Key activities of Step 2 include:

   1. *Stakeholder Interviews* – Kaufman Hall will interview key stakeholders (e.g., District Board members, physicians and management) as the District deems appropriate.
   2. *Market Overview* – The market overview will assess key market factors that will influence the viability of future strategic facility configurations.
      a. *Service Area Definition* – Kaufman Hall will define Alameda Hospital's service area as the zip codes encompassing the island of Alameda.
      b. *Inpatient and Outpatient Demand Trends and Projections* – Kaufman Hall will develop projections for inpatient and outpatient demand by key inpatient service lines and outpatient modalities that incorporate population growth and reflect demographic and insurance status trends.
   3. *Key Service Line Assessment* – Kaufman Hall will profile inpatient service lines that account for significant revenue, expense and/or volume to gain an understanding of Alameda Hospital's importance in its service area for the delivery of the service as well as Alameda Hospital's importance to AHS as a destination for transfer patients. To this end, Kaufman Hall will assess Alameda Hospital's market position vis-à-vis key competitors and its variance across service lines and the route through which patients come to the hospital (i.e., emergency department, AHS transfer agreements, etc.)

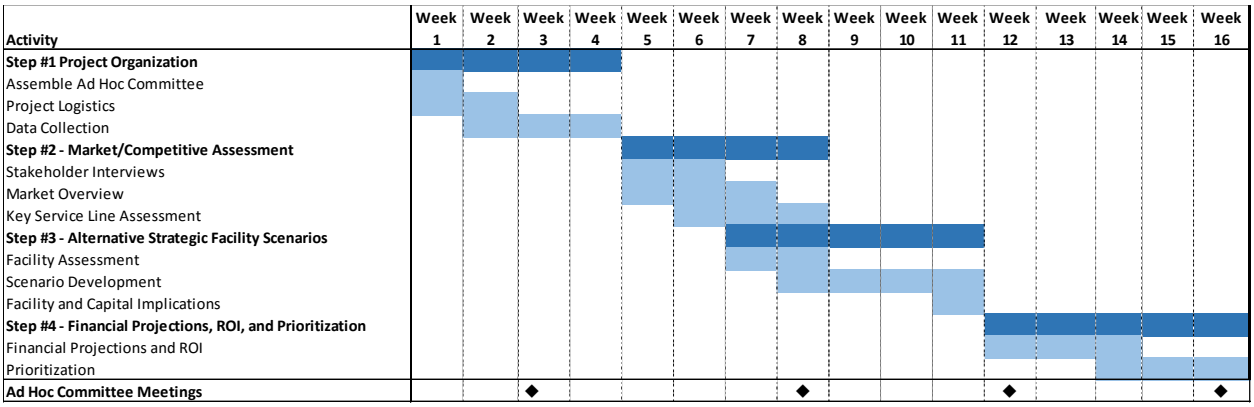
C. ***Step 3: Alternative Strategic Facility Scenario Development***. Kaufman Hall will define a baseline scenario and two alternative strategic facility scenarios, as described above: first configuring the hospital to optimize its role with AHS and secondly configuring the hospital as a stand-alone entity.

1. *Facility Assessment* – Kaufman Hall will review any current facility plans and seismic retrofit analyses and estimates to gain an understanding of the potential uses and implications of the existing campus for each strategic facility scenario.
2. *Regulatory Requirements* – Kaufman Hall will research the regulatory implications of maintaining the ED and the distinct part SNF on the general acute services provided in the facility and incorporate these findings into the definition of the alternative scenarios.
3. *Scenario Definition* – Based on the facility assessment, market and competitive assessment and Kaufman Hall's experience with clients in similar situations, Kaufman Hall will identify and define hospital configurations that address the strategic vision and goals of the District. The definition will describe the scope and scale of the facility based on inpatient and outpatient volume projections.
4. *Facility and Capital Implications* – Utilizing the facility capacity and space requirements from the alternative scenarios, Kaufman Hall will develop high-level capital guidelines which will be factored into the return on investment calculations to be completed under Step 4 below.

D. ***Step 4: Financial Projections, ROI and Prioritization***. The volume projections developed in Step 3 will be used to develop an operating statement of revenues and expenses for each strategic facility scenario. These projections will rely on the availability of detailed financial data from AHS. The financial projections will be used to assess and compare the return on investment of each scenario. Kaufman Hall will suggest a prioritization of the strategic facility scenarios based on the financial analysis and their alignment with the strategic vision and goals of the District.

TIMEFRAME

Kaufman Hall will complete the activities described above over four months. Kaufman Hall proposes the following timeline with approximately four Ad Hoc Committee meetings at key milestones:



PROJECT STAFFING

Steve Hollis, Senior Vice President, will serve as client engagement executive and be responsible for ensuring the project is delivered with the high quality for which Kaufman Hall is known. Patrick Smyth, Senior Vice President will serve as Project Director and be responsible for guiding the day-to-day activities of the scope of work. Jim Medendorp will provide facility planning expertise. Other Kaufman Hall staff will be assigned to the project as needed to conduct specific analyses and deliverable development. The biographies of the project leadership follows:

Steven R. Hollis, *Senior Vice President*

Steve Hollis is a member of in the Financial Advisory, Mergers and Acquisitions, and Strategic and Financial Planning practices, working as part of the West Coast team. His areas of focus include capital planning and formation, mergers, acquisitions, partnerships, and divestitures, and strategic and capital alignment. Mr. Hollis' clients include healthcare organizations of all types on the West Coast.

Mr. Hollis is a healthcare finance veteran, having served the industry since 1982, first as a commercial lender, then as consultant and investment banker. Prior to joining Kaufman Hall, Steve was a Director at Barclays and at Goldman Sachs. Prior to this, he was a Managing Director with Banc of America Securities and a Partner with Cain Brothers & Company.

Mr. Hollis has served a diverse range of clients, from the large systems such as Kaiser, Catholic Healthcare West (now Dignity Health), Peace Health, and Sutter Health, to stand-alone community hospitals, children's hospitals, and public healthcare districts. He has represented organizations as the underwriter on all types of bond issues and as a strategic and capital advisor on a wide array of merger and affiliation transactions.

Mr. Hollis has been a frequent speaker and panelist in a wide variety of healthcare forums. His work on hospital affiliations and capital formation has been published in *Health Affairs* and *Modern Healthcare.* Mr. Hollis has an M.A. from the University of California, Davis and a B.A. in Economics and Modern Languages from Leicester University in England.

J. Patrick Smyth, CFA, *Senior Vice President*

Patrick Smyth is in Kaufman Hall's Strategic and Financial Planning practice and is based in the Los Angeles office. Mr. Smyth has more than 25 years of experience in the healthcare industry, with a focus on integrated strategic and financial planning, organizational strategy, strategic options, mergers and acquisitions, physician strategy, clinical portfolio assessment, and program development work. During this time, he has worked on numerous engagements that involved the development of market demand projections and associated facility and equipment capacity requirements

Prior to joining Kaufman Hall in 2011, Mr. Smyth was Executive Director of Strategic Planning at Kaiser Foundation Health Plan, where he was responsible for the development of regional and program-wide strategic and financial analyses and plans. Prior to this, he was Senior Manager and Director of Strategic Financial Services at Kurt Salmon Associates.

Mr. Smyth has contributed articles to *hfm* magazine and *Health Care Strategic Management* journal on integrated strategic and financial planning and capital investment analysis.

Mr. Smyth holds an M.B.A. with a Finance concentration from San Francisco State University, and a B.A. in Economics and Political Science from the University of California, Davis. He is a Chartered Financial Analyst, as designated by the Institute of Chartered Financial Analysts.

James Medendorp, *Vice President*

Jim Medendorp is a member of the firm's Strategic and Financial Planning practice. With more than 20 years of consulting experience in healthcare strategic, facility, and operations planning, Mr. Medendorp focuses on translating strategic goals into actionable and functional service distribution and facilities that are cost effective and financially sustainable. As part of his strategic planning and organizational transformation work, Mr. Medendorp has assisted numerous health systems in defining operationally feasible and cost effective service distribution and rationalization plans. These plans focus on reducing the costly redundancy that exists in most systems, while enhancing access and convenience for patients.

During his career, Mr. Medendorp has programmed and planned more than 30 replacement or new hospitals, and developed master facility plans resulting in more than $9 billion of construction. He frequently provides second opinion reviews of proposed facility projects to identify alternative solutions that result in bringing project capital and operational costs in line with the organization's goals and financial capabilities.

Mr. Medendorp is an active speaker on current healthcare trends, frequently presenting on facility design, and cost and management issues to groups including the American Hospital Association, the Center for Healthcare Design, The Governance Institute, and other industry associations.

Prior to joining Kaufman Hall, Mr. Medendorp worked at Wellspring Valuation/Huron Consulting Group as a director leading the facility planning and hard asset valuation practice.

Mr. Medendorp holds both an M.A. and a B.S. in Architecture from the University of Michigan, Ann Arbor.

PROFESSIONAL FEES AND EXPENSES

Professional fees associated with the scope of services identified above will be $224,000, invoiced in four monthly installments of $56,000 beginning in September 2018. Invoices are sent at the end of each month and are due upon receipt. Engagement fees will remain fixed unless the scope or timing of this engagement materially changes for reasons beyond the control of Kaufman Hall. In the unlikely event that would occur, Kaufman Hall may be entitled to additional fees subject to the mutual agreement of the parties.

In addition to professional fees, Kaufman Hall charges for reimbursable travel, office, and any third-party data/analytics expenses. Travel and third-party data/analytics expenses are billed as incurred and are not subject to markup. Office expenses of $2,250 per month include report preparation, communication expenses, and express shipments, among other overhead costs. Invoices are sent at the end of each month and are due upon receipt.

AUTHORIZATION

We appreciate the opportunity to assist the District with this project. Your signature below will indicate your agreement with this proposal and the attached terms and conditions. Please sign and return via email or by fax to (847) 965-3511.

Sincerely,
KAUFMAN, HALL & ASSOCIATES, LLC

Kaufman, Hall & Associates, LLC

/mn
Attachment

cc: Patrick Smyth
Steve Hollis
Jim Medendorp

This proposal is accepted.
CITY OF ALAMEDA HEALTH CARE DISTRICT

_____
Authorizing Signature / Date

_____
Printed Name / Title

KaufmanHall

TERMS AND CONDITIONS FOR CONSULTING SERVICES

The following are the terms and conditions by which Kaufman, Hall & Associates, LLC ("Consultant") will provide services to City of Alameda Health Care District ("The District") pursuant to the engagement letter (the "Engagement Letter") (the "Services") to which these Standard Terms and Conditions relate. To the extent there is any conflict or discrepancy between the terms of the Engagement Letter and these Standard Terms and Conditions, these Standard Terms and Conditions shall control.

1. **Compensation**. The District shall pay Consultant the compensation for Services and reimbursement for expenses incurred in the performance of Services. Consultant will issue invoices for fees and expenses monthly. Invoices shall be due and payable upon receipt thereof. In the event The District in good faith disputes an invoiced charge, payment of such disputed charge shall be due within fifteen (15) days after resolution of such dispute. All fees are exclusive of taxes. The District agrees to pay any and all applicable taxes, including, without limitation, sales, use, and excise taxes, except to the extent payment of taxes is excused due to The District's tax exempt status. If applicable, The District shall submit a copy of its tax exempt certificate to Consultant along with the signed Engagement Letter.

2. **Warranties**. Consultant warrants to The District that (i) Consultant will perform the Services in good faith with qualified personnel in a competent and professional manner in accordance with the Engagement Letter and subject to these Standard Terms and Conditions and (ii) Consultant is not excluded from participation in any federal or state healthcare program for the provision of items or services for which payment may be made under such federal or state healthcare program, and has not arranged or contracted with any employee, contractor, or agent that is excluded from participation in any federal or state healthcare program, to provide items or services hereunder.

3. **Ownership and Use of Materials**. In the course of rendering the Services, Consultant may create and provide to The District documents which include (i) The District internal data, analyses, recommendations, and similar items (collectively, "Client Content"), and (ii) data and/or recommendations that have been created by Consultant for the benefit of The District as part of the Services (collectively, "Consulting Data"). In the development of Consulting Data, Consultant may use algorithms, software systems, plans, processes, tracking tools, contract assessment/modeling tools, formulas, or data from 3rd party vendors, and other intellectual property owned by Consultant or which Consultant has the right to use as of or after the date hereof (including, without limitation, the format of Consultant's reports and any improvements or knowledge Consultant develops, whether alone or with others, in the performance of the Services) (collectively, "Consultant Tools"). The District shall own, solely and exclusively, the Client Content delivered under the Engagement Letter and any and all of The District's Confidential Information (as defined below). The District agrees that Consultant shall own, solely and exclusively, all Consultant Tools and all intellectual property rights therein whether or not registerable (including without limitation patents and inventions, trademarks, service marks, logos and domain names and all associated goodwill, copyrights and copyrightable works and rights in data and databases, and trade secrets, know-how and other confidential information). Client acknowledges and agrees that Consultant may, and reserves the right to, use the Client Content and any information and data generated by the Consultant Tools, solely in an aggregated, non-personally identifiable manner in order to create and improve the compilations, statistical analyses, or benchmarks provided by Consultant in any services (collectively, "Aggregate Data") as long as the resulting information does not identify The District and The District hereby grants to Consultant a perpetual, irrevocable, royalty-free license to use the Client Content, solely as described herein. All right, title and interest in and to the Aggregate Data shall inure to the sole and exclusive benefit of Consultant. With respect to any Consulting Data that is contained in any documents delivered by Consultant to Client, Consultant grants The District a royalty free, paid up, non-exclusive, perpetual license to use the Consulting

Data solely in connection with The District's internal use of the documents and for no other purpose. The District acknowledges and agrees that all Consulting Data (including any advice, recommendations, information, or work product incorporated into the Consulting Data) provided to The District by Consultant in connection with the engagement is for the sole internal use of The District, including all subsidiaries of The District, and may not be used or relied upon by any third party; provided that The District may incorporate into documents that The District intends to disclose externally Consultant summaries, calculations or tables based on The District information contained in Client Content, but not Consultant's recommendations or findings. Consultant retains all rights not expressly granted to Client hereunder.

4. **Confidentiality**

4.1 **The District Confidential Information.**

a. Any and all documentation, data, opinions, information, and communications made or furnished by The District to Consultant in connection with the Services shall remain proprietary to The District and shall be held by Consultant and any Consultant subcontractor in strict confidence and shall not be released, copied, or disclosed by Consultant or any Consultant subcontractor without the prior written consent of The District ("The District Confidential Information").

b. Notwithstanding the foregoing or anything to the contrary herein, The District's Confidential Information shall not include any information that:

i. At the time of disclosure is or thereafter becomes available to the general public (other than as a result of a disclosure by Consultant in violation of this agreement);

ii. Is received by Consultant on a non-confidential basis from a third-party without a known duty of confidentiality to The District; or

iii. Is independently developed by Consultant without reliance on The District's confidential information.

c. Upon completion of the Services, upon The District's written request, Consultant will return to The District (or destroy) all tangible copies of The District's Confidential Information in Consultant's possession as a result of the Services.

d. Notwithstanding the foregoing, Consultant shall be permitted to retain a copy of the Client Content and work papers created by Consultant in the provision of the Services for archival purposes. Consultant agrees to be bound by the confidentiality provisions herein for so long as The District's Confidential Information remains in Consultant's possession.

4.2 **Consultant Confidential Information**. The Consulting Tools and the Engagement Letter, including the terms therein (including, without limitation, pricing) and these Standard Terms and Conditions, shall remain proprietary to Consultant and shall be held by The District in strict confidence and shall not be released, copied, or disclosed by The District without the prior written consent of Consultant ("Consultant Confidential Information").

4.3 **Restrictions on Use.** The parties agree to use the same degree of care in the handling of the other party's Confidential Information that each party employs to protect its own confidential information, but no less than a reasonable degree of care.

4.4 **Compelled Disclosures.** In the event a party is compelled to disclose the Confidential Information of the other party to comply with any applicable law, order, regulation, or ruling, the compelled party shall (if not prohibited by applicable law, order, regulation, or ruling) provide prompt notice of the same to the disclosing party in order to allow such party to take necessary action to protect its confidential information, including to seek a protective order, as appropriate, and will cooperate with the disclosing party, at disclosing party's expense, in protecting the confidentiality of the confidential information in a lawful manner; provided however, that if such

legal or regulatory process is pursuant to the regulatory examination requirements of a regulator with jurisdiction over the party so compelled, no notice shall be required. Notwithstanding the foregoing, nothing in these Standard Terms and Conditions shall prevent either party from complying with all such compelled legal disclosures.

5. **Audit**. Until the expiration of four (4) years after the furnishing of the Services, Consultant shall make available upon request of the Secretary of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, the Engagement Letter, these Standard Terms and Conditions, books, documents, and records of Consultant that are necessary to certify the nature of the cost claimed to Medicare with respect to the Services.

6. **Responsibilities, Liabilities, and Indemnification**. The District recognizes that this engagement is not intended to shift to Consultant risks that are normally borne by The District. It is therefore understood and agreed that:

    a. The Services may include advice and recommendations, but all decisions to implement or not implement any such advice and recommendations shall be the sole responsibility of, and made solely by, The District. The District shall make all management decisions on its own behalf and shall designate individual(s) who possess suitable skill, knowledge, and experience to oversee the engagement and evaluate Client Content on The District's own behalf. The District will cooperate with Consultant in the performance of the Services and will provide or arrange to provide timely access to and use of The District personnel, facilities, equipment, data, and information to the extent necessary for Consultant to perform the Services. The District acknowledges that Consultant will base its conclusions and recommendations on the material, data, and information furnished by The District and third parties, and Consultant has no responsibility to independently validate such material, data, and other information, and may rely upon the accuracy and completeness of such data, material, and other information, and Consultant does not warrant that any particular result will occur.

    b. The District further understands that certain statements and recommendations made by the Consultant will be based on or may contain projections and forward-looking statements, including, without limitation, statements as to trends, The District management's or the Consultant's beliefs and expectations regarding future circumstances and events, and opinions (based upon a number of assumptions and recommendations) that ultimately may prove to be inaccurate. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on current beliefs, expectations and events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. The District's actual results may differ materially from those indicated in the forward-looking statements. Consultant undertakes no obligation to update any forward-looking statement.

    c. Except to the extent otherwise provided in Paragraph 6(d) below, in no event shall Consultant's liability to The District under or with respect to this agreement exceed the amount of payments actually received by Consultant from The District for the Services. The District agrees that this limitation applies: (i) regardless of the nature of the claim, whether alleged as a breach of contract, tort, negligence, strict liability, or any other legal theory; (ii) whether or not The District has been advised of the possibility of such damages; and (iii) notwithstanding any failure of essential purpose of any limited remedy provided. In no event shall Consultant be liable to The District for any lost profits, or for any indirect, special, consequential, reliance, incidental, or punitive damages whatsoever.

    d. Consultant will indemnify, hold harmless, and defend (by employment of competent legal counsel selected by Consultant reasonably acceptable to The District), The District and its

employees, officers, directors, and agents, from and against any and all claims, demands or actions brought by third parties, and any resulting losses, liabilities, costs, and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorney's fees and expenses) (hereinafter individually and collectively referred to as "Claims") that arise out of bodily injury or damage to tangible personal property suffered by a third party directly and proximately caused by the acts or omissions of Consultant or any employee or agent of Consultant while physically present on the premises of The District. Obligations arising out of this section 6(d) shall apply only in proportion to the extent of the act or omission of the employee or agent.

e. The District will indemnify, hold harmless, and defend (by employment of competent legal counsel selected by The District reasonably acceptable to Consultant) Consultant and its employees, officers, directors, and agents, from and against any and all Claims that arise out of, or are directly or indirectly related to the Client Project.

f. The District agrees to pay all costs and expenses that are incurred by Consultant (including expenses of Consultant's counsel) to deal with or otherwise respond to any regulatory inquiries, legal investigations, or other legal process of any kind (a "Proceeding") that is connected with, arises out of, or relates to the Client Project, unless Consultant is the subject of any such Proceeding.

g. An indemnifying party hereunder may not agree to settle or dispose of any claims against an indemnified party if such settlement or disposal imposes an affirmative obligation on the indemnified party, except with indemnified party's express written consent.

7. **Governing Law**. The Engagement Letter and these Standard Terms and Conditions shall be governed in accordance with the laws of the State of Illinois, without regard to conflicts of law provisions.

8. **Non-Solicitation.** The parties agree not to solicit or cause to be solicited the employment of any personnel of the other without first obtaining the written authorization of the other, during the term of this agreement and continuing for a period of twelve (12) months thereafter. Solicitations via any media of general availability, such as newspapers or trade publication advertisements, internet listing or similar solicitations not targeted at specific employees, and to which individuals choose to respond, shall not constitute a violation of this provision.

9. **Independent Contractor**. It is understood and agreed that Consultant is an independent contractor and not an agent, employee, or representative of The District. Any conduct in which Consultant engages in connection with or in the performance of the engagement shall be solely in its capacity as an independent contractor, and nothing in the Engagement Letter or these Standard Terms and Conditions shall be construed to the contrary.

10. **Assignment**. Neither party may assign the Engagement Letter without the written consent of the other party, which consent will not be unreasonably withheld; provided, however, that Consultant may assign or transfer its rights, or delegate its duties, under this agreement, in whole or in part, to an affiliate of Consultant or to any successor to, or purchaser of Consultant's assets or pursuant to a change in control.

11. **Severability**. In the event that any term or provision of the Engagement Letter or these Standard Terms and Conditions shall be held to be invalid, void, or unenforceable, then the remainder of the Engagement Letter and these Standard Terms and Conditions shall not be affected. Upon such determination that any term or provision is invalid, void, or unenforceable, the parties shall negotiate in good faith to modify the affected term or provision to effect the original intent of the

parties as closely as possible in a mutually acceptable manner so that the transactions contemplated thereby and hereby may be consummated as originally contemplated to the greatest extent possible.

12. **Amendment; Waiver**. The Engagement Letter and these Standard Terms and Conditions may only be amended, modified, or supplemented by an agreement in writing signed by the duly authorized representative of the parties. No waiver of breach of any provision of the Engagement Letter or these Standard Terms and Conditions by either The District or Consultant shall constitute a waiver of any subsequent breach of the same or any other provision, and no waiver shall be effective unless made in writing and signed by an officer of the other party.

13. **Entire Agreement**. It is understood and agreed that the Engagement Letter together with all exhibits and schedules, and these Standard Terms and Conditions, constitute the entire agreement between The District and Consultant regarding the Services and supersede all other prior or contemporaneous oral and written representations, understandings, or agreements related thereto, including any confidentiality agreements previously entered into, none of which prior or contemporaneous matters shall be binding.

14. **Form of Signature**. The parties agree that the Engagement Letter and these Standard Terms and Conditions shall be deemed fully executed by affixing a duly authorized The District representative and a duly authorized Consultant representative signature to the Engagement Letter attached hereto, whether by original, electronic, or facsimile signature.

15. **Data Submissions**. Consultant may from time to time, in support of the Services, require data files from The District. Consultant and The District agree to the following:

    a. Consultant will not accept any file that contains a person's Social Security Number ("SSN") or patient name;

    b. Consultant will only accept Protected Health Information ("PHI" as defined by the HIPAA/HITECH rules 45 C.F.R. Parts 160 and 164) if such PHI is required to provide the Services;

    c. Files received by Consultant containing SSN, patient name, or unnecessary PHI will be deleted from all locations in the Consultant's email, network, website, and computers and The District will receive email notification of the steps taken;

    d. If Consultant has been or is granted access to PHI, Consultant and The District shall enter into a mutually agreeable, HIPAA/HITECH compliant Business Associate Agreement prior to Consultant receiving any data that includes PHI; and

    e. Consultant will only accept files containing PHI via Consultant's FTP site or The District's FTP site and:

        i. These files must require a password to open which needs to be sent to the Consultant representative via a separate email; and

        ii. These files must contain only the minimum necessary data for Consultant to provide the Services.

    Failure by either party to comply with the provisions of this Section 15 may result in a Security Incident as such is defined in the HIPAA/HITECH rules.

RATCLIFF

5856 Doyle Street
Emeryville CA 94608
Tel 510 899 6400
www.ratcliffarch.com

July 20, 2018

Debi Stebbens, Executive Director
Alameda Health Care District

Re: Architectural Services for Master Planning

Dear Debi,

Thank you for the opportunity to present this proposal. We are excited to help you and the District plan for post-2030. It is our goal to present and describe the options as clearly as possible to make decision making as easy as possible. Please review the scope of work herein and let us know if anything is out of alignment with your expectations. We realize that planning might not take a prescribed path so we want to be flexible to help you in the most efficient way to move forward. We do not expect to need market research or cost estimating consultant services to initiate services, but can bring them in at a mutually agreed upon fee as required. A cost estimator will be required as we start to define scenarios with more detail.

For execution of the work, we expect to bring in two of our senior planners and strategists: Doug Strout and Michael Hsu. I have appended their resumes at the end of this proposal, along with my own, and have included some examples of other planning efforts to show our combined experience. They will attend our meetings and be responsible for programming and site feasibility studies. Again, thank you for your consideration and let me know if you have any questions.

Sincerely,
RATCLIFF

Katy Ford AIA
Associate Principal

Alameda Health Care District 2030 Master Planning

Step 1 - Master Planning Initiation: Scope, Objectives and Critical Path

Duration: 1 month

Approach: The primary task of the Project Initiation is to establish the details for the planning process, participants, project schedule, communication protocol, and project teams. It is also an opportunity to align goals and expectations at the beginning of the project. Many of these tasks can be accomplished at a Project Kick-Off Meeting.

Key tasks for this phase include:

- Identify Master Plan goals and objectives
- Clarify project scope, schedule, deliverables, roles and responsibilities, and process
- Identify criteria for evaluating proposed solutions
- Review baseline planning principals and assumptions
- Establish the master planning project priorities
- Determine the critical path for campus development based on the project priorities including options to develop an alternate hospital site.

Step 2 – Data Collection and Assessment of Existing and Alternate Sites

Duration: 1-1/2 months

Approach: Ratcliff employs a multiple-pass approach to data collection with which to perform evaluations of existing facilities as well as assess the viability of alternate, “greenfield” site considerations. Existing facilities assessment includes such scope as building and facility inventory, systems evaluation, site evaluation, and review of code and regulatory issues. Additionally, alternate hospital campus sites will be evaluated for access, size, systems resources, and configuration.

This information gives the institution a clear picture of “What You Have”. Fortunately, having worked at the Alameda Hospital campus for many years, Ratcliff has developed a comprehensive knowledge of the existing site, buildings and systems to the extent that this stage of the master plan process will be efficient and thorough based on our extensive knowledge base of the hospital campus supported by additional studies and reports to support the master plan effort.

Key tasks for this phase include:

- Conduct existing facilities “physical condition” assessment of the existing hospital campus including infrastructure systems and capacities
- Review code and zoning restrictions and current levels of compliance
- Review current seismic status report from Degenkolb Engineers and compliance with SB1953
- Review building age, life expectancy, current condition and deferred maintenance
- Develop campus assessment diagram based on site opportunities and restrictions
- Develop high level space and functional programs for a small scale hospital program (25 to 35 bed range) with associated service lines and support services.
- Initiate evaluation, including data gathering, for up to 3 alternate hospital campus sites.

Step 3 – Options Development of Existing Site and Program/Options for Alternate Sites

Duration: 2 months

Approach: Following the identification of key conceptual strategies, a series of planning options or alternatives is developed. These options are considered and evaluated in light of their ability to achieve or support the goals of the City of Alameda Health Care District under a variety of multiple futures. They are evaluated for their resiliency to effectively contend with the range of potential future campus development. Issues of capital requirements, payback periods and ROI, levels of disruption to existing operations, scheduling and implementation, impact on revenue and reimbursements, external competition, projected operational costs, etc. are explored and discussed during in person interactive workshops.

Key tasks for this phase include:

- Conduct on-site "interactive" planning workshops that allow real-time evaluation of alternatives and what-if scenarios with immediate feedback from users
- Generate master plan alternatives or options including block diagrams, massing models, stacking diagrams, circulation and site use zones.
- Develop probable size range and order of magnitude cost models for future facilities.
- Test fit various planning options against multiple futures to determine impact on market share, reimbursements, and facility utilization.
- Explore programmatic options for alternate hospital sites that are aligned with limited scope emergency and acute care needs to meet the needs of the patient demographics, including any specialized needs for the projected patient population, e.g. wound care, geriatric care, PT/OT, etc.

Step 4 – Options Refinement of Existing Site and Program/Options for Alternate Sites

Duration: 1-1/2 months

Approach: Here, the most viable options will be selected for further refinement and review. They are also re-evaluated relative to the criteria that have been established by the planning team. Alternatives are evaluated based on the extent to which the strategic goals, objectives and priorities could be attained. More detailed evaluations and order-of-magnitude estimates of costs are developed for the most promising alternatives.

Key tasks for this phase include:

- Refine and further develop selected alternative
- Develop preliminary phasing & impact analysis for alternatives
- Develop preliminary cost analysis for alternatives
- Conduct sensitivity analysis on selected alternatives
- Back-check alternatives against strategic business plan and planning assumptions
- Explore community and regulatory impacts
- Recommendations for the Optimal Scenario implementation
- Review funding options

Step 5 – Final Master Plan Documentation

Once the planning team has endorsed the Optimal Scenario, the next step to successful implementation is to build consensus with stakeholders, influencers, and decision makers. One of the challenges with working with large groups of stakeholders, as we would anticipate for the City of Alameda Health Care District Master Plan project, is the ability to garner consensus for decisions during workshops and presentations where the many participants enter the discussions with very different perspectives and priorities in mind.

Key tasks for this phase include:

- Documentation of an editable Master Plan that includes flexible, future scenario development
- Update the phasing and schedule
- Update the concept Construction Cost

FEE

Discipline	Master Planning	Duration Estimate	Optional Service Estimate
Architectural - Ratcliff			
Step 1 - Master Planning Initiation: Scope, Objectives and Critical Path	$5,000	1 Month	
Step 2 – Data Collection and Assessment of Existing and Alternate Sites	$25,000	1-1/2 Months	
Step 3 – Options Development of Existing Site and Program/Options for Alternate Sites	$30,000	2 Months	
Step 4 – Options Refinement of Existing Site and Program/Options for Alternate Sites	$10,000	1-1/2 Months	
Step 5 – Final Master Plan Documentation	$15,000	1 Month	
Consultants			
Market Researcher, estimated			$19,000
Cost Estimator, estimated			$29,000
Contract Amount (Not to Exceed)	$85,000		
Max Reimbursable, printing and travel	$3,000		
Rendering, up to 2 views	$8,000		
Maximum Cost Limit (Not to Exceed)	**$96,000**	**7 MONTHS**	

Fee Assumptions/Exclusions

Detailed Mechanical and Electrical System Analysis - is not included, but can be provide at additional cost if required.

Rendering Allowance for Presentations - are estimated for 2 views.

Detailed Cost Estimating - Optional Services for Cost Estimating at a Master Plan level is conceptual for high level, budgetary and comparative purposes.

KATY TAYLOR FORD, AIA | Associate Principal

EDUCATION

M. Architecture
University of Texas at Arlington, 1989

B. Design
School of Architecture
University of Florida, 1986

REGISTRATION

California, #C-23765, 1992

AWARDS & PUBLICATIONS

- AIA Small Firms, Great Projects, 15th Street Townhomes, 2000
- Faculty Citation of Merit, University of Texas, 1988
- Jesse H. Jones Scholarship in Architecture, 1988
- Dallas Women in Architecture Award, 1987

PROFESSIONAL AFFILIATIONS

Lean Construction Training Course Graduate Member, Lean Community at Herrero Builders

SPEAKING ENGAGEMENTS

- "Improving the Patient Experience," Healthcare Facilities Symposium, August 2017, Austin, TX
- "Meaningful Approach to Oncology Design," Healthcare Facilities Symposium, August 2007, Orlando, FL

With nearly 30 years of experience, Katy brings conscientious design and management skills to provide clients the best, most insightful service in the field of healthcare architecture. Katy focuses on coordinating OSHPD program spaces with existing and proposed building systems with an eye for exceptional designs that support healing and comfort. Her background is comprehensive and includes pre-project planning, programming, space planning, and design with an emphasis on Lean project delivery. She recently completed a Cafeteria build-out at John Muir Medical Center in Walnut Creek and is currently leading the design efforts for a step-down nursing unit at Kaiser Medical Center, also in Walnut Creek.

SELECTED PROJECTS

- Alameda Hospital | Alameda, CA:
  - Cafeteria Relocation
  - Seismic Upgrade
  - Occupational Therapy and EVS Remodel
- Medical Center Expansion | NorthBay Medical Center | Fairfield, CA
- Stanford Cancer Center South Bay | Stanford Health Care | San Jose, CA
- VA Medical Center at Mather | Department of Veterans Affairs | Mather, CA:
  - Primary Care Clinic
  - Mental Health Clinic
  - MRI Addition
- Psychosocial Rehabilitation Recovery Center | VA Medical Center | Martinez, CA
- Outpatient Clinic Renovation at Providence | Sutter East Bay Medical Foundation | Sutter Health | Oakland, CA
- Primary Care Clinic | Sutter East Bay Medical Foundation | Sutter Health | Brentwood, CA
- OB/GYN Clinic | Sutter Pacific Medical Foundation | Sutter Health | San Francisco, CA
- Outpatient Clinic | Sutter Pacific Medical Foundation | Sutter Health | Marin County, CA
- John Muir Health | John Muir Medical Center | Walnut Creek Campus:
  - Rehabilitation Therapy Gymnasium
  - Cafeteria Buildout
  - Oxygen Tank Addition
- Stanford ValleyCare Medical Center | Stanford Health Care | Pleasanton, CA:
  - Master Plan
  - Emergency Department Expansion
  - Imaging Department Master Planning
  - MRI Replacement
  - Pharmacy Build-out
- Hospital Expansion | Harborview Medical Center | Seattle, WA*
- Family Health Center | Kaiser Foundation Health Plan, Inc. | San Jose, CA*
- New Children's Wing | Duke University Medical Campus | Durham, NC*
- Interior Design & Public Spaces | Children's Wing, Riley Hospital | Indianapolis, IN*

Corporate, Mixed-Use, Housing, Retail

- Interior Branding Concept Upgrade | Fluidigm Corporation | South San Francisco, CA
- Arnold Palmer Golf Clubhouse & Office Space | Presidio | San Francisco, CA*
- Master Plan for GSA Building & Planning Department Permit Center | Alameda County | Hayward, CA*
- TI Improvements, Welfare to Work, Department of Human Service | City and County of San Francisco | San Francisco, CA*
- Masterplan for Conference Resort & Spa | Itsurra, Japan*
- 3880 Martin Luther King Jr. Housing | Oakland, CA*
- 288 3rd Street Residential Building | Signature Properties | Oakland, CA*
- 15th Street Townhomes | San Francisco, CA*

**Prior to joining RATCLIFF*

EDUCATION
B. Architecture
Virginia Polytechnic Institute and State University, 1983

REGISTRATION
California, #C-32491, 2010
Maryland, #7298, 1986
Massachusetts, #10265, 1999
Connecticut, #ARI.0009654
New Hampshire, #03084, 2003
Maine, #ARC3024, 2004
North Carolina, #9723, 2004
Alberta, CAN, #RA13065, 2012

PROFESSIONAL AFFILIATIONS
American Institute of Architects
AIA, San Francisco Chapter
Alberta Association of Architects

AWARDS
- Ruby Award, International Partnering Institute IPI Awards, Salinas Valley Memorial Hospital - Replacement Hospital Project, Salinas, CA, 2013
- Plan New Hampshire Merit Award for New Construction, Payson Center for Cancer Care and Hospital Expansion, Concord Hospital, Concord, NH, 2004
- Associated Builders and Contractors, Inc. Award of Excellence, Payson Center for Cancer Care and Hospital Expansion, Concord Hospital, Concord, NH, 2003
- State of Connecticut Blue Ribbon Real Estate Award, The Harold Leever Regional Cancer Center, Waterbury, CT, 2003
- Gold Seal Award for Congregate Housing, National Council on Seniors Housing, The Jefferson, Arlington, Virginia, 1994
- Award for Excellence, Maryland State Planning Commission, Coursey Station, Lansdowne, Maryland, 1992
- Design Award, Baltimore Chapter of the AIA, Baltimore Arena, Baltimore, Maryland, 1987
- Chapter Service Award, Baltimore Chapter of the American Institute of Architects, 1986
- Merit Award, Cultural Arts Pavilion Competition, Newport News, Virginia, 1984
- Commendation Award, Architectural Design, Virginia Society Prize Competition, 1982
- Excellence Award, Graphic Arts, Virginia Journalism Competition, 1982

SPEAKING ENGAGEMENTS
- "Master Planning Strategies that Support Community Health," Texas 2025: Toward Improved Health & Health Facility Design, Texas A&M, College Station, TX, 2017
- "Planning the Future of Public Hospitals for Trinidad & Tobago," Chicago, IL, 2015
- "Cancer Design from an International, Cultural and Operational Perspective," Chicago, IL, 2011
- "Master Planning, Seismic Compliance and a Sustainable Design Direction," Chicago, IL, 2010
- "The Future of Sustainable Design in Hospitals – Learning from European Models," Kirkland, WA, 2010
- "Cancer Care and a New Perspective on Addressing Patient and Caretaker Needs," Chicago, IL, 2009

Registered in multiple states in the US and in Alberta, Canada and LEED accredited, Doug's healthcare design philosophy is exemplified in his projects, which seamlessly combine the technical demands of modern healthcare facilities with sensitive, patient healing environments. Doug's 30 years of design experience ranges from ambulatory care facilities, radiology, women's and children's health, surgical centers, emergency departments, clinical labs and nursing units. He has an extensive portfolio of facility master planning ranging from large urban hospital campuses to small community hospitals and an expertise in the design of cancer care facilities with multiple oncology projects located throughout the nation. Doug's passion for cancer care has extended to national speaking engagements on the future of cancer care design.

SELECTED PROJECTS

- Contra Costa County Public Works | Martinez, CA:
  - PHC Family Clinic Expansion
  - PHC Home Health & Medical Records Office
  - Detention Facility Deferred Maintenance Projects
- Contra Costa Regional Medical Center | Martinez, CA:
  - Psychiatric Emergency Services Safety Remodel
  - Mental Health Inpatient Unite Safety Upgrade
  - Kitchen Remodel
  - Miscellaneous Upgrade Projects
- St. Helena Hospital - Adventist Health | St. Helena, CA:
  - Master Plan and Hybrid OR
  - ICU Upgrade/Repair
  - Mental Health Shower Upgrades
  - Ancillary Building Infrastructure Upgrades
  - Crystal Springs Manor Feasibility Study
- Master Plan for Morris Hyman Critical Care Pavilion | Washington Hospital Healthcare System | Fremont, CA
- Center for Cancer and Blood Disorders (CCBD) | Children's Medical Center of Dallas | Dallas, TX:*
  - Pediatric Cancer Care Suite
  - Outpatient Clinic Renovation and Expansion
  - Master Plan
- Outpatient Cancer Center | Maine General Medical Center | Augusta, ME*
- Ochsner Cancer Institute | Ochsner Clinic Foundation | New Orleans, LA*
- St. Francis Hospital and Medical Center | Hartford, CT:*
  - Cancer Center Expansion
  - Emergency Department
  - Endoscopy Department
  - MRI Suite
  - Multiple Renovation and Expansion Projects
- New Britain General Hospital | New Britain, CT:*
  - Cancer Center Expansion
  - Emergency Department Expansion
  - Facility Master Plan
- Systemic Therapy Suite | Princess Margaret Hospital | Toronto, ON*
- Calgary Cancer Centre | Alberta Cancer Board | Calgary, AL*
- Salinas Valley Memorial Hospital | Salinas, CA:*
  - Facility Master Plan
  - Replacement Hospital
  - HAZUS Seismic Structural Alteration

SPEAKING ENGAGEMENTS CONT.:

- "Future of Cancer Care – Strategies for the Built Environment," Boston, MA, 2006
- "Cancer Center Design Strategies – The Future of Oncology Services," Las Vegas, NV, 2005
- "Changing Concepts in Cancer Center Design," Chicago, IL, 2004
- "Programming and Planning New Cancer Centers," January, Orlando, FL, 2004
- "Concord Hospital – Design, Construction and Partnership," April, Concord, NH, 2003

- Cascade Healthcare Community | Oregon:*
  - Long Term Facility Master Plan - Three Sites | Bend, Redmond, Prineville, OR
  - Cancer Facility Feasibility Study | Bend, OR
- Concord Hospital | Concord, NH:*
  - Payson Center for Cancer Care
  - New Hosiptal Entrance
  - Facility Master Plan
- Jordan Hospital | Plymouth, MA:*
  - Facility Master Plan
  - Phase One Expansion Project
  - Cordage Park Rehabilitation Center
  - Extremity MRI Suite
  - Cardiovascular Suite
  - Obstetric Suite Expansion
- 350-Bed Teaching Hospital | Almaarifa Academic Medical Center | Riyadh, Saudi Arabia
- Master Plan and Replacement Hospital | Port of Spain General Hospital | Port of Spain | Republic of Trinidad and Tobago
- Master Plan, Acute Care Upgrade and Replacement Hospital | Eric Williams Medical Science Complex | Champ Fleurs | Republic of Trinidad and Tobago
- Master Plan, Acute Care Upgrade and Replacement Hospital | San Fernando General Hospital | San Fernando | Republic of Trinidad and Tobago
- VA Palo Alto Medical Center | U.S. Department of Veterans Affairs | Palo Alto, CA:*
  - Buildings Four & Six - Research Lab Relocations and Renovations
  - Cath Lab Suite
  - Genomics Laboratory Building
- Building 19 Outpatient Clinic Interiors U.S. Department of Veterans Affairs | VA Martinez Medical Center | Martinez, CA*
- Specialties Clinic Medical Office Building | U.S. Department of Veterans Affairs | VA Mather Medical Center | Mather, CA*
- Surgery Expansion and Remodel | U.S. Department of Veterans Affairs | VA San Francisco Medical Center | San Francisco, CA*
- Hospital Expansion | El Paso Children's Hospital | El Paso, TX*
- Facility Master Plan | Bay Area Hospital | Coos Bay, OR*
- Feasibility Study - East Jefferson Neurosurgical Physician Group | East Jefferson General Hospital | New Orleans, LA*
- Comprehensive Cancer Center | INCAN (National Cancer Institute of Mexico) | Mexico City, Mexico*
- Facility Master Plan | Saddleback Memorial Medical Center | San Clemente, CA
- Hackley Hospital | Muskegon, MI:*
  - Facility Master Plan
  - Cancer Center Expansion
  - Surgery Department Expansion
- Oncology Services Master Plan | Forsyth Regional Cancer Center/Piedmont Hematology-Oncology | Winston-Salem, NC*
- Expansion Project | Harvard School of Dental Medicine | Boston, MA*
- New Freestanding Cancer Center | Harold Leever Regional Cancer Center | Waterbury, CT*

MICHAEL HSU | Senior Healthcare Planner

EDUCATION

B. Architecture
California Polytechnic University, San Luis, Obispo, 1994

AWARDS & PUBLICATIONS

- North Tower Hospital Addition, Modesto Memorial Hospital, Best of Healthcare Projects, *California Construction Magazine, 2007*

With over 23 years of experience, Michael has amassed a broad project portfolio which includes mixed-use, higher-education, research/laboratory, and healthcare. For the past 20 years, he has focused almost exclusively on the planning and design of healthcare facilities. He is adept at collaborating with clients, eliciting input, working with multiple stakeholder groups, and guiding them through planning options to build consensus. Focusing on the client's patient care processes and service workflows, he works to develop aesthetically pleasing, supportive physical environments that respond creatively to the project's spatial, operational, financial and technological requirements.

SELECTED PROJECTS

Healthcare

- Stanford ValleyCare Medical Center | Stanford Health Care | Pleasanton, CA:
  - Imaging Department Master Planning
  - MRI Replacement
- Bedpool Realignment and Backfill Projects | Santa Clara Valley Medical Center Hospital & Clinics | County of Santa Clara | San Jose, CA
- Ambulatory Surgery Center | Santa Clara Valley Medical Center Hospital & Clinics | County of Santa Clara | San Jose, CA
- ED Expansion | Kaiser Foundation Health Plan, Inc. | Fremont, CA
- Master Plan Recalibration | NorthBay Medical Center | Fairfield, CA
- Alameda Health System | Alameda and San Leandro, CA:
  - Seismic Retrofit SP2 Upgrade, Alameda Hospital
  - Kitchen Relocation, Alameda Hospital
  - Pyxis Machine Replacement, San Leandro Hospital
- Memorial Medical Center | Sutter Health | Modesto, CA*:
  - North Tower Addition
  - Central Utility Plant 2
  - Dietary Building Renovation
  - Master Plan
- Master Plan | Sutter Solano Medical Center | Sutter Health | Vallejo, CA*
- Medical Office Building | Kaiser Foundation Health Plan, Inc. | Vallejo, CA*
- Campus Master Plan | Sutter Delta Medical Center | Sutter Health | Antioch, CA*
- Replacement Hospital | Kaiser Foundation Health Plan, Inc. | Los Angeles, CA*
- New Hospital Addition | Dameron Hospital | Stockton, CA*
- Polytrauma Center Master Plan | Department of Veterans Affairs | Palo Alto, CA*
- Central Utility Plant | Kaiser Foundation Health Plan, Inc. | Vallejo, CA*
- Drug and Alcohol Rehabilitation Unit and Domiciliary Complex | Department of Veterans Affairs | Menlo Park, CA*
- Service Building Replacement | Santa Clara Valley Medical Center | San Jose, CA*
- Community Health Clinic - Tenant Improvement | Santa Rosa Community Health Clinics | Santa Rosa, CA*
- Community Health Clinic | OLE Health | Napa, CA*
- Community Health Center - Tenant Improvement | Rohnert Park Community Health | Rohnert Park, CA*
- Community Health Center | Axis Community Health | Pleasanton, CA*
- Community Health Center | Ravenswood Family Health | East Palo Alto, CA*
- Grantline Medical Office Building | Kaiser Foundation Health Plan, Inc. | Elk Grove, CA*
- Glenlake Medical Office Building | Kaiser Foundation Health Plan, Inc. | Atlanta, GA*

Academic

- Geballe Laboratory for Advanced Materials (GLAM) - McCullough Building Renovation | Stanford University | Stanford, CA*
- McCone Hall Renovation | University of California | Berkeley, CA*
- Aldea Family Student Housing | University of California | San Francisco, CA*
- Lagunita Court Dining Hall & Kitchen Renovation | Stanford University | Stanford, CA*

* *Prior to joining RATCLIFF*

PROJECT NAME
Expansion and Remodel

CLIENT
John Muir Medical Center,
Walnut Creek Campus
John Muir Health

LOCATION
Walnut Creek, CA

Faced with the challenges of California's Seismic Regulation SB 1953, John Muir Medical Center's Walnut Creek campus has emerged with a master plan that not only provides renovated and new facilities to house immediate needs, but also provides for and guides this healthcare system's development well into the future. City entitlements have been granted for a final build-out that will replace all existing buildings and expand the hospital area more than twofold.

John Muir's outpatient and inpatient services were located in three connected hospital buildings constructed at different times. Pursuant to SB 1953 criteria, the existing hospital buildings (called by the Owner Phases 1, 2 and 3) were seismically evaluated as SPC-1, SPC-2 and SPC-3 structures. The master plan created a new framework of circulation and utilities allowing for incremental and cost-effective scenarios of decommissioning, demolition, replacement and growth. Options allowed for the hospital to remain fully operational during all phases of work. The new circulation system functionally connects the existing and new buildings, and creates separate public and nonpublic paths of travel throughout the hospital. The new building organization provides improved wayfinding and improved departmental adjacencies.

A new central utilities plant and distribution system was designed to expand and service all existing, new, and replacement increments. Inpatient and outpatient functions were separated into OSHPD and non-OSHPD structures for cost effective construction. Separate outpatient facilities were either relocated on the main hospital campus or off-site based on adjacency requirements.

Existing Site

Master Plan - Phase 4

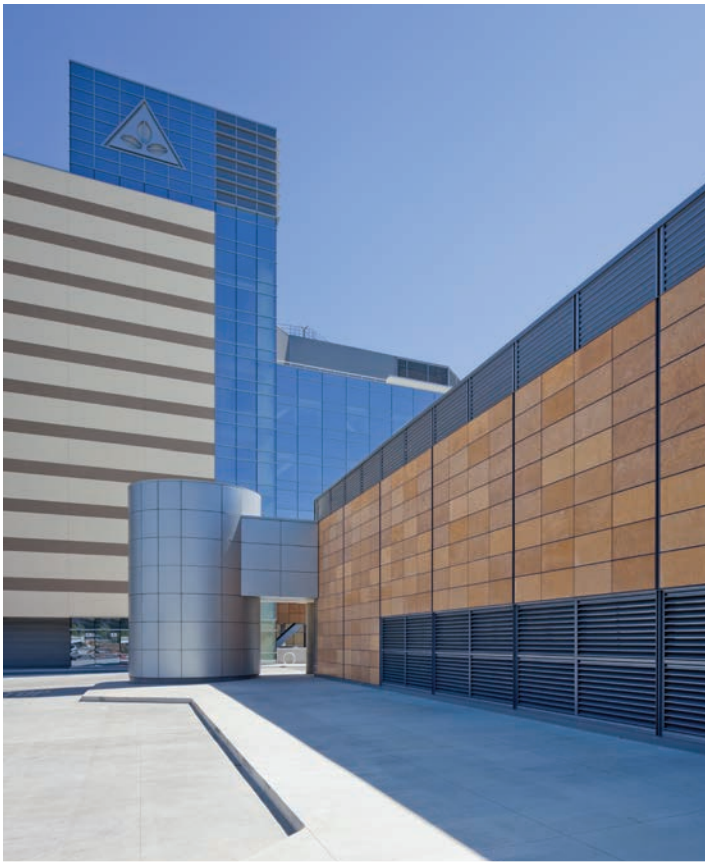
Master Plan - Phase 5

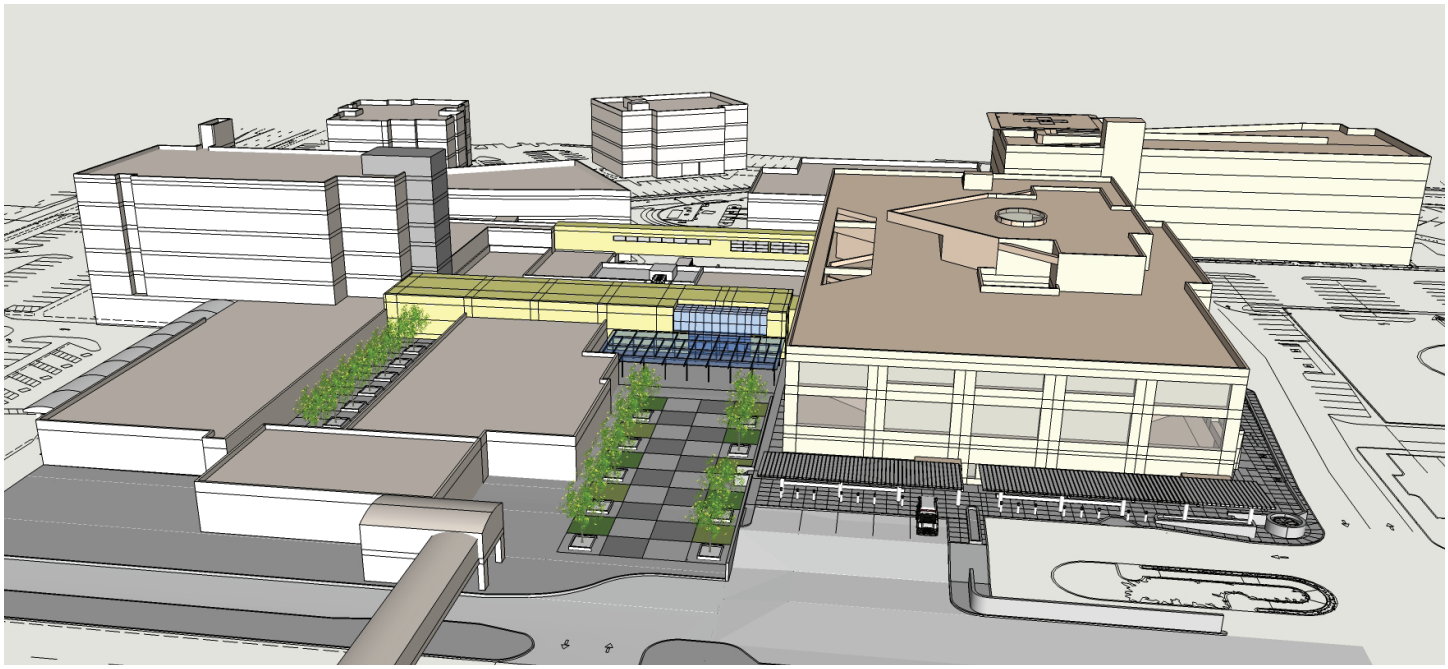
Master Plan - Phase 6

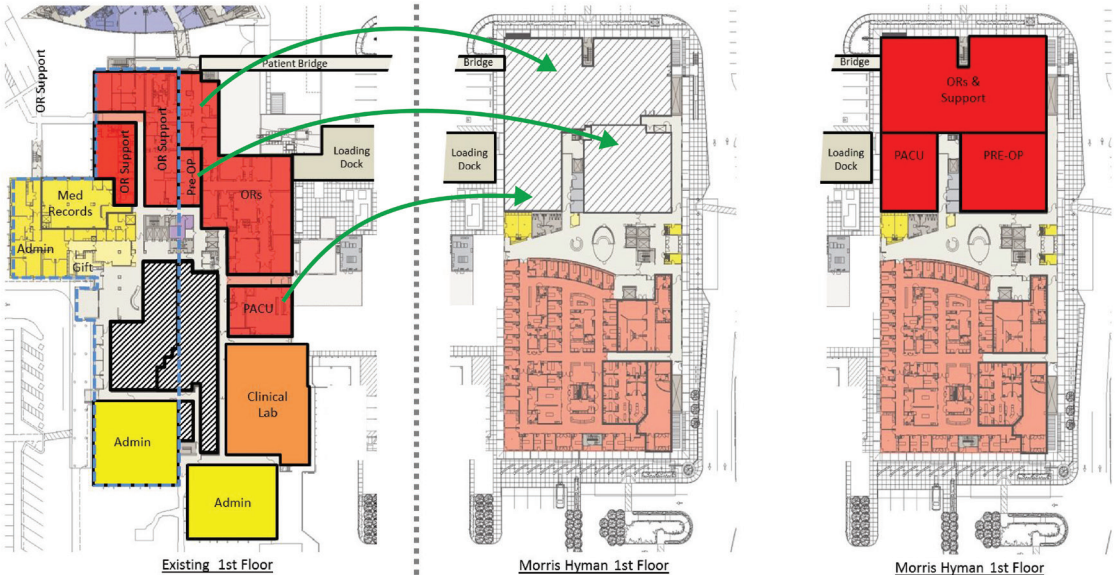
Master Plan - Phase 7

Master Plan - Phase 8

The medical center's Ambulatory Surgery Center (ASC) was relocated from the existing Phase 3 Hospital building to a floor of the new adjacent parking garage structure, which was constructed under the jurisdiction of the City of Walnut Creek. The Emergency Department was relocated into the vacated ASC space with a new entrance that is clearly visible to emergency arrivals and located to minimize conflict with other site circulation. The existing emergency helipad was relocated from its ground position to its new rooftop location providing speedy access to the new Emergency Department below. The new helipad location's approach and departure flight patterns significantly reduced sight and sound disruption to the adjacent residential neighborhood.







PROJECT NAME
Long Term Facility Master Plan

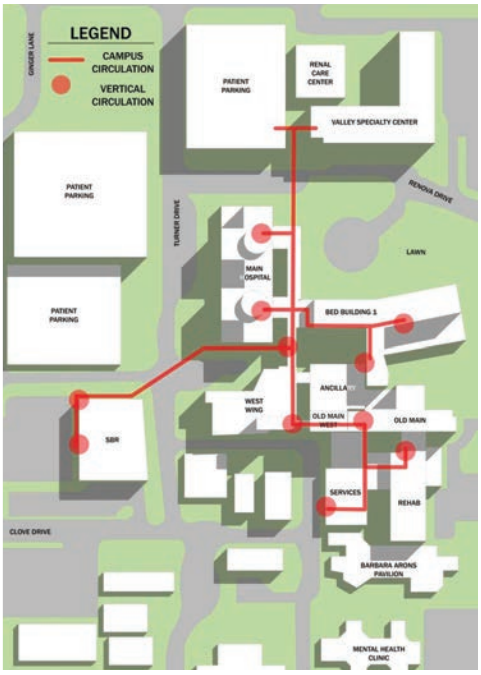
CLIENT
Washington Hospital
Healthcare System

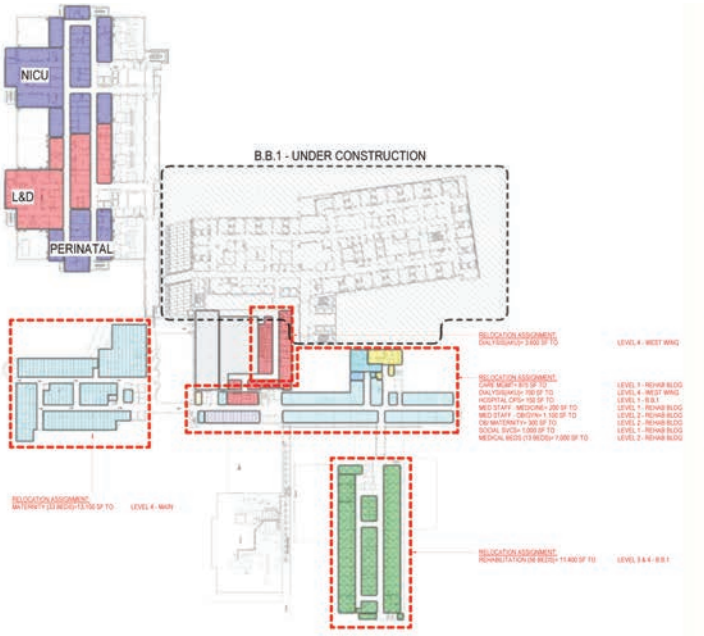
LOCATION
Fremont, CA

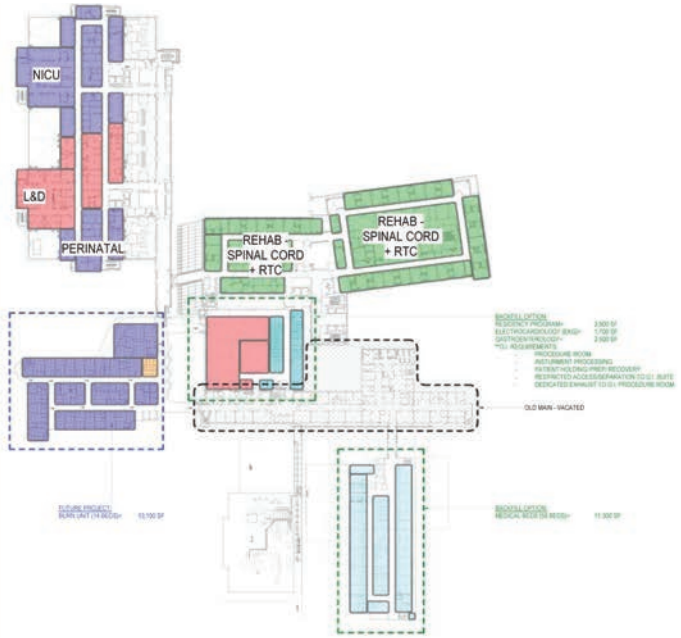
In response to changes in healthcare, emerging technologies, the need to organize acute care and ambulatory care services and to meet seismic compliance requirement milestones, Washington Hospital engaged Ratcliff to reimagine and realign inpatient and outpatient services within their inventory of healthcare services and buildings. Developed strategies included alignment of hospital services in new and existing buildings for their highest and best use while providing convenient access for patients and enabling increased operational efficiencies.

With public transportation in immediate proximity to the hospital campus, including the Fremont BART station, the Ratcliff master planning team has developed strategies for phased expansion and replacement hospital buildings. The team also explored opportunities to repurpose existing building investments for alternative and complementary campus use as well as apply OSHPD SPC-4D to explore upgrade possibilities for select SPC-1 and SPC-2 buildings to bring them to a new performance level for continued acute care use.

Another key element of the long term facility master plan for Washington Hospital was the development of a hospital “village” or public space; a shared environment where staff, patients, families and city residents can celebrate good health practices and wellness lifestyles. This community space features a weekly farmer’s market, public concerts and health information events.







PROJECT NAME
Bed Pool Analysis and Master Plan

CLIENT
Santa Clara Valley Medical Center

LOCATION
San Jose, CA

As Santa Clara Valley Medical Center (SCVMC) has evolved and expanded over the years with recent, and ongoing, new hospital construction and continued campus development, there became a great need to reexamine the use of older building structures and consolidate, decant and reorganize multiple departments and patient care spaces occupying those buildings into new locations. The Bed Pool Analysis and Master Plan focused on the prioritization and sequencing of various campus moves and redistribution of key acute care services and hospital support spaces to improve the efficiency of healthcare delivery at SCVMC.

The Ratcliff master plan team catalogued all occupied spaces in the oldest buildings on campus and developed a prioritized master plan “road map” to enable relocations, consolidations and upgrades in a logistically phased manner. These spaces and departments included not only existing, underutilized hospital support areas that were inefficiently located but also orphaned patient units and acute care services that, over time, became disconnected from the long term campus development and expansion that was currently in progress. The Ratcliff team programming, planning and phasing master plan achieved the reorganization of these spaces and identified resultant, older building vacancies for repurposed use, continued acute care use via SPC-4D seismic upgrading, or demolition to enable alternative site use.

CITY OF ALAMEDA HEALTH CARE DISTRICT

August 22, 2018

Memorandum to: Board of Directors
City of Alameda Health Care District

From: Deborah E. Stebbins
Executive Director

SUBJECT: REVISED FY 2018-2019 DISTRICT BUDGET

ACTION:

Management recommends that the Board of Directors approve a revised FY 2018-2019 operating budget as attached. The proposed budget is a revision to the original proposed budget that was was approved by the District Board at the May 14, 2018 meeting.

The new budget proposes a Final Balance Transfer of Funds to Alameda Health System of $ 4,759,913 which is $539,000 less than the transfer budgeted for FY 2017-2018 of $5,298,855.

BACKGROUND:

The original proposed Operating Budget for FY 2018-2019 that was approved on May 14, 2018 called for a transfer of funds to AHS of $3,994,913. The primary reason the proposed transfer was significantly less than the amount proposed in this revision was the inclusion of a “Reserve Fund for Unforeseen Capital and Operating Expenses of $1,000,000. There was no detail on how this reserve was anticipated to be spent by the District and the May 2018 proposed budget was not accepted by AHS.

Over the last few weeks I have had discussions with Luis Fonseca, COO of AHS about the strategic planning needs of the District as well as potential consultants we may engage this year to advance our strategic planning with particular focus on 2030 seismic and organizational planning, I am proposed a revision which includes a $325,000 consulting budget for the year. This will cover the proposed costs of the Kaufman Hall consulting project covered under another agenda item plus a contingency for additional planning needs. This contrasts with a $100,000 consulting expense

included in the first proposal. In addition, I updated the projection of the Executive Director expense to the amount approved by the District Board and eliminated a $10,000 miscellaneous Other Consulting Expense.

In my opinion it would be premature to begin establishing a reserve fund for capital and operating purposes until our strategic planning is further advanced. The Joint Powers Agreement does allow for the District to reserve funds from the parcel tax for purposes of District operations and for strategic planning.

The second factor contributing to a budget that is $539,000 less than the transfer budgeted for FY 2017-2018 is the inclusion of $282,000 for election fees to cover the November, 2018 election of District Board members. This fee is based on the cost projected by the County Registrar of Voters and is based on a cost per registered voter is the city of Alameda.

The revised budget proposal is consistent with the provision for strategic planning by the District. If approved by the District Board, the revised budget proposal will need to be submitted for review and approval by the AHS Finance Committee and Board of Trustees.

City of Alameda Health Care District
FY 2018-2019 Proposed Operating Budget
Revised 8/22/18

		Budget FYE 6/30/2018	Budget FYE 6/30/2019 *Detail/Summary*	Variance from 6/30/2018
1	Revenues and other support			
2	District Tax Revenues	5,957,020	5,997,250	$ 40,230
3	County Commission (1.7%)	(101,269)	(101,953)	(684)
4	Other revenues	-	-	-
5	Total Revenues	5,855,751	5,895,297	39,546
6				
7	Expenses			
8	Salaries, wage and benefits	270,500	-	(270,500)
9	0.5 FTE Executive Director	95,000	-	(95,000)
10	1.0 FTE Clerk / Administrative Support	75,000	-	(75,000)
11	Professional fees	100,500	655,350	554,850
12	Registry	-	75,000	75,000
13	*1.0 FTE Clerk / Administrative Support*		*75,000*	
14	Accounting	15,000	15,600	600
15	*CHW, LLP*		*15,600*	
16	Consultant Fees	25,000	454,250	429,250
17	*0.5 FTE Executive Director*		*115,000*	
18	*SCI Consulting*		*12,750*	
19	*TCA partners*		*1,500*	
20	*Other (TBD)*			
21	2030 Strategic Planning		*325,000*	
22	Legal Fees	50,000	100,000	50,000
23	*Thomas Driscoll*		*100,000*	
24	Annual Independent Audit	10,500	10,500	-
25	*TCA Partners*		*10,500*	
26	Supplies	7,000	9,100	2,100
27	Office Expenses	4,000	4,000	-
28	*Office Supplies, Laptop, Printing, Postage, etc.*		*4,000*	
29	Food/Meals	3,000	5,100	-
30	*Meals provided at Meetings (Board & Committees)*		*5,100*	
31	Purchased services	4,500	4,500	-
32	Video / Meetings	4,500	4,500	
33	*Amy Demmon*		*4,500*	
34	Repairs and maintenance	1,000	1,000	-
35	Maintenance (888 Willow)	1,000	1,000	-
36	Rents	26,500	27,188	688
37	Lease Expense Building (888 Willow)	26,500	*27,188*	688
38	Lease Expense Equipment	-	-	-
39	Utilities	1,140	2,880	1,740
40	Utilities, Phones, Internet	1,140	2,880	
41	*Utilities (Water, Garbage, Electric, 888 Willow)*		*1,800*	
42	*Phone (888 Willow)*		*240*	
43	*Internet (888 Willow)*		*840*	
44	Insurance	41,775	42,186	411
45	Crime (ACIP)	1,275	*1,200*	
46	D&O (SLIP)	15,500	*15,500*	
47	Property (HARPP)	25,000	*25,486*	
48	Depreciation and amortization	367,024	367,024	-
49	Building	351,197	*351,197*	
50	Equipment	15,827	*15,827*	
51	Interest	47,676	44,792	(2,884)
52	Interest Expense	47,676	*44,792*	
53	Travel, meeting and conferences	11,000	15,000	4,000
54	Travel	1,000	5,000	4,000
55	Education & Conferences	10,000	10,000	-
56	Other Expenses	15,500	300,700	285,200
57	Election Year Expenses	-	282,000	282,000
58	Dues & Subscriptions	5,000	5,000	-
59	*Homeowners Association Dues*		*2,500*	
60	*Other - TBD/as needed*		*2,500*	
61	Other Misc Operating Expense	2,000	3,000	1,000
62	*ED mileage/phone Expense*		*3,000*	
63	Board Stipend	5,000	7,200	2,200
64	District Marketing, Promotions	2,500	2,500	-
65	Licenses and Taxes	1,000	1,000	-
66	Total Expenses	894,115	1,469,720	846,105
67				
68	Depreciation	(367,024)	(367,024)	-
69	Principal on Note	29,804	32,688	(2,884)
70				
71	Total Revenue Sources	5,855,751	5,895,297	39,546
72	Minus Total District Uses	556,895	1,135,384	578,489
73	Available Balance to Transfer to Alameda Health System	5,298,855	4,759,913	(538,943)
74				
75	Final Balance Transfer to Alameda Health System	5,298,855	*4,759,913*	*(538,943)*

Prepared by Kristen Thorson, District Clerk 5-14-18 Board Meeting
Approved: 5-14-18

City of Alameda health Care District
FY 2018-2019 Proposed Operating Budget - Jaber Properties

		Budget FYE 6/30/2018	Budget FYE 6/30/2019	Variance from 6/30/2018
1	Revenue			
2	Rents	$ 195,283	$ 214,953	$ 19,670
3	Other Revenues	$ 1,772	$ 2,500	$ 728
4	Total Revenues	$ 197,054	$ 217,453	$ 20,399
5				
6	Expense			
7	Repairs and Maintenance	$ 16,000	$ 30,000	$ 14,000
8	Maintenance	$ 16,000	$ 30,000	$ 14,000
9	Utilities	$ 9,500	$ 10,000	$ 500
10	Utilities	$ 9,500	$ 10,000	$ 500
11	Insurance	$ 5,000	$ 5,125	$ 125
12	General/Excess Liability (Jaber)	$ 5,000	$ 5,125	
13	Depreciation and amortization	$ 37,400	$ 37,400	$ -
14	Building	$ 37,400	$ 37,400	$ -
15	Other Expenses	$ 20,120	$ 24,000	$ 3,880
16	Mngt Fee	$ 9,620	$ 10,000	$ 380
17	Landscaping	$ 5,250	$ 4,000	$ (1,250)
18	Cleaning, Inspection, Repairs	$ 2,625	$ 10,000	$ 7,375
19	Other	$ 3,085	$ -	$ (3,085)
20	Toal Expenses	$ 88,020	$ 106,525	$ 18,505
21				
22	Net Revenues over Expenses	$ 109,034	$ 110,928	$ 1,894

Prepared by Kristen Thorson, District Clerk 5-14-18 Board Meeting
Approved: