

√ Included in the PDF posted on May 5, 2022

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS MEETING AGENDA

Monday, May 9, 2022
OPEN SESSION: 5:30 PM

Location: REMOTE VIA ZOOM

Open Session : Remote Via Zoom

Topic: Open Session Alameda Health Care District Board Meeting (5/9/2022 @5:30)
Time: May 9, 2022 05:30 PM Pacific Time (US and Canada)

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Office of the Clerk: 510-263-8223

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.

I. Call to Order

Michael Williams

II. Roll Call

Morgan Verrett

III. General Public Comments

IV. Brown Act Resolution

Michael Williams

V. Adjourn into Executive Closed Session

VI. Closed Session Agenda

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A.	Adjourn to Open Session
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VII. Reconvene to Public Session

A.	Announcements from Closed Session	Michael Williams
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IX. Guest Presentation

X. Regular Session

A.	District & Operational Updates INFORMATIONAL		
	1)	District Reports	
		a. President's Report	Michael Williams
		b. Alameda Health System Board Liaison Report	Tracy Jensen
		c. Alameda Hospital Liaison Report	Robert Deutsch, MD
		d. Executive Director Report	Debi Stebbins
		e. Alameda Hospital Seismic Planning Committee	Gayle Codiga

B.	Consent Agenda		
	1)	Acceptance of Minutes, April 11, 2022 Board Meeting	

C.	Action Items	
	1)	Review and Approve District Budget FY 22-23
		a. Revote on Distribution of Funds to AFD for FY 21-22 Balance
		b. Review and Approve of FY 22-23 Budget

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	2)	Approval of Recommendation on Distribution of Jaber Funds to Support AHS Capital Equipment Expenditures
	3)	Approval of Proposal to Engage Ratcliff and CW Mechanical Electrical and Plumbing Consultants for Next Phase Seismic Planning
	4)	Approval to Engage Auditor for FY 21-22 Audit

D.	June 13, 2022 Agenda Preview	
	1)	May 9, 2022 Minutes
	2)	Distribution of April 2022 Tax
	3)	March & April 2022 Financial Statements
	4)	Adoption of Resolution 2022 - 2: Levying Parcel Tax for FY 2022-2023
	5)	Approval of Mutual Certification & Identification Agreement with Alameda County
	6)	Resolution 2022 - 2: Extension of Spending Authority

E.	Informational Items:	
	YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)	

XI. General Public Comments

XII. Board Comments

XIII. Adjournment

<p>Next Scheduled Meeting Dates</p> <p>(2nd Monday, every other month or as scheduled)</p> <p>June 13, 2022</p>	<p>Open Session</p> <p>5:30 PM</p>
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CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: May 9, 2022

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

FROM: Deborah E. Stebbins, Executive Director

SUBJECT: Authorization to Continue the Use of Teleconferences

Whereas, on September 10, 2021, both houses of the California Legislature voted to approve AB 361 (Rivas), "Open Meetings: State and Local Agencies: Teleconferences." The Governor signed AB 361 and it took effect immediately as an urgency statute; and

Whereas, A.B. 361 amended Government Code section 54953 to provide more clarity on the Brown Act's rules and restrictions surrounding the use of teleconferencing to conduct meetings during a declared state of emergency as defined under the California Emergency Services Act. In addition, the District Board must determine that, as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees; and

Whereas, if those circumstances apply, then the amended Brown Act provides an exemption from certain of the Brown Act's existing requirements and creates alternate measures to protect the statutory and constitutional rights of the public to appear before local legislative bodies. When the District Board elects to hold a virtual or remote meeting because the emergency and public health and safety criteria are met, the following alternate set of requirements apply:


1. The District must provide adequate notice of the meeting and post an agenda as otherwise required by the Brown Act;
2. Where there is a disruption in the public broadcast of the call-in or internet-based meeting service, the District Board must take no further action on agenda items until public access is restored;
3. The District is prohibited from requiring public comments to be submitted in advance of the meeting and cannot close the comment period or opportunity to register online until the timed public comment period has elapsed; and
4. The District Board, acting under these teleconference exemptions, must make periodic findings about whether the circumstances explained above apply. Specifically:
 - The Board must find that it considered/reconsidered the circumstances of the state of emergency and that one of the following circumstances exist: (i) the emergency continues to directly impact the ability of members to safely meet in person, or (ii) state or local officials continue to impose or recommend measures to propose social distancing.

CITY OF ALAMEDA HEALTH CARE DISTRICT

- If the District Board cannot make these findings by majority vote, then it will no longer be exempt from the physical public access, quorum, and public comment opportunity rules applied to teleconference meetings under subsection 54953(b)(3) of the Brown Act.

NOW THEREFORE, BE IT RESOLVED THAT:

1. This Board finds that, after due consideration of the current circumstances of the state of emergency caused by the pandemic, the emergency continues to directly impact the ability of members and the public to safely meet in person; and
2. Prior to conducting any business described on a posted agenda for a duly called future meeting, this Board shall find that it reconsidered the circumstances of the state of emergency and that one of the following circumstances exists at the time of such meeting:
 - (i) the emergency continues to directly impact the ability of members to safely meet in person, or
 - (ii) state or local officials continue to impose or recommend measures to propose social distancing.

 <p>City of Alameda HEALTH CARE DISTRICT</p>	<p>Minutes of the City of Alameda Health Care District Board of Directors - Held via ZOOM Open Session Monday, April 11th, 2022 Regular Meeting</p>		
Board Members Present	Legal Counsel Present	Also Present	Absent
Tracy Jensen, Robert Deutsch MD, Mike Williams, Gayle Codiga, Stewart Chen DC	Tom Driscoll	Morgan Verrett, Debi Stebbins	

Minutes submitted by: Morgan Verrett, Executive Assistant and Clerk of the Board

Agenda Item/Topic	Presentation and Discussion Notes	Action/Follow-Up
I. Call to Order	The meeting was called to order at 5:35PM by President Michael Williams.	
II. Roll Call	Roll had been called prior to the start of the closed session. A quorum of Directors was present.	
III. General Public Comments	No public comments.	
IV. Guest Presentation	<p><u>Update on Alameda Fire Department CARE Program by Nick Luby Chief AFD</u></p> <p>Nick Luby of AFD gave an update on the status of the Community Paramedic Program “Tactical Pause”. Chief Luby summarized what the CARE (Community Assessment Response & Engagement) Team stood for, why it was created, its core objectives, CARE Team options, & outcomes. Funding request to support the program.</p> <p>Points of focus:</p> <ul style="list-style-type: none"> ● <i>Impact of COVID – Post-discharge outreach declined</i> ● <i>FEMA Trailers</i> ● <i>Unsheltered Outreach.</i> ● <i>CA CP Policy Revision in process.</i> ● <i>Staffing AHCD Funds (103k)</i> ● <i>Implementation of Care Team.</i> <p>Takeaways:</p> <ul style="list-style-type: none"> ● The CARE Team was designed to provide mental health assessments and 	

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medical clearances, provide diagnostic assessments, identify the most appropriate interventions, and provide transportation for members in the city of Alameda.

- The objective is to reduce impact on local hospitals and facilities by reducing transportation of clients to these facilities.
- Options are medical referral or transport to family, friends, shelter, facility etc.
- Provide a plan or place psychiatric hold.
- Path moving forward (streamline data collection, more training, transition vehicles, evaluation of dispatch protocols, further community engagement etc)
- Outcomes 141 total requests for service, 113 client interactions

Funding request:

- Reallocate \$145k from FY 21-22 to support the CARE Team Pilot Program
- Support program pilot phase (equipment, training & staffing)

Questions

Tracy Jensen - Is the CARE Team available 24/7? Please expand on the stakeholder advisory committee.

- *Nick Luby* - Yes, 24/7 365. And the stakeholder advisory committee takes the police dispatch center, Alameda County Behavioral Health Services, community members, City Management, a Medical Director, Medical Educator Department etc. The goal is to share data, share challenges, and explore how to streamline operations.

Dr. Stewart Chen- What are the restraints used for uncooperative individuals?

- *Nick Luby* - Plastic separation inside transportation vehicles, ambulance request, soft restraints to gurney, no jackets or handcuffs.

Gayle Codiga - Who has authority over the decisions pertaining to a call?

- *Nick Luby* - *The on call clinician*

Regular Agenda

<p>A. 1)</p>	<p><u>Mario Harding, CAO - Alameda and San Leandro Hospital - AHS/Alameda Hospital Update/Status of Alameda Hospital Seismic Project</u></p> <p>Mario Harding, CAO at Alameda and San Leandro Hospitals gave an update on Alameda Hospital and San Leandro Hospitals.</p> <p>Points of Focus:</p> <ul style="list-style-type: none">● Comparisons between Alameda Hospitals & San Leandro Hospitals● Completed/Underway Efforts for Alameda Hospital<ul style="list-style-type: none">- New Cafeteria Oct 2021- Outsourcing Sterile Processing to Highland Mar 2022- Imaging Assessment Completed by Rad Leadership- JC Readiness for overdue triennial survey- Echo Coverage- JC Stroke Cert Survey Passed April 5th- Seismic Compliance- AHS Workplace Violence Task Force- Culture of Safety Service Response 94%● Completed/Underway Efforts for San Leandro<ul style="list-style-type: none">- New PeriOp Nurse Manager Sandra Sanusi Jan 2022- Increase Surgical Volume- Build trust w/ community surgeons- Imaging Assessment Completed- Hire Respiratory Therapist & ED Nurse Manager- AHS Workplace Violence Task force- Reinstate refreshments- Culture of safety response 84% <p>Future Visions:</p> <ul style="list-style-type: none">● Alameda Hospital<ul style="list-style-type: none">- Replace Sterile Processing- Assess AHS strategic plans & vacant gift shop- Utilize space on 2nd floor- Student volunteers● San Leandro Hospital<ul style="list-style-type: none">- Increase surgical volume- Optimize 3rd floor- Assess AHS strategic plans- Elevate community presence- Renovations	
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	<p style="text-align: center;">- Student volunteers</p> <p><u>Questions</u></p> <p><i>Robert Deutsch MD</i> - What are the system updates needed for when a bed is not available for an emergency patient?</p> <ul style="list-style-type: none"> ● <i>Mario Harding</i>- States that it requires a collective effort of directors and leaders to be able to address this issue. This is a part of the Strategic Plan, details of a redesign program are still being finalized. 	
<p>A. 2)</p>	<p><u>Ronica Shelton, VP of Patient Care Services - Patient Experience Alameda Hospital (Feb 2022)</u></p> <p>February Ratings:</p> <ul style="list-style-type: none"> ● 'Overall Hospital Rating' - Down. ● 'Communication with Nurses' - Up and meeting goal. ● 'Responsiveness of Hospital Staff' - Up but not within goal. ● 'Communication with Doctors' - Up but not within goal. ● 'Communications about Medicines' - Up but not within goal. ● 'Cleanliness and Quietness of Hospital' - Within goal. ● 'Discharged Information' - Up and meeting goal. ● 'Care Transitions' - Up and meeting goal. <p>Action Plan:</p> <ul style="list-style-type: none"> ● Actions to drive patient experience across AHS. ● Standards - GIFT is the service standard for the organization and replaces AIDET. ● SMILE board is on all units. ● Weekly push out of patient comments to all units for more real time follow up. ● Build organizational knowledge – implement Patient Experience Boot Camps for all leaders to complete with action plans, metrics and sign off by one-up leadership ● Plan for Medication Education sheet and Patient Handbook roll out in May 2022 	

<p>A. 3)</p>	<p><u>Kimberly Miranda, AHS CFO - Feb 2022 Financial Update</u></p> <p><i>Finance Presentation for Feb 2022:</i></p> <p><i>Highlights</i></p> <ul style="list-style-type: none">• Surgeries are ahead of last year• ADP hours were not favorable• Average Daily Census is up from last year but February was rough• Census picked up, exceeding budget for the month and the YTD of 31.5• CMI is slightly lower at 1.51 vs budget of 1.52• COVID isolation requirements and complex residents have negatively impacted the census.• Operating Revenue is favorable \$10.8M and 11.8%. YTD is favorable \$89.5M and 12.1%.• Operating Expense is unfavorable \$8.0M and 9.2%. YTD is unfavorable by \$41.6M and 5.8%.• Net Income is \$6.6M and favorable to budget by \$3.0M. YTD is \$68.2M and favorable by \$50.1M.• EPP, QIP and ARPS funding was moved from March 2022 to April 2022 based on updated information.• Added AB915 expected receipt of funds in June (\$12.4M)	
<p>A. 4)</p>	<p><u>Dr. Nikita Joshi - Alameda Hospital Medical Staff Update</u></p> <p>Highlights:</p> <ul style="list-style-type: none">• The Stroke Survey Pass for the hospital, the sterilization process updates, and ambulance off loading issues.• New Critical Care Manager hired• Partnering w/ Dr. Elan Guterman UCSF Neurologists for coverage of the stroke program• Partnering w/ EMS	
<p>District & Operational Updates</p>		

<p>B. 1a)</p>	<p><u>Michael Williams - President's Report</u></p> <p>Attended Mayor's State of the City Presentation w/ Debi Stebbins</p> <ul style="list-style-type: none"> ● Growth of Tax Dollars expected to increase rapidly in the next 5-10 years ● Funding for the VA Clinic fully funded for the next FY ● There is no timeline currently but its expected to be a timeline hopefully by next year 	
<p>B. 1b)</p>	<p><u>Tracy Jensen - Alameda Health System Board Liaison Report</u></p> <p>AHS Board Updates: Jet Chapman was appointed by the Board of Supervisors to the open seat on the AHS board. Ms. Chapman brings a strong background in employee relations from her experience as the current Chief Human Resources Administrator for Alameda County Health Care Services Agency, and 25 years with SEIU as the chief negotiator for San Francisco and Alameda County. Ms. Chapman has joined the AHS Human Resources and Audit & Compliance Committees. In January, Alan Fox replaced Jennifer Esteen as the chair of the AHS Finance Committee.</p> <p>Strategic Planning: In March the AHS board held a retreat to discuss the strategic plan priorities. The consultant Huron shared the priority discussion from the Executive leadership team retreat, and the AHS board approved moving forward. After discussion at the retreat, the AHS board agreed with ELT recommendations to table actions 17-20, priorities which include the gero-psych unit at Alameda Hospital.</p> <p>Management Updates: Dr. Felicia Tornabene was appointed as the Chief Medical Officer after serving as the associate CMO since 2018 and recently as the Acting CMO since Dr. Jamalledine resigned in 2021. Romoanetia (Ro) Lofton recently left her position as the Chief Nurse Executive at Kaiser San Leandro to take the position of AHS Chief Nursing Officer. In February the AHS board approved a 3 year contract with Alameda Inpatient Medical Group - AIM, to provide hospitalist services at Alameda Hospital and other AHS hospitals. The agreement includes funding for the appointment of a Medical Director of Hospitalist Services to better coordinate the AH acute internal medicine/specialist services. Earlier in 2022 AHS reached agreement with Critical Care Physician Partners Inc. for critical care coverage at Alameda Hospital through January 31, 2024.</p> <p>Covid Positive Patients: As of March 31 Alameda Health System was treating 1 COVID-positive inpatient at Fairmont Hospital.</p>	

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B. 1c)	<p><u>Robert Deutsch, MD - Alameda Hospital Liaison Report</u></p> <p>Dr. Deutsch noted the ability to have patients to get the proper services they need. Also, the issue of inappropriate balance billing. Raised at the last meeting, appears to be improving.</p>	
B. 1d)	<p><u>Debi Stebbins - Executive Director Report</u></p> <p>Highlights:</p> <ul style="list-style-type: none"> ● Recap of priorities and goals from previous year ● Advocacy (Seismic Project) good standing ● Relationship between AHS & District - Programs in motion (Geriatric Certified Emergency Dept & Gero Psych Unit plans) ● Community Paramedic Program 	
B. 1e)	<p><u>Gayle Codiga - Alameda Hospital Strategic Planning Committee Report</u></p> <p>Requests everyone write letters on behalf of Alameda Hospital to the Assembly Health committee asking to approve AB2904 in allowing Alameda Hospital extension to meet 2030 standards.</p>	
B. 1d)	<p><u>Stewart Chen, DC - Report From Community Advisory Board</u></p> <p>The Community Advisory Board will meet soon to review AB2904.</p>	
Consent Agenda		
C. 1)	<p><u>Acceptance of Minutes of Feb 14, 2021 Board Meeting</u></p> <p>Dr. Deutsch submitted written corrections to the Feb 14th, 2022 Board Meeting draft minutes.</p> <p>Last meeting page 44 comments should be “Dr. Deutsch said that the transfers to Highland Hospital</p>	<p>A motion was made, seconded and carried to accept the February 14h,</p>

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	pose problems due to bed availability mostly”.	2022 minutes with the addition of Dr. Deutch’s comments. 5 members in attendance.
C. 2)	<u>Acceptance of Financial Statements for January and February, 2022</u>	A motion was made, seconded and carried to accept the financial statement results. 5 members in attendance.
Action Items		
D. 1)	<u>District Goals & Priorities FY 22-23</u>	There was approval and the motion carried with all members present.
D. 2)	<u>Review and Approve District Budget FY 22-23</u> Transfer funds from community Paramedicine Program to CARES Team program. The 22-23 Budget will be brought to the board again in May for a second review.	There was approval and the motion carried with all members present.
June 13th, 2022 Agenda Preview		
E. 1)	<u>Presentation from Alameda Fire on CARES and the Community Paramedicine Program</u>	
E. 2)	<u>Discussion on Minutes Philosophy</u>	
E. 3)	<u>Acceptance of April 11, 2022 Minutes</u>	
E. 3)	<u>Review and Approve District Budget FY 22-23 - Second review</u>	

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E. 4)	<u>Approval of Recommendation on Distribution of Jaber Funds to Support AHS Capital Equipment Expenditures</u>	
E. 5)	<u>Approval of Audit Engagement Letter</u>	
Informational Items		
F. 1)	<u>YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)</u>	
Final Closing Remarks		
V. General Public Comments	No public comments.	
VI. Board Comments.	No comments from the board.	
VII. Adjournment	There being no further business, the meeting was adjourned at 8:01pm.	

Approved: _____

May 9, 2022

Memorandum to: City of Alameda Health Care District

Board of Directors

From: Debi Stebbins
Executive Director

RE: Re-Vote on Allocation of Remaining FY 21-22 Grant to AFD

Recommendation: Approval of granting the remaining \$140,000 of the grant to the Alameda Fire Department in the FY 202-2022 District Grant budget to the AFD be applied to operational support for the new AFD CARE program.

Discussion:

At the April 11, 2022 Board meeting there was a motion passed to reallocate the approximately \$140,000 that has yet to be spent from the FY 2021-2022 budget from the Community Paramedicine Program, which has been temporarily suspended due to staffing issues, to the new CARE program providing mobile outreach to Alameda residents with behavioral health needs. The program is designed to reduce 5150 patient designation as well as emergency room visits and transports.

Following the vote at the April Board meeting, Board members requested a second vote on this issue at the May Board meeting.

	Firefighter/EMT (1 FTE)	Mgt Analyst (1 FTE)	Total
Salaries	\$101,814	\$23,318	\$125,132
Benefits	\$112,077	\$15,413	\$127,490
Total	\$213,891	\$38,731	\$252,622

Even though the above expenses exceed our grant in FY 22-23, the contribution from the District would cap at \$250,000.

There were no changes to the Jaber budget proposal from the April presentation.

With these two clarifications, I am asking that the Board approve the FY 2022-2023 District Operations and Jaber budgets.

May 9, 2022

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

From: Debi Stebbins
Executive Director

RE: Second Review of District FY 2022-2023 Budget

Recommendation:

To approve the 2nd review of the FY 2022-2023 District Operational and Jaber budgets with clarification and follow-up on property insurance and AFD CARE program expenses.

Discussion:

At the April 11, 2022 Board meeting the Board asked for additional information about the significant increase in the property insurance budget and requested an opportunity to discuss the application on funding for the new CARE program initiated by the Alameda Fire Department in FY 22-23.

As requested I followed up with Matt McManus, Vice President of Alliant Insurance, to determine if there were less expensive options for property insurance coverage for the hospital buildings, which are expected to increase from \$76,332 this year to \$104,604 in FY 2023 (+37%). This extraordinary increase is caused by the unusually high level of property and casualty losses in California and throughout the country in the last couple of years. Many insurers have left this market. The District coverage has been provided through a multi-public entity group called HARRP for almost 20 years. Mr. McManus did not offer hope we could improve our rates or perhaps even obtain coverage through another carrier.

There was also concern expressed by the Board about directing some portion of FY 2022-2023 grant to the Alameda Fire Department CARE program to cover the purchase of capital equipment in addition to operational subsidies. I discussed this further with Chief Nick Luby. He is requesting all \$250,000 of the grant in FY 23 be directed to operational use, including salary and benefit support for a firefighter and management analyst. These would break down as follows:

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: April 11, 2022
TO: City of Alameda Health Care District, Board of Directors
FROM: Debi Stebbins, Executive Director
SUBJECT: Review of proposed FY 2023 General Operating and Jaber Budgets

Action:

Recommendation to accept Fiscal Year Ending June 30, 2023 City of Alameda Health Care District Operating Budget and Jaber Properties Budgets as outlined in Attachments A and B to this memorandum.

Overview:

The proposed budget was prepared in consultation with the District financial consultant, Kelly Hohenbrink, and based on YTD actual expense projections based on year to date actual expenses through February 2022 for the operating budget and the Jaber Properties. The following two budgets, District Operations and Jaber Properties, are presented for your review.

Per the affiliation Joint Powers Agreement (JPA) (Section 2.2 Parcel Tax Revenue), “District shall be permitted to withhold and retain, from the Parcel Tax Revenue an amount equal to the reasonable out-of-pocket costs and expenses actually incurred by the District for its statutorily required services, costs of elections, meetings, strategic planning, insurance, administration and collection of the parcel tax and payment of legal obligations, if any (known or unknown), unrelated to the administration and operation of Alameda Hospital (“District Expenses”); provided, however, that in no event shall the amounts withheld and retained by the District in accordance with the foregoing exceed what is reasonably required for such District Expenses during any fiscal year without prior written approval of AHS.”

As one might expect, District expenses were impacted by the COVID-19 pandemic in FY 2021 and FY 2022 which impacted how business was conducted in many respects.

Revenue:

Revenue projections are based on estimates from SCI Consulting, the firm that monitors the collection of District parcel tax revenue. Between FY 2021 and FY 2022 tax revenue remained essentially flat. Note that the projected actual revenue is based

on
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taxes paid to date through December, 2021. The other major installment of the parcel tax occurs each April.

Property tax, including parcel taxes, are governed by the County Tax Collector. Property tax payments do not seem to have been adversely impacted due to the health crisis. However, the District parcel tax (Measure A) was structured under the County's "Teeter" plan, under which the County is obligated to pay the District all taxes due even if they are delinquent to the County. Therefore, we are projecting essentially flat revenue in FY 2023 compared to actual FY 2022.

Expenses:

We have separated out the two key "staff" positions for the District from professional fees. These include the Executive Director at 50% time and the Executive Assistant, for whom we contract with a "registry" (Robert Half) at approximately 50% time. In order to make the position more attractive we now guarantee use of Leta's services for 20 hours per week through our contractual agreement with Robert Half. The budget reflects a full year of projected use of an Executive Assistant.

Professional Fees.

Professional fees include payments to our accounting, audit and tax collection consultants which reflect small cost of living increase in FY 2023.

Strategic Planning Consulting. The original budget included \$450,000 for strategic planning. There was discussion at the Joint AHS-District Seismic Planning Committee of the need to project a distribution and rationalization of services within AHS.

I have proposed a budget of \$300,000 for Strategic Planning consultation in FY 2022.. This assumes that the Joint AHS-District Seismic Planning Committee is reconstituted and may continue its work to explore program development at Alameda Hospital. It also would cover additional architectural planning that might be required for 2030 seismic planning as well as our continuing lobbying efforts in Sacramento to adjust the current 2030 seismic standards.

Legal fees, which covers expenses to Thomas Driscoll III and Hooper Lundy are projected to come in under the FY2022 budget in part due to delays in advancing

planning initiatives, which often require legal review and input. We are projecting them to return to prior year levels at \$50,000 for FY 2023.

Purchased services is increasing slightly since it includes expenses for the videographer (assuming we resume face to face Board meetings in FY 2022) and also includes \$7000 per year for website maintenance.

Insurance premiums have remained rather stable in all areas but Property (HARPP) coverage, \$76,332 which exceeded our FY 2022 budget and is projected to increase significantly to \$104,604 in FY 2023. This is based on information from our broker, Alliant, suggesting that premium increases of 12-20% in premiums are likely next year due to the continued loss of property in California this year.

Depreciation and Amortization. As a part of the FY 2020 annual audit, our auditor updated our depreciation projections for the building and equipment on which Alameda Hospital operates in a manner that reflected the actual projected life of these assets. As a result, projected depreciation and amortization for actual FY 2021 and budgeted FY 2023 is \$153,000. Since depreciation is a non-cash expense, this adjustment has no impact on the cash expenses of the District or the funds available for distribution each year to AHS.

Interest expenses are projected to remain essentially flat, reflecting declines in interest rates over the last year. The balance on the loan with Bank of Marin is as of the end of February, 2022 is \$854,453. The current loan matures in October 2022. The Bank of Marin is interested in extending financing at that time.

Travel and Education:

Due to the pandemic, we incurred no travel and education expenses for FY 2022, a positive variance from budget of \$15,000. We are budgeted \$10,000 for FY 2022 since many organizations are still conducting educational opportunities via zoom rather than in person.

Other Expenses:

The following explains noteworthy changes in the Other Expenses category.

Election Fees.

There are three two Board seats up for election in the November 2022 election - Directors Codiga, Deutsch and Jensen. Election fees per the Registrar of voters will be \$4-6 per registered voter for the estimated Alameda voters of 50,000. The budgeted of \$250,000 is conservative since if the elections are uncontested, as has often been the case, there will be no election fees charged to the District.

Dues and Subscriptions include our membership in the healthcare leadership forum, Adaptive Business Leaders (ABL) at \$3500 per year and our \$500 membership in the Alameda Chamber of Commerce. Larger memberships are budgeted separately including the Association of California Health Care Districts (ACHD) for \$8111.

District Marketing and Promotions – While very little was spent in FY 2022, \$5000 is budgeted next year to allow for communication support for our Community Advisory Committee activities as well as promotion of our support for the Community Paramedicine program.

Donations. We have customarily provided donations to AHS, the Alameda Hospital Foundation and Chamber of Commerce events each year. \$10,000 is budgeted in FY 2023 for support of these and other smaller community events.

Community Paramedicine Program: The Community Paramedicine Program is currently in suspense due to staffing issues. I am proposing that the \$250,000 budgeted for FY 2023 go to supporting the AFD CARE program. Information about this program will be provided at our April, 2022 Board meeting.

In summary, the District Use of Funds are budgeted for FY 2023 at \$1,536,957 which is an increase over the projected actual expenses FY 2022 of \$1,035,848.

In summary, under the proposed budget the projected funds available for transfer to AHS after appropriate District expenses in FY 2022 will be \$4,983,703, an increase from the FY 2022 projected funds available for distribution of \$4,771,289.

Jaber Properties Budget

The FY 2022 budget for the Jaber properties remains quite consistent with prior year budget and actual projected expenses for FY 2021. The net revenue (\$226,500) over expenses (\$101,400) is budgeted at \$125,100.

Revenue (rental income) was slightly lower in projected 2021 actual due to our decision to grant six months rent relief to our major retail tenant, a catering company, during the COVID pandemic. Fortunately the tenant, a small Alameda business, resumed rent payments in January 2021 and has weathered the COVID hardship.

The Jaber budget reflects no significant changes in expenses compared to FY 2019. We continue to budget appropriate maintenance expenses due to the age of the properties.

	BUDGET FY 2021	BUDGET 2022	YTD ACTUAL 2022 (thru 2/22)	PROJ FY ACTUAL 2022	BUDGET 2023
REVENUE AND OTHER SUPPORT:					
District Tax Revenues	6,009,468	5,981,689	4,009,309	6,009,000	6,009,000
County Commission (1.7%)	102,161	101,689	67,019	109,000	109,000
NET REVENUE	5,907,307	5,880,000	3,942,290	5,900,000	5,900,000
EXPENSES:					
EXECUTIVE DIRECTOR PROFESSIONAL FEES	132,220	135,000	116,417	173,085	173,000
REGISTRY (EXECUTIVE ASST) .5 FTE (1000 HRS)	50,500	59,800	36,723	55,085	56,000
PROFESSIONAL FEES	482,112	333,250	73,488	153,855	334,800
Accounting CHW LLP	16,800	17,500	18,200	18,200	18,200
Other Consulting Fees					
SCI Consulting (tax collection services)	13,812	14,000	8,633	14,000	15,000
TCA Partners (financial report filing)	1,500	1,750	1,655	1,655	1,600
Strategic Planning/Advocacy	450,000	300,000	45,000	120,000	300,000
LEGAL FEES	75,000	75,000	17,513	27,000	50,000
ANNUAL INDEPENDENT AUDIT	13,500	14,000	11,000	13,000	14,000
OFFICE SUPPLIES	4,500	4,500	1,255	4,000	4,000
PURCHASED SERVICES	10,900	10,000	3,685	10,000	10,000
video taping service	3,900	3,000	1,500	3,000	3,000
website maintenance	7,000	7,000	2,185	7,000	7,000
REPAIR & MAINTENANCE	4,200	0	716	1,000	1,000
LEASE 888 WILLOW/1402 Park Street)	28,464	21,336	14,014	21,336	21,420
UTILITIES (Water, garbage, Electric)	1,800	0	0	0	0
COMMUNICATIONS SOFTWARE					
Phone/Internet	240	1,550	628	942	1,000
Quickbooks			1,050	1,575	2,000
INSURANCE	58,500	80,425	18,000	95,844	126,166
Crime (ACIP)	1,500	1,500		1,389	1,528
D & O ISLIP)	17,000	18,000	18,000	18,123	20,034
Property (HARPP)	40,000	60,925	0	76,332	104,604
DEPRECIATION & AMORTIZATION	367,024	152,951	101,967	152,951	153,000
INTEREST	52,000	50,000	32,264	48,396	50,000
TRAVEL & EDUCATION	15,000	7,000	5,725	5,725	10,000

	BUDGET FY 2021	BUDGET 2022	YTD ACTUAL 2022 (thru 2/22)	PROJ FY ACTUAL 2022	BUDGET 2023
OTHER EXPENSES	290,800	286,200	121,426	274,571	533,571
Election Year Expenses	250,000	0	0	0	250,000
Dues & Subscriptions					
(West Lagoon Assn)	3,200		3,460	3,460	3,460
ACHD Membership		9,000	8,111	8,111	8,111
Other Membership: (Chamber, ABL)	5,000	4,200	4,000	4,000	4,000
Board Stipends	4,500	3,000	1,500	3,000	3,000
District Marketing/Promotions	10,000	5,000		5,000	5,000
Donations (AHS, Foundation, etc)	10,000	10,000	385	1,000	10,000
Community Paramedicine Grant/CARE Program		250,000	103,970	250,000	250,000
Other Miscellaneous	8,100	5,000			
TOTAL EXPENSES	1,584,720	1,229,462	554,193	1,035,848	1,536,957
NET REVENUE less TOTAL EXPENSES	4,322,587	4,650,538	3,388,097	4,864,152	4,363,043
Distict Uses of Funds:					
Total Expenses	1,584,720	1,229,462	554,193	1,035,848	1,536,957
less DEPRECIATION	367,024	152,951	101,967	152,951	153,000
PRINCIPAL ON NOTE	31,000	32,200	22,267	33,400	35,000
DISTRICT USE OF FUNDS	1,248,696	1,108,711	474,493	916,297	1,418,957
AVAILABLE BALANCE FOR TRANSFER TO AHS					
NET REVENUE	5,907,307	5,880,000	3,942,290	5,900,000	5,900,000
LESS: DISTRICT USE OF FUNDS	1,248,696	1,108,711	474,493	916,297	1,418,957
AVAILABLE BALANCE FOR TRANSFER TO AHS	4,658,611	4,771,289	3,467,797	4,983,703	4,481,043

	BUDGET FY 2021	BUDGET FY 2022	ACTUAL YTD THRU 2/28/22	PROJ FY ACTUAL 2022	BUDGET 2023
REVENUE					
RENTS	\$227,850	\$225,000	\$124,099	\$186,149	\$210,000
OTHER REVENUE	\$2,500	\$1,500			
TOTAL REVENUE	\$230,350	\$226,500	\$124,099	\$186,149	\$210,000
EXPENSES					
REPAIRS & MAINTENANCE	\$30,000	\$20,000	\$3,913	\$8,000	\$20,000
UTILITIES	\$11,000	\$10,000	\$7,315	\$10,972	\$11,000
INSURANCE	\$5,300	\$9,000	\$0	\$7,000	\$7,000
DEPRECIATION	\$37,400	\$37,400	\$24,933	\$37,400	\$37,400
OTHER EXPENSES					
Management Fee	\$11,000	\$10,000	\$6,131	\$9,197	\$10,000
Landscaping/Other	\$5,000	\$7,000	\$2,200	\$3,300	\$5,000
Cleaning, Inspection	\$10,000	\$8,000	\$1,713	\$2,570	\$8,000
TOTAL EXPENSES	\$109,700	\$101,400	\$46,205	\$78,439	\$98,400
NET REVENUE OVER EXPENSES	\$120,650	\$125,100	\$77,894	\$107,710	\$111,600

MEETING DATE: May 9, 2022

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

FROM: Deborah E. Stebbins, Executive Director

SUBJECT: Recommendation on Distribution from the Jaber Fund to Alameda Health System for Purchase of Capital Equipment for period ending June 30, 2021

Action

Approval of a distribution from the Jaber Fund to Alameda Health System in the amount of \$131,623 for purchase of capital equipment for Alameda Hospital, for the period ending June 30, 2021. An accounting of the proposed use of FY 2021 distribution of Jaber funds in the coming year will be provided by AHS leadership at the April 11, 2022 Board meeting.

Background and Discussion

Ms. Alice Jaber established her Trust in 1992, naming Alameda Hospital as a major beneficiary. Upon her death, and pursuant to the terms of the Trust, certain Trust assets were distributed to the City of Alameda Health Care District, as the successor-in-interest to Alameda Hospital (the nonprofit corporation) in appreciation of the care given by Alameda Hospital. Among the assets are two parcels of real property located in the City of Alameda.

- 1359 Pearl Street, an apartment complex with seven 2-bedroom units and one 3-bedroom unit
- 2711 Encinal Street, a retail storefront

There are two governing documents that provide restrictions on how the funds can be distributed and for what purpose - the Jaber Will and the JPA Side Letter agreement with Alameda Health System (AHS).

1. The Jaber Estate bequest provides that: "The Fund shall be used for the purchase of capital equipment directly related to the diagnosis and treatment of patients at Alameda Hospital. Such equipment includes, but is not limited to, machinery and equipment listed below and similar machinery and equipment. This list is given not to limit the types of equipment that I would hope to make available to patients at Alameda Hospital: Diagnostic imaging machinery; surgical equipment, including equipment for the treatment of eye disease; patient monitoring equipment for critical care."
2. The **JPA** Side Letter agreement with Alameda Health System states: "Jaber Properties. District owns two parcels of real property, located at 2711 Encinal Avenue and 1359 Pearl Street (the "Jaber Properties"), that are unrelated to the

CITY OF ALAMEDA HEALTH CARE DISTRICT

day-to-day operation of Alameda Hospital. For the avoidance of doubt, the Parties agree that the Jaber Properties shall not be included on Schedule 2.2 to the Agreement, and, therefore, pursuant to Section 2.2 of the Agreement, District shall promptly pay all tenant rents, proceeds, awards, revenues, and other consideration of whatever form or nature from any and all sources received by District from or attributable to the Jaber Properties (the "Jaber Revenues") to AHS and such Jaber Revenues shall be included in the definition of "Parcel Tax Revenue" (in addition to all other revenues not set forth on Schedule 2.2 to the Agreement) for the purposes of Section 2.2 of the Agreement. ."

The Jaber Will stipulates that the maximum that may be withdrawn from the Jaber Fund on an annual basis is twenty percent (20%) of the sum of the net income earned during the prior fiscal year plus twenty percent (20%) value of the cash assets of the Fund valued as of the last day of the prior fiscal year. The District has authorized the following distributions to Alameda Health System in the past from the Jaber Fund

Contribution for 2015 and 2016	Made 10/9/17	\$283,614	
Contribution for 2017	Made 12/20/17	\$74,017	
Contribution for 2018	Made 7/5/18	\$77,308	
Contribution for 2019	Made 6/16/20	\$152,470	
Contribution for 2020		\$117,850	

As a reminder, review of the annual distribution from the fund occurs after the end of the fiscal year and upon completion of the annual audit.

Note that there has been variation in the contributions from the Jaber Fund from year to year largely due to variation in the Cash Assets Value of the Jaber Fund. The complete documentation on the basis for the distribution is shown on the attached spreadsheet.

City of Alameda Healthcare
 District Analysis of Jaber
 Property Distribution History
 FYE 6/30/19

	6/30/2016	6/30/ 2017	6/30/2018	6/30/2019	6/30/2020
Rents	172,112	181,283	182,808	204,791	196,841
Expenses	(86,026)	(73,265)	(82,302)	(86,195)	(86,947)
Gains/(Losses)	86,086	108,017	100,505	118,595	125,348
Cash Assets	\$ 255,304	\$ 328,241	\$ 754,413	\$ 557,671	\$ 725,309
Due From District	214,567	287,050	(4,480)	(9,374)	(14,925)
Prepaid			3,263	3,263	3,924
Liabilities					(0)
Balance of the Cash Fund	\$ 469,871	\$ 615,291	\$ 753,196	\$ 551,560	\$ 714,308
Adjustments(retro application of funding)		\$ (111,191)	(233,614)	(283,614)	(77,306)
	\$ 469,871	\$ 504,100	\$ 519,582	\$ 267,946	\$ 637,002
20% of Net Rental Income	\$ 17,217	\$ 21,603	\$ 20,101	\$ 23,719	\$ 25,070
20% of the cash fund	93,974	100,820	103,916	53,589	127,400
Limit of Contribution	111,191	122,423	124,017	77,308	152,470
Contribution for 2015 & 2016	Made on 10/9/17	(111,191)	(122,423)	{50,000}	
Contribution for 2017	Made on 12/20/17		(74,017)		
Contribution for 2018	Made on 7/5/18			(77,306)	
Contribution for 2019	Made on 6/16/20				(152,470)

City of Alameda Healthcare District
 Analysis of Jaber Property
 Potential Distribution Plan
 FYE 6/30/22

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Rents	172,112	181,283	182,808	204,791	199,820	196,841	189,737
Expenses	(86,026)	(73,265)	(82,302)	(86,195)	(74,472)	(86,947)	(77,442)
Gains/(Losses)	86,086	108,017	100,505	118,595	125,348	109,894	112,295
Cash Assets	\$ 255,304	\$ 328,241	754,413	557,671	725,309	646,751	678,596
Due From District	214,567	287,050	(4,480)	(9,374)	(14,925)	(14,926)	(14,925)
Prepaid	-	-	3,263	3,263	3,924	(0)	(0)
Liabilities	-	-	-	-	-	-	-
Balance of the Cash Fund	\$ 469,871	\$ 615,291	\$ 753,196	\$ 551,560	\$ 714,308	\$ 631,826	\$ 663,671
Adjustments(retro application of funding)		\$ (111,191)	(233,614)	(283,614)	(77,306)	(152,470)	(117,850)
	\$ 469,871	\$ 504,100	\$ 519,582	\$ 267,946	\$ 637,002	\$ 479,356	\$ 545,821
20% of Net Rental Income	\$ 17,217	\$ 21,603	\$ 20,101	\$ 23,719	\$ 25,070	\$ 21,979	\$ 22,459
20% of the cash fund	93,974	100,820	103,916	53,589	127,400	95,871	109,164
Limit of Contribution	111,191	122,423	124,017	77,308	152,470	117,850	131,623
Contribution for 2015 & 2016	Made on 10/9/17	(111,191)	(122,423)	(50,000)			
Contribution for 2017	Made on 12/20/17			(74,017)			
Contribution for 2018	Made on 7/5/19				(77,306)		
Contribution for 2019	Made on 6/16/20					(152,470)	
Contribution for 2020	Made on 6/21/21						(117,850)
Contribution for 2021	Made on 2/15/22						(131,623)

To the extent funds are available, they are treated the same as parcel taxes and must be used to support AHS, subject to two restrictions:

1 - The funds must be used for capital equipment; and

2 - "The maximum that may be withdrawn from the Jaber Fund is twenty percent (20%) of the sum of: the net income earned during the prior fiscal year plus the value of the principal of the Fund valued as of the last day of the prior fiscal year."

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

FROM: Mario Harding, Chief Administrative Officer
Ronica Shelton, VP Patient Care Services

MEETING DATE: May 9, 2022, City of Alameda Health Care District Board Meeting

SUBJECT: FY21 AHS Funding Recommendation for Jaber Funds and Update on previous Allocations

For reference, the FY 2020 Jaber Funds were allocated to the following items listed in Table 1. It also identifies the carry-over amount from prior fiscal year which was presented in 2021. The language from the Jaber Will are also identified in the paragraph below for reference.

“The Fund shall be used for the purchase of capital equipment directly related to the diagnosis and treatment of patients at Alameda Hospital. Such equipment includes, but is not limited to, machinery and equipment listed below and similar machinery and equipment. This list is given not to limit the types of equipment that I would hope to make available to patients at Alameda Hospital: Diagnostic imaging machinery; surgical equipment, including equipment for the treatment of eye disease; patient monitoring equipment for critical care.”

Table 1

	Total Proposed 2020	Actual Spent or Quote
FY20 Funds Available	\$117,850.00	\$117,850.00
ECG	\$56,661.86	(\$75,796.06)
Blanket Warmer for CCU	\$3,441.88	(\$3,709.25)
Bladder Scanner	\$12,648.46	(\$12,498.46)
Remaining Balance	\$72,752.21	\$25,846.23

RECOMMENDATION FOR FY 2021 FUNDING

GlideScope

A Glidescope is a video device that helps specially trained health care providers see a patient’s airway during endotracheal intubation. Intubation secures a patient’s airway during surgery, or if breathing has become difficult due to an airway blockage, respiratory illness, or trauma. This is an essential and critical piece of equipment used to care for patients. AHS recently



purchased 2 glidescopes to have one in the ED and one in the CCU. However, if one were in need of repair, then the remaining glidescope would need to be shared between 2 departments on different floors of the hospital. This is not ideal in often critical situations. We are requesting funding for a Glidescope to supplement the current inventory at the Hospital.

Telemetry Boxes/Transmitters

A Telemetry box or transmitter is used to send patients’ ECG data to the Telemetry Monitoring system. These transmitters are used daily and due to high use often are out for repair by our Biomedical team. We are requesting funding for 15 additional Telemetry boxes to supplement the current inventory.



SaO2 Cables

A SaO2 cable is a small cable that connects to the Telemetry box from the pulse oximeter attached to a patient that monitors continuous real time pulse oximetry (measurement of the level of oxygen in the blood) on a patient. These cables are used on a daily basis and to the high use of the cable, they can often be damaged during normal patient care. These small cables are integral to patient care. We are requesting funding for 15 SaO2 cables to be used in conjunction with the Telemetry boxes.

Suction Regulators

Suction Regulators, also called vacuum regulators, allow the high pressure vacuum air, that is being supplied by the central vacuum system in the facility, to be converted to a level that is safe for patient use. The purchase of new regulators provides an updated version to the facility, would offer, less wear and tear on utility system as well as allow for more space at head of patient bed for other equipment and patient care. These are used across the hospital from CCU, Post operatively and emergency department. These are universal pieces of equipment used daily for patient care.



We feel that the items above will provide our physician, nurses, respiratory therapists the ability to effectively manage the care of our patients and falls within the parameters of the Jaber Fund. These items may seem “small” in nature but have a big impact on patient care. The values are estimates at this time and we will provide true-up after purchases are made

Table 2

	Request to District (5-9-22)
FY 20 Remaining Funds (unallocated/excess)	\$25,846.23
FY21 Funds Available	\$131,623.00
Total Funds Available for Allocation	\$157,469.23
Telemetry Boxes/Transmitters (15)	\$36,052.50
SAO2 Cables (15)	\$14,850.00
Glidescope (1)	\$16,880.60
Suction Regulator (100)	\$49,500.00
Total	\$117,283.10
Remaining Funds	\$40,186.13

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

From: Debi Stebbins

RE: Next Steps in Seismic Planning

Recommendation: The District Seismic Planning Committee is recommending approval of a proposal from Ratcliff Architects, which includes a subcontract with C+W consultants for the next phase of 2030 seismic planning. The proposal includes \$32,716 for Ratcliff oversight and \$52,800 for C+W to do the mechanical, electrical and plumbing analysis of campus buildings.

Background: This phase of work builds upon the structural engineering analysis by Thorton Tomasetti previously approved at the April 11, 2022 District Board meeting and will provide important information about the feasibility and cost of in particular bringing the West Wing up to 2030 SPC compliance. There is sufficient consulting expenses budgeted for the remainder of this fiscal year and included in the next fiscal year budget to cover these expenses.

Alameda Health District 2030 Building Assessment Report

Step 1 – Seismic Analysis: Scope, Objectives and Critical Path

Duration: 2 months

Approach: The primary task of the Seismic Analysis phase is to determine if West Wing can be upgraded to SPC4D and how. This information informs whether the Master Plan should show an option of keeping West Wing and describing project involved to upgrade to SPC 4D.

Key tasks for this phase include:

- Prioritize West Wing analysis for upgrade to SPC 4D.
- Outline ramifications of upgrading Stephens Wing to SPC 4D
- Outline work required to bring campus up to NPC 5, as required by 2030.
- Kick off meeting

Step 2 – Data Collection and Assessment of Existing Site and Utilities

Duration: 2-3 months

Approach: Once status of West Wing is determined, Mechanical, Electrical and Plumbing engineers will analyze the existing Central Plant and campus buildings to determine which systems are nearing end of life and needing immediate replacement or upgrade.

Key tasks for this phase include:

- Conduct existing facilities “physical condition” assessment of the existing hospital campus including infrastructure systems and capacities.
- Review building age, life expectancy, current condition and deferred maintenance
- Identify equipment (water tank) that will need structural anchorage.
- Develop campus assessment diagram based on site opportunities and restrictions
- Special look at Stephens Wing as potentially moving to OSHPD 2 status through RACS program.
- Two (2) review meetings with stakeholders to discuss findings and mitigation strategies.

Step 3 – Interactive planning workshop

Duration: 3 weeks

Approach: Identify possible scenarios, schedule and comparative ROM costs of alternatives.

Key tasks for this phase include:

- Conduct an interactive planning workshop that allows evaluation of alternatives and what-if scenarios with immediate feedback from stakeholders.
- Identify and document future scenarios as a result of the interactive planning workshop

Step 4 – Prepare final documents and report

Duration: 2 weeks

This step formalizes the selected Optimal Scenario and up to two other optional scenarios. Final analysis and coordination will be done with consultants in the estimated time below.

Key tasks for this step include:

- Documentation of between one and three, future scenario developments.
- Final wrap up meeting with Alameda Health District Board

Fee schedule, invoiced lump sum per phase complete according to the following scope and schedule:

Scope	hours	avg rate	fee	Duration Estimate
Step 1 – Seismic Analysis				2 Months
Ratcliff	12	\$283	\$3,396	
Structural Engineer, Thornton Tomasetti – SPC 4D			\$60,134	
Structural Engineer, Thornton Tomasetti – NPC 5			\$15,524	
Sub Total			\$79,054	
Step 2 – Data Collection and Assessment and check in meetings (2)				2-3 Months
Ratcliff	60	\$225	\$13,500	
Infrastructure System Analysis, C+W: Mech, Elec + Plumb			\$52,800	
Sub Total			\$66,300	
Step 3 – Interactive Planning Workshop (1)				3 weeks
Ratcliff	40	\$283	\$11,320	
Sub Total			\$11,320	
Step 4 – Final Report Document and Meeting (1)				2 weeks
Ratcliff	20	\$225	\$4,500	
Sub Total			\$4,500	
Total Fee			\$161,174	5-7 Months

	Ratcliff	Thorton Tomasetti	C+W	Total per step:
Step 1	\$3,396	\$75,658		\$79,054
Step 2	\$13,500		\$52,800	\$66,300
Step 3	\$11,320			\$11,320
Step 4	\$4,500			\$4,500
Total per discipline	\$32,716	\$75,658	\$52,800	\$161,174

Fee Assumptions/Exclusions

All major systems are included ie: Chillers, cooling towers, boilers, pumps, hydronics, AHU's, controls, electrical service, main switch gear rooms, emergency system, transformers, panel boards, electrical systems, Telcom, fire alarm and nurse call.

It is possible during the evolution of this work that more hours are needed to respond to multiple possible scenarios. Upon approval, Ratcliff would continue on an as needed, time and materials basis to cover any time beyond what is anticipated above.

Renderings are not anticipated.

Detailed Cost Estimate is not included.

Sincerely,
RATCLIFF

A handwritten signature in black ink, appearing to read "Katy Ford". The signature is written in a cursive, flowing style.

Katy Ford AIA
Principal

**EXHIBIT A
RATCLIFF ARCHITECT'S STANDARD HOURLY RATES**

Principal	\$283.00
Associate Principal	\$242.00
Senior Project Architect/Designer/Manager III	\$211.00
Senior Project Architect/Designer/Manager II	\$191.00
Senior Project Architect/Designer/Manager I	\$180.00
Project Architect/Designer/Manager III	\$165.00
Project Architect/Designer/Manager II	\$160.00
Project Architect/Designer/Manager I	\$149.00
Intermediate Architect/Designer II	\$139.00
Intermediate Architect/Designer I	\$134.00
Designer II	\$124.00
Designer I	\$113.00
Intern	\$82.00
Project Administrator	\$93.00
CAD Drafter	\$93.00

Rates effective through December 31, 2022



January 28, 2019
Revised April 8, 2022

Ratcliff
5856 Doyle Street
Emeryville, CA 94608

Attention: Katy Taylor Ford, A.I.A.

Subject: Alameda Health District – Beyond 2030 Study
Proposal for Mechanical and Electrical Engineering Services

Dear Katy:

Cammissa + Wipf is pleased to submit this *revised* proposal for mechanical, electrical, and plumbing (MEP) engineering services for the above referenced project. Services include study phase. Services are proposed as follows:

A. Key Personnel:

Paul O’Connell, P.E., Electrical Principal in Charge
Jennifer MacDonald, P.E., Electrical Engineer
Julie Goodwin, P.E., Mechanical Engineer
Angelo Dominguez, Plumbing and Fire Protection Engineer

B. Fee:

For services described herein, excluding reimbursable expenses, we propose a time and materials fee with a maximum upset of \$52,800.00. Services will be invoiced monthly.

<u>Phase</u>	<u>Mechanical</u>	<u>Plumbing</u>	<u>Electrical</u>	<u>Totals</u>
Study Phase	\$18,400.00	\$13,200.00	\$21,200.00	\$52,800.00

Reimbursable expenses will be billed at cost and include plotting, delivery services, and travel outside of the Bay Area. Reimbursable expenses are separate from fees above. Please include an allowance of \$200.00 for reimbursable expenses.

C. Project Scope:

The project, as we currently understand it, includes a masterplan for beyond 2030 for the Alameda Health District at 2070 Clinton Avenue in Alameda, California. Beyond 2030 is defined by the seismic performance ratings, SPC & NPC, for OSHPD buildings under the current California codes. The buildings included in the study are Stephens Wing, West Wing, and South Wing including the Radiology addition. The Administration building (original 1925 Hospital) is excluded from the study.

This proposal is also based on the Structural Memo prepared by Thornton Tomasetti dated March 28, 2022. The memo recommended new shear walls on the first floor of the West Wing.

The study phase includes an analysis of the main infrastructure elements and their feasibility into the future.

- Research existing MEP systems and determine their expected life span. Perform site walks and meet with engineering staff.
- Determine code requirements to achieve compliance beyond 2030 including NPC work. Outline new work that is required to meet 2030 regulations.
- Prepare options for planning of phasing, demolition, and new construction. Limited scope to not include multiple studies.

The assessment scope will include the following MEP systems:

- The following Mechanical systems will be assessed:
 - Air handling systems
 - Exhaust air systems
 - Air distribution systems
 - Chilled water and condenser water systems
 - DX cooling systems
 - 24/7 air conditioning systems (for IT rooms, PBX rooms, etc.)
 - Heating hot water systems
 - Medium pressure steam and condensate return systems
 - HVAC control systems
- The following Electrical systems will be assessed:
 - Normal power distribution system
 - Essential power system and automatic transfer switches, including evaluations of life safety, critical, and equipment branches
 - Interior lighting and lighting controls
 - Nurse call system
 - Data and telecommunication systems (main rooms & incoming service)
 - Paging/television systems
 - Fire alarm systems
 - Miscellaneous signal systems

- The following Plumbing and Fire Protection systems will be assessed:
 - Domestic water supply systems, including storage requirements
 - Domestic water softeners and water heaters
 - Sanitary waste, including storage requirements, and vent systems
 - Rainwater systems
 - Fire protection systems
 - Natural gas service for boilers and kitchen
 - Fuel oil system
 - Medical air and vacuum systems
 - Oxygen storage and delivery system
 - Nitrous oxide, nitrogen, carbon dioxide storage manifolds and delivery systems

D. Scope of Services:

1. Study Phase – Data Collection & Assessment:
 - a. Attend initial meeting with Alameda Hospital and the rest of the Design Team to kick off project.
 - b. Attend approximately one (1) meeting with Alameda Hospital and/or Design Team members during the study phase.
 - c. Perform two (2) site surveys by three (3) engineers to observe existing conditions.
 - d. Review MEP as-builts drawings, equipment nameplate data, and any previous studies.
 - e. Review HVAC equipment for overall system configuration, redundancy, physical condition, and life expectancy.
 - f. Review physical condition and life expectancy of electrical normal and emergency power equipment.
 - g. Review plumbing and fire protection equipment for overall system configuration, redundancy, physical condition, and life expectancy.
 - h. Review OSHPD 2030 code requirements and identify potential equipment/code deficiencies.
 - i. Attend two (2) additional meetings with Alameda Hospital to review findings and design options.
 - j. Prepare a report that summarizes the condition and code conformance of the existing systems, including location plans identifying major equipment locations. Report shall also prioritize each deficiency based on 2030 compliance and provide recommended design options.
 - k. Review and comment on cost estimates provided by others.
 - l. Attend two (2) additional meetings with Alameda Hospital to review findings and design options.

E. Assumptions and Clarifications:

In addition to the foregoing, this proposal is based upon the following assumptions and clarifications:

1. Existing Drawings and Other Documentation: Alameda Hospital will furnish the following documentation:
 - a. Record design drawings for the original buildings and all documented renovations.
 - b. Available nameplate and operational information for major M&P equipment.
2. Evaluations will be based on record drawings and site observations.
3. Existing system capacities will not be assessed as part of this study.
4. Ratcliff Architects will provide related architectural services and overall project coordination. Ratcliff will also provide cost estimating services as required for MEP ROM estimates.
5. Participation in space programming is excluded. Our assessments and recommendations will be based on existing space utilization.
6. Exclusions: The following scope and services are currently excluded from this proposal, but could subsequently be added as Extra Services:
 - a. Forensic troubleshooting. If operational problems are encountered, they will be identified, but not investigated in detail.
 - b. Acoustic analyses.
 - c. Evaluation of site utility distribution. We will evaluate utilities within the building.
 - d. Evaluation of waterproofing systems at rooftop equipment and penetrations.
 - e. Cost estimating services.
 - f. Life cycle cost and payback analyses.
 - g. Additional investigations, meetings, and site surveys in excess of those estimated herein.
 - h. Any work related to the identification, encapsulation, or removal of hazardous materials.

F. Anticipated Schedule:

- Study Phase: 2 – 3 months

G. Extra Services:

Extra services as outlined above are in addition to our lump sum fee and will be billed on a time and materials basis at our standard hourly rates. Extra Services will only be performed upon mutual agreement and prior authorization.

Thank you for considering Cammisa + Wipf for this project. We are prepared to proceed immediately upon receipt of written authorization.

Very Truly Yours,
CAMMISA + WIPF



Paul O'Connell, P.E.
Principal

Attachment: 2022 Billing Rates

Via email:

January 23, 2019

Revised January 27, 2022

Katy Ford
Principal
RATCLIFF
5856 Doyle Street
Emeryville, CA 94608

**RE: PROPOSAL FOR STRUCTURAL ENGINEERING SERVICES
ALAMEDA HOSPITAL PLAN FOR BEYOND 2030, ALAMEDA, CA**

Dear Katy,

Based on our phone call on January 22, 2019 Thornton Tomasetti, Inc. (TT) is pleased to submit this Proposal to provide Structural Engineering Services for the Alameda Hospital Plan for Beyond 2030 (the Project).

I. PROJECT DESCRIPTION

The Alameda Hospital campus consists of nine separate structures (as defined by OSHPD's website). Of those nine structures, the current Stephen's Wing renovation projects will allow for the Original Hospital building to be removed from OSHPD jurisdiction. Additionally, the LOX Tank has been completed – but needs to be closed out with OSHPD. Based on this to remain in operation past January 1, 2030, two buildings require seismic upgrades to SPC 4, 4D or 5 (the Stephen's Wing and the West Wing), and all buildings except the Radiology addition, need to be upgraded to NPC 4 with the campus as a whole upgraded to NPC5.

This project will provide a report detailing general methods for achieving the required SPC and NPC ratings utilizing the existing structures on the Alameda Hospital campus.

An additional scope of providing the required report detailing these modifications and required structural modifications to OSHPD is included at this time as well.

II. SCOPE OF SERVICES

The deliverable for this project will be a written narrative, along with sketches and 11x17 building plans as necessary, to summarize the existing state of the buildings (both structurally and anchorage wise as required for NPC) and to conceptually identify potential scope of work to meet the qualifications of an SPC-4, 4D, or 5, as appropriate, structure such that the structures can continue to be used beyond 2030.

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TT understands that these documents will be used for high-level pricing, so TT will also coordinate with the cost estimation team.

TT has also added in additional hours to perform more in-depth drawings reviews and site visits to put together the NPC4/4D and NPC5 compliance required for the campus by January 1, 2024 by the California Administrative Code Chapter 6, Article 1, 1.5.2.1.1

As this is currently defined as a relatively open-ended request, TT has outlined the number of hours estimated to complete this task for one scheme for each building; if it is desired to develop or review additional schemes to achieve upgrade, additional hourly services will be negotiated prior to additional work being performed.

III. PROJECT SCHEDULE

This proposal is based on the completion of this report no later than *May 2022*. If the schedule extends beyond this date, additional hourly services will be negotiated prior to additional work being performed.

IV. FEES

A. Basic Fee

Based on the preceding, we propose to provide the above described Scope of Services, on a Timecard basis billed monthly at the attached hourly rates with the not to exceed as noted below.

- 1. TT invoices for the Basic Fee will be proportioned as set forth below and will be invoiced proportional to completion of TT's Scope of Work for the main report:

	SPC review hours	NPC review hours	Report
Stephen's Wing	80	12	3
West Wing	80	12	3
Radiology	0	4	1
Medical Gas Storage	0	4	1
Compactor Shed	0	0	1
Emergency Room Relocation	0	7	1
LOX Tank	2	2	1

This results in a total of 214 hours. At a combined average hourly billing rate (assuming 20% of hours will be performed by a Principal and 80% of hours will be

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performed by a Project Engineer) of \$281, the not to exceed fee for this project \$60,134 (SIXTY THOUSAND ONE HUNDRED THIRTY FOUR DOLLARS).

2. *TT invoices for the HCAI NPC report will be proportioned as set forth below and will be invoiced proportional to completion of TT's Scope of Work for the main report:*

	<i>NPC</i>	<i>Site</i>	<i>Report</i>
	<i>survey</i>		
<i>Stephen's Wing</i>	8		6
<i>West Wing</i>	8		6
<i>Radiology</i>	6		3
<i>Medical Gas Storage</i>	4		2
<i>Compactor Shed</i>	2		1
<i>Emergency Room Relocation</i>	8		4
<i>LOX Tank</i>	2		1

This results in a total of 61 hours. At a combined average hourly billing rate (assuming 10% of hours will be performed by a Principal and 45% of hours will be performed by a Project Engineer and 45% of hours will be performed by a Senior Engineer) of \$254.50, the not to exceed fee for this project \$15,524 (FIFTEEN THOUSAND FIVE HUNDRED TWENTY FOUR DOLLARS).

B. Expenses

The following expenses are in addition to the Basic Fee and will be billed to the Client at our cost:

1. Travel.
2. Deliverables and reviewed submittals will be transferred via electronic means whenever possible. Plotting and reproductions requests by Client or Owner will be electronically forwarded to an outside reproduction facility, and the cost will be charged to the Client.

C. Payment

TT will invoice the Client on a monthly cycle for fees and expenses. Payments will be due from the Client to TT within 30 days of the invoice date.

RE: ALAMEDA HOSPITAL PLAN FOR BEYOND 2030, ALAMEDA, CA
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V. TERMS AND CONDITIONS

Thornton Tomasetti, Inc. Standard Conditions for Investigation and/or Design Services are attached hereto and made a part of this Proposal.

Upon authorization to proceed, unless notified otherwise in writing, we will provide our services under the terms of this Proposal.


TT reserves the right to revise the terms of this Proposal if a notice to proceed has not been received within three months of the date of this Proposal.

We look forward to your favorable response and an opportunity to provide our services. Please call if you have any questions.

If the above meets with your agreement, kindly sign and return one copy of this letter agreement, keeping one for your records.

Very truly yours,

THORNTON TOMASETTI, INC.




Theresa Curtis, SE
Principal

ACCEPTED BY:

RATCLIFF

BY: 

DATE: 2.14.2022

Approved by District Bd.
2/14/22


SAN FRANCISCO BILLING RATES

TITLE	HOURLY BILLING RATE
ADMINISTRATIVE SUPPORT STAFF	\$120.00
BUILDING INFORMATION MODELER	\$200.00
ENGINEER/DESIGNER.....	\$205.00
SENIOR ENGINEER/DESIGNER	\$225.00
PROJECT ARCHITECT/ENGINEER /DIRECTOR	\$255.00
SENIOR PROJECT ARCHITECT/ENGINEER /DIRECTOR	\$265.00
ASSOCIATE	\$295.00
SENIOR ASSOCIATE	\$310.00
VICE PRESIDENT/ ASSOCIATE PRINCIPAL.....	\$365.00
SENIOR VICE PRESIDENT/PRINCIPAL	\$385.00
SENIOR PRINCIPAL	\$420.00
MANAGING PRINCIPAL.....	\$470.00

Notes: (1) Out-of-pocket expenses including, but not limited to, travel, project-specific IT or telecommunications requirements, third-party printing services, courier service, express mailings, and special consultants, will be billed at our cost

(2) Rates are effective through December 31, 2022.

Thornton Tomasetti, Inc. (TT)
Standard Conditions for Investigation and/or Design Services ("Standard Conditions")

- (1) These Standard Conditions (including any Project-Specific conditions attached hereto), together with the TT proposal (and any written amendments thereto, including Additional Services) (collectively "Proposal") to which they are attached or in which they are incorporated by reference, shall form the Agreement between the parties. The services TT is required to perform shall be referred to as "TT's Scope of Services" or "Services". TT's Scope of Services shall be limited to those services specifically set forth in the Proposal. The "Project" is the facility, improvements and/or building described in the Proposal or if there is no such description then it shall be the facility, improvements and/or building to which TT's Scope of Services applies.
- (2) TT will perform its services in accordance with the standards of professional skill and care ordinarily exercised by other design firms performing the same services, in the same locale, acting under similar circumstances and conditions ("Standard of Care"). Notwithstanding anything in this Agreement to the contrary and subject to Paragraphs 14, 15, 16 and 17, TT shall only be liable to pay damages to Client arising out of or in connection with the Services or this Agreement, to the extent that such damages are caused by, and are in proportion to, the negligence of, or breach of the Standard of Care by, TT. If TT is considered to be liable jointly with any third parties, the portion of damages payable by TT shall be limited to the portion of liability which is attributable to TT's breach of the Standard of Care on a comparative fault basis. Client acknowledges that TT's services will be rendered without any warranty, express or implied and all such warranties are expressly waived by Client. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party, including the project owner (if not the Client) and any contractor, subcontractor, vendor or material supplier, against either the Client or TT.
- (3) TT shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials in any form in connection with the Project, including, but not limited to, asbestos, asbestos products, polychlorinated biphenyl (PCB), bacteria, mold, fungi, lead based paints or other similar materials or other toxic substances, infectious materials, or contaminants.
- (4) Notwithstanding any other provision of this Agreement or any other agreement entered into by TT with respect to the Project, TT shall not have control or charge of, and shall not be responsible for, construction means, methods, techniques, sequences or procedures, for safety precautions and programs in connection with work or activities at the project site, for the acts or omissions of any contractor, subcontractors or any other persons performing any work or undertaking any activities at the project site, or for the failure of any of them to carry out any work or perform their activities in accordance with their contractual obligations, including, but not limited to, the requirements of any drawings, specifications or other documents prepared by TT.
- (5) TT shall be deemed the author and owner of all instruments of service, including all of the reports, drawings, specifications and other documents prepared by it and its consultants (collectively "TT Documents"). TT (or its consultants) shall retain all common law, statutory and other reserved rights, including copyrights in TT Documents, whether the project for which they are made is executed or not. Contingent on the Client's full and timely payment of all sums due under this Agreement, TT grants Client a non-exclusive license to use the final and complete versions of TT Documents solely and exclusively for purposes set forth in the Proposal including, if the TT Documents are intended to be, and are identified as, "for construction" the constructing, using and maintaining, but not for altering, extending or adding to, the Project. The forgoing license does not extend to any CADD files or 3D model created by TT, unless expressly set forth in the Proposal. If TT Documents are prepared "for construction", the license granted in the preceding sentences of this Paragraph 5 permits the Client to authorize the contractor and subcontractors and material or equipment suppliers to reproduce applicable portions of TT Documents solely and exclusively for use in performing their services or construction for the Project. TT Documents shall only be used for their intended purpose, as defined in the TT Documents (or a transmittal document accompanying them) and in the Proposal. TT Documents are not to be used on other projects, for alternations, extensions or additions to this project or for completion of this project by others, except by agreement in writing and with appropriate compensation to TT. If Client is granted a license with respect to any CADD files or 3D models, Client agrees to be bound to the terms of the TT License for Use of Electronic Files and 3D Models.
- (6) The review of contractor submittals (for example, shop drawings or project samples) is not included in TT's Scope of Services unless specifically set forth in the Proposal. If such services are to be provided, the review is conducted only for the limited purpose of checking for conformance with information given and the design concept expressed in the construction drawings and specifications prepared by TT (or by others if so set forth in the Proposal) and is not conducted for the purpose of determining the accuracy and completeness of details such as dimensions and quantities or for substantiating instructions for installation or performance of equipment or systems designed by the contractor, all of which remain the responsibility of the contractor to the extent required by its contract. TT's review shall not constitute approval of safety precautions or of construction means, methods, techniques, sequences, or procedures. TT's approval of a specific item shall not indicate approval of an assembly of which the item is a component. When professional certification of performance characteristics of materials, systems or equipment is required by the drawings, specifications and other documents applicable to the contractor's obligations, TT shall be entitled to rely upon such certification to establish that the materials, systems or equipment will meet the performance criteria required by the drawings, specifications and other documents prepared by TT.

- (7) Neither site visits for any purpose nor the observation by TT of any contractor's work are included in TT's Scope of Services unless specifically set forth in the Proposal. If TT is engaged to visit the site and conduct observations of a contractor's work, TT shall provide such services at the intervals agreed with Client in writing (including if agreed with Client in writing on a full-time basis) (or if no such interval is agreed upon in writing, then at such intervals as TT deems appropriate), subject to any limitations on the number of such visits set forth in Proposal. The purpose of such observations is to become generally familiar with the progress and quality of the construction work designed by TT or described in the drawings, specifications or other documents specifically identified in the Proposal and to determine, in general, if such construction work is proceeding in accordance with such drawings, specifications or other identified documents. TT shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of such construction work. On the basis of such on-site observations as an engineer, TT shall keep Client informed of the progress and quality of such construction work and shall endeavor to guard the Client against defects and deficiencies in such work of contractor. The furnishing of such observation services either periodically or on a full-time basis shall be subject to Paragraph 4 above and TT shall not be responsible for, the acts or omissions of the contractors, subcontractors, or any other persons performing any of the construction work or for the failure of the contractor, subcontractors or any other persons performing any work to carry out their work in accordance with their contractual obligation or other applicable documents. If TT's Scope of Services includes providing such observation services on a full-time basis, TT shall endeavor to provide further protection for the Client against defects and deficiencies in the observed work of such contractor, but the furnishing of such full-time services shall not modify the rights, responsibilities or obligations of TT as described elsewhere in this Agreement, including this paragraph.
- (8) The review and/or certification of the amounts due any contractor are not included in TT's Scope of Services unless specifically set forth in the Proposal. If such services are included in TT's Scope of Service, TT's review and/or certification and/or recommendation of any application for payment submitted by any contractor shall only constitute a representation to Client that, based on: (1) TT's observation of the construction work for which it prepared drawings and/or specifications or for which it has agreed in the TT's Scope of Services to review applications for payment by a contractor; (2) observations as set forth in Paragraph 7; and (3) the data comprising the contractor's request/application for payment, to the best of TT's knowledge, information and belief, such construction work has progressed to the point indicated in the application and that the quality of such construction work is in accordance with the applicable drawings, specifications or other documents. The foregoing representations are subject to: (i) an evaluation of such construction work for conformance with the applicable drawings, specifications and other documents upon substantial completion; (ii) results of subsequent tests and inspections; (iii) correction of minor deviations from the applicable drawings, specifications and other documents prior to completion; and (iv) specific qualifications expressed by TT. The issuance of any recommendation or certification for payment shall not be a representation that TT has: (A) made exhaustive or continuous on-site inspections to check the quality or quantity of such construction work; (B) reviewed construction means, methods, techniques, sequences or procedures; (C) reviewed copies of requisitions received from contractors or subcontractors and material suppliers and other data requested to substantiate the contractor's or subcontractor's right to payment; or (D) ascertained how or for what purpose the contractor or subcontractor has used money previously paid on account of the amounts due under any contract.
- (9) Payment to TT for Services rendered and reimbursable expenses incurred shall be due not more than thirty days after the date of the invoice submitted by TT, unless other terms are set forth in the Proposal. In the event that the Client disputes any items billed in an invoice, the Client shall notify TT within ten (10) days specifying the complaint and, in the meantime, all amounts to which there is not a reasonable and good faith dispute to payment shall be paid promptly. Any dispute not raised within such ten (10) day period is waived. The Client's failure to make timely payment due under this Agreement in accordance with the terms of this Agreement shall constitute a material breach of this Agreement and TT shall be entitled, upon seven (7) days written notice to client to terminate this Agreement or, at its option, suspend its performance until all sums then due under this Agreement have been paid. Furthermore, in the event that Client's obligation to make payment to TT is contingent on Client's receipt of payment from any individual or entity, TT shall, notwithstanding such non-payment, be entitled to suspend its performance if TT does not receive payment within thirty days of submission of its invoice to Client. Any past due payments shall accrue interest at the rate of one percent (1%) per month or part thereof, unless prohibited by law in which case interest at the maximum rate allowed by law (if any) shall accrue. TT shall be entitled to recover any and all costs incurred, including attorneys' fees, ("Collection Costs") in connection with its efforts to collect past due sums. The minimum amount of such Collection Costs is agreed to be the lesser of (1) ten percent (10%) of the past due amount or (2) the maximum amount allowed by law.
- (10) If TT is called upon by Client, or subpoenaed by any other person, to testify or produce records in an action at law, equity, arbitration, or in a pre-trial hearing or conference, as to any work performed by anyone in connection with the Project, TT shall be paid by the Client for all time spent while testifying and preparing therefor and producing such records in accordance with the rates set forth in the attached agreement.
- (11) If the project is suspended or abandoned in whole or in part for more than three months, TT shall, at its option, be permitted to terminate this Agreement upon seven (7) days written notice to Client. TT shall be compensated for all services performed and expenses incurred prior to receipt of written notice from Client of such suspension or abandonment in an amount as determined in accordance with the provisions set forth in this Agreement, together with all reasonable termination costs and expenses.

- (12) The parties agree that if Client makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, is adjudged a bankrupt or insolvent, files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, files any answer admitting or not contesting the material allegations of a petition filed against Client in any such proceeding, or seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, custodian or liquidator of Client or of all or any substantial part of the properties of Client, or if Client, its directors, partners, members, or shareholders, takes action to dissolve or liquidate Client, the Client shall be in default of this Agreement and TT may terminate for cause or, at TT's option, suspend performance of its obligations under this Agreement.
- (13) To the fullest extent permitted by law, the Client shall hold harmless, defend and indemnify TT and its consultants, and each of their owners, directors, officers and employees and any of their heirs, successors and assigns (collectively "TT Parties"), from and against any and all claims, suits, demands, damages, losses, judgments, payments, awards, costs and expenses (including attorneys' fees and other costs of investigation and defense) (collectively "Claims") arising, in whole or in part, out of: i) the negligence of Client or any of its partners or employees in connection with the Project; ii) any contractor(s)' negligence or breach of contract in connection with the Project or performing any work and/or supplying any materials; or iii) the negligence of any other party relative to the Project, except that, TT shall not be indemnified with respect to damages, losses, judgments and/or expenses to the extent they are caused solely by the negligence of, or breach of the Standard of Care by, TT or its consultants or any of their owners, directors, officers or employees. In addition, the Client shall hold harmless, defend and indemnify TT Parties, from and against any and all Claims arising, in whole or in part, out of: i) the use of the "fast-track" delivery method for the Project; and/or ii) the discovery, presence, handling, removal or disposal of, or exposure of persons to, any hazardous materials in any form at the Project site, including, but not limited to, asbestos, asbestos products, polychlorinated biphenyl (PCB), bacteria, mold, fungi, lead based paints or other similar materials or other toxic substances, infectious materials, or contaminants.
- (14) The Client shall cause any contractor responsible for the construction of work (or related activities) designed, specified or reviewed by TT or responsible for any other activities relating to TT's services, to hold harmless, indemnify and defend TT Parties, to the fullest extent permitted by law, from and against any and all damages, liabilities, claims, suits, costs and expenses (including reasonable attorney's fees and other costs of investigation and defense) arising in connection with the negligence, breach of contract or strict liability of any contractor or any of their subcontractors or any of their vendors. Client shall also name, and cause such contractor(s) to name, TT Parties as additional insureds on its and each such contractor's Commercial General Liability insurance policy and Umbrella/Excess liability insurance policy (with policy limits at the greater of the limits required for the project or Five Million Dollars per occurrence and in the per project aggregate) and to maintain such coverage until the completion of its contract and to provide TT with a Certificate of Insurance so naming TT as an additional insured on an annual basis for so long as Client and/or contractor maintains or is obligated to maintain such coverage.
- (15) Notwithstanding anything to the contrary provided for in this Agreement, to the extent permitted by law, it is specifically understood and agreed that there shall be no personal liability on the part of the owners, directors, officers, members, shareholders or employees of TT or any of its affiliates or its successors and assigns with respect to the Services or any of the terms, covenants, obligations and conditions of this Agreement.
- (16) Notwithstanding anything to the contrary contained in this Agreement or provided for under any applicable law, neither TT nor Client shall be liable to the other party, either in contract or in tort, for any consequential, incidental, indirect, special or punitive damages, including without limitation any delays damages, loss of future revenue, income or profits or any diminution of value, financing costs or costs of lost opportunities relating to this Agreement, the Services or the Project, whether or not the possibility of such damages has been disclosed to the other party in advance or could have been reasonably foreseen by such other party.
- (17) It is expressly understood and agreed that, to the fullest extent permitted by law and notwithstanding any other provision of this Agreement, the aggregate total of TT's liability (and the liability of its owners, directors, officers and employees, if any such liability otherwise exists) arising from any and all claims, suits, demands, damages, losses, judgments, payments, awards, and expenses relating to the Project, Services and/or this Agreement shall be limited to and in no event exceed three times the fee actually received by TT for Services rendered on the project.
- (18) The foregoing conditions are incorporated into any agreement under which services are to be performed by TT for the Client in connection with the Project. If any of the Standard Conditions or any portions thereof are adjudged null and void, it is agreed that the remaining Standard Conditions shall remain intact and be given full force and effect. These Standard Conditions shall not be construed to indemnify TT for its own negligence, if not permitted by law, or to provide for any indemnification which would, as a result thereof, make the provisions of these Standard Conditions void, or to eliminate or reduce any other indemnification or right which TT has by law.

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: May 9, 2022
FROM: Debi Stebbins, Executive Director
SUBJECT: Approval of Annual Audit Engagement Letter with JWT and Associates for FY 2021-2022

Recommendation:

Approve Annual Engagement Letter with JWT and Associates for FY 2021-2022 for a total fee of \$ 10,950 plus expenses not to exceed \$250.

Background: The proposed engagement letter is attached.

JWT & Associates, LLP

A Certified Public Accountancy Limited Liability Partnership

1111 E. Herndon Avenue, Suite 211
Fresno, California 93720
Voice: (559) 431-7708 Fax:(559) 431-7685

March 16, 2022

Deborah E. Stebbins, Executive Director
City of Alameda Health Care District
1402 Park Street, Suite A/B
Alameda, California 94501

We are pleased to confirm our understanding of the services we are to provide for the City of Alameda Health Care District (the “District”) for the year ended June 30, 2022. We will audit the financial statements of the District, which comprise the statement of net position as of June 30, 2022, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Discussion and Analysis

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the District’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District’s MD&A in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The MD&A is a RSI which is required by U. S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principlesⁱ and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our audit of the District's financial statements. Our reports will be addressed to the governing board of directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete any of the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit are properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from

your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

The auditors' procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid antifraud and abuse. It is the responsibility of management of the entity, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provision of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements. Therefore, management's responsibilities for compliance with laws and regulations applicable to its operations, include, but are not limited to, those related to Medicare and Medicaid antifraud and abuse statutes

Other Services

We will also assist in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles;

and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

If other supplementary information is presented, other than the MD&A, you are responsible for the preparation of this supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

HIPPA Business Associate Agreement

You agree that you are solely responsible for the accuracy, completeness, and reliability of all data and information you provide us for our engagement. You agree to provide any requested information on or before the date we commence performance of the services. To protect the privacy and provide for the security of any protected health information, as such is defined by the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, and the regulations and policy guidances thereunder (“HIPAA”), we shall enter into a HIPAA Business Associate Agreement with the District.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees assist in preparing all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of JWT & Associates, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to request by certain regulators or their designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of JWT & Associates, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to certain regulators or their designee. Certain regulator or their designee may intend or decide to distribute the copies or information contained therein to others, including other certain regulators.

We expect to begin our audit in either August or September, and to issue our reports shortly thereafter. Rick Jackson is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be \$10,950 for the year, plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) not to exceed \$250 for the year. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be

resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under Rules for Professional Accounting and Related Services Disputes before resorting to litigation. Costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules of Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees charged by the accountant, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

JW7 & Associates, LLP

APPROVED:

Name and Title