

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

MEETING AGENDA

Monday, June 6, 2016

OPEN SESSION: 5:30 P.M.

Location:

Alameda Hospital (Dal Cielo Conference Room)
2070 Clinton Avenue, Alameda, CA 94501

Office of the Clerk: (510) 814-4001

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 (5:30 p.m. – Alameda Hospital, Dal Cielo Conference Room) | Kathryn Sáenz Duke |
| II. Roll Call | |
| III. General Public Comments | |
| IV. Regular Agenda | |
| A. Alameda Health System and Alameda Hospital Updates | |
| ✓ 1) FY Q3 Financial AHS Reporting
(Jan-Feb-Mar & YTD) <ul style="list-style-type: none">• AHS Insurance Contracting Update ENCLOSURE (PAGES 4-5) | David Cox, CFO |
| ✓ 2) FY Q3 Quality AHS Reporting ENCLOSURE (PAGES
(Jan-Feb-Mar & YTD) ADDENDUM ENCLOSURE (PAGES 26-27) | Bonnie Panlasigui, CAO |
| 3) Alameda Hospital CAO Report | Bonnie Panlasigui, CAO |
| B. Community Health, Safety and Wellness Focus Presentation
INFORMATIONAL | TBD |
| C. District Updates & Operational Updates INFORMATIONAL | |
| 1) Executive Director Search Update | Kathryn Sáenz Duke
Michael Williams
Don Whiteside, HFS
Consultants |

CLICK ON THE **ENCLOSURE** LINK TO GO DIRECTLY TO THE AGENDA ITEM MATERIALS IN PDF OR ADDENDUM

D. District Liaison Reports **INFORMATIONAL**

- | | |
|---------------------------------------------------------------------|--------------------|
| ✓ 1) Alameda Health System Liaison Report ENCLOSURE (PAGE 6) | Tracy Jensen |
| 2) Community Health Liaison Report | Jim Meyers, DrPH |
| 3) Alameda Hospital Liaison Report | Robert Deutsch, MD |
| 4) President's Report | Kathryn Sáenz Duke |
| 5) Other District Outreach Reports and Member Updates | All |
| • ACHD Annual Meeting Recap | |

E. Consent Agenda

Action Items

- ✓ 1) Authorization to Transfer April 2016 Parcel Tax Installment to AHS **ENCLOSURE (PAGE 7)**
- ✓ 2) Acceptance of February 8, 2016 Minutes **ENCLOSURE (PAGES 8-12)**
- ✓ 3) Acceptance of April 11, 2016 Minutes **ADDENDUM ENCLOSURE (PAGES 28-32)**
- 4) Acceptance of March – April 2016 Financial Statements **TO BE DISTRIBUTED**

F. **Action Items**

- ✓ 1) Adoption of Resolution to Levy Parcel Tax **ENCLOSURE (PAGES 13-14)**
- ✓ 2) Approval of Alameda County Mutual Certification and Indemnification Agreement **ENCLOSURE (PAGES 15-16)**
- ✓ 3) Review and Approval of Fiscal Year 2016-2017 Operating Budget **ENCLOSURE (PAGES 17-19)**
- ✓ 4) Review and Approval of the FY 2016-2017 Parcel Tax Budget **ENCLOSURE (PAGE 20)**
- ✓ 5) Approval to Engage TCA Partners for FYE June 30, 2016 Annual Audit **ENCLOSURE (PAGES 21-24)**
- ✓ 6) Discussion and Decision on Lease at 888 Willow Street **ADDENDUM ENCLOSURE (PAGES 33-34)**
- ✓ 7) Adoption of Resolution for November 8, 2016 General Election **ADDENDUM ENCLOSURE (PAGES 35-43)**
- ✓ 8) Authorization to Bind District Insurance Policies FY 2016-2017 **ADDENDUM ENCLOSURE (PAGES 44-74)**

G. August 1, 2016 Agenda Preview

Kristen Thorson

INFORMATIONAL - SUBJECT TO CHANGE

- 1) FY Q4 (April-May-June) AHS Reporting
- 2) Alameda Hospital CAO Report
- 3) Acceptance of June 6, 2016 Minutes
- 4) FYE June 30, 2016 Parcel Tax Expenditure Report
- 5) Community Health, Safety and Wellness Focus Presentation

✓ Included in the PDF posted on May 27, 2016

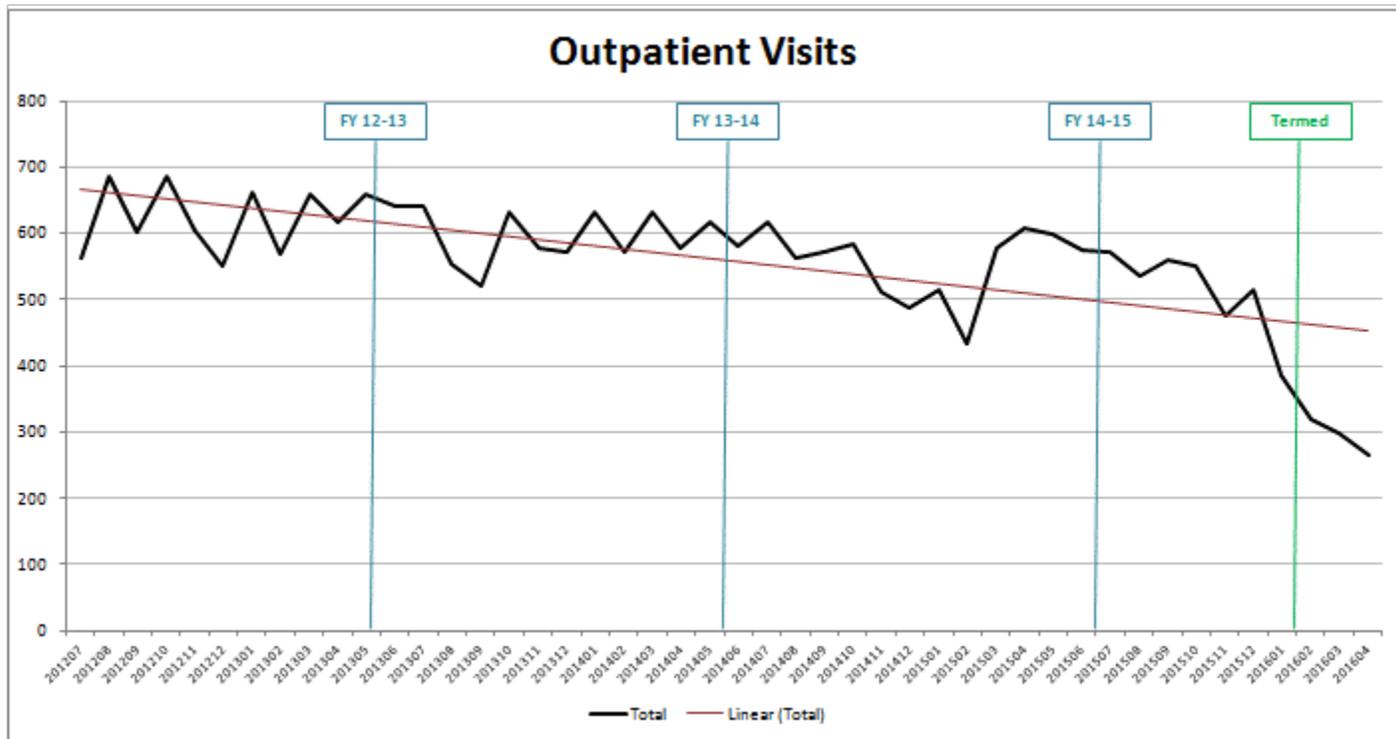
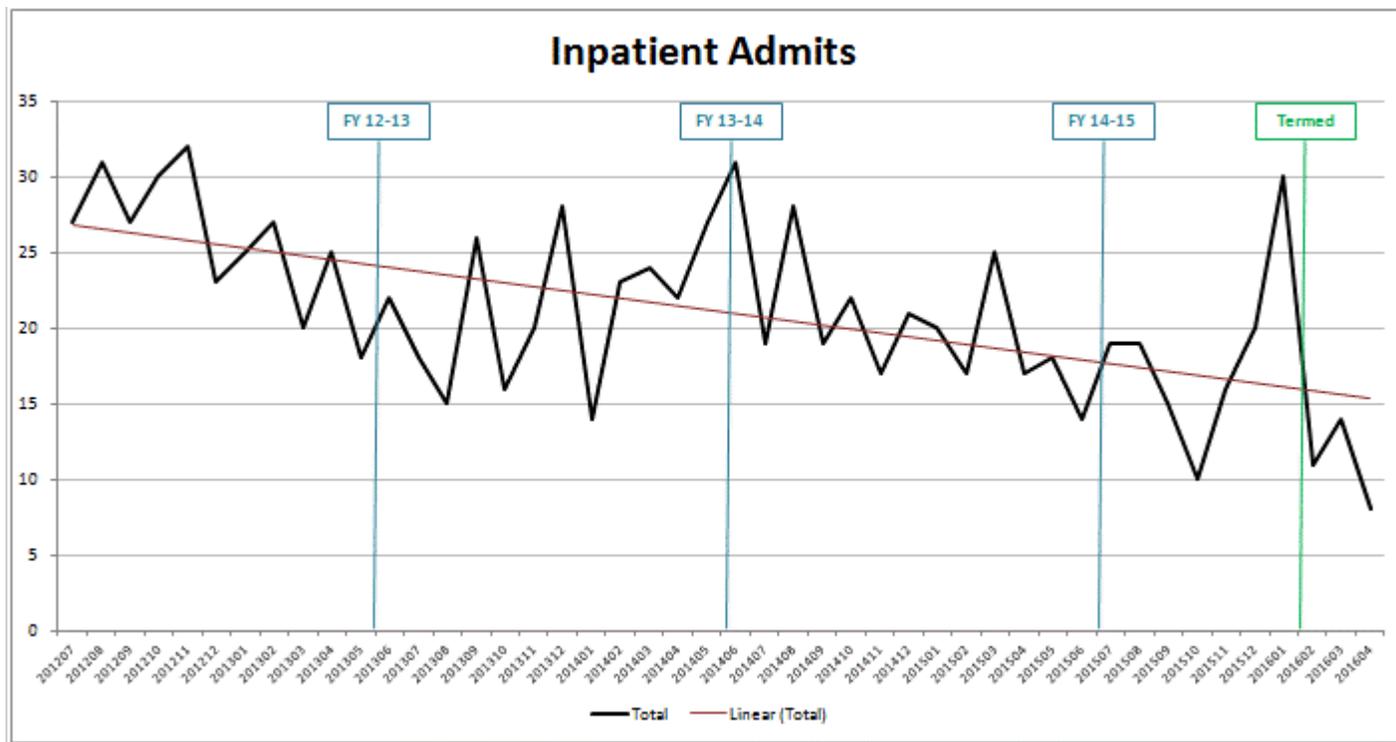
✓ Included in the Addendum PDF posted on June 3, 2016

CLICK ON THE **ENCLOSURE** LINK TO GO DIRECTLY TO THE AGENDA ITEM MATERIALS IN PDF OR ADDENDUM

- V. **General Public Comments**
- VI. **Board Comment**
- VII. **Adjournment**

Meeting Calendar 5:30 PM Open Session Dal Cielo Conference Room Alameda Hospital
August 1, 2016
October 3, 2016

Alameda Hospital Non-contracted Commercial Health Plan Utilization



- Alameda Hospital inpatient volume for select non-contracted health plans was at a decline even before the contracts were terminated.

Alameda Hospital Non-contracted Commercial Health Plan Utilization

- Terminations have impacted some volume but it is recognized that there are seasonal reductions that vary from year to year.
- The decline in the inpatient volume is observed across all health systems, this is partly due to the shift of care from inpatient to outpatient settings. Actuarial tables from health plans filed in California reflect this expected change in place of service.
- Stanford and Affinity partnership through University HealthCare Alliance comprise of Alliance Medical Group, Alameda Pediatric Associates, and Alameda Family Physicians means increased referrals for both inpatient and outpatient services to Sutter facilities, Stanford and Stanford affiliates and less volume for Alameda Hospital. It is very common for Accountable Care Organization (ACO) arrangements between medical groups like Affinity to include steering provisions to specific facilities for “gainsharing” purposes.
- The primary commercial inpatient and outpatient volume coming to Alameda Hospital is through the emergency department.
- Although we are in negotiations with all of the terminated plans (with the exception of Blue Shield), we are experiencing slow movement from these health plans.
- In the meantime, we are focused on the non-contracted health plan payments and aggressively working underpaid claims for all AHS facilities.
- We also have policies and procedures in place to help minimize the burden of being an out of network provider with these health plans on our patients.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: June 6, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Tracy Jensen
SUBJECT: Alameda Health System Liaison Report

Vacancies: The AHS board has solicited recommendations from the board of supervisors for candidates for two board vacancies.

Legislation: AHS board has sent letters to Assemblymembers Bonta and Quirk in support of two bills that would impact health care district boards. The Association of California Healthcare Districts opposes the measures. On May 12 Assemblymember Quirk told the Alameda County LAFCO that he wanted to get more information about the impact of his bill and possibly amend it to address concerns of LAFCO and ACHD. Quirk further stated that he would not bring the bill up for a vote until August.

New staff: Alameda Hospital new interim director of nursing Menbere (Fefe) Tequame.

Sheila Lyzwa as the new Vice President of Care Management, responsible for AHS Care Management and Social Work Departments.

Facilities: San Leandro Hospital is exceeding budget for the ED and census.

AHS is working with JGPH staff to address issues related to the continuing high census in the psychiatric emergency service.

Demolition of the *old* Highland acute care hospital/Bldg H will begin soon.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: June 1, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Recommendation for Parcel Tax Transfer to Alameda Health System

Action

Recommendation to transfer the entire April 2016 parcel tax installment of \$2,595,204.60 to Alameda Health System via wire transfer.

Background

The April 2016 remittance of the parcel tax was received on April 14, 2016. In consultation with the District's financial consultant and the the District's current financials, cash on hand and anticipated expenses through December, 2016 (next installment), I am recommending that the entire amount be transferred to Alameda Health System.

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, February 8, 2016 Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen Jim Meyers, DrPH	Kathryn Sáenz Duke Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:37 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. General Public Comments	No public comments.	
IV. Regular Agenda		
A. Alameda Health System and Alameda Hospital Updates		
	<p>1) AHS quarterly Reporting – Finance and Quality</p> <ul style="list-style-type: none"> December 2015 AHS Financials FY15-16 Parcel Tax Expenditures Update <p>David Cox, CFO for Alameda Health System, presented a financial update including an update on managed care contracting strategy and parcel tax expenditures as outlined in the PowerPoint presentation. Director Deutsch and Director Jensen expressed concern about the contracting strategy and the potential loss of volume due to the strategy. Pertaining to the AHS contracting strategy and contracting issues at Alameda Hospital and AHS, Director Jensen requested follow-up on the impact at the next meeting, including impact on surgeries, census and other utilization of hospital services by payor as well as looking at historical volumes. Ms. Panlasigui indicated that she would be able to provide some statistical information.</p> <p>Director Deutsch requested additional information on the parcel tax expenditures and specifically the allocation of funds for the District Clerk. He requested further follow-up from</p>	

Topic	Discussion	Action / Follow-Up
	<p>AHS at the next meeting.</p> <p>Director Meyers requested a copy of the AHS Charity Care Policy. Mr. Cox said that he would provide to the Board.</p> <p>Copies of the presentation will be available from the clerk and posted on the website.</p> <ul style="list-style-type: none"> • Quality Dashboard <p>Kern Bashaw, RN VP of Quality for Alameda Health System, reviewed the quality dashboard and noted that a Joint Commission mock survey was completed at Alameda Hospital in anticipation of the triennial survey.</p> <p>2) Status of Long Term Capital Fund</p> <p>Mr. Cox stated that they are looking at the mechanisms to meet the intent of the JPA and establishment of the long term capital fund.</p> <p>3) AHS Follow-up on Request for Additional Information on Support Services Allocation Methodology</p> <p>Mr. Cox addressed the support services methodology in his report.</p> <p>4) Alameda Hospital CAO Report</p> <p>Bonnie Panlasigui distributed and reviewed a memorandum recapping a year end reflection for 2015 highlighting accomplishments from Alameda Hospital and Alameda Health System.</p> <p>Director Jensen provided an Board of Trustee (BOT) update noting that the 2nd Wednesday of the month the AHS BOT will have education session and the 4th Thursday will be the regular business meeting of the BOT. She distributed organization charts for the System and Alameda Hospital as information. She also noted that the Highland new tower project is near completion and recently had a grand opening ceremony. She stated that this project is the largest public works project in Alameda County history.</p>	
<p>B. Consent Agenda</p>		
	<ul style="list-style-type: none"> 1) Acceptance of November 9, 2015 Minutes 2) Acceptance of January 18, 2016 Minutes <p>On the January 18, 2016 minutes, Director Sáenz Duke requested that additional information be added to Section III. General Public Comments, after the last sentence. “He briefly reviewed some of the many changes he has seen in Alameda Hospital during those years. He congratulated the Board for recognizing that the hospital could not continue independently and then taking on the significant step of affiliating with Alameda Health System.”</p>	<p>Director Jensen moved and Director Sáenz Duke seconded to accept the consent agenda with changes noted. The motion carried with one abstention (Meyers).</p>

Topic	Discussion	Action / Follow-Up
C. Action Items		
1) Acceptance of FYE June 30, 2015 Audit		Director Jensen moved and Director Williams seconded to accept the FYE June 30, 2015 Audit. The motion carried.
2) Election of Officers	<p>Director Meyers nominated Director Sáenz Duke to office of President, Director Jensen seconded, and nomination accepted by Director Sáenz Duke.</p> <p>Director Sáenz Duke nominated Director Deutsch to the office of 1st Vice President, to which the nomination was declined by Director Deutsch. Director Deutsch nominated Director Jensen to office of 1st Vice President, Director Sáenz Duke seconded, and nomination was accepted.</p> <p>Director Sáenz Duke nominated Director Meyers to the office of 2nd Vice President, Director Jensen seconded, and nomination accepted by Director Meyers.</p> <p>Director Jensen nominated Director Williams to office of Secretary, Director Sáenz Duke seconded, and the nomination was accepted by Director Meyers.</p> <p>Director Deutsch nominated himself to office of Treasurer, Director Jensen seconded.</p> <p>Director Jensen nominated herself to the office of Alameda Health System Liaison, Director Sáenz Duke seconded.</p> <p>Director Sáenz Duke nominated Director Meyers to the office Community Health Liaison, Director Williams seconded, and nomination was accepted by Director Meyers.</p> <p>Director Jensen nominated Director Deutsch to the office of Alameda Hospital Liaison, Director Sáenz Duke seconded and nomination was accepted by Director Deutsch.</p>	<p>Director Jensen moved and Director Williams seconded to elect the slate of officers as outlined below. The motion carried.</p> <p><u>Office</u></p> <p>President – Kathryn Sáenz Duke 1st Vice President – Tracy Jensen 2nd Vice President – Jim Meyers, DPh Secretary – Michael Williams Treasurer – Robert Deutsch, MD Alameda Health System Liaison – Tracy Jensen Community Health Liaison – Jim Meyers, DPh Alameda Hospital Liaison – Robert Deutsch, MD</p>
3) Review and Approval of Engagement Letter with CHW, LLP for Accounting and Business Services		Director Jensen moved and Director Sáenz Duke seconded to approve entering into a new engagement with CHW, LLP for accounting and business services. The motion carried.
4) Selection of Executive Director Search Committee and Review of Proposed Charter	There was discussion regarding the memo on selection of an ad hoc committee to begin the process of selecting an Executive Director. The Board agreed that the ad hoc committee	The Board agreed to appoint Director Sáenz Duke and Director Williams to the ad hoc committee for

Topic	Discussion	Action / Follow-Up
	come back to the April 11, 2016 Board meeting with proposals from 2-3 firms to help with the search for an Executive Director.	the Executive Director Search Committee.
	<p>5) Acceptance of December 2015 District Financials</p> <p>Due to the accidental non-inclusion of the financial statements in the packet addendum, the acceptance of the December Financials was deferred to the next meeting.</p>	No action taken
	6) Approval to Renew General and Excess Liability Insurance for Jaber Properties	Director Sáenz Duke made a motion to renew general and excess liability insurance policies for the Jaber properties at a cost not to exceed \$5,143 with the renewal year of March 2016 - March 2017 and Director Jensen seconded. The motion carried.
	7) ACSDA Annual Meeting Attendance and/or Sponsorship	The Board agreed to try and send one Director and the District Clerk to the annual meeting and dinner.
C.	District Updates & Operational Updates	
	<p>1) Final Approved Bylaws</p> <p>The approved bylaws were provided as reference.</p>	No action taken.
	<p>2) April 11, 2016 Board Agenda Preview</p> <ul style="list-style-type: none"> a) Brown Act Presentation b) Review and Approval of FY 2016-2017 District Budget c) Review and Approval of AHS FY 2016-2017 Parcel Tax Budget d) Acceptance of February 8, 2016 Minutes e) Alameda Hospital CAO Report <p>In addition, Alameda Health System and David Cox has committed to presenting updates to the Board regarding contracting and other system updates.</p>	No action taken.
	<p>3) Report on Alameda County Special District Association Meetings</p> <p>No verbal report provided.</p>	No action taken.

Topic	Discussion	Action / Follow-Up
V. General Public Comments None		No action taken.
VI. Board Comments None		No action taken.
VII. Adjournment	Being no further business the meeting was adjourned at 7:41 p.m.	

Attest:

Kathryn Sáenz Duke
President

Michael Williams
Secretary

DRAFT

CITY OF ALAMEDA HEALTH CARE DISTRICT

RESOLUTION NO. 2016-1

BOARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

* * *

LEVYING THE CITY OF ALAMEDA HEALTH CARE DISTRICT

PARCEL TAX FOR THE FISCAL YEAR 2016-2017

WHEREAS, the Alameda County Local Agency Formation Commission (“LAFCo”) resolved on January 10, 2002 to present a ballot measure to the registered voters of the City of Alameda which, if approved, would authorize the formation of the new health care district within the boundaries of the City of Alameda and authorize the District to levy a parcel tax of up to \$298.00 on each parcel and possessory interest within the proposed district; and

WHEREAS, on April 9, 2002, over two-thirds of the registered voters of the City of Alameda, who voted that day, voted in favor of creating a health care district authorized to tax each parcel and possessory interest within the district’s boundaries in an amount up to \$298.00 per year in order to defray ongoing hospital general operating expenses and capital improvement expenses; and

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

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

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

WHEREAS, pursuant to the Agreement the District agreed to fulfill its mission to serve the health needs of the Alameda City Community by using the parcel tax proceeds to finance the capital needs of Alameda Hospital and the continued operation of its hospital and other health related services; and

WHEREAS, without the levy of a parcel and possessory interest tax in the amount of \$298.00, the District’s revenue will be insufficient to allow the provision of continued local access to emergency room care, acute hospital care and other important services to protect and promote safety and health of District residents; and

WHEREAS, the District is authorized under Section 53730.01 of the California Government Code to impose special taxes on all real property within its boundaries.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the District hereby levies an annual tax on every parcel and possessory interest within the District's boundaries in the amount of Two Hundred Ninety-Eight Dollars (\$298.00) per year (the "Parcel Tax") in order to defray ongoing hospital general operating expenses and capital improvement expenses; provided, however, that parcels or possessory interests that have an assessed value (real property and improvements combined) of less than \$30,000 shall be automatically exempt from the Parcel Tax.

PASSED AND ADOPTED on June 6, 2016 by the following vote:

AYES: _____

NOES: _____

ABSTENTION: _____

ABSENT: _____

Kathryn Sáenz Duke
President

ATTEST:

Michael Williams
Secretary

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: June 6, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Approval of Certification and Mutual Indemnification Agreement

RECOMMENDATION:

It is recommended that the District Board approve the annual Certification and Mutual Indemnification Agreement and authorize District Legal Counsel to sign the documents.

At the time of publication and posting of the open session packet, the agreement had not yet been received. Upon receipt of the documents, legal counsel will sign on behalf of the District. If it is determined by legal counsel that there are significant changes to the Agreement, the agreement will come back to the Board for approval at the August 1, 2016 meeting.

BACKGROUND:

Each year the District Board approves and authorizes the District's Legal Counsel to execute the Certification and Mutual Indemnification Agreement from Alameda County Auditor-Controller Agency (attached). This agreement needs to be executed and returned to the Office of Auditor-Controller by the second week of August, 2016. The language is standard and has not significantly changed since 2002.

In 2002, both hospital counsel at the time of the Asset Transfer (Hansen Bridgett) and County Counsel confirmed that the District's Special Assessment does meet the requirements of Proposition 218, which is an updated version of Proposition 13, and that this matter had been thoroughly researched during the due diligence process before Measure A was placed on the April 2002 ballot.

Certification and Mutual Indemnification Agreement

The CITY OF ALAMEDA HEALTH CARE DISTRICT (hereafter referred to as public agency), by and through its Attorney, hereby certifies that to its best current understanding of the law, the taxes, assessments and fees placed on the 2015/16 Secured Property Tax bill by the public agency met the requirements of Proposition 218 that added Articles XIII C and XIII D to the State Constitution.

Therefore, for those taxes, assessments and fees which are subject to Proposition 218 and which are challenged in any legal proceeding on the basis that the public agency has failed to comply with the requirements of Proposition 218; the public agency agrees to defend, indemnify and hold harmless the County of Alameda, its Board of Supervisors, its Auditor-Controller/Clerk-Recorder, its officers and employees.

The public agency will pay any final judgment imposed upon the County of Alameda as a result of any act or omission on the part of the public agency in failing to comply with the requirements of Proposition 218.

The County of Alameda, by and through its duly authorized agent, hereby agrees to defend, indemnify and hold harmless the public agency, its employees, agents and elected officials from any and all actions, causes of actions, losses, liens, damages, costs and expenses resulting from the sole negligence of the County of Alameda in assessing, distributing or collecting taxes, assessments and fees on behalf of the public agency.

If a tax, assessment or fee is challenged under Proposition 218 and the proceeds are shared by both the public agency and the County of Alameda; then the parties hereby agree that their proportional share of any liability or judgment shall be equal to their proportional share of the proceeds from the tax, assessment or fee.

The above terms are accepted by the public agency and I further certify that I am authorized to sign this agreement and bind the public agency to its terms.

CITY OF ALAMEDA HEALTH CARE DISTRICT

COUNTY OF ALAMEDA

Dated: _____

Dated: _____

By: _____
(Signature)

By: _____
(Signature)

(Print Name)

(Print Name)

(Print Title)

President of the Board of Supervisors of
of Alameda County, California
(Print Title)

Approved as to form:

Farand C. Kan,
Deputy County Counsel

Example from 2015

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: June 6, 2016

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

From: Robert Deutsch, MD, Treasurer
Kristen Thorson, District Clerk

Subject: Review and Approval of Fiscal Year 2016-2017 Operating Budget

Attached is the proposed Fiscal Year 2016-2017 operating budget for the City of Alameda Health Care District for review by the Board of Directors.

The budget has been prepared to correspond with how the monthly financial statements are reported. The budget has been reviewed the District's accounting / financial consultant.

Some expenses were reclassified into different line item categories. For example in FY 2015-16, all expenses for the Jaber property (management fees and Repairs and Maintenance) were included under one line item. In FY 2016-2017, we split the expense in order to more accurately reflect the expense and to tie to the financial statements.

There is an increase from prior fiscal year in the total operating expenses primarily due to the following four (4) reasons.

1. \$110,000 has been budgeted for the general election in November 2016. In prior election cycles the fees are based on the number of registered in the City of Alameda voters multiplied by a flat rate. In 2012 the rate was \$1.05 per voter and in 2014 the rate was \$1.65 per voter. I have factored an increase of 53% from 2014 rates to \$2.46 per voter with approximately 44,500 registered voters in Alameda. There may also be printing fees for candidate's statements depending on whether candidates choose to submit a statement.
2. \$9,000 has been budgeted for utilities for the Jaber Properties which was not budgeted for in FY 2015-2016.
3. The commission that the County of Alameda charges for collection of the parcel tax was not include in the prior year budget. This cost is 1.7% of the revenue collected. The amount is budgeted at approximately \$100,000.
4. Per the request of the Board at the April 11, 2016, the addition of \$75,000 has been added to Salaries, Wages and Benefits for a 1.0 FTE Clerk. This amount was calculated at base hourly rate between \$25-\$30 plus agency fees through a company like Robert Half.

City of Alameda health Care District
Proposed FY 2016-2017 Operating Budget

	Budget FYE 6/30/2016	Budget FYE 6/30/2017	Variance from 6/30/2016
Revenue			
District Tax Revenues	5,830,966	5,876,262	45,296
County Commission (1.7%)	-	(99,896)	(99,896)
Rents (Jaber Properties)	172,112	181,452	9,340
Other revenues			
Total Revenues	6,003,078	5,957,818	(45,260)
Expense			
Salaries, wage and benefits	95,000	170,000	(75,000)
Professional fees	80,900	102,900	22,000
Accounting	9,000	12,000	
Consultant Fees	25,400	25,400	
Legal Fees	36,000	45,000	
Annual Independent audit	10,500	10,500	
Mngt fees Jaber	-	10,000	
Supplies	4,150	6,200	2,050
Office Expenses	2,500	4,000	
Food/Meals	1,650	2,200	
Purchased services	-	3,600	3,600
Repairs and maintenance	30,000	21,000	(9,000)
Maintenance (District)	-	1,000	
Repairs & Mntc- Jaber	30,000	20,000	
Rents	24,600	25,308	708
Lease Expense Building	24,600	25,308	
Lease Expense Equipment	-	-	
Utilities	2,500	10,440	7,940
Utilities, Phones, Maintenance	2,500	600	
Phones	-	840	
Utilities (Jaber)	-	9,000	
Insurance	60,000	60,570	570
D&O	-	23,000	
General/Excess	-	11,570	
Property	-	26,000	
Depreciation and amortization	-	453,300	453,300
Building			
Equipment	-	-	
Interest	49,075	49,075	0
Interest Expense	49,075	49,075	
Travel, meeting and conferences	10,000	11,000	1,000
Travel		1,000	
Education & Conferences	10,000	10,000	-
Other Expenses	13,000	123,500	110,500
Election Year Expenses	-	110,000	
Dues & Subscriptions	5,000	5,000	
Other Misc Operating Expense	2,500	2,000	
Board Stipend	3,000	4,000	
District Marketing, Promotions	2,500	2,500	
Licenses and Taxes	-	-	
Toal Expenses	369,225	1,036,893	517,668
Investing & Financing Activities			
Depreciation	-	(453,300)	(453,300)
Principal on Note	28,405	28,405	0
Total Revenue Sources	6,003,078	5,957,818	(45,260)
Minus Total District Uses	397,630	611,998	214,368
Balance to Transfer to Alameda Health System	5,605,448	5,345,819	(259,629)

City of Alameda health Care District
Proposed FY 2016-2017 Operating Budget

	Budget FYE 6/30/2017	Notes
Revenue		
District Tax Revenues	5,876,262	Total dollar submitted for collection in FY15-16
County Commission (1.7%)	(99,896)	Did not calculate commission in FY15-16
Rents (Jaber Properties)	181,452	
Other revenues		
Total Revenues	5,957,818	
Expense		
Salaries, wage and benefits	170,000	0.5 FTE Exec. Director (95K), 1.0 FTE Clerk (75K/base hourly rate \$25-\$30 + agency fees, i.e. Robert Half)
Professional fees	102,900	
Accounting	12,000	Increase from \$750/month to \$1000/month
Consultant Fees	25,400	
Legal Fees	45,000	
Annual Independent audit	10,500	
Mngt fees Jaber	10,000	Split Mgmt Fees and Repairs & Mntc for FY17 (10k/20k)
Supplies	6,200	
Office Expenses	4,000	Includes minor office equipment, improvements, office supplies (non capital).
Food/Meals	2,200	Increased # of meetings for FY16-17
Purchased services	3,600	Videography Service, amount included in Consulting fees in prior year
Repairs and maintenance	21,000	
Maintenance (District)	1,000	
Repairs & Mntc- Jaber	20,000	Split Mgmt Fees and Repairs & Mntc for FY17 (10k/20k)
Rents	25,308	
Lease Expense Building	25,308	Factors annual CPI Increase for lease at 888 Willow
Lease Expense Equipment	-	
Utilities	10,440	
Utilities, Phones, Maintenance	600	Electricity at 888 Willow (\$50/month)
Phones	840	Internet service with phone service (\$70/month)
Utilities (Jaber)	9,000	Prior yr, did not budget for utilities (gas & electric) at Jaber Apt. building (8 units)
Insurance	60,570	
D&O	23,000	Prior Yr ~21K, D&O, Crime/Fiduciary
General/Excess	11,570	GL/EX Hospital and Jaber Properties
Property	26,000	Prior Yr ~24K, All properties
Depreciation and amortization	453,300	
Building		Depreciation was not budgeted for in prior FY
Equipment		
Interest	49,075	
Interest Expense	49,075	Bank of Marin Loan
Travel, meeting and conferences	11,000	
Travel	1,000	Mileage for travel to educational conferences
Education & Conferences	10,000	
Other Expenses	123,500	
Election Year Expenses	110,000	
Dues & Subscriptions	5,000	
Other Misc Operating Expense	2,000	
Board Stipend	4,000	6 Regular meetings, 2 special meetings, \$100/meeting/Board member
District Marketing, Promotions	2,500	
Licenses and Taxes	-	
Toal Expenses	1,036,893	
Investing and Financing Activities		
Depreciation	(453,300)	District will not fund acutal depreciation.
Principal on Note	28,405	
Total	611,998	

Alameda Health District - Fiscal 2016 Budget Recommendation		Fiscal 2015 Budget	Fiscal 2016 Budget	Fiscal 2017 Proposed
1	Estimated parcel tax receipts	\$ 5,784,199	\$ 6,003,078	\$ 5,957,818
3	District budget allocation	613,527	397,630	611,998
	Allocation to Alameda Health System	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820
AHS Anticipated Uses of Funds				
4	Repayment of loan plus accrued interest	1,598,438	-	-
5	Repayment of AH Foundation Loan	405,000	-	-
6	Facilities Projects	231,038	2,870,000	1,000,000
7	Capital Equipment	1,000,000	2,000,000	1,000,000
8	Accounts Payable Reduction	1,936,196	-	-
9	Seismic Retrofit	-	-	2,345,820
10	Long Term Capital Reserve	-	735,448	1,000,000
11	Operating Support	-	-	-
12	Total Anticipated Uses	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820
		\$ -	\$ -	\$ -

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

May 4, 2016

Board of Directors
City of Alameda Health Care District
2070 Clinton Avenue
Alameda, California 94501

We are pleased to confirm our understanding of the services we are providing for the City of Alameda Health Care District (the "District") for the year ended June 30, 2016.

We will audit the statement of balance sheet of the District as of June 30, 2016, and the related statements of revenues, expenses and changes in net assets, and cash flows for the year then ended.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole.

We will conduct our audit in accordance with U.S. generally accepted auditing standards and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express an opinion that the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. If our opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit engagement, we will not issue a report as a result of this engagement.

As part of our audit, we will obtain an understanding of the District's internal control to plan the audit and to determine the nature, timing, and extent of auditing procedures necessary for the expressing of our opinion concerning the financial statements. Our audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the Board of Directors of any matters involving internal control and its operation that we consider reportable conditions under standards established by the American Institute of Certified Public Accountants. The management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In fulfilling this responsibility, estimates and judgments by the management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurances that assets are safeguarded against loss from unauthorized use or

disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles.

Management's responsibility includes the establishment and maintenance of adequate records and effective internal controls over financial reporting and compliance, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for 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.

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements and tax returns, but the responsibility for them remains with you. This responsibility includes maintaining adequate records and related internal control policies and procedures, selecting and applying accounting principles, accepting actuarial methods and assumptions used by the actuary, and safeguarding assets. Management is also responsible for identifying and ensuring the organization complies with applicable laws and regulations.

As part of our engagement, we may also propose standard, adjusting, or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. It is our understanding that management has designated qualified individuals with the necessary expertise to be responsible and accountable for overseeing the services performed as part of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, may include tests of the physical existence of assets, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected funding sources, creditors, and financial institutions. We will request written representations from your attorneys (if applicable) as part of the engagement, and they may bill you for responding to the inquiry. At the conclusion of our audit, we will also request certain written representation from you about the financial statements and related matters.

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. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected

by us. 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. We will inform you, however, of any matters of that nature of which we become aware during our engagement.

Our responsibility as auditors' is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

We expect to begin our audit in late summer/early fall 2016 and to issue our report in September or October, 2016.

Our fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, copies, or telephone calls), except that we agree that our gross professional fee will not exceed \$9,500. All travel and out-of-pocket expenses, not to exceed an estimated \$1,500, will be billed separately. 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 periodically as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. 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.

Sincerely,

JW7 & Associates, LLP

APPROVED:

Name and Title

Date

June 6, 2016

District Board Meeting

Packet Addendum

Posted 06-03-16

Alameda Hospital Balanced Score Card (FY 2015)

QUALITY INDICATORS	AH BASELINE FY14	YTD FY15	AH CURRENT PERFORMANCE			BENCHMARK/ GOAL	COMPARISON ORGANIZATION
			Jan-15	Feb-15	Mar-15		
I. 30-Day Readmissions (all diagnoses):							
30-Day Readmissions (# of readmits / # of total admissions)	n/a	4.43%	5.40%	4.17%	2.78%	15.80%	HSAG/CMS(CA)
II. Medication Errors:							
Acute (# errors / doses dispensed)	0.07%	0.06%	0.05%	0.04%	0.05%	0.10%	AH
Acute (# errors / 100 patient days)	1.75**	1.48	1.25	0.81	1.33	TBD	TBD
LTC (# errors / 100 patient days)	0.155**	0.055	0.000	0.191	0.289	TBD	TBD
III. HAPU (per 1000 patient days):							
Acute	0.29	0.48	1.67	0	0	1.27	CALNOC
Long-Term Care (Sub-Acute; SSC; WE)	n/a	0.30	0.76	0.21	0.19	2.54	NE
IV. Falls (per 1000 patient days):							
Acute (CCU/TELE/3W/ED)	1.16	1.06	1.36	0.78	1.54	2.89	CALNOC
Long-Term Care (Sub-Acute; SSC; WE)	n/a	1.79	2.29	2.27	0.96	5.78	MQI
V. Infection Prevention:							
Catheter Associated Urinary Tract Infections (per catheter days)	0%**	0%	0%	0%	DP	0.56%	NHSN
Hand Hygiene (percent compliance)	87%**	91%	90%	97%	91%	90%	TJC
Surgical Site Infections (per inpatient elective orthopedic procedures)	0%	0%	0%	0%	DP	0.00%	NHSN
VI. Core Measures (percent compliance):							
Inpatient Perfect Care (All or None)	90.27%	93.75%	94.59%	91.36%	DP	90%	AHS True North
Acute Myocardial Infarction Measure Set Perfect Care	96.88%	100%	100%	100%	DP	90%	AHS True North
Heart Failure Measure Set Perfect Care	96.59%	98.33%	100%	100%	DP	90%	AHS True North
Pneumonia Measure Set Perfect Care	92.23%	91.30%	66.67%	80.00%	DP	90%	AHS True North
Immunizations Measure Set Perfect Care	94.76%	93.10%	100%	93.75%	DP	90%	AHS True North
Surgical Care Improve Project Measure Set Perfect Care	94.19%	93.51%	83.33%	100%	DP	90%	AHS True North
Stroke Measure Set Perfect Care	81.43%	95.56%	100%	88.89%	DP	90%	AHS True North
Tobacco Cessation Measure Set Perfect Care*	n/a	n/a	n/a	n/a	DP	90%	TBD
Venous Thromboembolism Measure Set Perfect Care	87.32%	98.02%	97.22%	97.22%	DP	90%	AHS True North
OP-5 Median Time from ED Arrival to ECG (min)	27	24	11	N/A	DP	10	CMS / TJC
VII. HCAHPS (Top Box Percent):							
Communication with Nurses	69.0	69.2	67.8	82.6	DP	82.1	Press Ganey
Communication with Doctors	75.4	76.4	79.3	81.9	DP	84.1	Press Ganey
Staff Responsiveness	53.9	54.4	51.8	54.8	DP	70.3	Press Ganey
Hospital Environment	49.6	50.0	46.7	56.3	DP	70.8	Press Ganey
Pain Management	64.4	60.1	46.2	71.4	DP	75.0	Press Ganey
Communication about Medications	50.4	48.4	57.1	55.0	DP	67.0	Press Ganey
Discharge Information	79.4	77.7	91.7	71.1	DP	88.7	Press Ganey
Care Transitions	42.0	44.4	46.4	57.6	DP	56.7	Press Ganey
Rate the Hospital 9 or 10	59.9	55.7	46.7	65.2	DP	76.0	Press Ganey
Recommend Hospital	63.1	60.4	63.3	66.7	DP	78.6	Press Ganey
VIII. ED Turn-Around-Times (TAT):							
Door ➔ Doctor Time (min)	28	34	44	37	36	31	AHS True North
Door ➔ Admit (hrs)	4.1	4.5	4.7	4.7	4.4	2.8	AHS True North
IX. Stroke (Mean Times):							
Door ➔ CT for Code Stroke	21	21	21	21	19	25	Am St Assoc
Door ➔ Alteplase	51	57	69	60	79	60	Am St Assoc

COMMENTS: Some metrics take up to 90 days to be compiled

* Tobacco Core Measures data collection did not start until January 2015

** Data only available from 1/1/2014

DP=Data pending/ NA = Not Available / NC = No Cases / NE = Not Established
Green = Meets or exceeds goal; Yellow = Just below goal; Red = Significantly below goal

Alameda Hospital Balanced Score Card (FY 2015)

I. 30-Day Readmissions: (all diagnoses):

- Both readmissions and admission are down. Hospitalists have a daily discussion about patient's medical condition and treatment making sure they are stable prior to discharge.

II. Medication Errors:

- **Successes:** Medication Error rates meet and exceed goals.

III. HAPU:

- **Successes:** There have been no HAPUs for acute patients for the past two months.

IV. FALLS:

- All four Acute Patient Falls for March were in the Telemetry Unit. 3 of the 4 were during the night shift. Patients are regularly assessed for Falls Risk.
- LTC patient falls have declined in the last two months.

V. Infection Prevention:

- CAUTI remains at zero. Staff works diligently to avoid use of Foley Catheters.
- We need to stress use of proper Hand Hygiene and PPE to physicians.

VI. Core Measures:

- **Successes:** The overall Perfect Care compliance rate for February is 91.36%, with six measure sets out of eight achieving compliance above the 90% target.
- **Continuing Opportunities for Improvement:** There were 7 Fall-outs. The Stroke measure set is the only underperformer among the sets CMS and TJC are not retiring, so stroke VTE Prophylaxis compliance is a clear opportunity.

VII. HCAHPS:

- **Successes:** The "Rate the Hospital" True North Metric has spiked in February due to a stellar performance in the Communication with Nurses domain, which scored above the goal in February. Overall patient experience is increasing across multiple measures.
- **Continuing Opportunities for Improvements:** The Discharge domain had a significant dip that should be monitored for improvement. Pain Management and Communication About Meds domains are both high drivers for improvement that could benefit from some efforts to reduce variation in scores.

VIII. ECC Turn-Around-Times

- **Continuing Opportunities for Improvement:** Door to doctor times have declined the past two months but still do not meet goals.
- **Continuing Opportunities for Improvement:** Door to Admit times continue to be high and are not meeting goals. Inpatient nursing staffing issues in the inpatient units are causing patients to be boarded in the ED.

IX. Stroke Mean Times:

- The fastest time was 10 min and the longest time was 30 min. The patient with a Door to CT time of 30 minutes arrived by private auto.
- A patient received Alteplase 90 minutes after rapid response was called. This was on a Saturday; Meditech was down. RNs got 50mg Alteplase on pyxis override and another 50 mg from pharmacy.

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, April 11, 2016 Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen Jim Meyers, DrPH	Kathryn Sáenz Duke Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:35 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. General Public Comments	<p>There were three (3) public comments from:</p> <ul style="list-style-type: none"> • Carmen Amos, RN • Karen Rothblatt, RN • Rose Klein, RN <p>Comments were in regards to working as a nurse at Alameda Hospital including concerns about recruitment and retention.</p>	
IV. Regular Agenda		
A. Alameda Health System and Alameda Hospital dates		
	<p>1) Alameda Hospital CAO Report</p> <p>Bonnie Panlasigui distributed and reviewed a written update regarding Alameda Hospital. Copies are available from the District Clerk and will be posted on the website.</p> <p>Mr. Cox reviewed a PowerPoint presentation that included updates on financial performance, the AHS insurance contracting strategy and impact on Hospital utilization due to the contracting issue. He noted that AHS is in active negotiations with now three of the plans. The rates that are being requested are eat market and well below other rates in the market.</p> <p>Director Meyers inquired about additional details relating to the charity care policy and</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	<p>prompt pay policy that was included in the addendum packet including requirements of the Affordable Care Act to charge no more than the amount generally billed to insured patients. Mr. Cox stated that the policy addresses the requirement. Mr. Cox reference a self-pay policy that was not included in the packet addendum that all work together. The policy will be distributed to the Board for reference.</p> <p>Director Meyers inquired about the funding of the District Clerk position as noted on the agenda. Mr. Cox responded that he thought there was an agreement to fund that position out of the Alameda Hospital budget and system's budget. He stated that he had no concerns over this funding. Director Meyers requested that funding be allocated in the District's annual operating budget for a 1.0 FTE Clerk under Salaries, Wages and Benefits to void any conflict of interest with priorities and potential violations in labor law. The position would be under the sole supervision of the District. Director Williams was in favor of investigating further but did not want to take action at this time.</p> <p>Copies of the presentation are available from the District Clerk and will be posted on the website.</p> <p>2) Alameda Health System Board of Trustee Report</p> <p>Director Jensen stated that she appreciated the comments from the nurses during public comment and that it was a known fact that wages for nurses at Alameda Hospital were below other facilities in the system and in the market. She referenced that this discussion was one of the reasons for the affiliation to have the ability to increase wages. The District Board has been aware of the wage issue as well as the AHS Board of Trustees.</p> <p>She also noted 3 vacancies on the AHS Board of Trustees and are working to fill those positions.</p>	
B.	Consent Agenda	
	1) Acceptance of February 8, 2016 Minutes	Acceptance of the minutes was deferred to the June 6, 2016 meeting.
C.	Action Items	
	<p>1) Appointment to City of Alameda and City of Alameda Health Care District Liaison Committee</p> <p>Director Sáenz Duke asked for nominations or interest from the Board. Director Meyers suggested that the Community Health Liaison be the designated representative and he would accept the nomination if presented.</p>	Director Jensen nominated Director Meyers to the Committee and Director Williams seconded. The motion carried.

Topic	Discussion	Action / Follow-Up
	<p>2) Recommendation to send Representative to ACHD Annual Meeting, May 4-5, 2016</p> <p>After discussion regarding the logistics and schedules of interested Board members, the recommendation was to register one Board member and Director Meyers and Director Williams would split the conference attendance due to their schedules.</p>	<p>A motion was made to register one member for the annual meeting and Director Meyers and Director Williams would split the conference attendance and Director Deutsch seconded. The motion carried.</p>
	<p>3) Attendance at Alameda Chamber of Commerce – City Manager’s Annual Report and Luncheon</p>	<p>Director Jensen made a motion to send interested Directors Meyers, Jensen and Williams to the Chamber of Commerce event and Director Deutsch seconded. The motion carried.</p>
	<p>4) Acceptance of Financial Statements</p> <p>a) December 2015</p> <p>Correction: Current Liabilities as of 6/30/15 should be 32,593 (off by \$1). Total Net Position as of 12/31/15 should be 6,254,134 (off by \$1)</p> <p>b) January – February 2016</p> <p>Correction: Current Liabilities as of 6/30/15 should be 32,593 (off by \$1). Total Net Position as of 2/19/16 should be 4,319,718 (off by \$1)</p>	<p>Director Williams made a motion to accept the financial statements with corrections and Director Jensen seconded. The motion carried.</p>
	<p>5) Review and Approval of Fiscal Year 2016-2017 Operating Budget</p> <p>As referenced Director Meyers requested that funding be allocated in the operating budget for a 1.0 FTE Clerk under Salaries, Wages and Benefits. Revisions will be made and the operating budget to reflect the 1.0 FTE clerk position and the budget will be reviewed at the June 6, 2016 meeting.</p>	<p>No action was taken. Review and approval was deferred to June 6, 2016 meeting.</p>
	<p>6) Executive Director Search Update and Consulting Recommendation</p>	<p>Director Jensen made a motion to enter into a consulting agreement with HFS for a limited scope as outlined in the proposal as a cost of not to exceed \$5,200 and Director Meyers seconded. The motion carried.</p>
	<p>7) Review and Approval of the FY 2016-2017 Parcel Tax Budget</p> <p>While the action item was agendaized for approval and posted within the 72 hour notice</p>	<p>Action was deferred to the June 6, 2016 meeting.</p>

Topic	Discussion	Action / Follow-Up
	<p>period, the attachment of the parcel tax budget was not included and thus action could not take place.</p> <p>The Board requested additional funds be allocated to the long Term Capital Reserve Fund. Ms. Panlasigui suggested \$1M.</p>	
	<p>D. District Updates & Operational Updates</p>	
	<p>1) Brown Act Education and Presentation</p> <p>Copies of the presentation are available from the District Clerk and will be posted on the website.</p>	No action taken.
	<p>2) President's Report</p> <p>President Saenz Duke presented her written report as included in the packet.</p>	No action taken.
	<p>3) June 6, 2016 Board Agenda Preview</p> <ul style="list-style-type: none"> a) FY Q3 (Jan-Feb-Mar) AHS Reporting b) Alameda Hospital CAO Report c) Acceptance of April 11, 2016 Minutes d) FY 16-17 Insurance Renewals e) Adoption of Resolution to Levy Parcel Tax f) Approval of Alameda County Mutual Certification and Indemnification Agreement g) Adoption of Resolution for November 8, 2016 General Election <p>Items deferred from April 11, 2016 meeting to June 6, 2016 meeting</p> <ul style="list-style-type: none"> a) Acceptance of February 8, 2016 Minutes b) Review and Approval of the FY 2016-2017 Parcel Tax Budget c) Review and Approval of Fiscal Year 2016-2017 Operating Budget 	No action taken.
	<p>V. General Public Comments</p> <p>None</p>	No action taken.
	<p>VI. Board Comments</p> <p>None</p>	No action taken.
	<p>VII. Adjournment</p> <p>Being no further business the meeting was adjourned at 8:21 p.m.</p>	

Attest:

Kathryn Sáenz Duke
President

Michael Williams
Secretary

DRAFT

DATE: June 6, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
Kathryn Sáenz Duke, Board President
SUBJECT: Discussion and Decision on Lease at 888 Willow

Current Situation

The District has been leasing the lower unit of 888 Willow at approximately 1,000 sq. ft. of office space. Current monthly rent is \$2,111.50 and \$25,338 per year. Rent terms are below and include an annual cost of living increase. Additional cost associated with office space include sonic.net monthly fee for phone and internet of approximately \$900/year and cost of electricity of approximately \$360/year at current usage levels. Increased usage of the space will increase the cost per month.

Some relevant provisions of the lease

Lessee agrees to pay to lessor as rent for the use and occupancy of said premises the sum of \$2,000.00 per month payable on the first day of each month commencing April 1, 2014 (the "Base Rent"). The lessee shall have the first right of refusal to extend the current lease.

COST OF LIVING INCREASE. The Base Rent provided for herein shall be adjusted effective upon the first day of April of each year, commencing April 1, 2015, by the percentage increase in the U.S. Consumer Price Index for All Urban Consumers, for San Francisco, Oakland and San Jose; provided however, that no such annual increase shall be greater than 5%, nor shall the monthly rent be less than \$2,000.

This lease shall terminate upon the happening of the first of the following events:

- 1. Expiration of the lease terms;*
- 2. Partial or total destruction of the premises;*
- 3. Partial or total condemnation of the premises, or,*
- 4. Written agreement between Lessor and Lessee to terminate the lease.*

Lessee shall not encumber, assign, sublet or otherwise transfer this lease or any right or interest in this lease or in said premises without the express written consent of Lessor first obtained. The consent of Lessor to any assignment or subletting of Lessee's interest in this lease shall not be unreasonably withheld.

New possibilities

The owners of the property at 888 Willow are selling the properties.¹ There is an upper unit and a lower unit. Each unit is listed separately.

¹ There is an interested buyer for the lower unit. The potential buyer is interested in ultimately occupying the space to use for their medical practice. Last month, the Loan Agent for the buyer indicated that because of the type of property and loan that is required it is much more likely that the buyers can obtain a business loan with preferable

Reviewing our current and future situation

Use of the 888 Willow office space has been minimal over the past 2+ years, but has the potential to be used more as we move forward with new direction and vision as a community based health care district. Below are some options for discussion as the Board decides how best to secure office space for future health care district staff space and perhaps other activities.

Keep current lease in place. The broker has indicated that the buyer is still interested in buying the property with the current lease in place. The District could continue leasing the space until March 21, 2020 and transfer lease agreement to new owner.

Terminate lease early and secure alternative office space. Find alternative office space in Alameda. Assuming that the District can find alternative space, negotiate with the landlord, prior to termination, of lease to pay relocation costs such as moving, storage, etc.

Terminate the lease early, operate a virtual office until there is an essential need for an office space. Sonic.net email hosting could continue without having a physical space for internet service. The phone line would be disconnected. The furniture could be stored in off-site storage until an alternative space can be found or sold to eliminate the cost of storage. Total cost of the furniture was \$5,412. The District could work with an agent to begin a search for alternative office space and bring back potential options to the Board for review and approval at a future date. Assuming that the District can find alternative space, negotiate with the landlord, prior to termination of lease to pay relocation costs such as moving, storage, etc.

Sublease to new owner. Pending the outcome of the sale of the property, the District could sublease back the property to the new owner until such time the District needs the space. This might not make economic sense for the potential buyer, who would be paying a lease payment in addition to a mortgage. Also, if the intent of the buyer is to move their medical practice to this location, it could be difficult if/when the District tells the buyer that the District wants to terminate the sublease arrangement and use the lower unit for its staff, at least until the March 21, 2020 end date of the District's lease.

terms if the unit is held as owner occupied, thus the reason for the inquiry of us terminating our lease early. However, more recently the Broker indicated that the buyers will be able to obtain the loan with the current lease in place. The Broker has also indicated that the buyers are still interested in buying the property with the current lease in place.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: June 6, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Adoption of Resolution 2016-2: Notice of General Election - November 8, 2016

RECOMMENDATION

Adopt Resolution 2016-2, Notice of General Election and authorize the President of the Board to sign the appropriate form authorizing the Registrar of Voters to place the City of Alameda Health Care District on the ballot for the November 8, 2016

BACKGROUND

Attached is the Notice of General Election for November 8, 2016. There are two positions open which are currently held by incumbents Kathryn Sáenz Duke and Michael Williams. This form is required by the Alameda County Registrar of Voters and outlines the information for the seats to be voted upon in the upcoming election. Included in the attachment is a list of key dates for the election.

The District may elect to pay the cost for the candidate statements that would go out in the package of information to the voters for their consideration. The cost for such a statement can range from \$500 to \$1000 per candidate. Since 2002, the District has not elected to pay for the cost of the candidate statement filing. I recommend that the District continue with this practice for the November 8, 2016 General Election.

CITY OF ALAMEDA HEALTH CARE DISTRICT

RESOLUTION NO. 2016-2

BOARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

* * *

NOTICE OF GENERAL ELECTION

NOVEMBER 8, 2016

WHEREAS, the City of Alameda Health Care District submits to the Alameda County Registrar of Voters a Notice of General District Election as applicable for the District Board of Directors whose terms that expire on the scheduled election year;

WHEREAS, on June 7, 2016, the District will submit, as attached herewith, to the Alameda County Registrar of Voters, the Notice of General District Election specifying information as it pertains to the District offices, which will be voted on this election year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the elective offices of the District to be filled at the next general election for two (2), four (4) year terms to be held Tuesday, November 8, 2016, are those offices now held by:

Kathryn Sáenz Duke (4 Year Term)
Michael Williams (4 Year Term)

RESOLVED further that the District will not pay for the publication of the candidates' statement of qualifications; and

RESOLVED further that a map showing the boundaries of the District is attached hereto; and

RESOLVED further as of this date, the District attests that it does not have a District seal.

PASSED AND ADOPTED on June 6, 2016, by the following vote:

AYES: _____

NOES: _____

ABSTENTION: _____

ABSENT: _____

Kathryn Sáenz Duke
President

ATTEST:

Michael Williams
Secretary



REGISTRAR OF VOTERS

ALAMEDA COUNTY • CALIFORNIA

TIM DUPUIS
REGISTRAR OF VOTERS

CYNTHIA CORNEJO
DEPUTY REGISTRAR OF VOTERS

June 2, 2016

TO: District Administrator

FROM: Cynthia M. Cornejo, Deputy Registrar of Voters

SUBJECT: November 8, 2016 – General Election

Our records indicate that some of your District Directors terms will expire in the upcoming year. The regular election for directors in special districts will be held on Tuesday, November 8, 2016. Enclosed is a Timetable and a Jurisdictional Ballot Measure Structure outlining the manner in which you will file ballot measure materials (if any) associated with the November 8, 2016 – General Election.

Please note that the earliest requirement is due on Monday, June 6, 2016, a notice from your district specifying information on the seats that will be voted on in the upcoming election year. Enclosed is the “Notice of General District Election” form; please list the names of the incumbents whose terms are expiring, a map showing your current District boundaries; and provide details of any special requirements for said offices.

Please feel free to contact the Candidate Services Department at (510) 272-6960 if you have any questions in this regard.

Thank you for your cooperation.

Enclosures



Registrar of Voters
 1225 Fallon St. Room G-1
 Oakland, CA 94612
 www.acgov.org/rov

NOTICE OF GENERAL DISTRICT ELECTION

(Election Code 10509, 10514, 10522)

DISTRICT	CONTACT INFORMATION	
City of Alameda Health Care District	Name:	Kristen Thorson
	E-Mail:	kthorson@coahcd.org / kthorson@alamedahealthsystem.org Phone: (510) 814 - 4005
ELECTION DATE	Name:	
November 8, 2016	E-Mail:	Phone: () -

NOTICE OF DISTRICT ELECTION AND PUBLICATION OF ELECTION NOTICE

Elections Code §12112 requires that we publish a notice of election providing information on the date of the election, offices for which candidates may file, qualifications required by your principal act, etc. In order for the Registrar of Voters to publish the Notice of Election, list below a local newspaper of general circulation.

Notice of Election to be published by Registrar of Voters in Alameda Journal.
 (Local newspaper of general circulation)

ELECTIVE OFFICE

Is this district a Multi-County district? YES – Shared with County of: _____
 No

Newly Elected Official(s) Term Begins: 12 / 02 / 2016

# OF OFFICIALS TO BE ELECTED	TERM EXPIRATION DATE	TERM
2	2020	Full Term

List name of incumbents whose terms are expiring:

INCUMBENT NAME	OFFICE TITLE	WARD/AREA (if applicable)	APPOINTED Yes/No
KATHRYN SÁENZ DUKE	Board Member		Yes
MICHAEL WILLIAMS	Board Member		Yes

The following section applies only if official(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year.

# OF OFFICIALS TO BE ELECTED	TERM EXPIRATION DATE	TERM
		Short Term

INCUMBENT NAME	OFFICE TITLE	WARD/AREA (if applicable)	DATE APPOINTED	OFFICIAL REPLACED

CANDIDATE QUALIFICATIONS

CANDIDATE ELIGIBILITY	<input checked="" type="checkbox"/> Candidate must live within the district/ward <input type="checkbox"/> Candidate can own real property within district/ward (does not have to live at property) <input type="checkbox"/> Other: _____
CANDIDATE NOMINATION SIGNATURE REQUIREMENT	<input type="checkbox"/> YES # of Signature Required: _____ <input checked="" type="checkbox"/> No
CANDIDATE STATEMENT	<input checked="" type="checkbox"/> Candidate will pay total estimated cost upon submitting statement <input type="checkbox"/> District will pay for candidate's statements upon billing <input type="checkbox"/> Candidate will pay at District Office and bring receipt of payment upon submitting statement <input type="checkbox"/> Candidate will deposit estimated cost upon submitting statement and district will bill candidate the remaining balance Amount of Deposit: \$ _____
FORM 700 – STATEMENT OF ECONOMIC INTEREST	Does your district require Candidates to file a Statement of Economic Interest form? <input checked="" type="checkbox"/> YES <input type="checkbox"/> No
OTHER REQUIREMENTS	<input checked="" type="checkbox"/> YES - please specify _____ not have been suspended or expelled from participation in the Medicare program _____ not have been convicted of a felony _____ <input type="checkbox"/> No
SPECIAL HANDOUTS	<input type="checkbox"/> YES - *Note: handouts must be provided to the Registrar of Voters office no later than 1 week prior to the Nomination Period <input type="checkbox"/> No

CERTIFICATION OF MAPS AND BOUNDARIES

Elections Code §10522 requires that at least **125 days** before the election a current map and boundary description be delivered to the Registrar of Voters. For the November 8, 2016 General Election, **the legal deadline is** July 6, 2016. If, however, there have been no boundary changes since your last election, you may certify the map and boundary description, which we have on file, as being current. You can do so, by checking the appropriate box below.

MAP OR BOUNDARY DESCRIPTION (REQUIRED) is enclosed: **NO** boundary changes
 SEE ATTACHMENT for boundary changes

In addition, jurisdictions that elect by area or division must have their new area or division legal boundary descriptions and maps in our office by our **administrative deadline of** June 6, 2016.

BALLOT MEASURES

If your district is contemplating placing a measure in the November 8, 2016 General Election, please coordinate with our office at the earliest date possible. The deadline for a district measure to be consolidated with the November Election is August 12th (E-88). It is important for your district and our office to coordinate the details of what and how items need to be submitted to us. **All ballot measure materials must be submitted in an electronic format.** Listed below are the deadlines for submitting ballot measure materials:

- August 12, 2016 (E-88) - District Resolutions (calling election, ballot measure questions, ballot measure full text, City Attorney Analysis)
- August 17, 2016 (E-83) - Last day to submit Direct Arguments
- August 22, 2016 (E-78) - Last day to submit Rebuttal Arguments

If any resolutions necessitate special requirements that the Elections' Office needs to fulfill, such requirements need to be listed in the resolution and attached to this notice.

(DISTRICT SEAL)

SIGNED (District Administrator)

2070 Clinton Avenue, Alameda, CA 94501

MAILING ADDRESS

510-814-4001

AREA CODE / PHONE NUMBER

EXHIBIT A

The boundaries of this health care district include the boundaries of the City of Alameda contained within zip codes 94501 & 94502.



SPECIAL DISTRICT ELECTION TIMETABLE
November 8, 2016 General Election

Days Before Election	Action Taken By	Objective	Code Sections
July 6, 2016 (E-125)	District	Last day to file the Notice of Election with the Registrar of Voters. The notice shall bear the District Secretary's signature and district seal. The district shall send a copy to the county board of supervisors' office and shall contain the following information: (1) The elective office to be filled and the names of the incumbents. (2) The candidate requirements/qualification for each office. (3) Whether the seat is at-large, by district, or ward. (4) Whether the District or the candidate is to pay for the publication of Candidate's Statement. (5) A map showing the boundaries of each seat. Tie Vote Procedure: If governing body desires to resolve possible tie vote by conduct of a special runoff election rather than by lot, governing body must adopt such provision not less than 40 nor more than 125 days after certification of the election.	EC§10403 EC§10509 EC§10514 EC§10522 EC§10551 EC§15651
July 11, 2016 (E-120)	District Secretary	District Policies: Last day for the governing board of Districts to adopt or revise resolution of policies for candidate statements.	EC§13307
July 18 to August 12, 2016 (E-113 to E-88)	Registrar of Voters	Nomination Period: Candidate filing documents can be obtained Monday through Friday, 8:30 A.M. to 5:00 P.M.	EC§10603
August 12, 2016 (E-88)	District	Last Day to Request Consolidation of Election: Resolution requesting consolidation with statewide election must be filed no later than this date with the Board of Supervisors. This includes resolution to place local measures on state election ballot. A copy of the resolution must also be filed with the Registrar of Voters on or before this date.	EC§10403
August 13 to August 17, 2016 (E-87 to E-83)	Registrar of Voters	Extension Period: If the incumbent does not file a Declaration of Candidacy by the end of the nomination period, the seat will be extended for 5 calendar days.	EC§8022 EC§8024 EC§8204
August 18, 2016 (E-82)	Secretary of State	Random Alphabet Drawing: The drawing is to determine the order in which the candidates' names will appear on the ballot.	EC§13112
August 17, 2016 (E-83)	District	Last day for Submission of Direct Arguments for a measure (if any) to the Registrar of Voters Office. (300 word limit)	EC§9500-9502
August 22, 2016 (E-78)	District	Last day for Submission of Rebuttal Arguments for a measure (if any) to the Registrar of Voters Office. (250 word limit)	EC§9504
August 27 to September 6, 2016 (E-73 to E-63)	Registrar of Voters	Public Examination Period: The public has 10 days to inspect materials to be submitted for printing.	EC§9509
September 12 to October 25, 2016 (E-57 to E-14)	Registrar of Voters	Write-in Period: Filing documents for Write-in candidates can be obtained Monday through Friday, 8:30 A.M. to 5:00 P.M.	EC§8600-8605
October 10, 2016 (E-29)	Registrar of Voters	First day of mailing Vote by Mail Ballots and First Day of Early Voting in Registrar of Voters office.	EC§3001
October 24, 2016 (E-15)	Registrar of Voters	Last day to register to vote for the November 8, 2016 General Election.	EC§2107
November 1, 2016 (E-7)	Registrar of Voters	Last day to apply for a Vote by Mail Ballot: Applications must be received by our office no later than 5:00 P.M.	EC§3001
November 8, 2016 (E-0)	Registrar of Voters	Election Day: Polls open from 7:00 A.M. to 8:00 P.M.	
December 8, 2016 (E+30)	Registrar of Voters	Certified Results: No later than this date, the Registrar shall prepare a certified statement of the results and submit it to the governing body.	EC§15301 EC§15372
(+5) After Official Canvass		Deadline for voters to file a request for a recount is 5 days after the Registrar signs the Official Canvass.	EC§15620

*When a deadline falls on a weekend or holiday, the deadline is extended to the following business day.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: June 6, 2016
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Authorization to Bind District Insurance Policies for Property, General Liability, Excess Liability and Directors and Officers, Crime for 2016-2017

Recommendation:

1. Authorize Board President, Kathryn Sáenz Duke, to execute the necessary paperwork to bind property insurance for the District for period of July 1, 2016 - July 1, 2017 through the Hospital All Risk Property Program (HARPP) at an annual cost of \$23,698.58.
2. Authorize Board President, Kathryn Sáenz Duke, to execute the necessary paperwork to bind Directors and Officers and General & Excess Liability for the District for the period of July 1, 2016 - September 29, 2016 and September 29, 2016 - September 29, 2017 through the Special Liability Insurance Program (SLIP) at pro-rated and annual cost combined (7-1-16 to 9-29-17) of \$18,574.74.
3. Authorize Board President, Kathryn Sáenz Duke, to execute the necessary paperwork to bind crime insurance for the period July 1, 2016 – July 1, 2017 through Alliant Crime Insurance Program (ACIP) at an annual cost of \$1,200.

Background:

The District designated Alliant Insurance Services, Inc. as the broker of Record in November 2015 to manage all of the insurance policies for the District. By doing so, we hoped to realize cost savings in annual premiums, allow for ease of administration of policies by the District and ensure that policies can be consistently reviewed together to look for potential excess or gaps in coverage or excess coverage based on District operations.

Property

Attached documents provide an overview of the 2015-2016 property insurance renewal for the City of Alameda Health Care District. It is proposed that the District remain in the Hospital All Risk Property Program (HARPP) through Alliant Insurance Services. HARPP is the largest independent hospital joint purchase group in the world. This best-in-class program was created by Alliant Insurance Services to provide comprehensive property insurance coverage for hospitals throughout the United States at competitive rates. HARPP offers very broad coverage and is backed by proven expertise and extensive resources.

The HARPP Proposal includes coverage for All Risk Property Damage, Business Income and Boiler & Machinery. Total Insured Values (TIV) is up at 0.89% mainly due to

CITY OF ALAMEDA HEALTH CARE DISTRICT

standard trending at each location. Alliant negotiated a decrease in rate at -3.25% this year for the renewal. The two represents a year over year premium decrease at - 2.38%. Please see Year-over-Year Rate and Premium Comparison in the attached document. Policy has an All Risk Limit of \$100,000,000. This is the lowest All Risk limit provided in HARPP and more than enough for a per occurrence basis. Business Income is only purchased on the Jaber properties. Schedule of locations is noted on the attached document. The District continues to carry coverage on the two properties because of the structure of the lease and sublease agreements between the property owner, the District and Alameda Health System as a result of the affiliation. However, the cost is not significant to the overall premium. The District will decline terrorism coverage and cyber enhancement coverage.

15-16 Premium	16-17 Premium	Difference
\$24,277.12	\$23,698.68	\$578.54
		(2.38%)

Directors and Officers (D&O) Liability, Crime and Excess Liability

Directors and Officers Liability and Crime insurance provides financial protection for the directors and officers of the organization in the event they are sued in conjunction with the performance of their duties as they relate to the organization. Excess Liability is for the owned and leased properties, excluding the Jaber properties which are covered by another policy.

It is proposed that the District change Carriers from CHUBB to Special Liability Insurance Program (SLIP) and the Alliant Crime Insurance Program (ACIP). Both of these provide the same, or broader coverage from what was provided from Chubb and BETA combined.

SLIP is on a Manuscript Liability Form on an Occurrence Basis. The carrier is AmTrust, which AM Best rating is A, Excellent. SLIP will replace BETA's Comprehensive Liability coverage and Chubb's Public Officials Errors and Omissions (D&O) coverage. Nose coverage is provided with a retro date at 7/1/2004 since the Chubb policy is on a claims made basis. The SLIP program is on a 9/29 effective date. The District will have an effective date from 7/1/16 to 9/29/16, and then it will renew at 9/29/16 to 9/29/17. The premium of \$18,574.74 represents the prorated term from 7/1/16 to 9/29/16 in addition to the annual premium for 9/29/16 to 9/29/17.

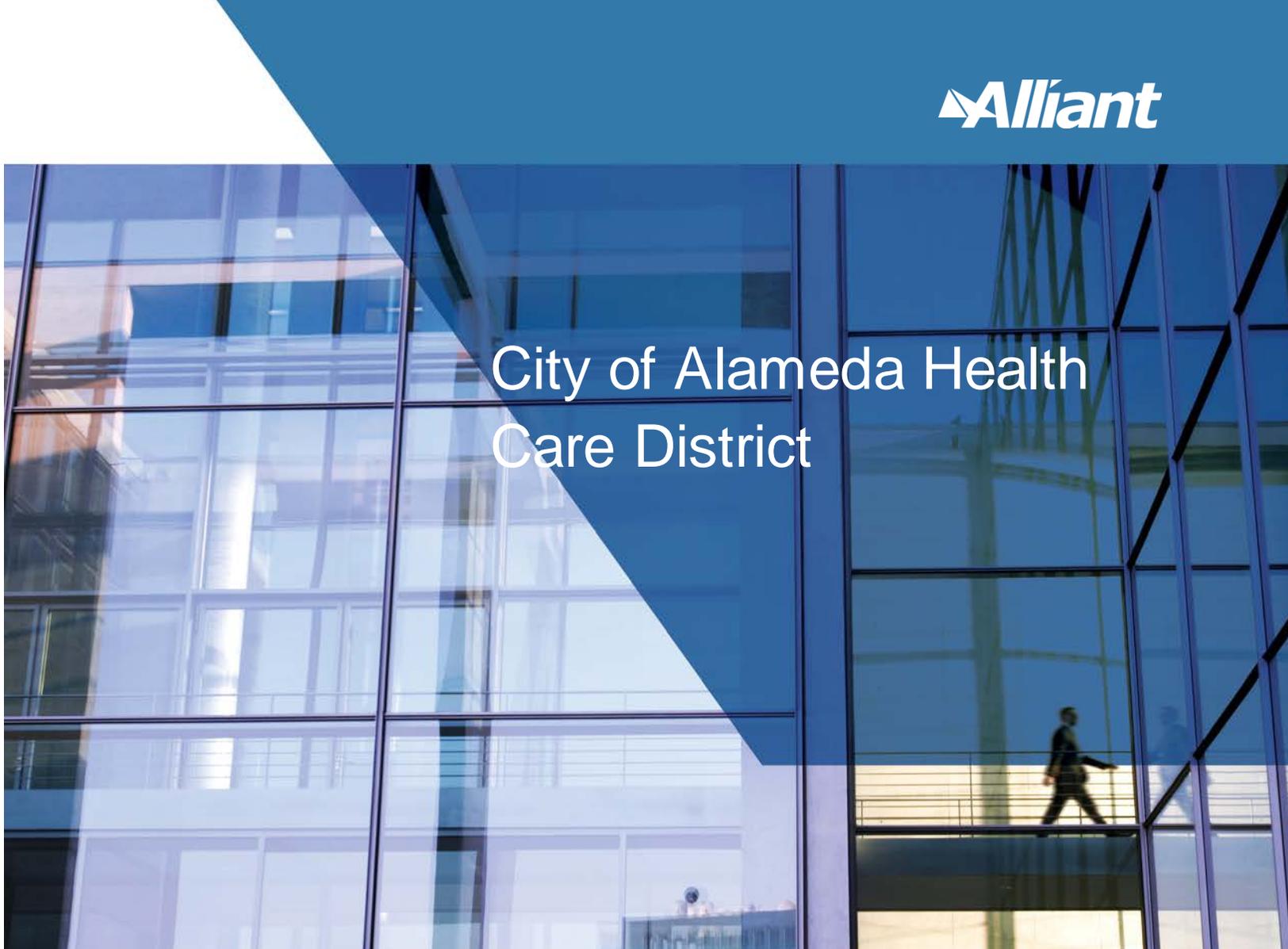
Because the Chubb Policy provided Crime coverage and SLIP does not, Alliant Crime Insurance Program (ACIP) will pick that up. AIG is the carrier on ACIP and is AM Best A+, Strong Financial Security. ACIP is offering \$1M with a \$2.5K deductible for an annual premium of \$1,200. Higher limit options are provided as well but it is recommended to keep the limit at \$1M. ACIP renews on July 1st of every year the same as the HARPP program renewal. Proposed 16-17 Crime limits with Chubb are \$1M with a \$10K deductible for an annual premium of \$4,934.

On a straight annual basis moving from Chubb/BETA to SLIP/ACIP there is a cost savings of 46%.

CITY OF ALAMEDA HEALTH CARE DISTRICT

Recommended Option	16-17 Premium		16-17 Premium
SLIP (D&O & GL)	\$14,860	Chubb (D&O & Crime)	\$22,488
ACIP (Crime)	\$1,200	BETA (GL)	\$7,200
Total	\$16,060	Total	\$29,688

\$ Difference	\$13,628
% Difference	46%

A photograph of a modern glass-walled building with a blue-tinted sky. A person is walking on a balcony or walkway inside the building, visible through the glass. The text "City of Alameda Health Care District" is overlaid in white.

City of Alameda Health Care District

2016 – 2017

Alliant Property Insurance Programs (APIP)

Presented on May 27, 2016 by:

Matt McManus
Vice President

Chris M. Tobin, ARM-P
Senior Vice President

Josephine P. Goetes
Assistant Vice President

**HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP)
EXECUTIVE SUMMARY
July 1, 2016 – July 1, 2017**

We are pleased to provide the 2016-2017 Hospital All Risk Property Program (HARPP) renewal material, attached.

The property market has been in a soft cycle for the last few years with underwriters willing to provide decreases based on the lack of catastrophe losses worldwide and record capacity available in the marketplace. While physical and human catastrophes abound, in recent years most of these have occurred in regions of the world that are not significantly insured. Therefore, for the 2016-2017 renewal, most insureds will see rate decreases over expiring rates. However, for those insureds that have either experienced significant losses or consistent attritional losses, rates may increase. In keeping with the programs' general history, we expect rates to remain below what can be achieved in the market for similar coverage.

The primary \$2,500,000 layer will continue to be placed with our long-term partner, Lexington Insurance Company, A.M. Best Rated A XV. Lexington will also continue to provide the majority of capacity in the \$22,500,000 x/s \$2,500,000 layer, sharing that with Lloyd's of London, A.M. Best Rated A XV. Excess limits up to \$1,000,000,000 will be placed with London, Bermudian, European, and U.S domestic markets, all A.M. Best Rated at least of A- VII. Members should note several key highlights for this year's renewal:

- Boiler & Machinery cover for participating members of the APIP Boiler Program will be maintained with Hartford Steam Boiler (HSB), who will also continue to perform jurisdictionals and inspections
- Cyber (Privacy Liability) Coverage for both 1st and 3rd parties from the Beazley Syndicate at Lloyd's, A.M. Best Rated A XV, (for those eligible insureds) with coverage as outlined on the following proposal will be maintained.
- Pollution Coverage for both 1st and 3rd parties from Illinois Union Insurance Company, A.M. Best Rated A++ XV, (for those eligible insureds) with coverage as outlined on the following proposal will be maintained.

Alliant Business Services (ABS) will continue to play a significant role not only in providing various types of loss control services, but also in providing appraisal services. For the 2016-2017 policy year, property valuations will continue to be a key focus. As a reminder, it is underwriters' intent to have all buildings with a scheduled value of \$5,000,000 or more appraised once every five years. This service is included in the total annual cost. Insureds may also choose to have lower valued buildings appraised. The cost to have all or specific buildings appraised between \$25,000 and \$5,000,000 will be quoted at the time the request is made.

Our Disclosures and Loss Notification information are now combined into one section of the renewal materials. Your review and acknowledgement of these documents are required with your signature once you authorize a request to bind coverage with your Alliant representative.

The following table depicts key statistics relative to last year:

Year-over-Year Rate and Premium Comparison

<u>City of Alameda Health Care District</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016 (at 11/15/2015)</u>	<u>2016-2017</u>	<u>Variance</u>
Total Insured Values:	\$ 118,223,383	\$ 54,849,855	\$ 55,982,222	\$ 56,484,731	0.89%
Account Rate (per hundred dollars):	0.0481528	0.0453064	0.0433658	0.0419557	-3.25%
Earthquake TIV:	Not Applicable	Not Applicable	Not Applicable	Not Applicable	N/A
Earthquake Limit:	Not Covered	Not Covered	Not Covered	Not Covered	N/A
*Total Annual Cost:	\$ 56,927.00	\$ 24,850.00	\$ 24,277.12	\$ 23,698.58	-2.38%

* TOTAL COST includes: all premiums (except Cyber Enhancement option, if purchased), underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes

Thank you for your continued support of HARPP. We look forward to working with you this next year. Please let us know if you have any questions about your renewal.

Below are coverage items currently being negotiated with the APIP markets to be effective on 7/1/2016.

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
HARPP: Communicable Disease (New Coverage)	Not Available	\$500,000 Per Occurrence, \$2,000,000 Annual Aggregate for Communicable Disease	Enhancement Pending Marketing Approval
Automatic Acquisition Sub-limit	\$25,000,000 Automatic Acquisition up to \$100,000,000 or a Named Insured's Policy Limit of Liability if less than \$100,000,000 for 90 days excluding licensed vehicles for which a sub-limit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sub- limit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.	\$25,000,000 Automatic Acquisition up to \$100,000,000 or a Named Insured's Policy Limit of Liability if less than \$100,000,000 for 120 days excluding licensed vehicles for which a sub-limit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sub-limit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.	Enhancement Pending Marketing Approval
Increase Cost of Construction Sub-limit	\$25,000,000	\$50,000,000	Enhancement Pending Marketing Approval
Earthquake Deductible description	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the stated minimum.	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form; subject to the stated deductible per occurrence.	Enhancement Pending Marketing Approval

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Excess Terrorism	<p><u>\$400,000,000</u> Per Member/Entity for Terrorism (Excess Layer) subject to:</p> <p><u>\$900,000,000</u> Per Occurrence, All Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34 for Terrorism (Excess Layer) subject to;</p> <p><u>\$1,050,000,000</u> Annual Aggregate shared by all Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)</p>	<p><u>\$600,000,000</u> Per Member/Entity for Terrorism (Excess Layer) subject to:</p> <p><u>\$1,100,000,000</u> Per Occurrence, All Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34 for Terrorism (Excess Layer) subject to;</p> <p><u>\$1,500,000,000</u> Annual Aggregate shared by all Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)</p>	Approved

Master Policy Form Wording

Policy Term	July 1, 2015 to July 1, 2016	July 1, 2016 to July 1, 2017	Renewal item
Section I, G. 6.	Library Book table	Updated library book values per U.S. inflation calculator	Update
Section II, B., 1. Ingress / Egress	This Policy is extended to insure the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a <u>10 mile radius</u> of covered property, ingress to or egress from the covered property covered by this Policy is prevented. Coverage under this extension is subject to a 24-hour waiting period.	This Policy is extended to insure the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a <u>20 mile radius</u> of covered property, ingress to or egress from the covered property covered by this Policy is prevented. Coverage under this extension is subject to a 24-hour waiting period.	Enhancement Pending Marketing Approval
Section II, B. 2. Interruption by Civil Authority	This Policy is extended to include the actual loss sustained by the Named Insured, as covered hereunder during the length of time, not exceeding 30 days, when as a direct result of damage to or destruction of property by a covered peril(s) occurring at property located within a <u>10 mile radius</u> of covered property, access to the covered property is specifically prohibited by order of a civil authority. Coverage under this extension is subject to a 24-hour waiting period.	This Policy is extended to include the actual loss sustained by the Named Insured, as covered hereunder during the length of time, not exceeding 30 days, when as a direct result of damage to or destruction of property by a covered peril(s) occurring at property located within a <u>20 mile radius</u> of covered property, access to the covered property is specifically prohibited by order of a civil authority. Coverage under this extension is subject to a 24-hour waiting period.	Enhancement Pending Marketing Approval

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Section II, Item D. 7. Vehicle Replacement Valuation	<p>Second paragraph:</p> <p>If the values, provided by the Named Insured, provides a valuation based on <u>replacement cost</u>, then recovery will be on the same basis, if replaced. If not replaced, the basis of recovery shall be <u>actual cash value</u>.</p>	<p>Second paragraph change only:</p> <p>If the values, provided by the Named Insured, provides a valuation based on <u>Replacement Cost (New)</u>, then recovery will be on the same basis, if replaced. If not replaced, the basis of recovery shall be <u>Actual Cash Value</u>.</p>	Clarification Pending Market Approval
Section III, Item B. 4. Contingent Time Element Coverage	<p>Business interruption, rental income, tuition income and extra expense coverage provided by this Policy is extended to cover loss directly resulting from physical damage to property of the type not otherwise excluded by this Policy at direct supplier or direct customer locations (<u>whether such location is owned by the Named Insured or not</u>) that prevents a supplier of goods and/or services to the Named Insured from supplying such goods and/or services, or that prevents a recipient of goods and/or services from the Named Insured from accepting such goods and/or services. The coverage provided by this clause separately as respects each of these coverage's is sub-limited to USD as per Declaration Page.</p>	<p>Deleted wording in parenthesis</p> <p>Business interruption, rental income, tuition income and extra expense coverage provided by this Policy is extended to cover loss directly resulting from physical damage to property of the type not otherwise excluded by this Policy at direct supplier or direct customer locations (whether such location is owned by the Named Insured or not) that prevents a supplier of goods and/or services to the Named Insured from supplying such goods and/or services, or that prevents a recipient of goods and/or services from the Named Insured from accepting such goods and/or services. The coverage provided by this clause separately as respects each of these coverage's is sub-limited to USD as per Declaration Page.</p>	Clarification Pending Market Approval
Section IV, Exclusions 1.	<p>Loss or damage caused by or resulting from moths, vermin, termites, or other insects, inherent vice, latent defect, faulty materials, error in design, faulty workmanship, wear, tear or gradual deterioration, <u>contamination</u>, rust, corrosion, wet or dry rot, unless physical loss or damage not otherwise excluded herein ensues and then only for such ensuing loss or damage.</p>	<p>Deleted "contamination"</p> <p>Loss or damage caused by or resulting from moths, vermin, termites, or other insects, inherent vice, latent defect, faulty materials, error in design, faulty workmanship, wear, tear or gradual deterioration, contamination, rust, corrosion, wet or dry rot, unless physical loss or damage not otherwise excluded herein ensues and then only for such ensuing loss or damage.</p>	Clarification Pending Market Approval
Section IV, Exclusions 18.	<p>Loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.</p>	<p>Loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever. <u>Except as provided in Section II Property Damage, B. Extension of Coverage, 21. Accidental Contamination.</u></p>	Clarification Pending Market Approval

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Section I, E., 2. Sub-limits g.	Unscheduled Landscaping, tees, sand traps, greens and athletic fields if specific values for such items have not been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Unscheduled Landscaping, tees, sand traps, greens, athletic fields, <u>and artificial turf</u> if specific values for such items have not been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Clarification Pending Market Approval
Section I, E., 2. Sub-limits h.	Scheduled Landscaping, tees, sand traps, greens, and athletic fields if specific values for such items have been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Scheduled Landscaping, tees, sand traps, greens, athletic fields, <u>and artificial turf</u> if specific values for such items have been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Clarification Pending Market Approval
Section II, C. 3. Land	Land (including land on which covered property is located), and land values (except athletic fields, landscaping, sand traps, tees and greens).	Land (including land on which covered property is located), and land values (except athletic fields, landscaping, <u>artificial turf</u> , sand traps, tees and greens).	Clarification Pending Market Approval
Section II, D. 9. Landscaping	Landscaping, sand traps, tees, putting greens and athletic fields; the actual replacement cost of sod, shrubs, sand, plants and trees; however the Company's liability for replacement of trees, plants and shrubs will be limited to the actual size of the destroyed plant, tree or shrub at the time of the loss up to a maximum size of 25 gallons per item but not to exceed USD25,000 per item.	Landscaping, <u>artificial turf</u> , sand traps, tees, putting greens and athletic fields; the actual replacement cost of sod, shrubs, sand, plants and trees; however the Company's liability for replacement of trees, plants and shrubs will be limited to the actual size of the destroyed plant, tree or shrub at the time of the loss up to a maximum size of 25 gallons per item but not to exceed USD25,000 per item.	Clarification Pending Market Approval

TERMS & CONDITIONS: 25% Minimum Earned Premium and cancellations subject to 10% penalty
 Except Cyber Liability Premium is 30% Earned at Inception
 Except Pollution Liability Premium is 25% Earned at Inception

NOTICE OF CANCELLATION: 90 Days except 10 Days for non-payment of premium

	Annual Cost*
Total Property Premium:	\$ 21,785.00
Excess Boiler:	\$ 702.00
ABS Fee:	\$ 492.00
SLT&F's (Estimate)	\$ 719.58
Broker Fee:	\$ 0.00
TOTAL COST †: (Including Taxes and Fees)	\$ 23,698.58

*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.
 † TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)

PRINT DATE: May 25, 2016

PROPOSAL VALID UNTIL: July 1, 2016

BROKER: **ALLIANT INSURANCE SERVICES, INC.**
License No. 0C36861
 Matthugh McManus
 Vice President
 Chris M. Tobin, ARM-P
 Senior Vice President
 Josephine P. Goetes
 Assistant Vice President

NOTES:

- *Major pending and approved changes to the APIP Program are described in the Executive Summary.*
- *Change in Total Insurable Values will result in adjustment in premium*
- *Some coverage, sub-limits, terms and conditions could change until negotiations with the insurance carriers have been finalized*
- *Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy. Please refer to Policy for specific terms, conditions and exclusions*

**ALLIANT PROPERTY INSURANCE PROGRAM
2016-2017**

**NAMED INSURED SCHEDULE
AS OF 05/24/2016**

THE NAMED INSURED IS:

City of Alameda Health Care District
2070 Clinton Ave
Alameda, CA 94501

First Named Insured Member shall be deemed the sole agent of each and every Named Insured for the purpose of:

- (1) Giving notice of cancellation,
- (2) Giving instructions for changes in the Policy and accepting changes in this Policy
- (3) The payment of assessments / premiums or receipt of return assessments / premiums.

Member(s), entity(ies), agency(ies), organization(s), enterprise(s) and/or individual(s) for whom the Named Insured has extended coverage is as follows:

NAMED INSURED:

City of Alameda Health Care District

HARPP PROPERTY SCHEDULE
CITY OF ALAMEDA HEALTH CARE DISTRICT DBA: ALAMEDA
HOSPITAL
May 24, 2016

Real Property Trend Factor: 0.90%
 Personal Property Trend Factor: 0.36%

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
1		HOSPITAL & ADMINISTRATION 2070 CLINTON AVE ALAMEDA CA 94501	0 SQ. FT.	Class: UNKNOWN Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS. Alarms:	Yes			EQ: A2 Flood: X	No	No	No	2015	\$4,951,599	\$0	\$0	\$4,951,599
												2016	\$4,996,163	\$0	\$0	\$4,996,163
Lat: 37.76351		Lng. -122.25421														
1	A	ALL OFFICE SPACE - ADMIN ONLY, NO HOSPITAL USE EAST BUILDING CA	43,000 SQ. FT. Pct. Sprnkl: 100	Class: B ALL REINFORCED CONCRETE Notes: BI values included in BI at location 1B. Alarms:	Yes	1925		EQ: Flood: X	No	No	No	2015	\$0	\$0	\$0	\$0
												2016	\$0	\$0	\$0	\$0
Lat:		Lng.														
1	B	MAIN HOSPITAL - PHARMACY, LAB, NURSING, OUTPATIENT SOUTH BUILDING/RADIOLOGY ADDITION CA	59,000 SQ. FT. Pct. Sprnkl: 100	Class: B ALL REINFORCED CONCRETE Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS. Alarms:	Yes	1982		EQ: Flood: X	No	No	No	2015	\$17,303,436	\$0	\$0	\$17,303,436
												2016	\$17,459,167	\$0	\$0	\$17,459,167
Lat:		Lng.														
1	C	SURGERY LOCATION WEST BUILDING/SURGERY/PHYSICAL PLANT CA	22,000 SQ. FT. Pct. Sprnkl: partial	Class: B ALL REINFORCED CONCRETE Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS.	Yes	1967		EQ: Flood: X	No	No	No	2015	\$6,450,163	\$0	\$0	\$6,450,163
												2016	\$6,508,214	\$0	\$0	\$6,508,214
Lat:		Lng.														

The above location is continued on the next page.

PREPARED BY
Alliant Insurance Services, Inc.
 1301 Dove Street
 Suite 200
 Newport Beach, CA 92660 (949) 756-0271

HARPP PROPERTY SCHEDULE
CITY OF ALAMEDA HEALTH CARE DISTRICT DBA: ALAMEDA
HOSPITAL
May 24, 2016

Real Property Trend Factor: 0.90%
 Personal Property Trend Factor: 0.36%

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
Alarms:																
1	D	SOME SURGERY AND PHYSICAL PLANT STEPHENS WING/3FL.ADDITION CA	21,000 SQ. FT.	Class: B ALL REINFORCED CONCRETE	No	1955		EQ: No Flood: X	No	No	No	2015	\$6,104,859	\$0	\$0	\$6,104,859
				Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS.				Rent Notes:				2016	\$6,159,803	\$0	\$0	\$6,159,803
Lat:		Lng.	Stories: 3													
Alarms:																
1	E	EMERGENCY LOCATION EMERGENCY CA	6,370 SQ. FT.	Class: B ALL REINFORCED CONCRETE	Yes	1986		EQ: No Flood: X	No	No	No	2015	\$1,976,765	\$0	\$0	\$1,976,765
				Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS.				Rent Notes:				2016	\$1,994,556	\$0	\$0	\$1,994,556
Lat:		Lng.	Stories: 1 Pct. Sprnkl: 100													
Alarms:																
2		CONVALESCENT HOSPITAL BUILDING 625 WILLOW AVE ALAMEDA CA 94501	6,000 SQ. FT.	Class: D ALL COMB (WOOD FRAME)	Yes	1960		EQ: A2 Flood: X	No	No	No	2015	\$1,458,155	\$0	\$0	\$1,458,155
				Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Alameda Healthcare Distric retains the real property and the BI and PP has been moved to AHS.				Rent Notes:				2016	\$1,471,278	\$0	\$0	\$1,471,278
Lat: 37.760918		Lng. -122.253872	Stories: 1 Pct. Sprnkl: 100													
Alarms:																

HARPP PROPERTY SCHEDULE
CITY OF ALAMEDA HEALTH CARE DISTRICT DBA: ALAMEDA
HOSPITAL

Real Property Trend Factor: 0.90%
 Personal Property Trend Factor: 0.36%

May 24, 2016

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
3		APARTMENT BUILDING 1359 PEARL STREET ALAMEDA CA 94501 Stories: 2 Lat: 37.76125 Lng. -122.23817	7,372 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: 5-1-14 Per James & Gable, this location will be retained by City of Alameda Health Care District in its entirety. It will not be moved to Alameda Health System in EIA. Alarms:	No	1949		EQ: A2 Flood: X	No	No	No	2015	\$2,011,650	\$0	\$118,857	\$2,130,507
												2016	\$2,029,755	\$0	\$118,857	\$2,148,612
4		RETAIL BUILDING 2711 ENCINAL AVE ALAMEDA CA 94501 Stories: 1 Lat: 37.75944 Lng. -122.23889	2,486 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: 5-1-14 Per James & Gable, this location will be retained by City of Alameda Health Care District in its entirety. It will not be moved to Alameda Health System in EIA. Alarms:	No	1946		EQ: A2 Flood: X	No	No	No	2015	\$732,566	\$0	\$27,375	\$759,941
												2016	\$739,159	\$0	\$27,375	\$766,534
5		KATE CREEDON CENTER FOR ADVANCED WOUND CARE 815 ATLANTIC AVENUE ALAMEDA CA 94501-2298 Stories: 1 Lat: 37.779867 Lng. -122.274101	4,700 SQ. FT. OUTPATIENT WOUND CENTER	Class: A NON COMB STEEL FRAME Notes: Insured occupies Suite 100. (4700 sqft) Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations of the hospital. Location is leased. Alarms: Yes	No	1982		EQ: A2 Flood: X	No	No	No	2015	\$0	\$0	\$0	\$0
												2016	\$0	\$0	\$0	\$0
6		ALAMEDA HOSPITAL AT WATERS EDGE 2401 BLANDING AVENUE ALAMEDA CA 94501-1503 Stories: 1	28,500 SQ. FT. 120 BED SKILLED NURSING FACILITY Pct. Sprinkl: 100%	Class: CB CONCRETE BLOCK Notes: Eff. 5/1/14 - AHS- Alameda Health System who is insured through the EIA via Alameda County took over the operations	Yes	1971		EQ: A2 Flood: X	No	No	No	2015	\$14,844,244	\$0	\$0	\$14,844,244
												2016	\$14,977,842	\$0	\$0	\$14,977,842

The above location is continued on the next page.

PREPARED BY
Alliant Insurance Services, Inc.
 1301 Dove Street
 Suite 200
 Newport Beach, CA 92660 (949) 756-0271

HARPP PROPERTY SCHEDULE
CITY OF ALAMEDA HEALTH CARE DISTRICT DBA: ALAMEDA
HOSPITAL
May 24, 2016

Real Property Trend Factor: 0.90%
 Personal Property Trend Factor: 0.36%

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
				of the hospital. Location is leased.												
				Alarms:												
Lat: 37.77041		Lng. -122.23711														
9		DISTRICT OFFICE	800 SQ. FT.	Class: D	No	1982		EQ: A2	No	No	No	2015	\$0	\$2,553	\$0	\$2,553
		888 WILLOW ST.		ALL COMB (WOOD FRAME)				Flood: X	No	No	No	2016	\$0	\$2,562	\$0	\$2,562
		ALAMEDA CA 94501-4328		Notes: Exterior walls are stacked 8" light weight masonry block, presumably grouted and reinforced. We were told that the foundation is a conventional spread foundation and the floor is slab-on-grade.				Rent Notes:								
		Stories: 2	Pct. Sprinkl: 0													
Lat: 37.762605		Lng. -122.253062														

	Year	Real Property	Personal Property	BI / Rents	Totals		Year	Real Property	Personal Property	BI / Rents	Totals
GRAND TOTALS:	2015	\$55,833,437	\$2,553	\$146,232	\$55,982,222	GRAND TOTALS:	2016	\$56,335,937	\$2,562	\$146,232	\$56,484,731
SPRINKLERED:	2015	\$46,984,362	\$0	\$0	\$46,984,362	SPRINKLERED:	2016	\$47,407,220	\$0	\$0	\$47,407,220
UNSPRINKLERED:	2015	\$8,849,075	\$2,553	\$146,232	\$8,997,860	UNSPRINKLERED:	2016	\$8,928,717	\$2,562	\$146,232	\$9,077,511
EARTHQUAKE:	2015	\$0	\$0	\$0	\$0	EARTHQUAKE:	2016	\$0	\$0	\$0	\$0
FLOOD:	2015	\$0	\$0	\$0	\$0	FLOOD:	2016	\$0	\$0	\$0	\$0

SIGNED / ACCEPTED BY: _____

DATE: _____

County.Frx

**SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)
PROPOSAL
TBD TO SEPTEMBER 29, 2016**

NAMED INSURED: City of Alameda Health Care District

PROGRAM TERM: TBD to 9/29/16

INSURANCE COMPANY: Associated Industries Insurance Company

A.M. BEST RATING:* A, Excellent; Financial Size Category XI; (\$750 Million to \$1.0 Billion) as of 5/30/15

STANDARD & POOR RATING:* Not Rated

CALIFORNIA STATUS: Non-Admitted

POLICY NUMBER: TBD

COVERAGE: Manuscript Liability Form on an Occurrence Basis. Coverage included for:

(Coverage applies only where checked)

	LIMIT
Maximum Per Occurrence Limit for all Coverages Combined	\$5,000,000

	LIMIT	DED/SIR
X Personal Injury (Including Bodily Injury and Property Damage)	\$5,000,000	\$10,000
Broadcasters Liability		
Educators Legal Liability		

X Public Officials Errors and Omissions	\$5,000,000	\$10,000
Nonprofit Directors and Officers Liability		
Employment Practices Liability		
X Nose Coverage	\$5,000,000	\$10,000
Retro Date: 07/01/2004		

Owned Automobile Liability		
Uninsured Motorist Coverage		
X Non-Owned and Hired Automobile Liability	\$5,000,000	\$10,000

Annual Aggregate Limits		LIMIT
X	Products / Completed Operations	\$5,000,000
X	Public Officials Errors and Omissions	\$5,000,000
	Nonprofit Directors and Officers Liability	
	Employment Practices Liability	

**See last page for additional information.*

SLIP Proposal

SUBLIMITS:

(Coverage applies only where checked)

		LIMIT	DED/SIR
X	Fire Damage Liability (Sublimit of Personal Injury/property Damage Coverage Limit) Capped at \$1,000,000	\$1,000,000	\$10,000

Special Endorsements

Nose Coverage. Retro-date: 07/01/2004

- Limits are exhausted by Indemnity and Defense Cost.
- Limits are Per Occurrence.
- There is no General Aggregate.
- Limits apply to each entity in the program.

This QUOTATION is subject to review and possible re-rating if there are any significant changes in operations, exposure or experience prior to carrier binding. Such significant changes include, but are not limited to, any declared or potential occurrence series, claims series or batch notices by or to the insured.

ANNUAL PREMIUM:

* Taxes, surplus lines fee and brokerage fees are included.

Premium:	\$12,679.00
Taxes:	\$380.37
Stamp Fee:	\$25.36
Broker Fee:	\$1,458.09
MGA Service Fee:	\$316.98
Total Cost:	\$14,859.79

IMPORTANT NOTICE: THE NONADMITTED & REINSURANCE REFORM ACT (NRRA) GOES INTO EFFECT ON JULY 21, 2011. ACCORDINGLY, SURPLUS LINES TAX RATES AND REGULATIONS ARE SUBJECT TO CHANGE WHICH COULD RESULT IN AN INCREASE OR DECREASE OF THE TOTAL SURPLUS LINES TAXES AND/OR FEES OWED ON THIS PLACEMENT. IF A CHANGE IS REQUIRED, WE WILL PROMPTLY NOTIFY YOU. ANY ADDITIONAL TAXES AND/OR FEES OWED MUST BE PROMPTLY REMITTED TO ALLIANT INSURANCE SERVICES, INC.

MGA Service Fee is 100% earned.

Mid-term cancellations could have a short-rate penalty applied to the return premium.

TRIA OPTION: 5% of premium plus applicable taxes and fees.

MINIMUM EARNED: 25% of the annual premium

SUBJECT TO AUDIT: NO

SLIP Proposal

MAJOR EXCLUSIONS: (Including but not limited to)

- Fiduciary Liability
- Breach of Contract
- Workers' Compensation
- Asbestos
- Auto Liability (unless Owned Auto coverage provided)
- Uninsured Motorist coverage except if Auto Liability marked X'd above, or unless coverage specifically requested and in file
- Failure to Supply
- Pollution Except for Hostile Fire and Vehicle Upset / Overturn coverage
- Inverse Condemnation / Eminent Domain
- Care, Custody, and Control
- Medical Payment Coverage
- Dam Liability
- All Aircraft; Watercraft over 51 feet in length
- Airports
- Medical Malpractice (except incidental)
- Subsidence
- Nuclear Material
- ERISA
- Fungi or Bacteria
- War or Terrorism
- Securities and Financial Interest
- Mold
- Public Officials Errors & Omissions (if Directors & Officers Applies)
- Directors & Officers (if Public Officials Errors & Omissions Applies)
- Employment Practices Liability (Unless purchased under page 1)
- Montrose Exclusion – Prior knowledge of incident or loss
- Abuse & Molestation
- Residential Construction
- Athletic Participants
- Transit Operations
- Bodily Injury of Tenants or Guests of Tenants for Habitational Risks
- Insurance Agent/Claims Administration/Mortgage Broker
- Lead

CLAIMS REPORTING:

Please contact Alliant to report claims. Program and Deductible loss adjustment will be provided by Carl Warren Co.

PROPOSAL DATE:

May 12, 2016

PROPOSAL VALID UNTIL:

30 days from the proposal date

BINDING CONDITIONS:

Bind orders must be received prior to close of business for coverage to be effective same day. All orders received after close of business will be bound effective the next business day.

SLIP Proposal

BROKER:

ALLIANT INSURANCE SERVICES, INC. • NEWPORT BEACH, CA

Gordon B. DesCombes, Executive Vice President
Christine Tobin, Senior Vice President
Sheryl Fitzgerald, Account Manager – Team Lead
Armando Guzman, Account Representative
Autumn Stallings, Account Representative
Anne Krueger, Account Representative

SUBJECT TO POLICY TERMS, CONDITIONS AND EXCLUSIONS



This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY REGULATION 194 DISCLOSURE

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.



Alliant Crime Insurance Program (ACIP)

Alliant

PROTECTION FROM THE CONSTANT THREAT

Crime is swift and unpredictable. It can strike at a moment's notice, creating staggering costs and long-term damage. It occurs in the light of day and the dark of night and, in its many manifestations, poses an insidious and constant threat to your organization. It doesn't have to.

Alliant Crime Insurance Program (ACIP)

Alliant Insurance Services created the Alliant Crime Insurance Program (ACIP) to protect California's public entities from the scourge of crime. The program offers broad coverage for illegal acts committed by employees while on the job, offering valuable peace of mind and an iron-clad layer of protection against crime-related damages.



SIZE AND STABILITY

ACIP is among the state's largest programs of its kind and is comprised primarily of public entities with fewer than 1,000 employees. ACIP has a strong track record of results and a historically low loss ratio. This combination of size and stability empowers Alliant to offer competitive rates that are impervious to fluctuations in the general insurance market. Additionally, as a group purchase program, there is no risk sharing and, therefore, no possibility of assessments.

PROGRAM FEATURES

ACIP is a flexible insurance solution with a broad array of best-in-class features. It is customized to meet the wide-ranging needs of California's public entities, providing access to:

- Basic program limits of \$1 million with a \$25,000 deductible for each coverage
- The option to buy down the \$25,000 deductible to \$2,500
- Program limits up to \$10 million available
- Faithful performance of duty up to the full employee theft limit
- Coverage for the treasurer/tax collector and any employees required by statute to carry individual bonds
- Coverage for volunteers

ALLIANT INSURANCE SERVICES: THE PARTNER YOU DESERVE.

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant provides property and casualty, workers' compensation, employee benefits, surety, and financial products and services to more than 26,000 clients nationwide.

www.alliant.com

CONTACT

Tom E. Corbett
Senior Vice President
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**ALLIANT CRIME INSURANCE PROGRAM
2016-2017 INSURANCE PROPOSAL
CITY OF ALAMEDA HEALTH CARE DISTRICT**

- INSURER:** National Union Fire Insurance Company of Pittsburgh, PA (AIG)
- *A.M. BEST'S GUIDE RATING:** A, Excellent; Financial Size Category 15;
(VERIFIED APRIL 2016) Greater than \$2,000,000,000
- *STANDARD & POOR'S RATING:** A+, Strong Financial Security
(VERIFIED APRIL 2016)
- STATE STATUS:** Admitted
- POLICY PERIOD:** July 1, 2016 to July 1, 2017
- COVERAGE:** Government Crime Policy on Discovery form including the following coverages:
- Employee Theft – Per Loss Coverage
 - Forgery or Alteration
 - Inside the Premises – Theft of Money and Securities
 - Inside the Premises – Robbery & Safe Burglary of Other Property
 - Outside the Premises (Money, Securities and Other Property)
 - Computer Fraud
 - Funds Transfer Fraud
 - Money Orders & Counterfeit Money
- EXCLUSIONS (Including but not limited to):**
- Unauthorized disclosure of confidential information
 - Governmental Action
 - Indirect Loss
 - Legal Fees and Expenses
 - Nuclear Hazard
 - Pollution
 - War and Military Action
 - Inventory Shortages
 - Trading losses
 - Accounting or Arithmetical Errors or Omissions
 - Exchanges or Purchases
 - Fire
 - Money Operated Devices
 - Motor Vehicles or Equipment and Accessories
 - Transfer or Surrender or Property
 - Vandalism
 - Voluntary Parting of Title to Possession of Property

ENDORSEMENTS:

- State Changes
- Additional Named Insured – Endorsement identifies individual member limit and deductible
- Omnibus Named Insured – Coverage extended to all Agencies, Authorities and Districts (including Special Districts) which are governed directly by the governing body of the Named Insured
- Add Faithful Performance of Duty Coverage for Government Employees –
- Revision of Discovery and Prior Theft or Dishonesty \$25,000 Sub-Limit
- Cancellation of Policy Amended – 120 Days
- Bonded Employees Exclusion Deleted endorsement
- Add Credit, Debit or Charge Card Forgery
- Include Volunteer Workers as Employees
- Include Specified Non-Compensated Officers As Employees - ALL
- Include Chairperson and Members of Specified Committees and - ALL
- Include Designated Persons or Classes of Persons as Employees – Any Director or Trustees and any Board Members and any Elected or Appointed Officials as Employees of any of those named as insured
- Include Treasurers or Tax Collectors as Employees
- Include Expenses Incurred to Establish Amount of Covered Loss - \$75,000 Sub-limit
- Employee Post Termination Coverage – 90 Days
- Cancellation Amendatory (Return Pro-Rata)
- Include Leased Workers as Employees Endorsement
- Notice of Claim Reporting by Email
- Economic Sanctions (excludes loss payments in violation of economic or trade sanctions)
- Vendor Theft - \$1,000,000 Limit excess of vendor insurance policy required by contract. If vendor policy is not valid or collectible, this sublimit applies to loss excess of \$500,000. Coverage not applicable if crime insurance is not required in a written agreement
- Conditions Amended - Subrogation of Faithful Performance of Duty Claims - With respect to losses resulting from the failure of any employee to faithfully perform his or her duties as prescribed by law, the company may subrogate only due to actual fraud, corruption, actual malice, or where the employee or a person or entity was unjustly enriched
- Third Party Coverage - \$250,000 Sublimit with \$25,000 Deductible
- Blanket Joint Loss Payable

ENDORSEMENTS (continued):

- CalWorks Employees - Amending the definition of “Employee” to include coverage for individuals that are subject to the Insured’s direction and control while performing services for the Insured as a result of an employment contract or agreement with the State of California "Cal Works Program" or any similar state or county work or welfare program.
- Impersonation Fraud Coverage - Adding coverage under the Funds Transfer Fraud insuring agreement for loss of funds resulting from the receipt of a fraudulent phone call or email from a purported vendor, which advises you that the vendor’s bank account information has been changed and you suffer a loss of funds because you issued payment to this fraudulent bank account. This coverage is subject to a \$250,000 sublimit with a \$25,000 deductible. – Increase from \$200,000
- Retro Date Endorsement

LIMIT OPTIONS :

- 1)\$1,000,000
- 2)\$3,000,000
- 3)\$5,000,000
- 4)\$10,000,000

DEDUCTIBLE :

\$2,500

PREMIUM OPTIONS:

- 1)\$1,200
- 2)\$2,450
- 3)\$3,200
- 4)\$5,000

CLAIMS REPORTING PROCEDURE:

AIG
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225
Phone: 888-602-5246
Fax: 866-227-1750
Email: c-claim@aig.com

Also Please forward a copy of the loss to:

Alliant Insurance Services, Inc.
Attn: Robert Frey
100 Pine Street, 11th Floor
San Francisco, CA 94111
Phone: 415-403-1400
Fax: 415-403-1466

SUBJECTIVITY TO BIND:

- 1)Completed, Signed and Dated ACIP Crime application
- 2)Request to Bind form signed and dated which can be found on the last page of the Proposal
- 3)Payment within 20 days of binding coverage

DATE PREPARED: 5/10/16

QUOTE VALID UNTIL: 7/1/16

BROKER:

**ALLIANT INSURANCE SERVICES, INC.
NEWPORT BEACH, CALIFORNIA**

Tom E. Corbett
Senior Vice President

Lisa Meisner
Account Manager

DISCLOSURES

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information

regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Claims Made Policy (D&O/EPL):

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

NRRA:

(Applicable if the insurance company is non-admitted)

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

OPTIONAL COVERAGES

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

GLOSSARY OF INSURANCE TERMS

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages.

- <http://www.ambest.com/resource/glossary.html>
- <http://www.irmi.com/online/insurance-glossary/default.aspx>

2016-2017 ACIP CRIME REQUEST TO BIND COVERAGE

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
INSURED NAME: CITY OF ALAMEDA HEALTH CARE DISTRICT CRIME: Effective 7/1/16 to 7/1/17	<p>OPTION 1 \$1,000,000 with \$2,500 Deductible <input type="checkbox"/></p> <p>OPTION 2 \$3,000,000 with \$2,500 Deductible <input type="checkbox"/></p> <p>OPTION 3 \$5,000,000 with \$2,500 Deductible <input type="checkbox"/></p> <p>OPTION 4 \$10,000,000 with \$2,500 Deductible <input type="checkbox"/></p>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insurance Representative	Date
Title	

Printed / Typed Name	
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This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*