



**REGIONAL CENTER OF THE EAST BAY
Board of Directors Meeting
MINUTES**

Monday, September 28, 2015
500 Davis Street, San Leandro, CA
Final Approved on 10/26/15

RCEB BOARD MEMBERS PRESENT:

Anne Struthers, President	Morena Grimaldi
Evangeline Iyemura, Vice-President	Daniel Hogue, PVAC
Mike Treppa, Budget & Finance Committee Chair	Gwen Nash-Butler, CAC
Steve Whitgob, Treasurer	Marie Parra
Rose Coleman, Secretary	Darcy Ting
Nyron Battles, CAC Vice-Chair	

ABSENT:

Chi Lee [excused]
Donald Morris [excused]
Carmen Quinones [excused]

STAFF PRESENT:

Jim Burton, Executive Director
Terri Jones, Director of Human Resources
Lisa Kleinbub, Director of Health & Behavioral Services
Nancy Kubota, Director of Finance & Administration
Steve Robinson, Director of Community Placement & Sonoma Developmental Ctr Closure Plans
Ronke Sodipo, Director of Community Services
Pam Thomas, Director of Consumer Services
Melanie Fowler, Associate Director of Adult Services
Meredith Rosenberg, Case Manger
Michi Toy, Executive Assistant

GUESTS:

Jerry Grace, CAC
Kathy Hebert
Cleo Manspeaker
Anna Shands, DDS
Rocio Smith
Sandi Soliday, ACDDC
Todd Struthers
Joshua Sullivan, CCCDDC

CALL TO ORDER

President, Anne Struthers called to order the regularly scheduled meeting of the Regional Center of the East Bay at 7:05 p.m.

WELCOME AND INTRODUCTIONS

Self introductions were made and a quorum was present.

CONSENT AGENDA / MINUTES

M/S/C “The Board moves to approve the September 28, 2015 Agenda as presented.”
 [Whitgob/Iyemura] Unanimous

M/S/C “The Board moves to approve the minutes of July 27, 2015 as presented”
 [Whitgob/Iyemura] Unanimous

PUBLIC COMMENT

Rocio Smith thanked RCEB for the support from all the volunteers who helped on August 8, 2015 with the Congreso Familiar Conference for Spanish speaking families with children with disabilities. Rocio stated that there were 95 volunteers for the 610 attendants (362 adults and 248 children) as she presented Mr. Burton and the board with a large poster of the consumers and their families enjoying the event.

Cleo Manspeaker spoke of her trials and tribulations as she turned 55 years-old this month and her excitement for finally receiving Senior Citizen discounts.

Gwen Butler spoke of the recent San Francisco Municipal Transportation Agency’s [SFMTA] program for Senior citizens and those with qualifying disabilities free access to Muni services when using a Clipper Card. Ms. Butler would like a program like that in the East Bay. RCEB’s transportation department will be looking into that request.

Jerry Grace spoke about the People’s First trip to Sacramento in March.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

CONTRACT APPROVALS

Department of Developmental Services [DDS]

B-1 Contract Amendment

Ms. Struthers distributed the Department of Developmental Service’s B-1 contract amendment approval summary highlighting an increase of \$79,843,915 to RCEB’s POS allocation and \$8,903,782 to the OPS allocation, for a total allocation of \$88,747,697. Due to timing, the Executive Committee approved this contract at their meeting on September 9th and is now

asking the Board to ratify this contract amendment. Questions were asked and answered accordingly.

M/S/C “The Board moves to ratify the B-1 contract amendment allocation of \$88,747,697 as presented.” [Whitgob/Treppa] Unanimous

A-4 Contract Amendment

Mr. Burton stated that we are asking for a request for approval from the board, as we just received the letter of intent from the Department of Developmental Service to address the deficiency remaining from last fiscal year. The A-4 contract amendment allocation has an increase of \$8,343,140 as follows:

- ▲ Regular Funds
\$7,205,053 in POS Allocation and \$750 in OPS Allocation
- ▲ CPP Funds
\$1,113,637 in POS Allocation and \$23,700 in OPS Allocation

Mr. Burton added that there are no changes in the contract language, and that we are asking the board to approve of Anne signing the contract when the actual contract is sent to us. Questions were addressed accordingly.

M/S/C “The Board moves to approve of RCEB Board President Anne Struthers, to sign the A-4 contract amendment allocation of \$8,343,140 when it arrives, then the board will be asked to ratify the contract at the October board meeting.” [Treppa/Iyemura] Unanimous

Community Placement Plan [CPP]

Mr. Burton stated that in the board packet, there is a contract with a term dating back to 2014. It is made up of a combination of money that was made available from the prior year and current year CPP fund and was approved by the Department of Developmental Services [DDS]. These two contracts represent the Community Placement Plan startup funding for housing development for fiscal year 2014/15 and 2015/16. Steve Robinson informed the board that since it covers two fiscal years, it is a little complicated, but this contract is for the purpose of both acquisitions and renovations by the Non-Profit Organizations [NPO's]. The idea behind using this model is so that the homes are owned in perpetuity by the NPO's, so when the clients move from SDC into these homes, the homes will be theirs to live in for the rest of their lives. To clarify, the NPO's actually own the homes as long as RCEB assigns the ownership of that home to them. The long term commitment is that the property must always be used to house those with developmental disabilities. If that NPO does not work out, we are able to switch NPO's. The Title and the deed are very specific in that the NPO owns the home, *as long as we designate them as the owners*. Each home will house no more than four individuals. Mr. Burton also added that the NPO's will need to borrow funds in order to allow purchases to occur, given

that property in the Bay Area is expensive, and the contract for property acquisition is just \$350,000. The NPO will also need to follow DDS's housing guidelines and updates yearly. The rate that we will be paying will cover mortgage, housing, and service costs. The NPO's will be the "landlord" and RCEB will pay the service provider who will in turn have the lease payment included in their rate.

Housing Consortium of the East Bay [HCEB]

This is a non-profit independent organization that has been developing and expanding housing for a very long time and also assisted RCEB with housing during the closure of the Agnews Developmental Center, although the structure back then was different since RCEB had bonds issued. The NPO's also had their own initiatives to develop apartments, condominiums and homes throughout the East Bay.

Term: 6/30/14 – 3/31/18

Rates: Total \$650,000

1. \$350,000 for Property Acquisition for fiscal year 2014-15
2. \$300,000 for Property Renovation
 - a) \$220,000 for fiscal year 2014-15
 - b) \$80,000 for fiscal year 2015-16

M/S/C "The board moves to enter into contract with the Housing Consortium of the East Bay as presented" [Iyemura/Whitgob] Unanimous

California Housing Foundation [CHF]

This NPO provided the same service in the Lanterman Developmental Center closure. CHF has more access to capital than HCEB. This contract is for two homes instead of one. The renovations costs are higher because these homes are older and need extensive modifications. This contract represents the Community Placement Plan startup funding for housing development for fiscal years 2014/15 and 2015/16.

Term: 6/30/14 – 3/31/17

Rates: Total \$1,300,000

1. \$700,000 for Property Acquisition for fiscal year 2014-15
2. \$600,000 for Property Renovation for fiscal year 2015-16

M/S/C "The board moves to enter into contract with the California Housing Foundation as presented" [Iyemura/Whitgob] Unanimous

REPORT FROM THE SEPTEMBER 9, 2015 EXECUTIVE COMMITTEE SESSION

New Concord Lease
Concord Corporate Center LLC, One and Two Corporate Center, 1320 Willow Pass Road,
Concord, California
Commencement 6/1/2016

Ms. Struthers informed the board and guests that the existing Concord Office lease will expire next year on May 31, 2016. At both the April and July 2015 Board meetings, RCEB staff provided information to the board on their progress in securing a new office space. The Executive Committee has also been receiving monthly updates. RCEB has been at the existing Concord office for 18 years (since 1997) and for the past several years, it's been clear that the current Concord space can no longer accommodate RCEB's expanding staff and the growing needs of our Contra Costa County community.

After an extensive search and negotiations, the Concord Corporate Center property not only met RCEB's requirements but was also cost effective, affordable and within the existing rent allocation provided by the Department. The lease was approved at the July 27, 2015 board meeting and was signed on August 12, 2015. The RCEB board, staff and community will be pleased to know that RCEB/Concord will be moving in June 2016 to the new location only a mile and a half away from the current office. The office space includes 20% extra working space and a much improved working environment for the staff. Additionally, there are two large conference rooms that will not only be available for RCEB use, but will be welcoming to our community as well.

There are no changes to the lease terms discussed at the last board meeting but there was a recommendation to add an adult changing table was taken into consideration and was brought to the attention of the landlord. Not only did the landlord support this change but he also agreed to pay for the cost of this modification to the floor plans. The new landlord has been very cooperative and they are very pleased to have RCEB as their new tenant next year.

BUDGET AND FINANCE COMMITTEE-Report from 9/28/15: Steve Whitgob

As reported earlier, Regional Centers received the B-1 contract amendment on August 28th which was good news as it allowed us to begin working on our operations and Purchase of Services budgets for the fiscal year. The B-1 amendment provides the agency with an additional \$88.7M in our current year allocation. The release of the amendment also helped with our cash flow as RCEB was able to claim an additional cash advance in the amount of \$22M.

Operations

The B-1 contract amendment will provide **nearly all** of our operations allocation for the year, including our allocations for our Community Placement Plan (or CPP), continuation funding for workload related to the Agnews closure, and new funding for the Sonoma Closure Plan. The

allocation for the Community Placement Plan [CPP], ongoing Agnews workload, and the Sonoma Closure are considered to be restricted funding. Having all of our operations funding allows us to finalize our operations budget, and we are currently in the process of completing our preliminary operations budget for the year. We will provide the Board with a detailed operations report at the next board meeting.

This month's financial statement shows our allocation to date and actual expenditures through August 31, 2015 and compares the B-1 allocation and last year's A-1 allocation. The statement also compares actual expenditures for the same time periods. We expect to have our standard financial statements available at the board meeting in November once the detailed Sufficiency of Allocation Report (known as the "SOAR") is completed.

RCEB grew by 948 **net** new consumers during the past 12 months. We believe a big part of this growth is likely due to the restoration of the Early Start eligibility which was effective January 1, 2015. Our B-1 allocation for Operations included caseload growth. Seeing this growth occurring over the past 6 months, the agency began the process of adding new Case Management positions prior to the start of the fiscal year to try to address the growing needs of our community.

Purchase of Service

For Purchase of Services, Regional Centers received the POS allocation based on an equitable proration of prior year expenditures that each Regional Center actually spent. This methodology was developed in Fiscal Year 2014-15.

In the B-1 amendment, RCEB received \$27M more in Regular POS funding than in last year's A-1 allocation. In addition, we received ongoing funding for the annualized impact of the increase in State minimum wage effective 7/1/14 and growth funding for the implementation of new State laws and regulations, such as the State minimum wage effective 1/1/16, and AB1522- Sick Leave Act, effective 7/1/15. We also received additional funding for our Community Placement Plan. RCEB is one of 7 regional centers who are participating and have been allocated funds this fiscal year specifically for our efforts in the Sonoma Closure Plan. RCEB has the largest number of clients (125) who are currently residing at Sonoma Developmental Center therefore we received the largest prorated share of the funding allocated in the Governor's May Revise budget.

The B-1 amendment allocated \$14M for the Sonoma Closure Plan; almost all of this amount, or approximately \$13.9M, are designated for resource development and startup funding to develop specialized housing, programs and services specifically to serve the unique needs of clients who currently reside at Sonoma Developmental Center.

Staff will report back at the Budget and Finance committee at the November Board meeting when the SOAR report has been completed. A detailed Purchase of Services summary will be provided to the Board at that time.

With regards to Fiscal Year 2014-15, Regional Centers received the A-4 contract amendment intent notice last Friday. RCEB will be receiving an additional \$7.2M in non-CPP POS funds and \$1.1M for Community Placement Plan for a total of \$8.3M in additional POS funding. There will also be a small increase in CPP operations. RCEB has been reporting a mid-range insufficiency of \$7.1M in Purchase of Services for Fiscal Year 14-15 so the notice regarding the forthcoming A-4 Amendment is great news and with this amendment, we expect to balance our POS budget for last fiscal year.

Line of credit and cash flow

At this time, we are pleased to report the agency's cash flow is stable however we want to remind the Board that our current Line of Credit will expire at the end of this month. Regional Centers who bank with Union Bank were informed the line of credit for the same amount as last year will be renewed, **however** there will be a significant change in how the line of credits will be issued to regional centers and the cost.

Union Bank is advising Regional Centers that effective this fiscal year, they will be charging a fee for any unused portion of our line. The fee is equal to 10 basis points or .1% for this fiscal year, and 20 basis points, or .2% for Fiscal year 16-17. Union Bank claims their exposure on the total aggregate lines of credit, which is around \$400M, is not longer sustainable. The total annual fee for RCEB to maintain our Line of Credit amount of \$49.6M will cost the agency \$49,600 this fiscal year, and \$99,200 next fiscal year. Union Bank is also offering to provide ½ of the line, or \$24.8M, and waive the fee this year but the fee will be .1% for Fiscal year 16-17, and .2% for Fiscal Year 17-18.

Staff asked Union Bank to consider a 3rd option. Since the Line of Credit is most needed at the end of the fiscal year, staff asked Union Bank if a shorter term line of credit can be requested. For example, establish our \$49.6M line of credit only for the period from April 1 through July 31, or 4 months. The benefit to this option is RCEB would only be obligated to pay the fee for 4 months, or \$16,533. The downside is that RCEB would not have a line of credit for the remaining months. Staff requested Union Bank to waive the fee for this fiscal year if this option was selected and Union Bank agreed for this fiscal year only.

In all scenarios, Union Bank has agreed to remove the "borrowing" limits that were in place in previous fiscal year. Our borrowing ability was based on our allocation and aggregate claimed amounts. This year, Union Bank will remove the borrowing limits; therefore our borrowing authority will be up to the full amount of the Line of Credit.

Therefore the Board will need to make a decision:

- 1) Establish a \$49.6M line of credit for 12 months (October 1, 2015 through September 30, 2016 for an annual service fee of \$49,600.

- 2) Establish a \$24.8M line of credit for fiscal year 15-16 and fee is waived only for this year. Please note that \$24.8M is not sufficient to cover RCEB's expense in Purchase of Services and Payroll for one month.
- 3) Establish a \$49.6M line of credit for 4 months of the year and fee is waived this year only. This will mean that RCEB will NOT have a line of credit for the remaining 8 months.

In all cases, the borrowing limits established by Union Bank will be removed. Although a line of credit is not needed at this time, it is prudent for the agency to retain Line of Credit in the event that state warrants are delayed, or for any reason there are delays in federal reimbursement. The last time RCEB used our Line of Credit was in late June and early July 2013 due to delays in Federal reimbursement. We were also very close to borrowing this past July due to delays of our cash advances by the Controller's office.

Because the need of our Line of Credits is always most critical around May, June and July, staff is recommending the Board consider the 3rd option of establishing a \$49.6M line of credit for 4 or 3 months of the year. There will be no fee incurred this fiscal year but there will be a fee imposed by the Bank next fiscal year.

M/S/C "The board will authorize RCEB to go forward with Option #3, which is to establish a \$49.6M line of credit for 4 months of the year, where the fee is waived this year only, and no line of credit for the remaining 8 months."
[Treppa/Parra] Unanimous

At the next board meeting, Staff will update the Board on the line of credit and will continue to update the board on the agency's cash flow status

Independent Audit for Fiscal Year 14-15

Our independent Auditors are wrapping up their work on our annual independent audit report for Fiscal Year 2014-15 and they are scheduled to present the draft report to the Board at the October 2015 board meeting. The audit is expected to be a clean audit.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

We currently have 14 board members and are seeking an additional Alameda County member who is Latino in order to maintain ethnic representation consistent with our community.

PROVIDER/VENDOR ADVISORY COMMITTEE [PVAC]: Daniel Hogue

Mr. Hogue summarized the PVAC meeting from September 11th where there was a presentation on *RCEB Crisis Intervention Team* by Andy Hoang/Community Integrated Work Program [CIWP] and Sandra Regan/RCEB Forensic Services Specialist. The next PVAC meeting will be on October 9th.

CONSUMER ADVISORY COMMITTEE: Nyron Battles

Mr. Battles thanked the board on behalf of the Consumer Advocacy Committee for sponsoring their Oakland A's social event. The next Consumer Advisory Committee meeting will be on October 12th.

DIVERSITY and EQUITY COMMITTEE: Anne Struthers

Ms. Struthers informed the board that the Diversity and Equity Committee met prior to the board meeting, where it was announced that board member Morena Grimaldi has volunteered to be the Chairperson of the Diversity & Equity Committee. Elvia Osorio-Rodriguez summarized the successful Congreso Familiar Conference, and updates were given on the Farsi/Darsi meetings at the Afghan Coalition office as well as FCSN support groups. The next Diversity and Equity Committee meeting will be on October 26th in Concord.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

State Budget – Special Session Update

Mr. Burton expressed his disappointment in the September 11th outcome of the legislative Special Session in the lack of support for the bills that address the lack of funding for services and supports for those with developmental disabilities and their families. The Special Session was not closed, it was just adjourned probably until next January. Because the bills involve a tax, three Republicans and all the Democrat members need to vote for it. Mr. Burton commented on the great advocacy work by the community and their ability to garner support from their local legislators, who are now very knowledgeable and involved in our issues. There was a concerted effort and push for support of the managed care tax ABX2-14 [Hernandez] during the week prior to September 11th however, no Republican members were willing to vote for it. The on-going funding for the restoration of the 7% cut in In-Home-Support-Services [IHSS], rate adjustments for our service providers, regional center staff salaries, and MediCal rates were all included in Senator Hernandez' bill. Mr. Burton stated that it is not over yet; we still have to press our case with the legislators and the Governor. The managed care tax does need to be addressed, as it is only in place through June 30, 2016 and if it goes away, we lose up to \$1.1-\$1.3 billion in Federal funds that we are currently receiving as well as suffer program reductions in Health and Human Services. Mr. Burton did not want those to lose hope, as there are other bills out there and a conference committee has been formed with senators and assembly members such as local assembly members Susan Bonilla and Rob Bonta, who are hopefully working to come up with a bi-partisan compromise. Republican members state that they will not support a tax increase as they believe that there is no need for a tax, and that everything can be funded through the existing surplus.

Program Closure

Mr. Burton announced the November 30, 2015 closure of the *Lynn Center*, an infant program run by Contra Costa ARC, an agency that has provided services for decades. This center has been struggling for a while and despite their search for funding options they can no longer support the 22 infants and toddlers that they took care of at the center. It will be a challenge to find alternate services to several of the children who live in the far eastern part of Contra Costa County.

This is not the only closure in our developmental disability service system, as we have had residential facilities and day programs closing, and it will not be the last one. Unfortunately, this is the result of the lack of action on rates of reimbursement by the Governor and legislature.

Self-Determination

Background: The RCEB and the SCDD Council Office each appointed 5 members to the committee along with the client rights advocate making it a total of 11 members on the committee. There will be a phase-in period with a maximum of 2,500 participants statewide in the first three years of the Self-Determination Program beginning when Federal approval is obtained. Each participating regional center will get a specific allocation of participants based on their percentage of the population of consumers statewide, and for RCEB, this would be around 155 consumers.

Mr. Burton informed the board that we were just informed that the State is preparing a request to the Federal government to support California's proposal for Self-Determination. That proposal was posted about four weeks ago for comment, and the Department is responding and adjusting to the comments received and is expecting to have that request to the Federal government up by September 30, 2015. Once that is posted, the Federal government has 90 days to respond with an approval, rejection, or inquiries.

Our Self-Determination Local Advisory Committee has been meeting every month since June, 2015 and chaired by Vi Ibarra. The group is very energetic and determined to become completely knowledgeable about every aspect of the program before January 2016. The next meeting is Monday, October 5th in our Concord office where we will have a presentation on Person-Centered Planning and the Self-Determination Budget.

Sonoma Developmental Center [SDC]

Mr. Burton stated that we have had our 4th meeting with SDC families on the closure of SDC today. The Department of Developmental Services [DDS] released their very thorough 81 page draft closure plan dated September 15, 2015 on their website:

https://www.dds.ca.gov/SonomaNews/docs/closurePlanDraft9_15.pdf

On September 21, 2015 there was a public hearing for comments on this plan. The Department will take into consideration the feedback from the families, and they will be submitting their final closure plan on October 1, 2015.

Mr. Burton added that this issue is very important and difficult for those residents and their families, some of who have resided at SDC for over 50 years. The families are struggling and grieving as they oppose the closure of the home that they have known for their loved ones. Mr. Burton expressed his thanks to Steve Robinson, our new Director of Community Placement and Sonoma Developmental Center Closure Plans as he introduced him to the board members.

PUBLIC COMMENT

Josh Sullivan, Contra Costa County Developmental Disabilities Council

On September 3rd there were 1,300 community members who attended at the “We’re Here to Speak for Justice” rally with guest speaker former congressman Tony Coelho, lead sponsor and author of the American Disabilities Act in 1990.

- Oct 7: EBLC meeting at 10am in the Public Health Building.
- Oct 15: Transition Task Force - Discussion Topic: DOR. Meeting begins at 3:15 PM at RCEB/Concord.
- Oct 28: CCCDDC Board Meeting - Presentation topic: Transportation: Contra Costa Transit Authority, the TEP, and the need to engage our community members. Meeting starts at 10:00 AM at RCEB/Concord.
- Oct 29: Concord Hearing on Affordable Housing - Concord City Council will be voting to set priorities for Affordable Housing, Good Jobs, Open Space and Accessible Transit as the city looks at land use options for the Naval Weapons Station. The meeting will be held at 1950 Parkside Dr. in Concord at 6:00 PM.

Sandi Soliday, Alameda County Developmental Disabilities Council

- Oct 3: The 2015 STAR Conference is dedicated to addressing the needs and concerns of families with children with Autism ages 0-12.
- Oct 7: Tri Valley Transition Night
- Oct 10: Going to College with a Disability Conference at the Ed Roberts Campus
- Oct 15: ADA Shake-out flash mob put on by Oakland Public Health
- Oct 14: ACDDC meeting
- Oct 23: Autism Summit

ARCA REPORT: Anne Struthers

Ms. Struthers commended the ARCA staff for organizing the successful advocacy in Sacramento and despite their frustration over not getting the legislation passed, they are continuing with their advocacy. The next meeting will be a strategic planning meeting in San Diego on October 15/16.

Closed Session

There was a closed session regarding a personnel issue.

MEETING ADJOURNED

The board meeting adjourned at 9:10 p.m.

The next Board Meeting will be at 7:00 p.m. on October 26, 2015 in CONCORD
The next Diversity & Equity Meeting will be at 6:00 p.m. before the Board Meeting