## REGULAR MEETING BOARD OF DIRECTORS BEACH CITIES HEALTH DISTRICT April 27, 2011

A Regular Meeting of the Board of Directors of the Beach Cities Health District was called to order in the Beach Cities Room of the Beach Cities Health Center at 6:40 p.m.

<u>Members Present:</u>	Marie Corr Dr. Noel Chun Joanne Edgerton Dr. Robert Grossman
Members Absent:	Vanessa Poster

Legal Counsel Present:	Robert Lundy
Staff Present:	Susan Burden, CEO

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
Call to Order	Ms. Marie Corr opened the meeting and invited Ms. Susan Burden, Chief Executive Officer, to lead the salute to the flag.	
Public Discussion	Ms. Corr asked if any member of the public would like to address the Board on any issue not on the agenda.	
	Mr. Richard Strom, a resident of Manhattan Beach, stepped forward.	
	Mr. Strom referred the Board to a memo he addressed to Ms. Susan Burden and the BCHD Board of Directors, expressing his concerns with regard to what he perceives, as a lack of emphasis on the cost effectiveness and cost accounting and an unrealistic assessment of the Bike/Walk strategy on the Vitality City project. Mr. Strom requested that Ms. Burden provide him with a written response to all of the questions in his letter. Mr. Strom also distributed an article to the Board that was published in Scientific American Magazine titled: "Carbs against Cardio: Refined Carbohydrates, not Fats, Threaten the Heart" for their reference.	
Review and Approval	The Board reviewed the minutes of the March	After review, it was
of the Minutes of the March 30, 2011 Regular Meeting	30, 2011 Regular Meeting.	<b>Moved and Seconded</b> (Grossman/Corr) to approve the minutes of the March 30, 2011 Regular Meeting.

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		Ms. Corr, Dr. Chun, Ms. Edgerton and Dr.
		Grossman voted yes. Ms.
		Poster was not in
		attendance. Motion Carried
Program and Staff Reports		
Chief Executive Officer	Ms. Susan Burden, Chief Executive Officer, announced that Dr. Lisa Santora, Chief Medical Officer, was representing the District at an annual Healthways, Inc conference in Dallas, Texas.	
	Ms. Burden reported that Silverado Senior Living construction is underway and the Beach Cities Child Development Center plans are being drawn up.	
	Ms. Burden presented an update on the progress of two of the District's goals: a new software management program and a Medical Profile survey.	
	Ms. Burden reported that she is continuing to explore all federal funding opportunities that may become available under healthcare reform. However, thus far our communities do not meet the income guidelines for these funds.	
	Ms. Burden reported that a positive outcome from the UCLA site tour of our facility is that they have expressed an interest in not only being a property partner but also as a joint research partner.	
	Ms. Corr asked Ms. Burden what type of research.	
	Ms. Burden responded that one of the discussion points is the possibility of putting a primary care clinic on site that specializes in gerontology and doing an Accountable Care Organization (ACO) model between UCLA and BCHD for taking care of the elderly.	
Director of Human Resources Psychologically	Ms. Corr invited Ms. Jackie Berling, Director of Human Resources, to the podium.	
Healthy Workplace	Ms. Burden referred the Board to the plaque that	

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
Award and Future of	Ms. Berling accepted on behalf of the District	
WorkWell Program	from the Psychologically Healthy Workplace.	
	Ms. Berling presented an overview of the American Psychological Association's Psychologically Healthy Work Place Award Program, for which the District received a 2011 national best practices award. Ms. Berling also updated the Board about the District's progress on becoming a Healthways / Blue Zones Certified Employer.	
Director of Communications Steppin' Out Walking Campaign Update	Ms. Corr invited Mr. Michael Shaw, Director of Communication, to the podium. Mr. Shaw presented an overview of the 2011 Steppin' Out walking campaign. Mr. Shaw reported that in 2010 there were 5,500 community members participating and the number of steps walked was 317,000,000. The District provided pedometers to 8,300 elementary school students in the three beach cities. Mr. Shaw reported that this year the District is collaborating with the Vitality City Initiative on the Walking Moai in conjunction with the Steppin' Out campaign.	
Legal Counsel	Mr. Lundy had no report.	
Community Health	Dr. Grossman reported that the Community	
Committee	Health Committee did not meet.	
Finance Committee Treasurer's Report		
Approve Checks No. 51108 through 51373 totaling \$729,890.17 for Accounts Payable for the Month of March 2011		After review, it was <b>Moved</b> and <b>Seconded</b> (Edgerton / Corr) to Approve Checks No. 51108 through 51373 totaling \$729,890.17 for Accounts Payable for the Month of March 2011. Ms. Corr, Dr. Chun, Ms. Edgerton and Dr. Grossman voted yes. Ms. Poster was not in attendance. <b>Motion Carried</b>
Discussion and Approval of Lease of Space on the Fourth Floor of 514 N. Prospect Avenue,	Ms. Edgerton invited Mr. Steve Groom, Chief Financial Officer, to the podium. Mr. Groom reported that the lease is a renegotiation of a second ten-year lease with	

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Redondo Beach, to	Cancer Care Associates, a tenant on the 4 <sup>th</sup>	
Cancer Care	Floor of the 514 N. Prospect Avenue building.	
Associates, Including a	The old lease rate was \$1.53 per sq. ft., the new	
Related Loan or	rate is \$2.30 per sq. ft. and Cancer Care	
Alternative Funding of	Associates' share of building operating	
Approximately	expenses will more than double. In addition, the	
\$300,000 to Cancer	District is obligated to pay a final payment to the	
Care Associates, and	broker who represented the tenant which was	
Payment of \$66,440 For	written into the original lease.	
Broker's Fees Relating		
to the Lease	Ms. Edgerton asked what Cancer Care	
	Associates was going to use the \$300,000 for.	
	Mr. Robert Lundy, Legal Counsel, stated "that	
	the \$300,000 is not going to be part of the	
	motion, that it was on the Agenda as a potential	
	part of the motion. It turns out that there will be	
	no funding by the District for that \$300,000.	
	There will be no loans from the District and there	
	will be no TI allowance from the District. There	
	is rent abatement within the lease but there is no	
	cash payment from the District in the form of a	
	loan or other funding to the tenant."	
	Mo. Edgerten asked Mr. Lundy if the rent	
	Ms. Edgerton asked Mr. Lundy if the rent	
	abatement totals \$300,000.	
	Mr. Lundy responded: "That it does, but it is over	
	the ten years. It's up front, there is going to be	
	some TI construction but the actual funding is	
	going to come from the tenant themselves and	
	then there will be rent abatement which is	
	customary for long term leases and it is not	
	unusual to get rent abatement of about this	
	magnitude for a ten-year lease."	
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	Mr. Lundy stated that the motion would be to	
	approve the lease with the substantial terms that	
	we have described but it would exclude the part	
	on the Agenda that says, "including a related	
	loan or alternative funding of approximately	
	\$300,000 to Cancer Care Associates", that	
	would be deleted from the motion. The motion	
	is, "discussion and approval of lease of space	
	on the 4 <sup>th</sup> Floor of 514 N. Prospect Avenue,	
	Redondo Beach, Cancer Care Associates and	
	payment of \$66,440 for broker's fees relating to	
	the lease."	
	After review and discussion Dr. Ohur mode	After review it was been a
	After review and discussion, Dr. Chun made a	After review, it was <b>Moved</b>
	motion to approve the lease of space on the 4 <sup>th</sup>	and Seconded

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
	floor of 514 N. Prospect Avenue, Redondo	(Chun/Edgerton) to
	Beach with Cancer Care Associates and last	approve the lease of space
	payment of \$66,440 for broker's fees relating to	on the 4 <sup>th</sup> floor of 514 N.
	the lease.	Prospect Avenue,
		Redondo Beach with
		Cancer Care Associates
		and last payment of
		\$66,440 for broker's fees
		relating to the lease.
		Ms. Corr, Dr. Chun, Ms.
		Edgerton and Dr.
		Grossman voted yes. Ms.
		Poster was not in
		attendance.
		Motion Carried
Policy Committee	Ms. Corr reported that the Policy Committee did	
Due noutline Orace 111	not meet.	
Properties Committee	Dr. Chun reported that UCLA visited the District	
	on Monday, May 2, 2011. Negotiations are	
	underway with UCLA to lease 8,700 sq. ft. (the	
	former Womens Wellness Center) for a primary	
	care clinic with a focus on gerontology. Dr.	
	Chun reported that there are also ongoing	
	negotiations for UCLA to be the anchor tenant in the Campus Concept Plan.	
Strategic Planning		
Committee	Ms. Corr reported that a Strategic Planning Retreat is going to be held on Friday, May 20,	
Committee	2011 from 8:00 a.m. to 12:30 p.m. at	
	AdventurePlex. Dr. Michael Matthews,	
	Superintendent of Manhattan Beach Unified	
	School District will be giving a presentation:	
	"Leading a 21 <sup>st</sup> Century Organization". Mr. Larry	
	Krutchik, Senior Vice President of Public Affairs	
	of Allison & Partners will be leading two group	
	activity sessions: "Working with the Press".	
	Vanessa Poster will be leading two group	
	activity sessions: "It's Your Time to Lead, Now	
	What?"	
Old Business	There were no reports.	
New Business	There were no reports.	
Board Member Reports	Dr. Chun had no report.	
	Dr. Grossman reported that he participated in a	
	telephone conference call with the Association	
	of California Healthcare Districts.	
	Ms. Corr had no report.	
	Ms. Edgerton reported that she and Ms. Burden	
	are going to attend the Midwest Business Group	
	on Health in Chicago next week.	
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AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
Announcements/ Questions and Referrals to Staff	Ms. Corr asked Ms. Burden if Healthways, Inc. was going to present claims data at the next meeting of the Board of Directors.	
	Ms. Burden confirmed that Mr. Justin Smith of Healthways, Inc. will be at the Board of Directors meeting in May to discuss the claims data.	
Adjournment	Ms. Corr moved to adjourn the meeting.	There being no further business, Ms. Corr <b>Moved</b> to adjourn the meeting. Meeting adjourned at 7:40 p.m.

The next Regular Meeting of the Beach Cities Health District Board of Directors is scheduled for Wednesday, May 25, 2011 at 6:30 p.m. in the Beach Cities Room of the Beach Cities Health Center, located at 514 N. Prospect Avenue, Redondo Beach, California