

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

November 9, 2016

To: LAFCo Commissioners

From: Martha Poyatos, Executive Officer

Subject: Consideration of Authorization of Contract with the Consulting Firm of Harvey M. Rose Associates, LLC, for Preparation of a Municipal Service Review and Sphere of Influence Update for the Sequoia Healthcare District and the Peninsula Health Care District

Recommendation

Adopt a Resolution Authorizing the Executive Officer to execute a contract with Harvey M. Rose Associates, LLC, to prepare the Municipal Service Review and Sphere of Influence update for Sequoia Healthcare District and Peninsula Health Care District for the term December 5, 2016 through March 31, 2017 in an amount not to exceed \$69,000.

Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that every five years, as necessary, LAFCo review and update the sphere of influence (SOI) of each local agency. In conjunction with the SOI update, LAFCo must prepare a municipal service review (MSR) to determine the range and adequacy of the governmental services provided.

As previously reported, the 2012-13 Civil Grand Jury recommended that LAFCo complete a municipal service review on the health care districts. . At your July meeting, the Commission authorized release of a Request for Proposals (RFP) for a consultant-prepared report.

Recruitment Process

On August 11, 2016, LAFCo released an RFP and Scope of Services for the health care districts MSR. The RFP was sent to 14 firms and posted on the San Mateo LAFCo website. At the close of the proposal submittal deadline, one proposal was received from Harvey M. Rose Associates, LLC (HMR). On November 4, the Executive Officer along with Budget Committee members Horsley and Garbarino interviewed the HMR consulting team, which includes Severin Campbell, Principal; Dan Goncher, Senior Manager; and Julie Nagle, Senior Analyst. Based on that interview, the proposal itself, and the credentials of the project team, the Budget Committee

COMMISSIONERS: JOSHUA COSGROVE, CHAIR, Special District • DON HORSLEY, VICE CHAIR, County • ANN DRAPER, Public • RICH GARBARINO, City
MIKE O'NEILL, City • JOE SHERIDAN, Special District • ADRIENNE TISSIER, County

ALTERNATES: RIC LOHMAN, Special District • RAY MUELLER, City • SEPI RICHARDSON, Public • WARREN SLOCUM, County

STAFF: MARTHA POYATOS, EXECUTIVE OFFICER • REBECCA ARCHER, LEGAL COUNSEL • JEAN BROOK, COMMISSION CLERK

November 9, 2016

Authorization of Contract with HMR to Prepare MSR/SOI for Health Care Districts

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members and Executive Officer recommend accepting the proposal and authorizing the Executive Officer to execute a consulting agreement with HMR. The attached contract includes the scope of work.

Harvey M. Rose Associates, LLC (HMR)

- Severin Campbell, Principal and Project Lead, has over 15 years of experience working on a wide range of LAFCo-related projects that include conducting and managing performance audits, budget and policy analyses, and legislative reports.
- Dan Goncher, Senior Manager, has over eight years conducting and managing performance audits, management assessments, and budget and legislative analyses.
- Julie Nagle, Senior Analyst, has worked extensively on performance audits and policy, budget, and legislative analyses for government clients.
- Gregg Sass, Subcontractor, has 40 years of experience in all areas of health care financial management, most recently retiring from ten years as the Chief Financial Officer for the San Francisco Department of Public Health.

Budget Impact

The not-to-exceed cost of \$69,000 is within budget resources and adequate funding is included in the Fiscal Year 2016-17 budget to cover costs associated with the MSR/SOI update (\$60,000 in consulting and \$9,000 in reserve). The attached resolution authorizes the Executive Officer to execute the contract and to modify the scope of the contract as necessary as long as the modifications do not increase the “not to exceed” amount of the contract.

cc: Foreperson, Civil Grand Jury
Lee Michelson, General Manager, Sequoia Healthcare District
Cheryl Fama, General Manager Peninsula Health Care District
Severin Campbell, Principal, Harvey M. Rose Consulting, LLP

Attachments: Resolution
Agreement
Proposal

RESOLUTION NO. 1206

**RESOLUTION OF THE
SAN MATEO LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING AN AGREEMENT WITH
HARVEY M. ROSE ASSOCIATES, LLC,
FOR PREPARATION OF A
MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE
FOR THE SEQUOIA HEALTHCARE DISTRICT AND THE PENINSULA HEALTH CARE DISTRICT**

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo (LAFCo), State of California, that:

WHEREAS, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (Act) provides that LAFCo shall periodically update spheres of influence of cities and special districts; and

WHEREAS, the Act further requires that in conjunction with sphere of influence updates, LAFCo shall prepare municipal service reviews pursuant to Government Code Section 56430; and

WHEREAS, LAFCo may contract for preparation of municipal service reviews and sphere of influence updates; and

WHEREAS, the Executive Officer issued a Request for Proposals, reviewed qualified bidders, and recommends entering into a contract with Harvey M. Rose Associates, LLC, in the amount of \$69,000 for the period December 5, 2016 through March 31, 2017 to prepare a Municipal Service Review and Sphere of Influence Update for the Sequoia Healthcare District and the Peninsula Health Care District as detailed in the Scope of Services contained in the attached draft agreement; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Commission hereby authorizes the Executive Officer to execute an agreement with Harvey M. Rose Associates, LLC, in an amount not to exceed \$69,000 for the period December 5, 2016 through March 31, 2017. The Commission further authorizes the Executive Officer to modify the scope of the contract as necessary as long as the modifications do not increase the “not to exceed” amount of the contract.

Regularly passed and adopted this 16th day of November, 2016.

Ayes and in favor of said resolution:

Commissioners: _____

Noes and against said resolution:

Commissioner(s): _____

Absent and/or Abstentions:

Commissioner(s): _____

 Chair
 Local Agency Formation Commission
 County of San Mateo
 State of California

ATTEST:

 Date: _____
 Martha Poyatos
 Executive Officer
 Local Agency Formation Commission

I certify that this is a true and correct copy of the resolution above set forth.

 Date: _____
 Jean Brook
 Clerk to the Commission
 Local Agency Formation Commission

**SAN MATEO LAFCO
AGREEMENT WITH INDEPENDENT CONTRACTOR**

Agreement No. _____

Contractor Name and Address (“Contractor”):

Contractor: Upon completion of work or agreed-upon work periods, mail invoice with above Agreement Number to:

Harvey M. Rose Associates, LLC _____

Department: San Mateo LAFCO _____

1390 Market Street, Suite 1150 _____

Attention: Martha Poyatos _____

San Francisco, CA 94102 _____

Address: 455 County Center, 2nd Floor _____

Attention: Severin Campbell, Principal _____

City, State, Zip: Redwood City, CA 94063 _____

It is agreed between San Mateo Local Agency Formation Commission (LAFCo), and Contractor as follows:

1. **Services to be performed by Contractor.** In consideration of the payments hereinafter set forth, Contractor shall perform services for LAFCo in accordance with the terms, conditions, and specifications set forth herein and in Exhibit A attached hereto for LAFCo.
2. **Contract Term.** The term of this Agreement shall be from December 5, 2016, to March 31, 2017, unless terminated earlier by LAFCo.
3. **Payments.** In consideration of the services rendered in accordance with all terms, conditions, and specifications set forth herein and any Exhibit(s) or attachment(s) attached hereto, LAFCo shall make payment to Contractor in the manner specified herein and in Exhibit A. In the event that LAFCo makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by LAFCo at the time of contract termination. LAFCo reserves the right to withhold payment if LAFCo determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for services under this Agreement exceed sixty nine thousand dollars (\$69,000).
4. **Relationship of the Parties.** Contractor agrees and understands that the work/services performed under this Agreement are performed as an Independent Contractor and not as an employee of LAFCo and that neither Contractor nor its employees/agents acquires any of the rights, privileges, powers, or advantages of LAFCo employees.
5. **Workers’ Compensation Insurance.** Contractor shall have in effect during the entire term of this Agreement workers’ compensation and employer liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, (a) that it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) that it will comply with such provisions before commencing the performance of work under this Agreement.
6. **Other Insurance.** Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor’s operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or by an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount(s) specified below:
 - Comprehensive General Liability \$1,000,000 (applies to all agreements)
 - Motor Vehicle Liability Insurance \$1,000,000 (to be checked if motor vehicle used in performing services)
 - Professional Liability \$1,000,000 (to be checked if Contractor is a licensed professional)
7. **Hold Harmless.** Contractor agrees to indemnify and defend LAFCo and its employees and agents from any and all claims, damages, and liability in any way occasioned by or arising out of the negligence of Contractor and/or its employees/officers/agents in the performance of this Agreement, including any sanctions, penalties, or claims of damages resulting from Contractor’s failure to comply with any law, regulation, or ordinance, including but not limited to those listed in this Agreement.
8. **Confidentiality.** All data produced or compiled by Contractor shall be considered confidential unless it can be obtained as public record and shall not be shared with a third party without the prior written consent of LAFCo. All financial, statistical, personal, technical, and other data and information relating to LAFCo’s operations which is made available to Contractor in order to carry out this Agreement shall be presumed to be confidential. Contractor shall protect said data and information from unauthorized use and disclosure by the observance of the same or more effective procedures as LAFCo requires of its

own personnel. Contractor shall not, however, be required by this Section to keep confidential any data or information which is or becomes publicly available, is already rightfully in Contractor's possession, is independently developed by Contractor outside the scope of the Agreement, or is rightfully obtained from third parties. The requirements of this Section shall survive termination of this Agreement.

9. **Non-Assignability.** Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of LAFCo, and any attempted assignment without such prior written consent in violation of this Section shall automatically give LAFCo the option to terminate this Agreement without notice.
10. **Termination of Agreement.** LAFCo Purchasing Agent may, at any time after execution of Agreement, terminate this Agreement, in whole or in part, for the convenience of LAFCo by giving written notice specifying the effective date and scope of such termination. Termination shall be effective on a date not less than thirty (30) days from said notice. In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials prepared by Contractor under this Agreement shall become the property of LAFCo and shall be promptly delivered to LAFCo. In the event of termination, Contractor shall be paid for all work satisfactorily performed through the date of termination except where the contracting department determines the quality or quantity of the work performed is unacceptable. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement. LAFCo may immediately terminate this Agreement based upon unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after LAFCo learns of said unavailability of funding.
11. **Payment of Permits/Licenses.** Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.
12. **Non-Discrimination.** No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information. Contractor shall ensure full compliance with federal, state, and local laws, directives, and executive orders regarding non-discrimination for all employees and Subcontractors under this Agreement. Contractor shall comply fully with the non-discrimination requirements of 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the LAFCo Executive Officer, including but not limited to: i) termination of this Agreement; ii) disqualification of Contractor from bidding on or being awarded a LAFCo contract for a period of up to 3 years; iii) liquidated damages of \$2,500 per violation; and/or iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the LAFCo Executive Officer.

To effectuate the provisions of this Section, the LAFCo Executive Officer shall have the authority to examine Contractor's employment records with respect to compliance with this Section and/or set off all or any portion of the amount described in this Section against amounts due to Contractor under the Agreement or any other contract with LAFCo.

Contractor shall report to the LAFCo Executive Officer the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide LAFCo with a copy of its response to the Complaint when filed.

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this contract. This paragraph applies only to contractors who are providing services to members of the public under this Agreement.

13. **Equal Benefits.** With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:
 - Contractor complies with Chapter 2.84 by:
 - offering the same benefits to its employees with spouses and its employees with domestic partners.
 - offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.

- Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.
- Contractor does not comply with Chapter 2.84, and a waiver must be sought.

14. **History of Discrimination.** Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

- No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.
- Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide LAFCo with a written explanation of the outcome(s) or remedy for the discrimination.

15. **Retention of Records.** Contractor shall maintain all records related to this Agreement for no fewer than three years after LAFCo makes final payment or after termination of this Agreement and all other pending matters are closed. All records shall be subject to the examination and/or audit by agents of LAFCo, the State of California, other regulatory agencies, and/or Federal grantor agencies.

16. **Health Insurance Portability and Accountability Act of 1996 (HIPAA).** One of the following responses must be selected by the Department. Is the Contractor a Business Associate? Yes No
 If "Yes" is checked, then the following requirements apply and Attachment H must be included: Contractor shall perform all services in accordance with HIPAA and the Federal regulations promulgated thereunder, as amended, and will comply with the Business Associate requirements set forth in Attachment H.

17. **Compliance with State, Federal, and Local Laws, Regulations, and Ordinances.** Contractor and all subcontractors shall ensure compliance with all state, federal, and local laws, regulations, or rules applicable to performance of the work required under this Agreement and shall execute all necessary certifications of compliance therewith. Contractor certifies that the Contractor and all of its subcontractors will adhere to and certify compliance with all applicable provisions of San Mateo County Ordinance Code, including, without limitation, Chapter 4.106, which regulates the use of disposable food service ware, and Chapter 2.84, which addresses equal benefits.

18. **Merger Clause.** This Agreement, including all exhibits/attachments attached hereto, which are incorporated herein by this reference, constitutes the sole agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by LAFCo Purchasing Agent. In the event that any term, condition, provision, requirement or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this Agreement, the provisions of the body of this Agreement shall prevail. This Agreement constitutes the entire Agreement between LAFCo and Contractor. Further, liability referenced to in Section 6 is limited to Contractor's negligence during Contractor's performance under this Agreement.

19. **Governing Law.** This Agreement, including any exhibits, and any disputes arising out of this Agreement shall for all purposes be deemed subject to the laws of the State of California without regard to its choice of law rules, and any lawsuit concerning or arising out of this Agreement shall be venued in the County of San Mateo.

20. **Jury Duty Requirements.** Contractor agrees that if this Agreement is amended to a total value exceeding one hundred thousand dollars (\$100,000.00), Contractor shall comply with Chapter 2.85 of the County's Ordinance Code.

21. **Electronic Signature.** If both LAFCo and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and LAFCo's Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing written notice to the other party.

For LAFCo: If this box is checked by LAFCo, LAFCo consents to the use of electronic signatures in relation to this Agreement.

For Contractor: If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES.

– Signatures Follow on Next Page –

For Contractor:

Contractor Signature

Date

Contractor Name (please print)

For LAFCo:

I hereby certify that the services requested are necessary, that the selection process documentation is accurate, that all insurance certificates including Workers' Compensation are on file in this office, that County of San Mateo Risk Management has approved any reductions in Contractor's insurance limits below \$1,000,000, and that no work will commence until this document is signed by LAFCo Purchasing Agent.

Contract Requestor Signature
LAFCo

Date

Contract Requestor Name (please print)
LAFCo

Contract Requestor Title (please print)

Purchasing Agent Signature
(Executive Officer or Designee)
LAFCo

Date

Purchasing Agent Name (please print)
(Executive Officer or Designee)
LAFCo

Purchasing Agent Title (please print)

Budget Unit

Distribution: 1 copy to each: Purchasing Agent, Controller, and Contractor

(Revised 7/26/13)

Exhibit A

Agreement between San Mateo LAFCo and Harvey M. Rose Associates, LLC

1. Description of Services to be Performed by Contractor

In consideration of the payments set forth in Section 2, Amount and Method of Payment, Contractor shall provide the following services:

Project Approach and Methods

Contractor will perform a municipal service review (MSR) and sphere of influence (SOI) update for Sequoia Healthcare District and Peninsula Health Care District (Districts). This review is to be completed in compliance with California Government Code Sections 56430 and 56425, and LAFCo's adopted policies for municipal service reviews.

Contractor's goal is to:

- (1) Identify current and future projected population growth, and the presence of disadvantaged communities within or contiguous to the sphere of influence;
- (2) Assess the current and planned capacity of public facilities, programs and services, and the capacity of public agencies to provide facilities, programs and services;
- (3) Identify opportunities for shared resources, and cost-effective use of facilities and delivery of programs and services; and
- (4) Assess how the governmental structure and operations currently meet or could be reformed to better meet community service needs, including enhancing the efficiency of government operations.

The scope of this study will include Sequoia Healthcare District and Peninsula Health Care District. LAFCo staff will prepare an overview of the San Mateo Medical Center and San Mateo County Health Programs.

Contractor estimates the following tasks and hours for each task as follows:

Task

Hours

1. Review Background Information and Prepare Supplemental Survey Instrument 24

Contractor will supplement the San Mateo LAFCo survey document, shown as Attachment F in the RFP, that collects information from the Sequoia and Peninsula Healthcare Districts on (1) legislative mandates and governance; (2) organizational structures and staffing; (3) services provided; (4) contractual services and agreements; (5) financial status; (6) capital improvement plans; (7) public debt; (8) litigation; (9) current service areas and customers; (10) planning for changes in service areas, customers, service demand; (11) regulatory and permitting environment; (12) productivity, performance monitoring, staff qualifications and productivity; (13) service efficiency and cost savings opportunity; and 14) jurisdictional reorganization, joint functions, and shared capital facilities and services.

Contractor will review publicly-available documents to assess the financial and operational capacity of each District; capital needs, current and planned services, and changes in the service area. Contractor will collect and review the following types of document:

- Strategic plans and mission statements
- Annual reports
- Governance structure and oversight board’s policies and procedures
- Annual budgets, budget status reports, financial statements
- Community and grant programs
- Office of Statewide Health Planning and Development (OSHPD) data
- 2010 Census data and American Community Survey data
- Standard and Poor’s Healthcare Sector Outlook data
- Affordable Care Act, California Disproportionate Share Program, and California Department of Healthcare Services (DHCS) data

Contractor will prepare a supplemental survey instrument to obtain more detailed information on the Districts that will include:

- Recently enacted or proposed changes to federal and state law that impact revenues and reimbursements, mandated services, population to be served, staffing ratios and requirements, other legislative changes;
- Reports, assessments, audits, studies or other documents detailing:
 - (a) Compliance with federal and state mandates regarding programs and service areas;
 - (b) Service plans, needs assessments, service gaps;
 - (c) Grants to community-based organizations and programs funded by the District, including target population, service goals, performance

Task

Hours

and outcome measures, population served, service data, total costs of program or services and cost per client; and

(d) Management of any capital assets owned by District (including inventories, asset management reports, compliance with seismic safety laws), and other assessments

- Reports, assessments, studies or other documents detailing service area, including assessed valuation, property tax allotments, population (total, age, gender, other significant demographics), total number and detailed demographics of service users by type of service and home address;
- Planned new programs and services, mandate and/or objective for each new program or service, target population, total funding sources, expected utilization and costs;
- Details on all other contractual services provided to the Districts, including type of service, contractor, contractor selection process, contract amount, contract service/performance standards, service/performance/utilization reports for each contract, funding sources for contract; and
- District management’s oversight of programs, administration of contracts and grants, program evaluation process, and other details on how District management ensures effective program delivery.

2. Collect and Verify Survey and Population and Growth Forecast Information 93

Contractor will collect information through the following sources to gain a detailed understanding of the Districts:

- Interviews with Sequoia Healthcare District and Peninsula Healthcare District representatives to:
 - (a) Discuss the purpose, scope, timelines and process of the study; and
 - (b) Gain a full understanding of District governance, capital and strategic plans, capital and operating budgets, revenue sources, management structure and organization, programs and services, utilization and users, finances, contracts, and other information.
- LAFCo and supplemental survey to the Districts and related documents, and follow up with District representatives for further information, missing information, clarification of information, more detailed information.

Task

Hours

- Source documents of each District regarding:
 - (a) Legislative mandates and governance, including federal, state and local statutes; governing body bylaws and policies; annual reports; and strategic plans;
 - (b) Financial status, including budgets, budget variance reports, and financial statements; rates for services and cost-recovery calculations; revenues by type; documentation on asset transfers to Catholic Healthcare West (Sequoia) and lease with Mills-Peninsula Health Services (Peninsula) and corresponding payments related to the asset transfer/lease;
 - (c) Services provided by each District, either directly or through grants and partnerships, including clinics, health and wellness programs, school programs, grants to community based organizations, grants to health professional education programs; measures on program/service effectiveness and utilization; and data on program reach and participation; and
 - (d) Master service plans; service area maps; general plans; other documents.
- Population, demographic, needs assessments, and other data from sources including U.S. Census, U.S. Department of Labor, Association of Bay Area Governments, California Department of Finance, California Department of Healthcare Services

Contractor will verify information provided by the Districts and collect data from independent sources to develop a complete profile of the Districts and to project changes in population and service needs.

3. Prepare Administrative Draft Service Review Report 93

Contractor will prepare a report that describes each District and San Mateo County Medical Center and gives detailed program and financial information based on the data collected in Tasks 1 through 3 above, including:

- How each District meets the mandates and statutes governing each District, the respective roles of the Healthcare Districts and private, non-profit hospitals and healthcare providers in providing service to the District, and the role/mandate of San Mateo County Medical Center compared to the Healthcare Districts;
- Growth in population in each District and the County; changes in demographics, including age, gender, household size, household income, and ethnicity; and forecasted population growth and demographics in each District and in in the County;

Task

Hours

- Current programs and services provided by each District and San Mateo County to address existing population and service needs; and how planned programs and services address forecasted population growth and demographics;
- Existing and future facilities’ needs, including District responsibility for clinics and other facilities owned by community based organizations funded by the District, and District responsibility for hospital/healthcare facilities under the jurisdiction of Catholic Healthcare West and Mills-Peninsula;
- District staffing necessary to administer or directly provide programs funded by the District;
- Financial status of each District, including reserves, current and projected revenues and expenditures, budgets and budget variances, and current and planned debt (if any).

Contractor will work with LAFCo staff to distribute the administrative draft service review and comparison reports to each District for review and comment.

Contractor will meet with District and LAFCo representatives for review and comment on the administrative draft service review and comparison reports.

4. Circulation Draft Service Review 133

Based on the review and comments to the administrative draft service review and comparison reports, Contractor will:

- Update the information from Task 3
- Recommend written determinations for each of the following nine factors in California Government Code Section 56430:
 - 1) Infrastructure and facility needs, including existing and planned community clinics and long term care facilities owned by the Districts, and impact of the agreements with Catholic Healthcare West and Mills-Peninsula on hospital and other facility/ infrastructure needs;
 - 2) Growth and population projections, including each District’s current and projected share of San Mateo County population, and County share of population not covered by each District;
 - 3) Financing constraints and opportunities for each District and the San Mateo Medical Center, including current and projected property tax, third party payer, fee and other revenues; operating and capital reserves; operating and capital expenditures; debt; grants made to programs and services; and opportunities to partner with other private/non-profit organizations to diversify programs and services and associated costs;

Task

Hours

- 4) Cost avoidance opportunities, including the effectiveness of having transferred hospital operations to private/non-profit organizations, and opportunities to consolidate programs among the two Districts and San Mateo Medical Center;
- 5) Opportunities for rate restructuring;
- 6) Opportunities for shared facilities, including clinics and other outpatient programs in which staff, equipment, capital assets, and other expenses can be better utilized to meet service needs;
- 7) Government structure, including potential consolidation and/or expansion of the Districts, dissolution of the Districts and redistribution of property tax revenues to a successor agency, or joint power authority to share resources and programs;
- 8) Evaluation of management efficiencies, including grant funding and direct administration of program and services; increasing effectiveness of grant administration such as pooling grant-making resources and grant-funded resources; and
- 9) Local accountability and governance, including transparency and accessibility of decision making, financial condition, and program effectiveness.
 - Recommendations for sphere of influence updates for each District, including consideration of present and planned land use, present capacity and forecasted need for public health facilities and services, and identification of disadvantaged communities.
 - In conjunction with LAFCo staff, distribute and make available the circulation draft service review to the Districts, LAFCo, and general public.
 - Present the circulation draft report at a community workshop for interested agency and public review and comment.

5. Final Service Review Report 32

- Based on the responses to the circulated draft service review report, Contractor will prepare a final report incorporating written and oral comments as appropriate.
- Contractor will present the final service review and sphere of influence update report to the LAFCo Commission at a public hearing. Based on direction from the Commission and LAFCo staff, we will finalize the report for circulation and posting on the LAFCo website.

Total Hours

375

Agreement No. _____

2. Amount and Method of Payment

In consideration of the services provided by Contractor pursuant to Section 1, **Description of Services to be Performed by Contractor**, and subject to the terms of the Agreement, LAFCo shall pay Contractor based on the following schedule and terms:

(See following page)

Project Cost

Based on Contractor’s understanding of the requested scope of work, Contractor estimates that 375 professional staff hours will be required to conduct the MSR and SOI review for the Sequoia Healthcare District and Peninsula Health Care District, resulting in \$69,000 in total fees. This amount represents Contractor’s total fees, inclusive of all project-related materials, supplies, and travel costs. The table below summarizes the audit tasks, hours, and cost by staff.

Task	Total	Severin Campbell Principal in Charge	Dan Goncher Project Manager	Julia Nagle Senior Analyst	Greg Sass Technical Consultant
		\$240	\$215	\$150	\$165
1 Supplemental Survey	24	2	8	12	2
Subtotal, Supplemental Survey					
Hours	24	2	8	12	2
Fees	\$4,330	\$480	\$1,720	\$1,800	\$330
Survey Collection and Verification					
Interviews	24	4	8	8	4
Collect surveys and follow up	13	1	4	8	0
Collect District information	13	1	4	8	0
2 Collect service maps and plans	9	1	4	4	0
Collect population and needs data	11	1	2	8	
Verify data and develop profile	23	1	8	12	2
Subtotal, Survey Collection/ Verification					
Hours	93	9	30	48	6
Fees	\$16,800	\$2,160	\$6,450	\$7,200	\$990
Administrative Draft Service Review					
Prepare administrative draft service review	68	4	28	32	4
3 Distribute	9	1	4	4	0
Review and comment	16	4	4	4	4
Subtotal, Administrative Draft Review					
Hours	93	9	36	40	8
Fees	\$17,220	\$2,160	\$7,740	\$6,000	\$1,320
Circulation Draft Service Review					
Written determinations	84	8	32	40	4
4 SOI update	36	4	12	16	4
Circulate report	5	1	2	2	0
Community workshop	8	2	2	2	2
Subtotal, Circulation Draft Review					
Hours	133	15	48	60	10
Fees	\$24,570	\$3,600	\$10,320	\$9,000	\$1,650
5 Final Service Review Report					
Prepare final report	24	4	8	8	4
LAFCo Commission	8	2	2	2	2
Subtotal, Final Report					
Hours	32	6	10	10	6
Fees	\$6,080	\$1,440	\$2,150	\$1,500	\$990
Total Project					
Hours	375	41	132	170	32
Fees	\$69,000	\$9,840	\$28,380	\$25,500	\$5,280

**Proposal to Perform
LAFCo Municipal Service Review and
Sphere of Influence Update for Sequoia Healthcare District
and Peninsula Health Care District**

**for the
San Mateo Local Agency Formation Commission**

October 12, 2016

Submitted by:

Harvey M. Rose Associates, LLC

(415) 552-9292

<http://www.harveyrose.com>

1390 Market Street, Suite 1150

San Francisco, CA 94102



October 12, 2016

Ms. Martha Poyatos, Executive Director
San Mateo LAFCo
455 County Center, 2nd Floor – LAF124
Redwood City, CA 94063

Dear Ms. Poyatos:

Harvey M. Rose Associates, LLC (HMR) is pleased to submit this proposal to conduct a fiscal analysis, municipal service review (MSR), and sphere of influence (SOI) update of the Sequoia and Peninsula Health Care Districts for the San Mateo Local Agency Formation Commission (LAFCo). We believe our proposal is fully responsive to the Request for Proposals, which describes the fiscal analysis, MSR and SOI update scope and objectives.

Our project team is eminently qualified to conduct these services. HMR is a leading public sector consulting firm headquartered in California that specializes in financial, operational, and management analyses for public sector agencies. Since our founding in 1978, our staff has performed more than 700 such analyses of public agencies and their affiliated entities throughout California and the nation. As part of our commitment to upholding professional standards, HMR maintains complete independence in the performance of our work and adheres to stringent standards regarding sufficient and appropriate evidence to support our findings.

The proposed team for this review includes professionals with extensive experience conducting financial and operational analyses of public agencies, as well as adherence to Generally Accepted Accounting Principles. We believe that our proposed consulting team brings the best possible combination of skills and experience for conducting this fiscal analysis, MSR and SOI update.

As the primary contact for this proposal, I can be reached as follows:

Phone: (415) 553-4647

Email: scampbell@harveyrose.com

Fax: (415) 252-0461

Thank you for providing our firm with the opportunity to submit a proposal to provide consulting services. We are available to respond to questions or present our proposal to the selection committee upon request, and we appreciate your consideration.

Sincerely,



Severin Campbell
Principal

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APPENDIX: Project Team Full Resumes

SUBMITTED UNDER SEPARATE COVER: Harvey M. Rose Associates, LLC: Audit and Municipal Service Review of El Camino Hospital District, prepared for LAFCO of Santa Clara County

1. Project Approach and Methods

The San Mateo Local Agency Formation Commission (LAFCo) is seeking services from an independent consultant to perform a municipal service review (MSR) and sphere of influence (SOI) update for Sequoia Health Care District and Peninsula Health Care District (Districts). This review is to be completed in compliance with California Government Code Sections 56430 and 56425, and LAFCo's adopted policies for municipal service reviews.

The proposed municipal service review of the Sequoia Health Care District and Peninsula Health Care District is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 prior to, or in conjunction with sphere of influence updates. Sphere of influence updates - which evaluate current and future land use, current and future need and capacity for services, and any relevant communities of interest - are to be made every five years or as needed.

The goal of the municipal service review, as stated in the San Mateo Municipal Service Review Policies, is to:

- (1) Identify current and future projected population growth, and the presence of disadvantaged communities within or contiguous to the sphere of influence;
- (2) Assess the current and planned capacity of public facilities, programs and services, and the capacity of public agencies to provide facilities, programs and services;
- (3) Identify opportunities for shared resources, and cost-effective use of facilities and delivery of programs and services; and
- (4) Assess how the governmental structure and operations currently meet or could be reformed to better meet community service needs, including enhancing the efficiency of government operations.

The scope of this study includes Sequoia Health Care District and Peninsula Health Care District. LAFCo staff will prepare an overview of the San Mateo Medical Center and San Mateo County Health Programs.

Our proposed work plan includes a detailed series of project tasks and estimated hours for each task.

<u>Task</u>	<u>Hours</u>
1. Review Background Information and Prepare Supplemental Survey Instrument	24

San Mateo LAFCo has prepared a survey document, shown as Attachment F in the RFP, that collects information from the Sequoia and Peninsula Healthcare Districts on (1) legislative mandates and governance; (2) organizational structures and staffing; (3) services provided; (4) contractual services and agreements; (5) financial status; (6) capital improvement plans; (7) public debt; (8) litigation; (9) current service areas and customers; (10) planning for changes in service areas, customers, service demand; (11) regulatory and permitting environment; (12) productivity, performance monitoring, staff qualifications and productivity; (13) service efficiency and cost savings opportunity; and (14) jurisdictional reorganization, joint functions, and shared capital facilities and services.

In order to prepare a supplemental survey document to be distributed to the Sequoia and Peninsula Healthcare Districts, we would review publicly-available documents to assess the financial and operational capacity of each District; capital needs, current and planned services, and changes in the service area. The types of documents that we would collect and review include:

- Strategic plans and mission statements
- Annual reports
- Governance structure and oversight board’s policies and procedures
- Annual budgets, budget status reports, financial statements
- Community and grant programs
- Office of Statewide Health Planning and Development (OSHPD) data
- 2010 Census data and American Community Survey data
- Standard and Poor’s Healthcare Sector Outlook data
- Affordable Care Act, California Disproportionate Share Program, and California Department of Healthcare Services (DHCS) data

We would prepare a supplemental survey instrument to obtain more detailed information on the Districts that would include:

- Recently enacted or proposed changes to federal and state law that impact revenues and reimbursements, mandated services, population to be served, staffing ratios and requirements, other legislative changes;
- Reports, assessments, audits, studies or other documents detailing:
 - (a) Compliance with federal and state mandates regarding programs and service areas;
 - (b) Service plans, needs assessments, service gaps;
 - (c) Grants to community-based organizations and programs funded by the District, including target population, service goals, performance

<u>Task</u>	<u>Hours</u>
and outcome measures, population served, service data, total costs of program or services and cost per client; and (d) Management of any capital assets owned by District (including inventories, asset management reports, compliance with seismic safety laws), and other assessments	
<ul style="list-style-type: none">▪ Reports, assessments, studies or other documents detailing service area, including assessed valuation, property tax allotments, population (total, age, gender, other significant demographics), total number and detailed demographics of service users by type of service and home address;▪ Planned new programs and services, mandate and/or objective for each new program or service, target population, total funding sources, expected utilization and costs;▪ Details on all other contractual services provided to the Districts, including type of service, contractor, contractor selection process, contract amount, contract service/performance standards, service/performance/utilization reports for each contract, funding sources for contract; and▪ District management’s oversight of programs, administration of contracts and grants, program evaluation process, and other details on how District management ensures effective program delivery.	
2. Collect and Verify Survey and Population and Growth Forecast Information	93

We would collect information through the following sources to gain a detailed understanding of the Districts:

- Interviews with Sequoia Healthcare District and Peninsula Healthcare District representatives to:
 - (a) Discuss the purpose, scope, timelines and process of the study; and
 - (b) Gain a full understanding of District governance, capital and strategic plans, capital and operating budgets, revenue sources, management structure and organization, programs and services, utilization and users, finances, contracts, and other information.
- LAFCo and supplemental survey to the Districts and related documents, and follow up with District representatives for further information, missing information, clarification of information, more detailed information.

Task	Hours
<ul style="list-style-type: none"> ▪ Source documents of each District regarding: <ul style="list-style-type: none"> (a) Legislative mandates and governance, including federal, state and local statutes; governing body bylaws and policies; annual reports; and strategic plans; (b) Financial status, including budgets, budget variance reports, and financial statements; rates for services and cost-recovery calculations; revenues by type; documentation on asset transfers to Catholic Healthcare West (Sequoia) and lease with Mills-Peninsula Health Services (Peninsula) and corresponding payments related to the asset transfer/lease; (c) Services provided by each District, either directly or through grants and partnerships, including clinics, health and wellness programs, school programs, grants to community based organizations, grants to health professional education programs; measures on program/service effectiveness and utilization; and data on program reach and participation; and (d) Master service plans; service area maps; general plans; other documents. ▪ Population, demographic, needs assessments, and other data from sources including U.S. Census, U.S. Department of Labor, Association of Bay Area Governments, California Department of Finance, California Department of Healthcare Services <p>We would verify information provided by the Districts and collect data from independent sources to develop a complete profile of the Districts and to project changes in population and service needs.</p>	

3. Prepare Administrative Draft Service Review Report 93

Based on the data collected in Tasks 1 through 3 above, we would prepare a report that describes each District and San Mateo County Medical Center and gives detailed program and financial information, including:

- How each District meets the mandates and statutes governing each District, the respective roles of the Healthcare Districts and private, non-profit hospitals and healthcare providers in providing service to the District, and the role/mandate of San Mateo County Medical Center compared to the Healthcare Districts;
- Growth in population in each District and the County; changes in demographics, including age, gender, household size, household income, and

Task	Hours
<p>ethnicity; and forecasted population growth and demographics in each District and in the County;</p> <ul style="list-style-type: none"> ▪ Current programs and services provided by each District and San Mateo County to address existing population and service needs; and how planned programs and services address forecasted population growth and demographics; ▪ Existing and future facilities’ needs, including District responsibility for clinics and other facilities owned by community based organizations funded by the District, and District responsibility for hospital/healthcare facilities under the jurisdiction of Catholic Healthcare West and Mills-Peninsula; ▪ District staffing necessary to administer or directly provide programs funded by the District; ▪ Financial status of each District, including reserves, current and projected revenues and expenditures, budgets and budget variances, and current and planned debt (if any). <p>We would work with LAFCo staff to distribute the administrative draft service review and comparison reports to each District for review and comment.</p> <p>We would meet with District and LAFCo representatives for review and comment on the administrative draft service review and comparison reports.</p>	133
4. Circulation Draft Service Review	133

Based on the review and comments to the administrative draft service review and comparison reports, we would:

- Update the information from Task 3
- Recommend written determinations for each of the following nine factors in California Government Code Section 56430:
 - 1) Infrastructure and facility needs, including existing and planned community clinics and long term care facilities owned by the Districts, and impact of the agreements with Catholic Healthcare West and Mills-Peninsula on hospital and other facility/ infrastructure needs;
 - 2) Growth and population projections, including each District’s current and projected share of San Mateo County population, and County share of population not covered by each District;
 - 3) Financing constraints and opportunities for each District and the San Mateo Medical Center, including current and projected property tax, third party payer, fee and other revenues; operating and capital reserves;

<u>Task</u>	<u>Hours</u>
operating and capital expenditures; debt; grants made to programs and services; and opportunities to partner with other private/non-profit organizations to diversify programs and services and associated costs;	
4) Cost avoidance opportunities, including the effectiveness of having transferred hospital operations to private/non-profit organizations, and opportunities to consolidate programs among the two Districts and San Mateo Medical Center;	
5) Opportunities for rate restructuring;	
6) Opportunities for shared facilities, including clinics and other outpatient programs in which staff, equipment, capital assets, and other expenses can be better utilized to meet service needs;	
7) Government structure, including potential consolidation and/or expansion of the Districts, dissolution of the Districts and redistribution of property tax revenues to a successor agency, or joint power authority to share resources and programs;	
8) Evaluation of management efficiencies, including grant funding and direct administration of program and services; increasing effectiveness of grant administration such as pooling grant-making resources and grant-funded resources; and	
9) Local accountability and governance, including transparency and accessibility of decision making, financial condition, and program effectiveness.	
<ul style="list-style-type: none">▪ Recommendations for sphere of influence updates for each District, including consideration of present and planned land use, present capacity and forecasted need for public health facilities and services, and identification of disadvantaged communities.▪ In conjunction with LAFCo staff, distribute and make available the circulation draft service review to the Districts, LAFCo, and general public.▪ Present the circulation draft report at a community workshop for interested agency and public review and comment.	

<u>Task</u>	<u>Hours</u>
5. Final Service Review Report	32
▪ Based on the responses to the circulated draft service review report, we would prepare a final report incorporating written and oral comments as appropriate.	
▪ We would present the final service review and sphere of influence update report to the LAFCo Commission at a public hearing. Based on direction from the Commission and LAFCo staff, we would finalize the report for circulation and posting on the LAFCo website.	
Total Hours	375

2. Project Schedule

We would anticipate the project taking approximately 12 to 14 weeks, beginning the week of December 5, 2016, and accounting for major holidays. Actual project work may vary depending on the availability of information provided by each of the Health Care Districts, and the timing of the review and comment periods. The proposed project schedule is shown below:

Task	Description	Dates
1	Review background information and prepare supplemental survey instrument	December 5, 2016 to December 16, 2016
2	Collect and verify survey information	December 19, 2016 to January 13, 2017
3	Administrative draft service review	January 2, 2017 to January 27, 2017
4	Circulation draft service review	January 23, 2017 to February 24, 2017
5	Final service review report	February 27, 2017 to March 10, 2017

3. Lead Staff

The HMR personnel that will be assigned to this project are Severin Campbell, Principal and Project Manager; Dan Goncher, Senior Manager, and Julia Nagle, Senior Analyst. Information on the project roles and prior experience for these individuals is below.

The entire team will meet regularly during the project period to discuss the data, complete the analyses, and develop the recommendations.

Project Roles and Team Experience

Severin Campbell, Principal and Project Lead

Ms. Campbell will be the Principal and Project Lead for this Municipal Service Review. She will provide primary oversight and maintain responsibility for planning, data collection, final analyses and recommendations, as well as ensuring timely delivery of the final product. Ms. Campbell has extensive experience in performance auditing, policy analysis, data analysis and the development of metrics to assess the quality and level of government services.

Highlights of Ms. Campbell's qualifications include:

- Over 15 years of experience managing and conducting performance audits, budget and policy analyses, and legislative reports.
- Master's degree in Public Policy from the University of California, Berkeley and Bachelor's degree in Economics from San Francisco State University.
- Selected project experience:
 - Oversight of the annual budget review for the San Francisco Department of Public Health
 - Performance audits that include analyses of contracts with non-profit health care providers
 - Numerous audits and policy analyses focused on homelessness, housing policy, public health issues, and the provision of services

Dan Goncher, Senior Manager

Mr. Goncher will oversee the day-to-day work for the project and be responsible for ongoing quality control and adherence to project schedules. Mr. Goncher is a Senior Manager with HMR and has extensive experience managing and conducting performance audits, policy and budget analyses, and legislative reviews.

Highlights of Mr. Goncher's qualifications include:

- Over eight years conducting and managing performance audits, management assessments, and budget and legislative analyses.
- Master's degree in Public Policy from the University of California, Berkeley, and Bachelor of Arts in Communications, Legal Institutions, Economics, and Government from American University.
- Selected project experience:
 - Project Manager, Performance Audit of the City and County of San Francisco Children's Fund, as managed by the Department of Children, Youth, and their Families
 - Manager of HMR's annual review of the City and County's \$9 billion two-year budget for the San Francisco Board of Supervisors
 - Project Manager, Multiple Annual Audits of Proposition 39 of the Beverly Hills Unified School District's Measure E Bond Fund Program and associated Capital Development Activities

Julia Nagle, Senior Analyst

Ms. Nagle will conduct much of the day-to-day data collection and analysis activities for this project. Ms. Nagle is a Senior Analyst with HMR and has conducted numerous policy, budget and financial analyses, including reviews of non-profit service providers and the provision of services by government agencies.

Highlights of Ms. Nagle's qualifications include:

- Completion of a wide range of performance audits, policy, budget, and legislative analyses for government clients.
- Master's degree in Public Policy from the University of California, Berkeley, and Bachelor of Arts in Urban Studies and Political Science from Columbia University.
- Selected project experience:
 - Management Review, Department of Social Services, Imperial County
 - Performance Audit, Services for Seniors, San Francisco
 - Performance Audit, Registrar of Voters, Santa Clara County

4. Subcontractors

For this project, HMR will employ one subcontractor, Mr. Gregg Sass, CPA. Mr. Sass has over 40 years of experience in all areas of healthcare financial management. He most recently served as the Chief Financial Officer for the Department of Public Health for the City and County of San Francisco. He also served for as the Vice President of Finance for a 300-physician medical group, as well as working as the Vice President of Finance and as the Controller for four San Francisco medical centers.

Mr. Sass received a Bachelor of Science degree in accounting from the University of California, Berkeley.

Mr. Sass will provide technical expertise during the collection of survey data, as well as during the preparation and circulation of the administrative draft service review. He will spend an anticipated **32 total hours** on this project. His hours by task are detailed in the Work Plan included in Section 8.

GREGG L. SASS, CPA (inactive)
3336 Scott Street
San Francisco, California 94123

Home : (415) 602-1150
Cell : (415) 602-1150
email : greggsass1@gmail.com

SENIOR HEALTHCARE FINANCIAL EXECUTIVE with 40 years experience in all areas of healthcare financial management. Most recently, Chief Financial Officer for the Department of Public Health for the City and County of San Francisco. Previous experience includes seven years as VP-Finance for a 300-physician medical group; eight years as VP-Finance and Controller for four San Francisco medical centers; five years as healthcare audit and consulting partner for a major public accounting firm and six years with two prominent healthcare consulting firms.

I retired from my position as Chief Financial Officer for the Department of Health on August 5, 2011. In that position I was responsible for financial management of the largest department in the City with an operating budget of \$1.5 billion and 8,000 employees managing all financial accounting and reporting, budgeting, information systems and receivable management. The Department of Health is an integrated health network that includes two hospitals, a network of community clinics, home health agency, behavioral health services, jail health services and numerous public health services including over \$200 million in contracts with community organizations providing medical and behavioral health services. I returned to the City of San Francisco in 2013 to serve as the Interim CFO for the Health Services System (HSS) and in 2014 assisted HSS with the annual audit of the Health Services Trust Fund. I continue to provide consulting services in Healthcare Financial Management.

CAREER EXPERIENCE:

CITY AND COUNTY OF SAN FRANCISCO 2001 - 2011
DEPARTMENT OF PUBLIC HEALTH
San Francisco California
Chief Financial Officer

CERTUS CORPORATION 1999 - 2001
Health Care Financial Consultants
Vice-President

ST LUKE'S HOSPITAL 1998 - 1999
San Francisco, California
Vice-President, Finance

EMERGENCY PHYSICIANS' MEDICAL GROUP 1992 - 1998
San Francisco, California
Vice-President, Finance

PACIFIC PRESBYTERIAN MEDICAL CENTER 1989 - 1992
San Francisco, California
Vice-President, Finance

KPMG PEAT MARWICK 1985 - 1990
Western Region Healthcare Practice
San Francisco, California
Healthcare Audit and Consulting Partner

KNIGHT & CARLSON 1981 - 1985
Healthcare Financial Consultants
Walnut Creek, California
Consulting Manager

MOUNT ZION HOSPITAL MEDICAL CENTER 1977 - 1981
San Francisco, California
Chief Financial Officer

BRAY & BURKE, CPAs 1975 - 1977
Hayward, California

Tax & Audit Manager

BLUE CROSS OF NORTHERN CALIFORNIA
Medicare Auditor
GREGG L. SASS, CPA (inactive)

1973 - 1975

Page 2

EDUCATION:

UNIVERSITY OF CALIFORNIA
Berkeley, CA, BS Degree Accounting
3-73

Uniform CPA Examination, 11-74

OTHER COMMUNITY INVOLVEMENT:

OPERATION ACCESS
Board Member and Finance Committee
Chair
2011- Present

**CITY AND COUNTY OF SAN FRANCISCO
HEALTH SERVICE SYSTEM BOARD**
Commissioner and Finance Committee Chair
2015-Present

BAY AREA RIDGE TRAIL COUNCIL
Board Member and Finance Committee
2015 - Present

5. References

Below are the names and contact information for three individuals that can serve as references for HMR on this project.

1. Neelima Palacherla, Executive Officer of Santa Clara County LAFCO
Email: neelima.palacherla@ceo.sccgov.org
Phone: 408-993-4713
2. Jess Montejano, Legislative Aide for Supervisor Mark Farrell
Email: jess.montejano@sfgov.org
Phone: 415-554-7752
3. Joe Simitian, Santa Clara County Supervisor
Email: supervisor.simitian@bos.sccgov.org
Phone: 408-299-5050

6. Insurance

A current Certificate of Insurance for Harvey M. Rose Associates, LLC showing all insurance coverage required by San Mateo LAFCO is included on the next page.



CERTIFICATE OF LIABILITY INSURANCE

OP ID: YR

DATE (MM/DD/YYYY)

04/15/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Pennbrook/CAIB Insurance Svcs. License #0622553 www.pbcis.com P.O. Box 26849 San Francisco, CA 94126-6849 Mark P. Sarjeant, CPCU	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: HARVE-4	FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE	
INSURED Harvey M Rose Associates, LLC 1390 Market Street, #1150 San Francisco, CA 94102	INSURER A: Travelers Indemnity Company	25658
	INSURER B: Hartford Accident & Indemnity	22357
	INSURER C: Hiscox Insurance Company, Inc.	10200
	INSURER D: Philadelphia Indemnity Ins Co	18058
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			680-6338P068	02/01/2016	02/01/2017	EACH OCCURRENCE	\$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
C	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			MPL167741416	04/12/2016	04/12/2017	MED EXP (Any one person)	\$ 5,000
	Professional Liab						PERSONAL & ADV INJURY	\$ 2,000,000
	\$2MM PO/\$4MM AGG						GENERAL AGGREGATE	\$ 4,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	\$ 4,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC							\$
A	AUTOMOBILE LIABILITY			680-6338P068	02/01/2016	02/01/2017	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
	<input checked="" type="checkbox"/> HIRED AUTOS						BODILY INJURY (Per person)	\$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS						BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (PER ACCIDENT)	\$
								\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			CUP5G524453	02/01/2016	02/01/2017	EACH OCCURRENCE	\$ 1,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	\$ 1,000,000
	DEDUCTIBLE							\$
	RETENTION \$							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			57WECES9057	11/30/2015	11/30/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		N/A				E.L. EACH ACCIDENT	\$ 1,000,000
	if yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
A	Property - BPP			680-6338P068	02/01/2016	02/01/2017	Limit	567,283
	Special Form						Ded	1,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Proof of insurance.

CERTIFICATE HOLDER**CANCELLATION**

Insured's Copy	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Clay Wiens</i>

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NOTEPAD

INSURED'S NAME **Harvey M Rose Associates, LLC**

HARVE-4
OP ID: YR

PAGE 2
Date **04/15/2016**

Professional Liability: 04/12/16-04/12/17 Carrier: Hiscox Insurance
Company Limits:\$2,000,000 per occurrence \$4,000,000 Aggregate
Retention \$10k Retro Date:04/12/07- Claims made policy form

Fiduciary Liability: 04/12/16-04/12/17 Carrier: Hiscox Insurance Company
Limits: \$1,000,000 Deductible:\$0 Retro Date: 04/12/07

Employment Practices Liability: 04/12/16-04/12/17 Carrier: Philadelphia
Insurance Company Limits: \$1,000,000 Retention:\$10k

7. Equal Benefits Compliance

Our Equal Benefits Compliance form is included on the next page.

Attachment E. Equal Benefits Compliance Declaration Form

**COUNTY OF SAN MATEO
Equal Benefits Compliance Declaration Form**

I. Vendor Identification

Name of Contractor: Harvey M. Rose Associates, LLC
Contact Person: Severin Campbell
Address: 1390 Market Street, Suite 1150
San Francisco, CA 94102
Phone Number: (415) 552-9292 Email: scampbell@harveyrose.com

II. Employees

Does the Contractor have any employees? Yes No
Does the Contractor provide benefits to spouses of employees? Yes No
▶ If the answer to one or both of the above is no, please skip to Section IV.

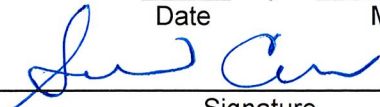
III. Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 293, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on or before **July 1, 2001** and expires on _____(date). (Section 2.93.050)

If this box is checked, attach a complete copy of the collective bargaining agreement relied upon for this exemption.

IV. Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 11th day of October, 2016 at San Francisco, CA
Date Month Year City State


Signature Name (Please print)

Principal/Member
Title
20-398-1915
Contractor Tax Identification Number

8. Project Cost

Based on our understanding of the requested scope of work, we estimate that 375 professional staff hours will be required to conduct the MSR and SOI review for the Sequoia and Peninsula Health Care Districts, resulting in \$69,000 in total fees. This amount represents our total fees, inclusive of all project-related materials, supplies and travel costs. The table below summarizes the audit tasks, hours, and cost by staff.

			Severin Campbell Principal in Charge	Dan Goncher Project Manager	Julia Nagle Senior Analyst	Greg Sass Technical Consultant
Task		Total	\$240	\$215	\$150	\$165
	Supplemental Survey	24	2	8	12	2
1	Subtotal, Supplemental Survey	Hours 24	2	8	12	2
		Fees \$4,330	\$480	\$1,720	\$1,800	\$330
	Survey Collection and Verification					
	Interviews	24	4	8	8	4
	Collect surveys and follow up	13	1	4	8	0
	Collect District information	13	1	4	8	0
2	Collect service maps and plans	9	1	4	4	0
	Collect population and needs data	11	1	2	8	
	Verify data and develop profile	23	1	8	12	2
	Subtotal, Survey Collection/ Verification	Hours 93	9	30	48	6
		Fees \$16,800	\$2,160	\$6,450	\$7,200	\$990
	Administrative Draft Service Review					
	Prepare administrative draft service review	68	4	28	32	4
3	Distribute	9	1	4	4	0
	Review and comment	16	4	4	4	4
	Subtotal, Administrative Draft Review	Hours 93	9	36	40	8
		Fees \$17,220	\$2,160	\$7,740	\$6,000	\$1,320
	Circulation Draft Service Review					
	Written determinations	84	8	32	40	4
4	SOI update	36	4	12	16	4
	Circulate report	5	1	2	2	0
	Community workshop	8	2	2	2	2
	Subtotal, Circulation Draft Review	Hours 133	15	48	60	10
		Fees \$24,570	\$3,600	\$10,320	\$9,000	\$1,650
5	Final Service Review Report					
	Prepare final report	24	4	8	8	4
	LAFCo Commission	8	2	2	2	2
	Subtotal, Final Report	Hours 32	6	10	10	6
		Fees \$6,080	\$1,440	\$2,150	\$1,500	\$990
	Total Project	Hours 375	41	132	170	32
		Fees \$69,000	\$9,840	\$28,380	\$25,500	\$5,280

Appendix: Project Team Resumes

SEVERIN CAMPBELL

- POSITION:** Principal/Project Manager – Harvey M. Rose Associates, LLC
- EXPERIENCE:** *Project Management and Supervision*
Manages the San Francisco Board of Supervisors Budget and Legislative Analyst’s Office contract and serves as project manager for special analyses for local governments. Ms. Campbell has overseen annual budget review of the Department of Public Health, analyses of contracts with non-profit health care providers, and special studies of service needs. Recent projects include:
- Health, Social Services, and Education*
- Special analysis of the costs of in-home care to seniors, including defining level of service need, and performance audit of senior services in San Francisco
 - Annual budget review of the San Francisco Department of Public Health
 - Annual review of behavioral health service contracts with nonprofit providers
 - Performance audit on social service and public health contracts with nonprofit providers
 - Performance audits of San Francisco’s Children’s Fund and Early Care and Education Programs
- Housing and Land Use*
- Special study of the comparative costs of homelessness before and after entering supportive housing; and the costs of developing supportive housing
 - Performance audits of Sacramento Housing Authority; SF Housing Authority; SF Affordable Housing Policies; and SF Homeless Services
- Finance and Government Operations*
- Annual review of the City and County of San Francisco budget
 - Annual review of the San Francisco’s financial policies and development of 5-year budget projections
 - Periodic review of fees, rates, charges and cost recovery
- Public Works and Capital Programs*
- Performance audit of the Beverly Hill Unified School District’s Proposition 39 Capital Expenditures (FY 2011-12, FY 2012-13, FY 2013-14, and FY 2014-15)
 - As-needed evaluation of San Francisco Capital Plan; legislation authorizing bond issuance and other financing; and capital budget appropriations for public utilities, airport, port, transit, park, and building projects
 - Special studies of Port development projects, and developer financing and public financing mechanisms
- Public Safety and Public Protection*
- Special studies of SF Sheriff’s Department and Police Department staffing
 - Analysis and recommendations on alternatives to replacing the SF County Jail
 - Performance audit of SF Implementation of Public Safety Realignment
- PROFESSIONAL HISTORY:** Harvey M. Rose Associates, LLC, Partner/Project Manager, 2009-Present
Harvey M. Rose Associates, LLC, Senior Analyst/Principal Analyst, 1999-2009
- EDUCATION:** Master of Public Policy, University of California at Berkeley, 1999
- OTHER:** Registered Nurse, State of California

DANIEL GONCHER

POSITION: Senior Manager – Harvey M. Rose Associates, LLC

EXPERIENCE: *Project Management and Analysis*

Plan, manage, and conduct performance and management assessments and audits on a wide variety of issues for local government clients as needed. Also provide fiscal, legislative, and budget analysis of proposed resolutions, ordinances and supplemental appropriation requests from departments and programs for the City and County of San Francisco Board of Supervisors.

Health and Social Services Projects

- Annual Review of \$1.6 billion Department of Public Health budget, City and County of San Francisco
- Project Manager, Performance Audit of the City and County of San Francisco Children’s Fund as managed by the Department of Children, Youth, and their Families
- Performance Audit, Sacramento Housing and Redevelopment Agency
- Performance Audit, San Francisco Housing Authority
- Special Study, Investigation of the Los Angeles County Elder and Dependent Adult Abuse Prevention Services and Program
- Special Study, Investigation of the Los Angeles County Foster Youth Abuse Prevention Services and Program

Finance and Government Operations Projects

- Manager, Annual Review of Mayor’s Proposed \$9 billion two-year budget for the City and County of San Francisco Board of Supervisors
- Analysis of Permitting Processes for Certified Farmers Markets, City and County of San Francisco
- Analysis of Citywide Procurement Processes, City and County of San Francisco
- Audit of Santa Clara Stadium Authority Finances, City of Santa Clara
- Performance Audit, San Francisco’s Lead Worker, Standby, Acting Assignment, and Supervisory Differential Pay Practices
- Fiscal and Legislative Analysis, City and County of San Francisco Proposed Resolutions and Ordinances
- Annual Review of \$89 million Department of Technology budget, City and County of San Francisco
- Annual Review of \$230 million Administrative Services Division budget, City and County of San Francisco
- Performance Audit of Citywide IT Purchasing, City and County of San Francisco
- Comparative Analysis of Labor Standards Enforcement, City and County of San Francisco
- Close-out Audit of the Santa Clara County Cal-ID Fingerprinting Program
- Low-Income Investment & Lending Reviews, Federal Reserve Bank of San Francisco

Public Works, Transportation and Land Use Projects

- Performance Audit of San Bernardino International Airport Operations, Development and Construction Activities
- Risk Focused Process Audits of Various Divisions, Port of Los Angeles
 - Managed Review of Grants Management and Capital Assets for Port Police, Goods Movement, and Information Technology Divisions; Assisted with Reviews of Human Resources
- Performance Audit, Port of Los Angeles Real Estate Division

- Project Manager, Performance Audit, Victorville Municipal Utility Services, Southern California Logistics Airport, and the City of Victorville
- Project Manager (Multiple Annual Audits), Proposition 39 Audit of Beverly Hills Unified School District's Measure E Bond Fund Program and associated Capital Development Activities
- Performance Audit, Los Angeles World Airports Capital Development Program
- Project Manager, Study of Impact of Transportation Network Companies in City of Sunnyvale
- Project Manager, Performance Audit of Affordable Housing Policies and Programs, City and County of San Francisco
- Performance Evaluation, State of Colorado Division of Water Resources- Dam Safety Branch
- Review, Transportation Impacts of Proposed California Pacific Medical Center- Cathedral Hill Hospital Development
- Budget Analysis of Public Improvement Costs, City of Los Angeles
- Analysis of Inter-Agency Coordination of Development Projects, City of Los Angeles
- Nationwide Benchmarking Study of Planning Functions, City of Los Angeles
- Operational Performance Audit, Colton Electric Utility
- Energy Efficiency Analysis, Alameda Power and Telecom
- Review of Management Functions of Regional Planning Department, County of Los Angeles
- Annual Review of \$163 million Department of Public Works budget, City and County of San Francisco
- Annual Review of \$838 million San Francisco International Airport Budget

Education, Recreation and Culture Projects

- Audit of Beach Concession Agreements, City of Long Beach
- Review of Los Angeles Community College District's Process for Procuring Inspector General Services
- Nationwide Benchmarking Study of Warehouse Management & Inventory Control, Los Angeles Unified School District
- Project Manager, Performance Audit of Alemany Farmers' Market, City and County of San Francisco

PROFESSIONAL HISTORY:

Harvey M. Rose Associates, LLC *Senior Manager*, 2013- Present
Harvey M. Rose Associates, LLC *Principal Analyst*, 2011-2013
Harvey M. Rose Associates, LLC *Senior Analyst*, 2008 - 2011
Alameda Power and Telecom *Consultant*, 2008
United Kingdom Office of Climate Change *Intern*, 2007
City of Berkeley-Office of the Mayor *Policy Analyst*, 2007
Federal Reserve Bank of San Francisco *Bank Examiner*, 2000-2006
The White House *Intern*, 1998

EDUCATION:

Master of Public Policy, Goldman School of Public Policy, University of California at Berkeley, 2008
Bachelor of Arts in Communications, Legal Institutions, Economics, & Government; American University, 2000

JULIA NAGLE

POSITION: Senior Analyst – Harvey M. Rose Associates, LLC

EXPERIENCE: *Project Analysis*

Participates in management audits, policy analyses, and budget and legislative analyses for cities, counties, and other governmental agencies, and performs other analyses on a wide variety of issues for local government clients as needed.

Finance and Government Operations Projects

- Management Audit, Information Services Division, Santa Clara County
- Performance Audit, Registrar of Voters, Santa Clara County
- Analysis of the 2015 Proposition E Ballot Initiative, San Francisco
- Management Audit, Towing and Lien Sales Division, City of Long Beach
- Annual Review of the Mayor’s Proposed Budget, San Francisco

Public Works, Transportation, Planning and Land Use Projects

- Financial Analysis, Options for a Citywide Municipal Fiber Optic Network, San Francisco
- Financial Analysis, Options for Reducing the Non-Essential Vehicle Fleet, San Francisco
- Financial Analysis, Cost of Undergrounding Overhead Utility Wires, San Francisco
- Policy Analysis, Regulations Governing Street Width and Emergency Vehicle Size, San Francisco
- Policy Analysis, Proposed Property Assessed Clean Energy (PACE) program, San Francisco

Health, Housing, and Social Services Projects

- Management Review, Department of Social Services, Imperial County
- Financial Analysis, Cost of Retrofitting Residential Buildings with Sprinkler Systems, San Francisco
- Performance Audit, Services for Seniors, San Francisco
- Policy Analysis, Vacancy Rates in Single Resident Occupancy Buildings in San Francisco
- Policy Analysis, Proposed Laura’s Law Pilot Program, San Francisco

Public Safety Projects

- Performance Audit of San Francisco’s Fire Department’s Staffing and Strategic Planning Functions
- Performance Audit of Emergency Medical Services Resources at the San Francisco Fire Department
- Policy Analysis of California Fire Code Governing Street Design for Fire Engines, San Francisco

Education, Recreation and Culture Projects

- Financial Analysis, Grants for the Arts Program, San Francisco
- Performance Audit, First 5 Los Angeles, Los Angeles County

PROFESSIONAL

HISTORY:

Harvey M. Rose Associates, LLC, *Senior Analyst*, 2013 - Present
S.D. Bechtel, Jr. Foundation, Education Program, *Program Assoc.; Research Fellow*, 2011-2013
County of Alameda, Housing & Community Development, *Policy Analyst*, 2010-2011
Center on Budget and Policy Priorities, *D.C. Fiscal Policy Institute Intern*, 2010
City & County of San Francisco, Planning Department, *Policy Team Consultant Member*, 2010
www.whatifpost.com, *Content Manager/Writer*, 2008-2009
Office of City Councilman William Peduto, Pittsburgh, PA, *Legislative Director*, 2006-2007

EDUCATION:

Master of Public Policy, University of California, Berkeley, 2011
Bachelor of Arts in Urban Studies, Columbia University, 2006