RESOLUTION - ACTION REQUESTED 2020-592

MEETING: October 6, 2020

TO: The Board of Supervisors

FROM: Eric Sergienko, Health Officer/Acting HHSA Director

RE: Terminate HHSA-County MOU for Lease of Former Rose Bldg; Approve Budget Action for Purchase

RECOMMENDATION AND JUSTIFICATION:

Terminate the Memorandum of Understanding (MOU) with the County of Mariposa to lease the premises located at 5333 Highway 49 North, Mariposa, California to the Health and Human Services Agency (HHSA) approved by Resolution Number 2019-484; and Authorize purchase of premises through separate Budget Action Item ($72,000).

After consultation with the Office of the State Controller regarding the accounting rules and depreciation costs involved, it was determined that the previous lease agreement (Res. 2019-484) should be rescinded. The loan payments related to the purchase of the premises will be made by Realignment funds transfers to the county 750 fund and require the attached budget action item to delineate the source of funding. The building will be utilized by the HHSA Health Division. Building depreciation costs over time will be charged to HHSA Funds 001-0402, 001-0403, and 001-0401 through the County Cost Plan A-87 costs.

The facility is conveniently located and has being remodeled to better serve clients. HHSA consolidated Community Health with the Behavioral Health programs into the new Health Division at HHSA. Community Health staff will vacate the 5085 Bullion Street location and relocate to the new facility. The Agency expects to expand the ability of the integrated Health Division to serve county residents at this facility.

The term of the purchase note is from July 1, 2019, through June 11, 2024. HHSA shall pay to the County general fund, or as otherwise directed by the County Administration Officer, the sum of $6,000 per month for sixty (60) months commencing as of July 1, 2019. HHSA shall make a final payment of $109,552.25 on June 11, 2024.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board of Supervisors approved the previous Lease Agreement on August 20, 2019 through Resolution Number 2019-484.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
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No action would result in the County being in non-compliance with financial regulations.

FINANCIAL IMPACT:
Funds are available within the Behavioral Health, MHSA, and Public Health budgets for this budget action. This conveniently located facility should enhance the ability to expand services and increase revenue. There is no impact to the County general fund.

ATTACHMENTS:
Board Resolution - HHSA-County MOU for former Rose Building (PDF)
Budget Action for Rose Building purchase payments $72,000 for FY19-20 (PDF)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Miles Menetrey, District V Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
BUDGET ACTION FORM

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT/DIV</th>
<th>ACCOUNT</th>
<th>DESCRIPTION</th>
<th>PROJECT</th>
<th>INCREASE</th>
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<tbody>
<tr>
<td>750</td>
<td>1500</td>
<td>309-1600</td>
<td>TF IN REALIGN FUND 393</td>
<td></td>
<td>($72,000)</td>
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Budget Action to increase realignment transfer-in revenue and increase appropriations
for 12 monthly Rose Building purchase payments of $6,000 for FY19-20

<table>
<thead>
<tr>
<th>TRANSFER BETWEEN FUNDS</th>
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<th>Credit</th>
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<tr>
<td>750 1500 309-1600 TF IN REALIGN FUND 393</td>
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</tr>
</tbody>
</table>

TOTALS: Debit $72,000 Credit $72,000

ACTION REQUESTED: (Check all that apply)
( X ) Budget appropriation by Board of Supervisors (4/5ths Vote Required): Amending the total amount available in the county budget, or in any one fund of the budget, or appropriating Reserve for Contingencies;

(     ) Transfer by Board of Supervisors (3/5ths Vote Required): Moving existing appropriations from one budget to another, or between categories within a budget unit;

JUSTIFICATION:

DEPT HEAD SIGNATURE ___________________________ DATE 01/10/2000

APPROVED BY RES NO. 20-592 CLERK ___________________________ DATE 10-15-2020

AUDITOR'S USE ONLY
BA #

Budget Revision Form Revised 11/95

C:\EXCEL\BUDGET98\BUDCHGS\Budget Action for Rose Building purchase payments $72,000 for FY19-20