

APPROVED



South Central Los Angeles
Regional Center
for persons with developmental disabilities, Inc.

**SOUTH CENTRAL LOS ANGELES REGIONAL CENTER
MINUTES OF THE BOARD OF DIRECTORS MEETING
FOR
SEPTMEBER 23, 2012**

I. MEMBERS PRESENT:

Lisa Sanchez	Karen Washington	Claudia Hernandez
Ana DaSilva	Alan McDowell	Sandra Casado
Veronica Moser	Anissa McNeil	

MEMBERS ABSENT:

Bill West	John Harris	Renett Clough
Joycelyn Baber-Gant	Manami Go	

STAFF PRESENT:

Reuben Lee	Roy Doronila	Deanna Corbin
Dexter Henderson	Marsha Mitchell	

STAFF ABSENT:

PUBLIC:

CALL TO ORDER:

The September 23, 2012 Board of Directors Meeting was called to order by SCLARC's Board Vice President, Lisa Sanchez at 8:30 a.m.

- I. July 24, 2012 Board of Directors Minutes will be Ratified at the November 27th, Board Meeting.**
- II.** July 24th nominations for FY 2013 board officers were opened. Members were asked to forward their nominations for new board officers prior to the September 23rd, meeting. Those nominations were allowed and added to a ballot. The ballot was handed out at the meeting listing all nominees. Members were given a second opportunity to add other nominees to the ballot. No other nominees were presented at that time.

Board Members accepted the previously nominated nominees listed on the ballot and voted unanimously for all.

BOARD ACTION-

To accept the SCLARC's Previously Nominated Nominee's for FY 2013 Officers.
(M/S/C) A. McNeil/ L. Sanchez/ Unanimous

The Newly Elected SCLARC Board Officials are as follows:

Lisa Sanchez - President
Ana DaSilva - Vice President
Anissa McNeil - Secretary
Veronica Moser – Treasurer

III. CONFLICT OF INTEREST – Dexter Henderson

Dexter Henderson explained the revised conflict of interest reporting statement required by DDS. He explained the duties and responsibilities of the board members position with the regional center. The purpose of the statement is to assist board members, the regional centers and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties, obligations and or financial interests.

Mr. Henderson gave specific circumstances and relationships which could create a conflict of interest that are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. He then walked the board through each of the conflict of Interest Statement questions.

Mr. Henderson gave the members the opportunity to sign and submit the COI statement at that time or to take additional time to complete and submit.

IV. PERFORMANCE CONTRACT- Marsha Mitchell

Marsha gave the board an overview of the 2013 Proposed Performance Contract. South Central Los Angeles Regional Center (SCLARC) held the performance contract public hearing on August 29, 2012. Fifteen individuals participated. This included 8 staff persons, 1 consumer, 1 consultant, 4 individuals from the vendor community and 1 interested citizen.

Input was also solicited during three additional meetings. This included a group of 13 parents on September 4, 2012 and 5 parents on September 18, 2012. Twelve consumers met and reviewed the document on September 17, 2012. Their recommendation regarding a commitment to quality supported living services was incorporated into the plan.

There were no other changes to the initial proposed performance contract however; we are asking the Board of Directors to provide your input in this September board meeting. Marsha continued with the outcomes, measures and actions of SCLARC's 2013 performance contract:

Marsha explained the 20 goals of the Public Policy Performance Measures for calendar year 2013 as well as the outcome measures for each and the activities the regional center will employ to achieve each goal.

BOARD ACTION-

To accept/approve SCLARC's 2013 Proposed Performance Contract
(M/S/C) A. DaSilva / V. Moser/ Unanimous

DDS REQUEST TO DISCONTINUE SCLARC'S – Dexter Henderson ADDITIONAL INSURED POLICY

Mr. Henderson shared a letter from the Department of Developmental Services dated August 21, 2012 regarding a letter SCLARC sent to service providers July 5, 2012 asking providers to name SCLARC as "Additional Insured" on their liability insurance policies. DDS indicated that SCLARC's policy is inconsistent with the Department's memorandum to Regional Center Directors in February 23, 2004. The Department's memorandum states that regional centers should discontinue policies requiring vendors or prospective vendors to name the regional centers as additional insured on their liability policies. The Department made reference to *Morososhi v. Pacific Home* (2004) 34. 4th, 482, the State Supreme Court held that a regional center is not vicariously liable for the negligence of a contracted service provider when the regional center has fulfilled its statutory duties. Based upon this decision, the Department continues to believe that imposing such a requirement is not necessary and imposes an unfunded cost impact on certain vendors and regional centers, such as SCLARC, that have such a policy should discontinue it.

However, Mr. Henderson stated, we are not in agreement and have responded to DDS through our attorney's at Musick, Peeler & Garrett. Mike Monk responded to Nancy Bargman, Deputy Director of Community Services Division, September 19, 2012 with our concerns.

SCLARC believes there are very strong and valid reasons for requiring providers to name SCLAR as an “additional insured” and where *Morohosi v. Pacific Homes* (2004) 34Cal.4th 4282 was noted and is correct it does not negate the fact that the regional center is still vulnerable and could be held liable.

Concerns that SCLARC has included:

While the regional center will not have liability where it has fulfilled its statutory duties, it is still possible, and likely to be sued. If SCLARC is sued, even if SCARC may not have liability in the end, SCLARC would still have the burden and cost to defend such a matter.

Also, facts of a given matter may involve some negligence by the contracted service provider and some negligence by the regional center. In cases such as this, even though the provider’s negligence may be far more severe, there would still be some exposure to the regional center.

Insurance carriers do not charge or charge very little for an insured for adding a third party as an “additional insured”. The providers will not experience an extra cost.

SCLARC agrees that is not wise to impose an unfunded cost impact on any vendor however, the potential lost in defense costs and liability from partial negligence if SCLARC not named as an additional insured, however, could easily dwarf cost of naming SCLARC as an additional insured, if indeed there is any cost.

SCLARC also has a fiduciary duty to take proper steps to protect against liability.

DDS has not responded to our letter. We are hopeful and look forward to hearing back from them soon.

V. PROPOSE NEW AGENCY LEASE- Roy Doronila

Roy Doronila walked the board through SCLARC’s current lease structure with Triple AAA to give the board an overall summary of the general terms and conditions of the agency’s current lease.

Roy then gave an outline of the New General Lease Terms being considered between Community Impact Development II, LLC a California Limited Liability Company (Landlord) and South Central Los Angeles Regional Center, Inc., a California Corporation (Tenant) for occupancy of the following, a 53,800 square foot office building (to be built) located at 2500 South Western Avenue and a 46,500 square foot office building located at 1999 West Adams Blvd. Roy’s summary of the new lease included the following:

Term of Lease
Base Rent
Parking Rent
Commencement Date

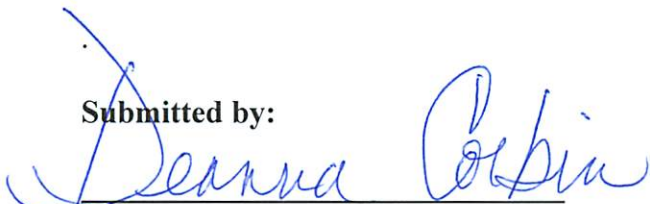
Intital Leasehold Improvement Allowance
Parking
Security Deposit
Payment of Base Rent
Core and Shell Improvements
Operationg Expenses
Repairs and Maintenance
Casualty Insurance
Workers Compensation/ Liability
Landlord's Insurance
Rental Insurance
Option to Extend Term

Roy gave a very detailed summary and allowed for members to ask questions.


GOOD of the ORDER:

Mr. West adjourned the July 24, 2012 Board of Directors meeting at 9:30pm.

Submitted by:



DEANNA CORBIN
EXECUTIVE SECRETARY




DATE

Approved by:



ANA DASILVA
BOARD SECRETARY



DATE