

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION AUTHORIZING: A) AN AGREEMENT WITH BRIUS, LLC TO PROVIDE AUGMENTED RESIDENTIAL CARE SERVICES AT MILLBRAE MANOR FOR SERIOUSLY MENTALLY ILL CLIENTS FOR THE TERM OF MAY 1, 2014 THROUGH SEPTEMBER 30, 2020; AND B) AN AMENDMENT TO THE OPERATIONS MANAGEMENT AND LEASE AGREEMENTS FOR BURLINGAME LONG TERM CARE CENTER, DELAYING THE DUE DATE FOR A LOAN TO BRIUS FROM JULY 15, 2014 TO JULY 15, 2015, EXTENDING THE TERM OF THE MANAGEMENT AND LEASE AGREEMENTS THROUGH SEPTEMBER 30, 2020, AND MAKING OTHER MINOR MODIFICATIONS TO THE MANAGEMENT AND LEASE AGREEMENTS**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, in July of 2012, the Health System entered into an Operations Management Agreement with Brius, LLC to manage the Burlingame Long Term Care Center (Burlingame) on behalf of the Health System, and a Brius, LLC affiliate took over the Burlingame lease with the County once Brius purchased the facility; and

**WHEREAS**, the quality of care at Burlingame as rated by external auditors is better than when the County directly managed Burlingame, patients are moving smoothly from the San Mateo Medical Center to Burlingame, and the agreement has saved the Health System approximately \$4 million each year; and

**WHEREAS**, the Health System has a contract to place 40 seriously mentally ill clients at Millbrae Manor, a residential care facility that went into bankruptcy, and Brius, LLC purchased Millbrae Manor out of bankruptcy and will continue to operate that

facility; and

**WHEREAS**, the County and Brius, LLC have negotiated an agreement whereby: (1) the Operations Management Agreement for, and lease of, Burlingame will be extended for an additional five years past its original termination date of September 30, 2015 to a new termination date of September 30, 2020; (2) the County will delay the due date of a loan made to Brius in the Operations Management Agreement by one year, extending the due date from July 2014 to July 2015; (3) the loan will continue to accrue simple interest at the rate of 3% per year; and (4) the parties wish to make other minor modifications to clear up language in the Operations Management and Lease Agreements; and

**WHEREAS**, in exchange, Brius, LLC will continue to provide augmented services at Millbrae Manor, will give the Health System exclusive use of all 48 beds at Millbrae Manor (an increase in eight beds) for seriously mentally ill patients at no additional cost to the Health System through September 30, 2020, and will eliminate the increased costs for the augmented services at Millbrae Manor for a monthly savings of around \$26,000; and

**WHEREAS**, this Board has been presented with, examined, and approved as to both form and content Amendment No. 5 to the Operations Management Agreement, Amendment No. 1 to the Burlingame Lease, and the agreement regarding Millbrae Manor and desires to enter into each of them.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the President of this Board of Supervisors be and is hereby authorized and directed to execute said Amendment No. 5 to the Operations Management Agreement, Amendment No. 1 to the Burlingame Lease, and the agreement regarding Millbrae Manor for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

**BE IT FURTHER RESOLVED** that the Chief of the Health System or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) for each agreement and/or modify the contract term and/or services of each agreement so long as the modified term or services is/are within the current or revised fiscal provisions.

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