



COUNTY OF HUMBOLDT

AGENDA ITEM NO. C-11

For the meeting of: 1/19/2016

Date: December 21, 2015
To: Board of Supervisors
From: Phillip R. Crandall, Director Department of Health and Human Services-Mental Health
Subject: First Amendment to the Agreement with Alcohol Drug Care Services, Inc. for Fiscal Years 2014-15 and 2015-16

RECOMMENDATION(S):

That the Board of Supervisors:

- 1. Approves the First Amendment to the Agreement between County of Humboldt and Alcohol Drug Care Services, Inc. for fiscal years 2014-15 and 2015-16;
2. Authorizes the Chair to execute three (3) originals of the Amendment; and
3. Directs the Clerk of the Board to return two (2) executed originals of the First Amendment to the Department of Health and Human Services (DHHS)-Contract Unit for forwarding to DHHS-Mental Health.

SOURCE OF FUNDING:

Alcohol and Drug Fund

DISCUSSION:

DHHS-Mental Health's Alcohol and Other Drug Program has a mission to provide quality substance abuse treatment based upon best practices. Alcohol Drug Care Services, Inc. (ADCS) has demonstrated competence in drug and alcohol counseling and treatment which furthers this mission throughout the Humboldt County community.

On June 24, 2014 (item C-16), the Board approved the Agreement between DHHS-Mental Health and ADCS

Prepared by Joseph Demlow Administrative Analyst II

CAO Approval

Handwritten signature of Cheryl D. Higgins

REVIEW:

Auditor County Counsel Personnel Risk Manager Other

TYPE OF ITEM:

- X Consent
Departmental
Public Hearing
Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Bass Seconded by Supervisor Fennell

Ayes Sundberg, Fennell, Lovelace, Bohn, Bass

- Nays
Abstain
Absent

PREVIOUS ACTION/REFERRAL:

Board Order No. C-6, C-28, C-9, C-12, C-16

Meeting of: 6-22-10, 6-28-11, 06-12-12, 6-25-13, 6-24-14

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Jan 19, 2016

By: Kathy Hayes, Clerk of the Board

for professional alcohol and other drug detoxification and residential treatment services.

This First Amendment to the Agreement is required to update the Agreement's Compliance with Laws section to include the Charitable Choice Act, (*Title 42, CFR Part 54, & ADP Bulletin 04-5*), American's with Disability Act, (*ADP Bulletin 09 – 05*) and the Trafficking Victims Protection Act, (*22 U.S.C. 7104*) pursuant to state and federal requirements. Therefore, the Department of Health and Human Services - Mental Health recommends that the Board approves and authorizes the Chair to sign the First Amendment to Agreement.

FINANCIAL IMPACT:

There is no financial impact to this amendment.

This First Amendment to Agreement supports the Board's Strategic Framework by protecting vulnerable populations, supporting the self reliance of citizens and improving the safety and health of our communities.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose to not approve this First Amendment to the Agreement, DHHS-Mental Health does not recommend this alternative because it would leave DHHS-Mental Health and Alcohol Drug Care Services out of compliance with State and Federal regulations,

ATTACHMENTS:

1. June 24, 2014 Agreement between County of Humboldt and Alcohol Drug Care Services, Inc.
2. First Amendment to the June 24, 2014 Agreement between County of Humboldt and Alcohol Drug Care Services, Inc. (3 originals)



**AGREEMENT  
BY AND BETWEEN  
HUMBOLDT COUNTY  
AND  
ALCOHOL DRUG CARE SERVICES, INC.  
FOR FISCAL YEARS 2014-2015 AND 2015-2016**

This Agreement, made and entered into this 24<sup>th</sup> day of June, 2014, at Eureka, California, by and between Humboldt County, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and Alcohol Drug Care Services, Inc. (a California Non-Profit Corporation) hereinafter referred to as "CONTRACTOR," is made upon the following considerations:

WHEREAS, COUNTY through its Department of Health and Human Services, Mental Health, desires to provide the services of alcohol and drug counseling and treatment; and

WHEREAS CONTRACTOR is a licensed and/or certified drug treatment program as defined by the State of California and is willing and able to provide these services to COUNTY's clients.

NOW THEREFORE BE IT AGREED:

1. DESCRIPTION OF SERVICES:

As set forth in Exhibit A, attached hereto and incorporated by reference.

2. NO TERMS NOT INCLUDED:

This Agreement contains all the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in its entirety any and all prior agreements of the parties regarding the subject matter of this Agreement.

3. TERM:

The term of this Agreement shall be from July 1, 2014 and shall continue through June 30, 2016, unless sooner terminated as provided herein.

4. TERMINATION:

A. Breach of Contract -- COUNTY may immediately suspend or terminate this Agreement in whole or in part, where, in its sole discretion, the determination is made that there is:

- i. An illegal or improper use of funds;
- ii. A failure to comply with any term of this Agreement;
- iii. A substantially incorrect or incomplete report submitted; or
- iv. Improperly performed service.

B. Without Cause -- This Agreement may be terminated by either party without cause as follows:

- i. If terminated by CONTRACTOR, termination shall require sixty (60) days advance written notice of such intent to terminate. The notice shall state the effective date of the termination.
- ii. COUNTY may terminate this Agreement without cause upon thirty (30) days written notice; except that COUNTY shall take into consideration the welfare of COUNTY's clients/patients and make allowance for the treatment needs of its clients.

5. NOTICES:

Any and all notice(s) required to be given pursuant to the terms of this Agreement may be given personally or by registered mail addressed to either COUNTY or CONTRACTOR at the following addresses:

COUNTY: Humboldt County Department of Health and Human Services  
Mental Health  
Attention: Alcohol and Drug Administrator  
720 Wood Street  
Eureka, California 95501



CONTRACTOR: Director  
Alcohol Drug Care Services  
2109 Broadway Suite # A  
Eureka, CA 95501

6. ATTORNEY FEE ON BREACH:

CONTRACTOR and COUNTY each agree that in the event any action, suit or proceeding be commenced to complete the performance of this Agreement or to seek damages for breach thereof, it will pay reasonable attorney's fees (including reasonable value of services rendered by County Counsel) to the prevailing party, to be awarded and fixed by the court, and to be taxed as cost and to be included in the judgment thereon rendered.

7. PAYMENT:

COUNTY will reimburse CONTRACTOR for services pursuant to this Agreement not to exceed the maximum amount Two Hundred Twenty-Eight Thousand, Three Hundred Seventy-Three Dollars (\$228,373) per Fiscal Year during the period of July 1, 2014 through June 30, 2016. All costs incurred above the maximum amount will be the responsibility of the CONTRACTOR. It shall be the responsibility of CONTRACTOR to notify COUNTY in writing, at least six weeks prior to the date upon which CONTRACTOR estimates that the maximum amount will be reached. Specific payment terms and conditions are set forth in Exhibit B, attached hereto and incorporated herein by reference.

8. NO WAIVER OF DEFAULT:

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the

breach of any other requirement of this Agreement.

In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement or any default that may then exist on the part of the CONTRACTOR. Neither shall such payment impair or prejudice any remedy available to COUNTY with respect to the breach or default. COUNTY shall have the right to demand of the CONTRACTOR the repayment of any funds disbursed to the CONTRACTOR under this Agreement, which in the judgment of COUNTY were not expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund any such funds upon demand.

9. AUDITS:

CONTRACTOR shall be subject to the examination and audit of the State Auditor and Bureau of State Audits for period of three (3) years after final payment under this Agreement pursuant to Government Code sections 8546.7, at CONTRACTOR's expense. CONTRACTOR shall hold COUNTY harmless for any liability resulting from said audit.

10. CONTROL REQUIREMENTS:

CONTRACTOR shall establish written accounting procedures consistent with the following requirements where applicable:

- (a) Health & Safety Code, Division 10.5, commencing with Section 11760, including but not limited to, Health & Safety Code Sections 11812, 11817.8, 11818, 11837.1 and 11837.6 ;
- (b) Title 9, California Code of Regulations (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000;
- (c) Government Code Section 16367.8;



- (d) Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130;
- (e) Title 42 United States Code (USC), Sections 300x-21 through 300x-35;
- (f) Title 31 USC Sections 7501 through 7507 and the Single Audit Act Amendments of 1996 (31 USC Sections 7501-7507) and the Office of Management and Budget (OMB) Circular A-133 revised on June 27, 2003;
- (g) Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137;
- (h) Title 42, CFR, Sections 8.1 through 8.34; and
- (i) Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances

CONTRACTOR shall be familiar with the above laws and regulations where applicable.

11. REPORTING

CONTRACTOR agrees to provide COUNTY with any reports that may be required by County, State or Federal agencies for compliance with this Agreement.

12. MONITORING:

CONTRACTOR shall permit COUNTY, the State, United States Department of Health and Human Services, Comptroller General of the United States, or other authorized state or federal agencies and representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Agreement.

CONTRACTOR shall allow COUNTY, the State, United States Department of Health and Human Services, the Comptroller General of the United States, and other authorized state or federal agencies and representatives to review and copy any and all books and records maintained by the CONTRACTOR related to the services performed under this Agreement at any time during normal business hours. Unannounced visits may be made at the discretion of the State. Employees who might reasonably have information related to such records may be interviewed.

The refusal of the CONTRACTOR to permit access to and inspection of books, records, and facilities, or interviews with employees, as described in this part constitutes an express and immediate material breach of this Agreement and will be sufficient basis to terminate the Agreement for cause or default.

CONTRACTOR shall provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

13. ASSIGNMENT:

Neither party shall assign its obligations under this Agreement without the prior written consent of the other party. Any assignment by CONTRACTOR in violation of this provision shall be void and shall be cause for immediate termination of this Agreement.

14. SUBCONTRACTING:

CONTRACTOR shall not subcontract for any services without prior written approval of COUNTY.



15. LOCATION EXPANSION:

CONTRACTOR shall not provide services under this Agreement at a location other than those locations it uses as of the date of this Agreement without prior written permission by COUNTY.

16. RELATIONSHIP OF PARTIES:

It is understood that this is an Agreement by and between two independent contractors and is not intended to, and shall not be construed to, create the relationship of agents, servant, employee, partnership, joint venture, or any other similar association. Both parties further agree that CONTRACTOR shall not be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, retirement benefits, worker's compensation and injury leave or other leave benefits.

17. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

CONTRACTOR certifies by its signature below that CONTRACTOR is not a Nuclear Weapons Contractor, in that CONTRACTOR is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. CONTRACTOR agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor as defined above. COUNTY may immediately terminate this Agreement if it determines that the foregoing certification is false or if CONTRACTOR becomes a Nuclear Weapons Contractor.

18. COMPLIANCE WITH LAWS:

CONTRACTOR agrees that all professional level persons employed by CONTRACTOR have met applicable professional licensure requirements pursuant to the

California Welfare and Institutions and Business and Professions Codes. CONTRACTOR further agrees to comply with any applicable federal, state or local licensing standards, any applicable accrediting standards and any other applicable standards or criteria established locally or by the State or Federal governments.

CONTRACTOR agrees to comply with all applicable terms and conditions of COUNTY's Standard Agreement Number 10-NNA12 or subsequent agreement with the State of California Department of Alcohol and Drug Programs (ADP), and all pertinent state and federal statutes and regulations, including but not limited to the Americans with Disabilities Act. Compliance with the Americans with Disabilities Act, includes, but is not limited to, the following areas:

- A. Whatever written information is provided regarding its programs will also be provided in alternate formats, including Braille, large print audio recording, and electronic formats, upon request.
- B. Enter into contracts or make other arrangements with qualified sign language and oral interpreters to ensure their availability when required for effective communication with persons who are deaf or hard of hearing. The type of aid that will be required for effective communication will depend on the individual's usual method of communication, and the nature, importance, and duration of the communication at issue. In many circumstances, oral communication supplemented by gestures and visual aids, an exchange of written notes, use of a computer or typewriter, or use of an assistive listening device may be effective. In other circumstances, qualified sign language or oral interpreters are needed to communicate effectively with persons who are deaf or hard of hearing. The more



lengthy, complex, and important the communication, the more likely it is that a qualified interpreter will be required for effective communication with a person whose primary means of communication is sign language or speech reading.

- C. If CONTRACTOR operates a hotline to take telephone calls of an emergency nature, CONTRACTOR shall ensure that it provides equivalent service for persons who use TTY's including providing direct-connection service for TTY users with hotline operators, without requiring TTY users to call through a third party operator, such as through the state or local Telecommunication Relay procedures, and provide the training necessary to ensure effective communication by Hotline staff with direct-connection callers using TTY's, as well as the training necessary to respond to callers who use the Telecommunication Relay Services.
- D. Survey facilities used as shelters or designated as potential shelters – or for counseling, job training, education, clothing or household provisioning, or other aspects of programs- to ensure that adequate arrangements are available for potential clients and family members with disabilities, including adults and children who have mobility impairments, who are blind or have low vision, and who are deaf or hard of hearing.
- E. Have written procedures and modify, as appropriate, eligibility criteria, to ensure that no person with a disability is turned away from a shelter or otherwise denied the opportunity to benefit from the services of CONTRACTOR's program on the basis of disability.
- F. Have written procedures to ensure that persons with disabilities who use service animals are not denied or discouraged from participating in CONTRACTOR's

program, are able to be housed and served in an integrated environment, and are not separated from their service animals while participating in the program even if pets are normally not permitted in the facilities where such programs are conducted. The procedures will not unnecessarily segregate persons who use service animals from others but may take into account the potential presence of persons who, for safety or health reasons, should not be in contact with certain types of animals.

- G. Have written procedures to ensure that reasonable modifications are made to the CONTRACTOR's program when necessary for a client or family member with a disability to participate in such Programs, unless doing so would fundamentally alter the nature of the program.
- H. Have written policies to ensure that despite any "drug-free" policy of CONTRACTOR's program, persons with disabilities who use medication prescribed for their use are able to continue using such medication while participating in such Programs or being housed in a shelter.

19. VENUE AND APPLICABLE LAW:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder or relating to this Agreement shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to Code of Civil Procedure §§394 and 395.

20. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or policy referred to in this Agreement is amended during the term hereof, the parties agree to comply with the amended provision



as of the effective date of such amendment.

21. NONDISCRIMINATION:

- A. Consistent with the requirements of applicable Federal or State law, CONTRACTOR will not engage in any unlawful discriminatory practices in the admission of patients, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, religion or religious creed, color, age (over 40), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation ( including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer and genetic characteristics) mental or physical disability (including HIV status and AIDS), military service, or any other classifications protected by federal, state, or local laws or ordinances.
- B. During the performance of this Agreement, CONTRACTOR and its subcontractors will not unlawfully discriminate against any employee or applicant for employment because of race, religion or religious creed, color, age (over 40), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation ( including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer and genetic characteristics) mental or physical disability (including HIV status and AIDS), military service, or any other classifications protected by federal, state, or local laws or ordinances. This policy does not require the employment of unqualified persons.

- C. CONTRACTOR and its subcontractors will comply with the Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (Title 2, CCR, Section 7285 et seq.). CONTRACTOR will ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5, Division 4 of Title 2, CCR, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR and its subcontractors will give written notice of their obligation under this clause to labor organizations with which they have a collective bargaining or other agreement.
- D. CONTRACTOR will comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Welfare Agency, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.
- E. CONTRACTOR will include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

22. NO UNLAWFUL USE OR UNLAWFUL USE MESSAGE REGARDING DRUGS

Any information produced by CONTRACTOR pursuant to this Agreement, and which pertains to drug and alcohol-related programs, shall contain a clearly written



statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug- or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (Health & Safety Code Sections 11999-11999.3).

23. RECORDS:

CONTRACTOR shall maintain sufficient books, records, documents, and other evidence necessary for the COUNTY and State to audit contract performance and contract compliance. CONTRACTOR shall make these records available to the COUNTY and State, upon request, to evaluate the quality and quantity of services, accessibility and appropriateness of services, and to ensure fiscal accountability. Regardless of the location or ownership of such records, they shall be sufficient to determine the reasonableness, allowableness, and allocation of costs incurred by CONTRACTOR. All records must be capable of verification by qualified auditors.

CONTRACTOR shall maintain statistical, clinical and financial records in the manner provided by the State Department of Alcohol and Drug Programs and make such records available to COUNTY as required by the Humboldt County Alcohol and Drug Administrator, and the California State Department of Alcohol and Drug Programs.

A. Fiscal Records -- if applicable, CONTRACTOR shall maintain accurate records of its costs and operating expenses. Such records of costs, expenditures and reimbursements shall be maintained for at least five (5) years from the close of the State's fiscal year during which services were provided, or until audit findings are resolved, whichever is later. Such records shall be open to inspection by the Humboldt County Alcohol and Drug Administrator, the Humboldt County

Auditor-Controller, the Humboldt County Grand Jury, the State Controller, and the State Director of the Department of Alcohol and Drug Programs or any of their designees.

- B. Clinical Records -- if direct patient or client treatment services have been provided, CONTRACTOR shall maintain accurate and legible clinical/medical records in accordance with the California Code of Regulations, Title 9, Division 4. CONTRACTOR shall maintain medical records for at least seven (7) years from the close of the State's fiscal year during which services were provided, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18th) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later. All such records shall be considered confidential patient records in accordance with California Welfare and Institutions Code Section 5328; California Health and Safety Code Section 11845.5; and the Code of Federal Regulations, Title 42-Public Health, Part 2, regarding confidentiality of alcohol and drug abuse patient records. Clinical records shall contain sufficient detail to make possible an evaluation by the Humboldt County Alcohol and Drug Administrator or designee or the State Department of Alcohol Drug Programs, and shall be kept in accordance with the rules and regulations of the California Code of Regulations, Title 22 and Title 9.

24. CONFIDENTIALITY OF RECORDS:

In the performance of this Agreement, CONTRACTOR may receive confidential information. CONTRACTOR agrees to protect the confidentiality of all DHHS clients



and patients in conformance with, but not limited to, the California Welfare and Institutions Code Sections 827, 5328, and 10850, the California Confidentiality of Medical Information Act, California Health & Safety Code Sections 1280.15 and 130203 as applicable, California Health and Safety Code Section 11845.5, the United States Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the United States Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act"), and their implementing regulations, the Code of Federal Regulations, Title 42, Part 2, and as appropriate Title 45 of the Code of Federal Regulations section 205.50 and other relevant codes.

CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed by the CONTRACTOR, its employees, agents, or Subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.

CONTRACTOR shall comply with all applicable state and federal statutes and regulations regarding confidentiality, including, but not limited to, the applicable confidentiality and security of information requirements in the following:

1. 42 USC Section 290 dd-2
2. Title 42, CFR Part 2
3. Title 45, CFR Part 96, Sec. 96.132(e)
4. Title 42, USC 1320(a)
5. Title 42, USC 1320d through 1320d-8

6. Welfare and Institutions Code Section 14100.2, which is specific to Medi-Cal.
7. Health & Safety Code Sections 11812 and 11845.5
8. Title 22, California Code of Regulations, Section 51009, which is specific to Medi-Cal
9. Title 45, CFR Parts 160, 162, and 164 – the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules
10. Civil Code Section 56 through 56.37 – Confidentiality of Medical Information Act
11. Health & Safety Code Section 123100 through 123149.5 – Patient Access to Health Records
12. Civil Code Section 1798.80 through 1798.84 – Customer Records (breach of security)
13. State Administrative Manual, Section 1600 to 1695 – Destruction of Confidential Records

CONTRACTOR shall notify COUNTY within twenty-four (24) hours during a work week of any suspected or actual breach of computer system security impacting clients served under this Agreement. CONTRACTOR agrees to materially assist the COUNTY in any action pertaining to such unauthorized disclosure required by applicable Federal or state laws.

COUNTY and CONTRACTOR acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments.



CONTRACTOR agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations.

25. INSURANCE:

- A. THIS CONTRACT SHALL NOT BE EXECUTED BY COUNTY and the CONSULTANT is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- B. Without limiting CONTRACTOR'S indemnification obligations provided for herein, CONTRACTOR shall and shall require any of its subcontractors to take out and maintain, throughout the period of this Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in California and with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of CONTRACTOR, its agents, officers, directors employees, licensees, invitees, assignees or subcontractors:
  1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence for any one incident, including, personal injury, death and property damage. If a general aggregate limit is used, either the general

aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit.

2. Automobile/Motor liability Insurance with a limit of liability of not less than one million dollars (\$1,000,000) combined single limit coverage. Such insurance shall include coverage of all “owned”, “hired”, and “non owned” vehicles or coverage for “any auto”.
3. Workers Compensation and Employers Liability Insurance providing workers’ compensation benefits as required by the Labor Code of the State of California. Said policy shall contain or be endorsed to contain a waiver of subrogation against COUNTY, its officers, agents, and employees. In all cases, the above insurance shall include Employers Liability coverage with limits of not less than one million dollars per accident for bodily injury and disease.
  - i. Professional liability insurance/errors and omission coverage including coverage in an amount no less than One Million Dollars (\$1,000,000) for each occurrence (Three Million Dollars (\$3,000,000) general aggregate). Said insurance shall be maintained for the statutory period during which the professional may be exposed to liability. Contractor shall require that the aforementioned professional liability insurance coverage language be incorporated into its contract with any other entity with which it contracts for professional services.



ii. Insurance Notices:

County of Humboldt  
Attn: Risk Management  
825 5<sup>th</sup> Street, Room 131  
Eureka, CA 95501

- C. **Special Insurance Requirements.** Said policies shall unless otherwise specified herein be endorsed with, the following provisions:
- (1) The Comprehensive General Liability Policy shall provide that the COUNTY, its officers, officials, employees and volunteers, are covered as additional insured for liability arising out of the operations performed by or on behalf of CONTRATOR. The coverage shall contain no special limitations on the scope of protection afforded to the COUNTY, its officers, officials, employees, and volunteers. Said policy shall also contain a provision stating that such coverage:
    - a. Includes contractual liability.
    - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to "XCU Hazards".
    - c. Is primary insurance as regards to County of Humboldt.
    - d. Does not contain a pro-rata, excess only, and/or escape clause.
    - e. Contains a cross liability, severability of interest or separation of insureds clause.
  - (2) The policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to COUNTY and in accordance with the Notice provisions set forth under Section 5. It is further

understood that CONTRACTOR shall not terminate such coverage until it provides COUNTY with proof satisfactory to COUNTY that equal or better insurance has been secured and is in place.

- (3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.
- (4) For claims related to this project, the CONTRACTOR'S insurance is primary coverage to the COUNTY, and any insurance or self-insurance programs maintained by the COUNTY are excess to CONTRACTOR'S insurance and will not be called upon to contribute with it.
- (5) Any failure to comply with reporting or other provisions of the Parties, including breach of warranties, shall not affect coverage provided to COUNTY, its officers, officials, employees, and volunteers.
- (6) CONTRACTOR shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement by COUNTY. The endorsements shall be on forms as approved by the COUNTY'S Risk Manager or COUNTY Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by COUNTY. If CONTRACTOR does not keep all required policies in full force and effect, COUNTY may, in addition to other remedies under this Agreement, take out the necessary insurance, and CONTRACTOR agrees to pay the cost of said



insurance. COUNTY is also hereby authorized with the discretion to deduct the cost thereof from the monies owed to CONTRACTOR under this Contract.

- (7) COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered and CONTRACTOR shall be required to purchase additional coverage to meet the aggregate limits set forth above.

26. HOLD HARMLESS/INDEMNIFICATION AGREEMENT:

CONTRACTOR shall hold harmless, defend and indemnify County and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the County.

27. MEDIA RELEASE

All press releases and informational material related to this Agreement shall receive approval from COUNTY prior to being released to the media (television, radio, newspapers, Internet). In addition, CONTRACTOR shall inform COUNTY of requests for interviews by media related to this Agreement prior to such interviews taking place. COUNTY reserves the right to have a representative present at such interviews. All notices required by this provision shall be given to the Director of the County Department of Health and Human Services or his/her designee.

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28. PROTOCOLS:

Both parties recognize that a number of protocols must be negotiated to make this Agreement specific. In regard to all such protocols, they shall be agreed to by COUNTY's Alcohol and Drug Administrator and CONTRACTOR.

29. DRUG FREE WORKPLACE CERTIFICATION:

By signing this Agreement, CONTRACTOR hereby certifies that CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Sections 8350-8357) and will provide a drug-free workplace by doing all of the following:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355.
- B. Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2), to inform employees about all of the following:
  - i. the dangers of drug abuse in the workplace,
  - ii. CONTRACTOR's policy of maintaining a drug-free workplace,
  - iii. any available counseling, rehabilitation and employee assistance programs, and
  - iv. penalties that may be imposed upon employees for drug abuse violations.
- C. Provide as required by Government Code Section 8355(a)(3) that every employee who works on the Agreement:
  - i. will receive a copy of CONTRACTOR's drug-free policy statement, and



- ii. will agree to abide by the terms of CONTRACTOR's statement as a condition of employment on the Agreement or grant.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and CONTRACTOR may be ineligible for award of future state contracts if the Department determines that any of the following has occurred: (1) CONTRACTOR has made a false certification or, (2) violates the certification by failing to carry out the requirements as noted above.

30. PATIENT'S RIGHTS:

The parties to this Agreement shall comply with applicable laws, regulations and State policies relating to patient's rights.

31. CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE:

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by Federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service CONTRACTORs whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil

monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this Agreement, CONTRACTOR certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

32. UTILIZATION REVIEW:

COUNTY, through its Alcohol and Drug Administrator, may designate a person(s) to perform a utilization and/or professional standards review of all clients for which it is expected to make reimbursement.

33. COST REPORT:

CONTRACTOR shall submit an unaudited end of the fiscal year final cost report summarizing all costs incurred providing services for COUNTY-linked patients during the fiscal year. This will occur no later than ninety (90) days following the close of the fiscal year. Final Cost Report shall meet the specifications of the mandated cost reporting requirements of COUNTY, pertaining to that fiscal year.

34. DETERMINATION OF ABILITY TO PAY:

If so directed by the Alcohol and Drug Administrator of COUNTY, CONTRACTOR shall determine client's share of cost using the State's Uniform Method of Determining the Ability to Pay, relaying to COUNTY the results of such determination. This shall be done any time there is a demonstrable change in client's financial status but no less than annually. CONTRACTOR avers that inability to pay shall be no bar to CONTRACTOR's services. However, CONTRACTOR further agrees that unwillingness to pay may bar services (except in emergencies) following



consultation with COUNTY. COUNTY agrees to provide training in the determination of ability to pay.

35. AMENDMENT

This agreement may be amended at any time during the term of this agreement upon the written mutual consent of both parties.

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IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and date first above written.

ATTEST:

KATHY HAYES

Clerk of the Board of Supervisors of the County of Humboldt, State of California

By: *Alex Marshall*

APPROVED AS TO LEGAL FORM:

By *Karen Roebuck*  
County Counsel

APPROVED AS TO INSURANCE:

*Daniel J. Fisher*  
Risk Manager

COUNTY OF HUMBOLDT:

*Ray Bol*  
Chair, of the Board of Supervisors

CONTRACTOR:

*Paul Gable*  
Name

*President, Board of Directors, AODS*  
Title

*[Signature]*  
Name  
*Secretary, Board of Directors*  
Title

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER.



## EXHIBIT A

### DESCRIPTION OF SERVICES

#### A. SERVICES

COUNTY'S DHHS-Mental Health Alcohol and Other Drug Program has a mission to provide quality substance abuse treatment based upon best practice and/or evidence-based practice to aid the individual and family members in the recovery process resulting in improved functioning, relationships, and quality of life. Alcohol Drug Care Services, Inc. has demonstrated competence in drug and alcohol treatment, furthering COUNTY'S mission throughout the Humboldt County community. The services that Alcohol Drug Care Services Inc. will provide for contract period July 1, 2014 through June 30, 2016 specifically are:

CONTRACTOR shall ensure adherence to the following:  
Service Authorization

- Residential Treatment services are pre-authorized in writing by the COUNTY. Persons receiving services under this Agreement must receive prior approval of the Humboldt County Department of Health and Human Services Supervising Mental Health Clinician or her/his authorized representative.

CONTRACTOR shall offer the following services to COUNTY clients as appropriate.

#### 1. **30 Day Residential Treatment Program**

- a. 30 days of residential alcohol and drug treatment (Residential Treatment) as appropriate. Services extending beyond 30 treatment days require written COUNTY approval with appropriate documentation in client record reflecting such approval.
- b. One individual intake assessment discussing program regulations, significant drug and/or criminal history, and history of previous drug treatment and results;
- c. Clients will receive a minimum of 1-2 hours of individual counseling with primary counselor per treatment week, and additional individual counseling as deemed necessary by staff or client.
- d. Clients will receive a minimum of group sessions at 32-36 hours, per client, per treatment week.
- e. Clients will receive a minimum of educational group sessions at 2 hours, per client, per treatment week.
- f. Clients will receive treatment, housing, utilities, and daily personal essentials (i.e., toothpaste, toothbrushes, deodorant, shampoo, hairbrushes, razors, etc.).

**2. 3 Day to 7 Day Residential Detoxification Program**

- a. A minimum of 72 hours (3 days) residential detoxification services as appropriate, up to a maximum of 7 days. Services extending beyond 7 treatment days require COUNTY approval with appropriate documentation in client record reflecting such approval.
- b. 100% of clients will receive a minimum of individual counseling hours at 1 hour, per client, per day, with a minimum of one (1) individual counseling and/or monitoring hour per client during first 24 hours of services.
- c. 100% of clients will receive a minimum of group counseling sessions at 2 hours, per client, per treatment day.
- d. 100% of clients will receive a minimum of educational group hours at 1 hour, per client, per 3 treatment days (2 times weekly).
- e. 100% of clients will receive treatment, housing, and daily personal essentials (i.e., toothpaste, toothbrushes, deodorant, shampoo, hairbrushes, razors, etc.).

**3. CONTRACTOR shall offer the above-described services to the following client population(s) only:**

- For Residential Treatment, Humboldt County adult residents who have been referred from the DHHS-Mental Health Alcohol and Other Drug Programs.
- For Detoxification Services, Humboldt County adult residents who are experiencing physiological symptoms of withdrawal from alcohol and/or chemical substances, or are in imminent danger of physiological withdrawal from alcohol and/or chemical substances.

These services are expected to benefit the client in the following way(s):

Humboldt County adult residents will abstain from alcohol and drugs through direct treatment, education, and support. CONTRACTOR will demonstrate a minimum of 50% of clients showing satisfactory progress at discharge from treatment.

**B. OTHER CONTRACTOR RESPONSIBILITIES**

1. CONTRACTOR agrees to attend all program-planning meetings as scheduled by COUNTY.
2. CONTRACTOR agrees to provide a representative to attend quarterly CONTRACTOR meetings as facilitated by COUNTY.
3. CONTRACTOR agrees to provide a representative to attend meetings of the Humboldt County Behavioral Health Board on a quarterly basis.
4. CONTRACTOR shall maintain current licenses and/or certifications as follows:



- a. A State of California Department of Alcohol and Other Drug Programs License and Certification that extends to operating and maintaining an adult residential alcohol and/or drug abuse recovery or treatment facility.
- b. A State of California Department of Alcohol and Other Drug Programs License and Certification that extends to operating and maintaining an adult residential nonmedical detoxification facility.

### **C. PERFORMANCE GOALS AND OUTCOME MEASUREMENTS**

CONTRACTOR agrees to comply with the following performance goals and outcome measures:

1. Successful completion will be defined as achieved when the following criteria are met:
  - a. The client has successfully completed all required treatment components, as verified by California Outcomes Measurement System (CalOMS) discharge surveys.
  - b. The client and CONTRACTOR have developed a written exit relapse prevention plan that includes adequate housing, a realistic budget, a plan for leisure time activities, and an alcohol/drug free personal support system.
2. A minimum of 50% of clients will show satisfactory progress at discharge from treatment.
3. 100% of clients will be referred upon standard discharge to DHHS-Mental Health Alcohol and Other Drug program for evaluation of potential need for outpatient and/or residential services.

### **D. CONTRACTOR'S FINANCIAL MANAGEMENT RESPONSIBILITIES**

CONTRACTOR agrees to comply with the Financial Management responsibilities guidelines referred to as Exhibit A – Attachment 1 and Exhibit A - Attachment 2.

### **E. COST REPORTING REQUIREMENT:**

CONTRACTOR shall submit an unaudited end of the fiscal year final cost report summarizing all costs incurred providing services for COUNTY-linked patients during the fiscal year. This will occur no later than ninety (90) days following the close of the fiscal year. Final Cost Report shall meet the specifications of the mandated cost reporting requirements of COUNTY, pertaining to that fiscal year.

The fiscal year final cost report should be sent to:

Department of Health and Human Services  
Attention: DHHS-Contract Unit, 4<sup>th</sup> Floor  
507 F Street  
Eureka, CA 95501

## Exhibit A – Attachment 1

### Alcohol Drug Care Services

#### • Financial Management Policy •

The Board of Directors of ADCS is legally and morally responsible for the financial management, policies health and sustainability of ADCS and the programs therein.

#### Board of Director's Duties:

- ✓ The ADCS Board of Director's Treasurer is expected analyze financial reports with the Executive Director prior to any scheduled Board meetings. In the event that the treasurer is absent or the treasurer's seat is vacant, the President or Vice president will assume these duties.
- ✓ The Board of Directors shall review and approve budgets at prescribed intervals (see attachment A).
- ✓ Adequate training of any new board members shall be provided by the Board of Directors such that all board members are able to fulfill their oversight responsibilities in an appropriate fashion.
- ✓ A majority vote from the Board of Directors to approve or disapprove expenditures *outside of the approved budget* that exceed \$500.00. This can be accomplished by scheduling an emergency meeting or having a 'Phone Vote.'
- ✓ At the end of each fiscal year, the Board of Directors shall conduct a financial review that consists of but is not limited to all financial statements, appointed account signers, performance, and policies.
- ✓ Expenditure of *any* cash reserves requires a majority vote from the Board of Directors.
- ✓ It is the ADCS Board of Director's duty to certify that all funds are being expended in accordance with the ADCS Mission.

#### Executive Director's Responsibilities:

- ✓ The Executive Director shall follow the mission of ADCS and use it as a guiding principle when implementing Policies and Procedures as approved by ADCS Board of Directors.
- ✓ The day-to-day operations of ADCS shall be conducted by the Executive Director.
- ✓ The Executive Director should have a working knowledge of current labor laws. This knowledge should be incorporated into the decision making process when taking disciplinary action with an ADCS employee.
- ✓ ADCS Executive Director is responsible for hiring, training, supervising, as well as disciplinary action of all ADCS employees.
- ✓ The Executive Directors has the authority to hire independent vendors for Accounts Payable and Accounts Receivable.



- ✓ The Executive Director must obtain approval from the Board of Directors before entering into any contracts *not outlined in the approved budget* that exceed \$500.00.
- ✓ The Executive Director shall be responsible for Researching grant opportunities and ensuring that all grants are in compliance.
- ✓ The executive Directors shall maintain a Capital Assets and a donor Log.
- ✓ The Executive Director is expected to present an administrative report at each scheduled Board of Director's meeting.
- ✓ The Executive Director shall ensure that adequate resources for program training, materials and compliance are available.
- ✓ All Financial systems utilized by the Executive Director shall be in accordance with GAAP and Accrual Accounting Methods.
- ✓ Finally, the Executive Director is responsible for cross-training ADCS employees to ensure continuity of all ADCS programs and positions including that of the Executive Director.

#### ADCS Financial Security Measures:

- ✓ An outside contractor shall be hired to carry out the following duties: Run Payroll, reconciliation of savings and checking accounts as well prepare appropriate tax documents and ensure taxes are paid at appropriate times (among other services, see attachment A). These services will be performed by the contractor at prescribed intervals as outlined in attachment A. The Contractor is encouraged to meet with the Treasurer and/or President on a necessary basis and communicate and concerning information to them in a timely fashion.
- ✓ All passwords, combinations to safes, keys to registers, and account numbers are to be kept in the Administrative Safe. Only the Executive Director and their assistant are to have access to this safe.
- ✓ The ADCS Board of Director's Treasurer and Presidents have been added as account signers and are encouraged to participate in signing as need be.
- ✓ Check signers should be independent of the check generator. All invoices and their respective checks must be compared and ensured that they match before any checks are approved and signed.
- ✓ Program expenditures shall be cleared by the Executive Director prior to expenditure reimbursement. Receipts are required for reimbursements.
- ✓ Executive Director shall ensure that the ADCS Payroll/Timekeeping Responsibility Flowchart is followed (See Attachment C).
- ✓ Regarding the Serenity Inn: Checks and Balances Procedure for revenue collection
  - Rent Collection:
    - ↳ As rents are collected, the manger shall create a receipt from the appropriate receipt booklet. Receipts should then be recorded into the ledger.

## → Bank Deposits:

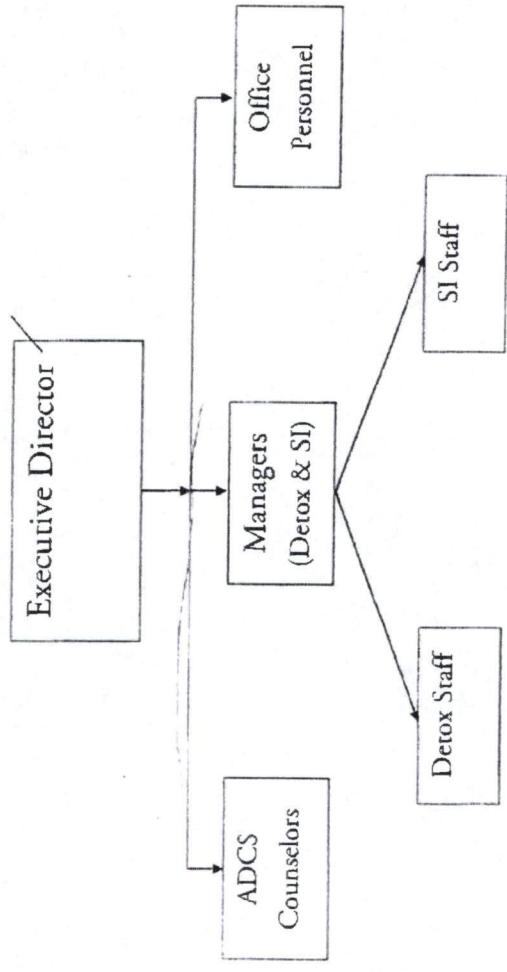
- ↳ Before creating a bank deposit slip, the receipt booklet and the ledger must be compared by the Executive Director and the Manager to ensure that both the ledger and the receipt booklet match.
- ↳ The deposit slip must be signed for accuracy by *both* the Executive Director and the Manager.
- ↳ Once the deposit is made, the deposit receipt shall be turned in to the contracted accountant.
- ↳ All ledgers and receipt booklets shall be available for the Treasurer to view.

## → Security Deposits:

- ↳ All security deposits shall be kept in a separate escrow account.



# ADCS PAYROLL/ TIMEKEEPING RESPONSIBILITY BREAKDOWN



- ✓ The Executive Director will sign off on all timecards
- ✓ The staff at Detox and Serenity Inn will have their timecards signed off by their direct manager.

**Exhibit A – Attachment 2**

**Andrea Ralph Accounting**

123 F Street, Suite A  
Eureka, CA 95501

Date: October 14, 2013

707.444.2105 bus  
707.444.3145 fax

To: Scott Cunningham, Executive Director  
Alcohol Drug Care Services

Re: Proposal for Monthly Accounting Services:

Process payroll for employee(s) on the 5<sup>th</sup> and 20<sup>th</sup> of each month  
Generate paychecks for employee each payroll and submit to check signers  
Generate and submit wage garnishment checks to proper agencies  
Prepare any workers compensation reports and generate payments  
Prepare for and facilitate workers compensation audits  
Reconcile bank accounts on a monthly basis, review of entries, make adjustments and train Executive Director regarding QuickBooks modules.  
Meet with Treasurer of the Board as necessary to review financial statements  
Prepare reports for monthly Board Meeting as directed  
Prepare and submit semi-monthly 941 Payroll Tax Deposits  
Prepare and submit semi-monthly EDD Payroll Tax Deposits

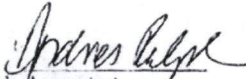
Other Services included in proposal:

Prepare and Submit Quarterly Payroll Tax Returns for IRS and EDD  
Prepare and Submit Year-End Payroll Tax Returns for IRS and EDD  
Prepare and Submit Form W-2's and W-3 at year end to employees, clients and Social Security Administration  
Prepare and submit Form 1099(s) at year end to Vendors and IRS  
Prepare Donor – Tax Deduction letters at year end and mail out as required

Communicate any suggestions re: efficiency or streamlining accounting tasks

Monthly Fee: \$750 per month - Should additional time be required for accounting tasks not listed above, a request will be made to the President and/or Treasurer before beginning work.

Signed by: \_\_\_\_\_  
Scott Cunningham  
Executive Director

Signed by:   
Andrea Ralph, Accountant

Date: \_\_\_\_\_

Date: October 16, 2013

andrearalph@suddenlink.net



## EXHIBIT B

### PAYMENT AGREEMENT

#### A. COMPENSATION

1. COUNTY will reimburse CONTRACTOR for services pursuant to this agreement not to exceed the maximum amount of Two Hundred Twenty Eight Thousand, Three Hundred Seventy Three Dollars (\$228,373) per Fiscal Year during the period of July 1, 2014 through June 30, 2016. All costs incurred above the maximum amount will be the responsibility of the CONTRACTOR. It shall be the responsibility of CONTRACTOR to notify COUNTY in writing, at least six weeks prior to the date upon which CONTRACTOR estimates that the maximum amount will be reached.
2. Payment for Residential Treatment only shall consist of the following:

COUNTY shall pay CONTRACTOR at the rate of Fifty Five Dollars (\$55.00) per bed day for Residential services. CONTRACTOR shall be responsible to repay COUNTY the amount of any claim or portion of claim denied or disallowed by the State Department of Alcohol and Drug Programs.
2. Payment for Detox Services only shall consist of the following:

COUNTY shall pay CONTRACTOR at the rate of Eighty Dollars (\$80.00) per bed day for Detoxification services. CONTRACTOR shall be responsible to repay COUNTY the amount of any claim or portion of claim denied or disallowed by the State Department of Alcohol and Drug Programs.
3. CONTRACTOR agrees that the fees are payment in full for clients' treatment, including housing, utilities and daily personal essentials for the Residential and Detoxification services; and any third party or client fees collected by CONTRACTOR must be returned to COUNTY.
5. In the event that CONTRACTOR'S Annual Cost Report as required by Section 11. REPORTING fails to justify and support the established rates as set forth in Exhibit B PAYMENT, Section A. COMPENSATION, Subdivision 1, COUNTY reserves the right to negotiate a provisional treatment rate for Treatment with CONTRACTOR that reflects the actual program costs. If it is determined that the cost reported by CONTRACTOR is less than the actual payments made by COUNTY, CONTRACTOR shall reimburse COUNTY for the overpayment.
6. In the event services provided or claimed under this Agreement are disallowed or denied through utilization review, state or county claims process, or state or county error correction procedures, the amount of any such disallowance or denied claim shall be reimbursed by CONTRACTOR through direct payment to COUNTY or adjustment of subsequent payments made under this Agreement.

**B. BILLING AND PAYMENT**

1. CONTRACTOR shall submit to COUNTY monthly by the 10th of each month following the month of service, an invoice and itemized statement that details expenditures and charges for services rendered. COUNTY shall make payment within 45 days of receipt of CONTRACTOR's correct and approved invoice and itemized statement.



**FIRST AMENDMENT**

**AGREEMENT  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND**

**ALCOHOL DRUG CARE SERVICES, INC.  
FOR FISCAL YEARS 2014-2015 AND 2015-2016**

This First Amendment to the Agreement for professional alcohol and drug treatment services dated June 24, 2014, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Alcohol Drug Care Services, Inc., a California Non-Profit Corporation, hereinafter referred to as "CONTRACTOR," is entered into this 19<sup>th</sup> day of January, 2016.

WHEREAS, on June 24 2014, COUNTY and CONTRACTOR entered into an Agreement for alcohol and drug counseling and treatment services ("Alcohol and Drug Services Agreement"); and

WHEREAS, the parties now desire to amend certain provisions of the Alcohol and Drug Services Agreement to ensure compliance with Standard Agreement No. 10-NNA12 between COUNTY and the California Department of Alcohol and Drug Programs and Standard Agreement No. EP1402567 between COUNTY and the California Department of Health Care Services.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 18 – COMPLIANCE WITH LAWS is hereby amended to read as follows:

18. COMPLIANCE WITH LAWS:

CONTRACTOR agrees that all professional level persons employed by CONTRACTOR have met applicable professional licensure requirements pursuant to the California Welfare and Institutions and Business and Professions Codes. CONTRACTOR further agrees to comply with any applicable federal, state or local licensing standards, any applicable accrediting standards and any other applicable standards or criteria established locally or by the state or federal governments.

CONTRACTOR agrees to comply with all applicable terms and conditions of COUNTY's Standard Agreement Number 10-NNA12 with the State of California Department of Alcohol and Drug Programs (ADP) or any subsequent agreements on the same matter with the State of California Department of Health Care Services, and all pertinent local, state and federal statutes and regulations, including, without limitation:

- A. Trafficking Victims Protection Act of 2000. CONTRACTOR, and its subcontractors that provide services covered by this Agreement, shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 USC §7104), and any current and future implementing regulations promulgated thereunder, all as may be amended from time to time.
- B. Charitable Choice Requirements. CONTRACTOR, and its subcontractors that provide services covered by this Agreement, shall establish such processes and procedures as necessary to comply with the provisions of 42 USC Section 300x-65 and any current and



future implementing regulations promulgated thereunder, including, without limitation, 42 CFR Part 54, all as may be amended from time to time. The applicable provisions of 42 CFR Part 54, including, but not limited to, the applicable client notice requirements, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

C. Americans with Disabilities Act. CONTRACTOR, and its subcontractors that provide services covered by this Agreement, shall comply with the applicable provisions of the Americans with Disabilities Act and any current and future implementing regulations promulgated thereunder. Compliance with the Americans with Disabilities Act, includes, but is not limited to, the following areas:

1. Whatever written information is provided regarding CONTRACTOR's programs will also be provided in alternate formats, including Braille, large print audio recording, and electronic formats, upon request.
2. Enter into contracts or make other arrangements with qualified sign language and oral interpreters to ensure their availability when required for effective communication with persons who are deaf or hearing impaired. The type of aid that will be required for effective communication will depend on the individual's usual method of communication and the nature, importance and duration of the communication at issue. In many circumstances, oral communication supplemented by gestures and visual aids, an exchange of written notes, use of a computer or typewriter or use of an assistive listening device may be effective. In other circumstances, qualified sign language or oral interpreters are needed to communicate effectively with persons who are deaf or hearing impaired. The more lengthy, complex and important the communication, the more likely it is that a qualified interpreter will be required for effective communication with a person whose primary means of communication is sign language or speech reading.
3. If CONTRACTOR operates a hotline to take telephone calls of an emergency nature, CONTRACTOR shall ensure that it provides equivalent service for persons who use TTY's, including providing direct-connection service for TTY users with hotline operators, without requiring TTY users to call through a third party operator, such as through the state or local Telecommunication Relay Procedures, and provide the training necessary to ensure effective communication by hotline staff with direct-connection callers using TTY's, as well as the training necessary to respond to callers who use the Telecommunication Relay Services.
4. Survey facilities used as shelters or designated as potential shelters – or for counseling, job training, education, clothing or household provisioning or other aspects of programs – to ensure that adequate arrangements are available for potential clients and family members with disabilities, including adults and children who have mobility impairments, who are blind or have low vision, and who are deaf or hearing impaired.
5. Have written procedures and modify, as appropriate, eligibility criteria, to ensure that no person with a disability is turned away from a shelter or otherwise denied the opportunity to benefit from the services of CONTRACTOR's program on the basis of disability.



6. Have written procedures to ensure that persons with disabilities who use service animals are not denied or discouraged from participating in CONTRACTOR's program, are able to be housed and served in an integrated environment, and are not separated from their service animals while participating in the program even if pets are normally not permitted in the facilities where such programs are conducted. The procedures shall not unnecessarily segregate persons who use service animals from others, but may take into account the potential presence of persons who, for safety or health reasons, should not be in contact with certain types of animals.
  7. Have written procedures to ensure that reasonable modifications are made to CONTRACTOR's program when necessary for a client or family member with a disability to participate in such programs, unless doing so would fundamentally alter the nature of the program.
  8. Have written policies to ensure that despite any "drug-free" policy of CONTRACTOR's program, persons with disabilities who use medication prescribed for their use are able to continue using such medication while participating in such programs or being housed in a shelter.
2. Except as modified herein, the Alcohol and Drug Services Agreement dated June 24, 2014 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Alcohol and Drug Services Agreement, the provisions of this First Amendment shall govern.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have entered into this First Amendment as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER

**ALCOHOL DRUG CAFE SERVICES, INC.:**

By: [Signature]

Date: 12/8/15

Name: LARRY HAUG

Title: TREASURY

By: [Signature]

Date: 12-8-15

Name: Brad Gekler

Title: President BOD

**COUNTY OF HUMBOLDT:**

By: [Signature]  
Chair, Board of Supervisors

Date: 1-19-16

APPROVED AS TO INSURANCE:

By: [Signature]  
Risk Management

Date: 12/23/15

ATTEST:

**KATHY HAYES**  
Clerk of the Board of Supervisors of the County of Humboldt, State of California

By: [Signature], Deputy

Date: 1-19-2016