



AGENDA ITEM NO.  
**C-7**

# COUNTY OF HUMBOLDT

For the meeting of: June 20, 2017

Date: May 18, 2017  
To: Board of Supervisors  
From: Connie Beck, Director  
Department of Health and Human Services-Mental Health

*DWCB*

Subject: First Amendment to the Professional Services Agreement by and between County of Humboldt and Mental Health Management 1, Inc., Doing Business As Canyon Manor, for fiscal years 2016-17 through 2018-19

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Board Chair to execute, the attached first amendment to the professional services agreement regarding the provision of long-term residential treatment services to adults with chronic mental illnesses, by and between County of Humboldt and Mental Health Management 1, Inc., doing business as Canyon Manor, for fiscal years 2016-17 through 2018-19; and
2. Direct the Clerk of the Board to return two (2) executed originals of the attached first amendment to the Department of Health and Human Services – Contract Unit.

SOURCE OF FUNDING:

Mental Health Fund

DISCUSSION:

The Humboldt County Department of Health and Human Services – Mental Health (“DHHS – Mental Health”), in concert with the Humboldt County Public Guardian’s Office, utilizes a variety of placement options to provide long term care to chronically mentally ill clients requiring a locked and secure setting. It

Prepared by : Joseph Demlow, Administrative Analyst II

CAO Approval

*[Signature]*

|         |                            |                                 |                 |                                |             |
|---------|----------------------------|---------------------------------|-----------------|--------------------------------|-------------|
| REVIEW: | Auditor <u><i>UCBM</i></u> | County Counsel <u><i>Sm</i></u> | Personnel _____ | Risk Manager <u><i>KCB</i></u> | Other _____ |
|---------|----------------------------|---------------------------------|-----------------|--------------------------------|-------------|

TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Fennell* Seconded by Supervisor *Wilson*

Ayes *Sundberg, Fennell, Bass, Bohn, Wilson*

Nays \_\_\_\_\_

Abstain \_\_\_\_\_

Absent \_\_\_\_\_

PREVIOUS ACTION/REFERRAL:

Board Order No. C-12, C-9, C-6, C-13

Meeting of: 12/18/12, 6/25/13, 6/3/14, 5/24/16

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

Dated: June 20, 2017  
By: *[Signature]*  
Kathy Hayes, Clerk of the Board

**FIRST AMENDMENT  
PROFESSIONAL SERVICES AGREEMENT  
BY AND BETWEEN  
COUNTY OF HUMBOLDT  
AND  
MENTAL HEALTH MANAGEMENT 1, INC. DBA CANYON MANOR  
FOR FISCAL YEARS 2016-2017 THROUGH 2018-2019**

This First Amendment to the Professional Services Agreement dated May 24, 2016, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Mental Health Management 1, Inc., doing business as Canyon Manor, a California corporation, hereinafter referred to as "CONTRACTOR," is entered into this 20<sup>th</sup> day of June, 2017.

WHEREAS, COUNTY, by and through its Department of Health and Human Services – Mental Health, desired to retain a qualified mental health rehabilitation center to provide a long-term residential treatment program for adults with chronic mental illnesses; and

WHEREAS, on May 24, 2016, COUNTY and CONTRACTOR entered into a Professional Services Agreement regarding the provision of long-term residential treatment services to adults with chronic mental illnesses; and

WHEREAS, the parties now desire to amend certain provisions of the Professional Services Agreement in order to increase the maximum amount payable thereunder and adjust the rates of compensation set forth therein.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 4 – Compensation of the Professional Services Agreement is hereby amended to read as follows:

4. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for services rendered, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is Three Hundred Thirty-Six Thousand Fifty-Six Dollars (\$336,056.00). In no event shall the maximum amount paid under this Agreement exceed One Hundred Eight Thousand Eight Hundred Fifty Dollars (\$108,850.00) for fiscal year 2016-2017 and One Hundred Thirteen Thousand Six Hundred Three Dollars (\$113,603.00) per fiscal year for fiscal years 2017-2018 and 2018-2019. CONTRACTOR agrees to perform all services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable for services provided hereunder, or terminate this Agreement as provided herein.

- B. Schedule of Rates. The specific rates and costs applicable to this Agreement are set forth in Exhibit B – Schedule of Rates, which is attached hereto and incorporated herein by reference.

C. Additional Services. Any additional services not otherwise provided for herein, shall not be provided by CONTRACTOR, or compensated by COUNTY, without written authorization by COUNTY. All unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.

2. The Professional Services Agreement is hereby amended to delete Exhibit B – Schedule of Rates (“Exhibit B”), and replace it in its entirety with the modified version of Exhibit B that is attached hereto and incorporated herein by reference. The modified version of Exhibit B attached hereto shall supersede any and all prior versions thereof as of July 1, 2017.
3. Except as modified herein, the Professional Services Agreement dated May 24, 2016 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Professional Services Agreement, the provisions of this First Amendment shall govern.

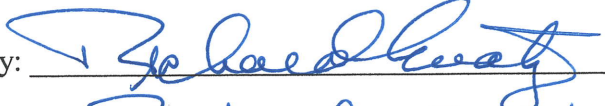
[Signatures on Following Page]

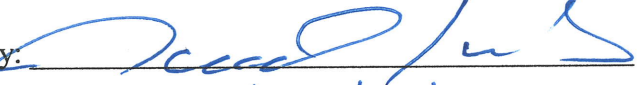
IN WITNESS WHEREOF, the parties have entered into this First Amendment as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

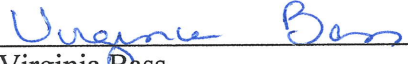
- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER.

**MENTAL HEALTH MANAGEMENT 1, INC. DBA CANYON MANOR:**


By:  Date: 5/16/17  
 Name: Richard Evartz  
 Title: Executive Director

By:  Date: 5/16/17  
 Name: Paul Hill  
 Title: Assistant Director

**COUNTY OF HUMBOLDT:**

By:  Date: 4/20/17  
 Virginia Bass  
 Chair, Humboldt County Board of Supervisors

**INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:**

By:  Date: 5-30-17  
 Risk Management

**LIST OF EXHIBITS:**

Exhibit B – Schedule of Rates

**EXHIBIT B**  
**SCHEDULE OF RATES**  
**MENTAL HEALTH MANAGEMENT 1, INC. DBA CANYON MANOR**  
**FOR FISCAL YEARS 2016- 2017 THROUGH 2018- 2019**

CONTRACTOR shall submit request for payment monthly for bed days provided within Canyon Manor, a Mental Health Rehabilitation Center (“MHRC”). Rate of compensation will be consistent with the rates as stated by CONTRACTOR, provided to the COUNTY.

Compensation: Reimbursement from the COUNTY to the CONTRACTOR is based on a maximum rate per bed day for the provision of Mental Health Rehabilitation Center Services as outlined in Exhibit A – Scope of Services.

**1. RATE OF COMPENSATION:**

The COUNTY and CONTRACTOR agree to the following rates as of July 1, 2017:

- Residential rehabilitation services as described in Exhibit A - \$311.24 per bed day

CONTRACTOR may review and submit to COUNTY, in writing, rate changes with a frequency of not more than one (1) time per fiscal year.

COUNTY will reimburse CONTRACTOR for services pursuant to this Agreement not to exceed the maximum amount of One Hundred Eight Thousand Eight Hundred Fifty Dollars (\$108,850) for fiscal year 2016-2017 and One Hundred Thirteen Thousand Six Hundred Three Dollars (\$113,603.00) per fiscal year for fiscal years 2017-2018 and 2018-2019. In order to obtain the continued services of CONTRACTOR, COUNTY may adjust the maximum amount payable hereunder through an amendment in accordance with the terms of this Agreement.